



THE UNITED STATES ATTORNEY'S OFFICE
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U.S. Attorney's Office

District of Connecticut

FOR IMMEDIATE RELEASE

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Connecticut Employment Contractor Pays \$600K to Resolve Federal False Claims Act Allegations

The United States Attorney's Office today announced that it has entered into a settlement agreement with New Britain-based CW Resources Inc. to resolve allegations that CW Resources submitted claims that falsely certified compliance with program requirements and failed to maintain adequate medical documentation of significantly disabled employees pursuant to the AbilityOne Program.

The U.S. AbilityOne Commission is an independent federal agency that administers the AbilityOne Program, which provides employment opportunities for people who are blind or have significant disabilities in the manufacture and delivery of products and services to the federal government. To qualify for contracts administered by the AbilityOne Commission, CW Resources was required by federal regulation to employ significantly disabled individuals for 75 percent of its direct labor hours. To maintain compliance, CW Resources was required to submit annual certifications certifying such compliance.

It is alleged that CW Resources certified to the federal government that its direct labor hour figures were true and accurate when, in fact, the direct labor hours actually worked by significantly disabled individuals were much lower and were not supported by adequate medical documentation.

To resolve allegations under the False Claims Act, CW Resources has agreed to pay the federal government \$600,000 and enter into a compliance agreement.

"These false claims damaged an important government program that provides employment opportunities for people who are blind or have significant disabilities, and we hope that this settlement and the funds recovered send a significant deterrent message," said Acting U.S. Attorney Leonard C Boyle. "Protecting the U.S. Treasury against false claims is a priority of this office and the Justice Department. I thank CW Resources for cooperating fully during the extensive investigation of this matter and we are confident that the compliance program incorporated into this agreement by the AbilityOne Commission will have a positive impact."

"Protecting the integrity of the procurement process is a top priority for the Department of Defense (DoD) Office of Inspector General Criminal Investigative Service (DCIS)," stated Special Agent in Charge Patrick J. Hegarty, DCIS Northeast Field Office. "Organizations that contract with the DoD under the AbilityOne Program are expected to fulfill the promises they make to the DoD and the significantly disabled individuals the program is intended to employ."

“This settlement represents the government’s commitment to hold any AbilityOne contractor accountable for noncompliance and ensure that federal dollars intended to employ workers who are blind or have significant disabilities are indeed used for that purpose” said Acting Inspector General Stefania Porter of the U.S. AbilityOne Commission. “Working with the United States Attorney’s Office and our investigative and law enforcement partners, the AbilityOne Office of Inspector General protects the integrity and public trust in the largest employment program in the nation of blind and significantly disabled workers.”

This investigation was conducted by the Office of the Inspector General for the U.S. AbilityOne Commission, the Department of Defense Office of Inspector General Defense Criminal Investigative Service, the Defense Contract Audit Agency, and the U.S. Attorney’s Office. The case is being prosecuted by Assistant U.S. Attorney William M. Brown, Jr.

Topic(s):

Disability Rights

False Claims Act

Component(s):USAO - Connecticut

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