



Department of Justice

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**DALLAS INDEPENDENT SCHOOL DISTRICT TO PAY U.S. \$316,000
TO RESOLVE ALLEGATIONS IT IMPROPERLY USED FEDERAL GRANT MONEY**

DALLAS - The Dallas Independent School District (DISD) has agreed to pay the U.S. \$316,000 to resolve allegations that it violated the civil False Claims Act, announced U.S. Attorney Richard B. Roper of the Northern District of Texas. The U.S. contends DISD violated federal law by seeking grant funds from the Centers for Disease Control and Prevention (CDC) between January 1, 2004 and April 30, 2007 for unsupported or unallowable costs. By entering into such a settlement, DISD admits no wrong-doing and denies all liability.

Beginning in 2002, to the present, DISD was paid federal grant monies from the CDC to perform certain public health activities. The CDC paid DISD to establish or strengthen procedures to monitor critical health behaviors of youth within DISD through implementation of a risk behavior survey and to strengthen policies, programs and support to help schools prevent behaviors that result in HIV infection among at-risk youths. Prior to being awarded grant funds each year, DISD represented to the CDC that such monies would subsidize the personnel costs of two district employees who spent 100% of their time on grant activities.

The U.S. contends that the fully-subsidized DISD employees spent significant amounts of time planning and providing health education materials and training to DISD employees that were outside the scope of the grant. DISD fully cooperated with the government's investigation. The settlement resolves all allegations that DISD failed to maintain adequate records supporting the costs claimed under the grant and to ensure that specified DISD personnel spent 100% of their time fulfilling required grant objectives.

The U.S. initiated the investigation in response to an October 2006 whistleblower action brought by Becky Beck, an employee of DISD. Under the False Claims Act, private individuals can bring whistleblower actions for fraud on behalf of the U.S. and collect a share of any proceeds recovered by the suit and attorney fees.

U.S. Attorney Roper praised the investigative efforts of the U.S. Office of Inspector General for the Department of Health and Human Services. The matter was handled by Assistant U.S. Attorney Sean R. McKenna.

The case is captioned *United States of America ex rel. Becky Beck v. Dallas Independent School District*; Civil Action No. 3-06-CV-1872-G (N.D. Tex.).

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