

JUSTICE NEWS

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Virginia-Based Move Management Company Pays More Than \$500,000 to Settle Overbilling Claims in Connection with Transportation of Personal Property in Relocating Federal Employees

RE/MAX Allegiance Relocation Services, a Virginia-based move management company, has agreed to pay the government \$509,807 to resolve allegations that it violated the False Claims Act by overbilling for transportation services, the Department of Justice announced today.

“Today’s settlement demonstrates our continuing vigilance to ensure that those doing business with the government do so legally and honestly and that taxpayer funds are not misused,” said Assistant Attorney General for the Civil Division Stuart F. Delery. “Government contractors who seek to profit at the expense of taxpayers will be held accountable.”

The settlement relates to allegations involving contracts to transport personal property of federal employees relocating duty stations within the United States and between the United States and Canada. The government alleged that the defendant charged for move management services that were not provided and overbilled agencies on other moves by charging inapplicable tariff rates.

“We encourage whistleblowers to provide us with useful information to help us combat all manners of fraud on the U.S. Government,” said U.S. Attorney for the Eastern District of Virginia Dana J. Boente.

“We will continue to investigate allegations of federal contractors fraudulently maximizing their profits at the expense of American taxpayers,” said U.S. General Services Administration Acting Inspector General Robert C. Erickson.

The settlement resolves allegations filed in a lawsuit by Michael Angel, a former employee of RE/MAX Allegiance Relocation Services, in federal court in Alexandria, Virginia. The lawsuit was filed under the *qui tam*, or whistleblower, provisions of the False Claims Act, which permit private individuals to sue on behalf of the government for false claims and to share in any recovery. The act also allows the government to intervene and take over the action, as it did in this case. Angel will receive \$86,667.

The settlement was the result of a coordinated effort by the Civil Division of the Department of Justice, the U.S. Attorney's Office for the Eastern District of Virginia, the General Services Administration Office of Inspector General, U.S. Department of Homeland Security Office of Inspector General, Department of Agriculture Office of Inspector General and NASA Office of Inspector General.

The case is captioned *United States ex rel. Michael Angel v. Franconia Real Estate Services, Inc., d/b/a RE/MAX Allegiance Relocation Services*; No. 1:12cv764 (E.D.Va.). The claims resolved by the settlement are allegations only; there has been no determination of liability.

14-705

Civil Division

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