

FOR IMMEDIATE RELEASE

September 28, 2005

www.usdoj.gov/usao/aln

COMPUTER SCIENCES CORP PAYS \$1.275 MILLION TO SETTLE FALSE REIMBURSEMENT CLAIM

BIRMINGHAM, AL - United States Attorney Alice H. Martin of the Northern District of Alabama announces that Computer Sciences Corporation ("CSC") has agreed to settle civil allegations and reimburse the United States \$1,275,000.00 to settle allegations related to fraudulent conduct by a former CSC employee.

Computer Sciences Corporation, headquartered in El Segundo, California (suburb of Los Angeles) had a former employee based in its Huntsville office, and developed a scheme between 1994-2003 whereby CSC made payments to fictitious companies and then requested reimbursement for these payments under a contract with the National Space and Aeronautics Administration ("NASA"). The employee kept the amount of these transactions small in order to avoid detection by CSC and government auditors. However, over a period of approximately nine years NASA reimbursed CSC over \$1 million for the fraudulent payments. Upon learning of the employee's fraudulent scheme, CSC quickly disclosed all the relevant facts to the United States and fully cooperated with the subsequent investigation. The investigation revealed that while CSC had no knowledge of the fraud, CSC and its former employee both benefitted from the fraud.

"Even though CSC did not know about the employee's misconduct, this settlement reflects that CSC was in the best position to prevent the employee from committing fraud," said Alice H. Martin, United States Attorney. "Companies dealing with the United States have a duty to monitor the activities of their employees and ensure that all reimbursement requests submitted to the United States represent legitimate expenses."

Along with the United States Attorney's Office for the Northern District of Alabama, NASA's Criminal Investigation Division participated in the investigation and settlement of this matter.

Lloyd C. Peoples, Assistant United States Attorney, was the lead attorney in the investigation.