

Contractor Enters into \$41.9 Million Settlement

On July 11, 2005, PriceWaterhouseCoopers, LLP (PWC) agreed to pay \$41.9 million to settle allegations that it made false claims to numerous Federal agencies, including EPA, in connection with claims it made to those agencies for travel reimbursement. PWC received rebates on its travel expenses from travel and credit card companies, airlines, hotels, rental car agencies, and travel service providers.

The Government alleged that PWC did not consistently disclose the existence of these travel rebates to the United States and did not reduce its travel reimbursement claims by the amounts of the rebates. The Government's complaint alleged that PWC knowingly presented claims for payment to the United States for amounts greater than the travel expenses actually incurred and in violation of contractual provisions and the applicable provisions of the Federal Acquisition Regulations.

The settlement resolved a suit filed under the qui tam provisions of the False Claims Act in January 2001. The False Claims Act qui tam statute allows persons who file successful actions alleging fraud against the Government to receive a share of any resulting recovery.

This investigation was conducted jointly by the U.S. Army Criminal Investigation Division Command (Major Procurement Fraud Unit); the Defense Criminal Investigative Service; the Defense Contract Audit Agency; and the Offices of the Inspector General for the Department of Energy, the National Aeronautics and Space Administration, the Department of Transportation, the General Services Administration, the United States Postal Service, the Environmental Protection Agency, the United States Agency for International Development, and the Department of the Treasury.