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Eastern District of California

FOR IMMEDIATE RELEASE

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University of San Francisco Agrees to Pay over \$2.5M for Alleged False Claims in Its Administration of AmeriCorps Grants

SACRAMENTO, Calif. — The University of San Francisco (USF) has agreed to pay \$2,561,727 to resolve allegations under the False Claims Act that it knowingly presented false and fraudulent claims to the Corporation for National and Community Service (CNCS) in order to secure federal grant funds under the AmeriCorps State and National Program. CNCS is an independent federal agency that administers the AmeriCorps national service program.

USF obtained AmeriCorps funding to support the San Francisco Teacher Residency Program that allowed students working towards teaching degrees to earn living allowances and money towards their tuition costs by serving as teacher apprentices in high-needs schools within the San Francisco Unified School District. To receive an AmeriCorps education award, among other requirements, each volunteer had to serve a specified number of hours that were required to be timely and accurately documented.

Based on its investigation, the United States contends that USF, through the director of the San Francisco Teacher Residency Program, falsified over 1,500 timesheets and falsely certified approximately 61 education awards during the 2014, 2015, and 2016 grant years to qualify its program and students for receipt of more than \$1.7 million in federal grant funds administered by CNCS. When the United States brought these issues to the attention of senior USF management, USF voluntarily relinquished the grant and actively cooperated during the investigation.

"When federal grantees commit fraud to get or keep federal grant money, the United States Attorney's Office and our federal law enforcement partners will pursue these wrongdoers, seeking damages and substantial civil penalties where warranted," stated U.S. Attorney Scott. "In this case, USF's cooperation with federal investigators was a key factor in determining an appropriate resolution."

"One whistleblower stepped forward to expose a brazen fraud. Our thanks go to him, to the U.S. Attorney's Office for the Eastern District of California for its vigorous action and the cooperation of USF to make the public whole," said CNCS Inspector General Deborah J. Jeffrey.

The allegations resolved by this settlement were first raised in a lawsuit filed against USF under the qui tam, or whistleblower, provisions of the False Claims Act by the former assistant director of the San Francisco Teacher Residency (No. 2:16-cv-2789). The False Claims Act allows private citizens with knowledge of fraud to bring civil actions on behalf of the government and to share in any recovery.

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This investigation was conducted jointly by the CNCS Office of Inspector General and the U.S. Attorney's Office for the Eastern District of California. Assistant U.S. Attorney Geoffrey Wilson handled the matter for the United States.

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

Attachment(s): Download Settlement

Topic(s): False Claims Act

Component(s): USAO - California, Eastern

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