

Department of Justice
U.S. Attorney's Office
District of South Carolina

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Savannah River Site Contractor Agrees to Pay \$3.8 Million to Settle False Claims Act Allegations

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Columbia, South Carolina---- United States Attorney Bill Nettles announced today that Parsons Government Services Inc. has agreed to pay the United States \$3.8 million to settle allegations that the company knowingly mischarged the U.S. Department of Energy (DOE) for ineligible or inflated short-term and long-term employee relocation costs in connection with its contract on the DOE Salt Waste Processing Facility Project (SWPF) at the DOE Savannah River Site in Aiken, South Carolina. Parsons is headquartered in Pasadena, California.

“The District of South Carolina continues to devote significant resources to pursuing claims under the False Claims Act and this is yet another example of how this commitment is benefiting the taxpayers by recovering funds for the government,” said U.S. Attorney Bill Nettles of the District of South Carolina

“Those who expect to do business with the government must do so fairly and honestly,” said Principal Deputy Assistant Attorney General Benjamin C. Mizer, head of the Justice Department’s Civil Division. “Today’s settlement demonstrates that the Department of Justice will pursue contractors that knowingly seek taxpayer funds to which they are not entitled.”

Since Sept. 1, 2002, Parsons has been the primary construction contractor on the DOE’s SWPF project at the Savannah River Site. Pursuant to the terms of the SWPF contract, Parsons was entitled to be reimbursed for the payments it made to eligible employees for moving, meals, lodging and transportation expenses incurred when the employees were relocated or transferred by Parsons to work on the SWPF project in Aiken. In order to be entitled to reimbursement by the DOE, however, Parsons was required to take steps to ensure that the employees met certain contractual requirements of eligibility, such as maintaining a permanent residence at the location from which they were transferred. The United States alleged that Parsons sought and obtained reimbursement for these relocation expenses under the SWPF contract even for employees it knew did not qualify for these payments under the terms of the contract.

The settlement was the result of a coordinated effort by the United States Attorney's Office for the District of South Carolina, the Civil Division's Commercial Litigation Branch, the DOE Savannah River Operations Office and the DOE Office of Inspector General.

The claims resolved by the settlement are allegations only; there has been no determination of liability.