



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

District of Maryland

FOR IMMEDIATE RELEASE

Tuesday, January 24, 2023

United States Attorney's Office Reaches \$639,916 Settlement with Governor of Maryland's Office on Service and Volunteerism to Resolve Alleged False Claims for AmeriCorps Program Funds

Baltimore, Maryland – The State of Maryland Governor's Office on Service and Volunteerism ("GOSV"), a division within the Governor's Office on Community Initiatives ("GOCI"), has agreed to pay the United States \$639,916 and enter into a compliance agreement to resolve a civil False Claims Act investigation relating to the operation of its AmeriCorps program.

The settlement agreement was announced today by United States Attorney for the District of Maryland Erik L. Barron and AmeriCorps' Inspector General Deborah Jeffrey.

"This settlement demonstrates our firm commitment to protect taxpayer money and to guard the integrity of federal grant funds," said United States Attorney Erik L. Barron. "State agencies, such as GOSV and GOCI, are required to properly account for their use of federal grant funds and when they fail to do so they will be held accountable," said U.S. Attorney Barron.

"AmeriCorps depends on state service commissions to be partners in stewardship of national service funds. The Maryland Governor's Office on Service and Volunteerism failed in that trust by overstating its expenses and other irregularities that deprived at-risk communities of benefits intended for them," said Deborah Jeffrey, AmeriCorps' Inspector General. "We thank the U.S. Attorney's Office for the District of Maryland for their work in protecting the integrity of national service."

AmeriCorps' mission is to engage millions in service and national volunteer efforts. State Commissions, such as the State of Maryland Governor's Office on Service and Volunteerism ("GOSV"), administer AmeriCorps programs which includes oversight and administration of AmeriCorps' grant funds to subgrantees. GOSV, which is part of GOCI, supports more than 800 AmeriCorps members each year in the State of Maryland through its grant-making program. In 2016 AmeriCorps awarded GOSV a grant "[t]o promote and recognize volunteer activities throughout the state with events such as: Governor's Service Awards, Governor's Volunteer Appreciation Day at the Maryland State Fair, and Honor Rows to recognize youth groups who are active in their community the chance to attend a Baltimore Ravens game free of charge." Pursuant to the terms of the AmeriCorps' grant, GOSV was required to maintain a financial management system that provided accurate, current, and complete disclosure of the financial results of each Federal award and retain

records that identify adequately the source and application of funds. GOCI provides accounting services to GOSV and other coordinating offices and thus was involved in the administration of the AmeriCorps grant awards.

The United States contends that GOSV and GOCI engaged in widespread violations of the AmeriCorps grant requirements, including distributing Orioles and Maryland State Fair tickets that were intended to be given to volunteers to individuals who were not eligible under the grant, including GOSV employees themselves, charging salaries of GOSV and GOCI employees, including the Director of GOSV, to the AmeriCorps grant without timesheets or time records to reflect the fact these individuals worked on the AmeriCorps grant, and overcharging AmeriCorps on certain Federal Financial Reports ("FFR") that were submitted to AmeriCorps to demonstrate how GOSV expended the grant funds. Additionally, GOSV and GOCI entered into an expansive, three year Compliance Agreement with AmeriCorps that will govern and monitor the AmeriCorps GOSV awards to ensure compliance with AmeriCorps grant procedures.

The claims resolved by this settlement are allegations only, and there has been no determination of liability.

U.S. Attorney Erik L. Barron commended the investigation which was conducted by the AmeriCorps Office of Inspector General. The case was handled by Assistant United States Attorney Thomas Corcoran.

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Topic(s):

False Claims Act

Component(s):

USAO - Maryland

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