



PRESS RELEASE

**GAO Seeks the Public's Help in Fighting
Waste, Fraud, Abuse or Mismanagement of Recovery Act Funds**

Washington, DC (March 30, 2009) – As billions of dollars are distributed under the American Recovery and Reinvestment Act, the U.S. Government Accountability Office (GAO) is urging private citizens, government workers, contractors, and others to report waste, fraud, abuse, or mismanagement of those funds to FraudNet. FraudNet is an e-mail, phone, and fax hotline that processes allegations about federal agencies and federally funded programs.

“Congress and the President have insisted on accountability and transparency over Recovery Act funds, and we at GAO are taking steps to help ensure that accountability. The public can help to identify improper activities or weaknesses in programs that warrant scrutiny. FraudNET can play an important role in alerting GAO, potentially early on, to questionable uses of Recovery Act funds,” said Gene L. Dodaro, Acting Comptroller General of the United States and head of the GAO

“The Recovery Act has set aside billions of dollars to create jobs, invest in infrastructure, and fund other measures to counter the current economic downturn. Experience tells us that the risk of fraud and abuse grows when large sums are spent quickly, eligibility requirements are being established or changed, and new programs created.” Dodaro added.

Begun in 1979 as a toll-free phone number, FraudNet has expanded in recent years to receive allegations via the internet, fax, or letter. The public can call 1-800-424-5454 (an automated answering system); send an e-mail to fraudnet@gao.gov; send a fax to (202) 512-3086; or write to: GAO FraudNet 441 G Street, NW, Mail Stop 4T21, Washington, DC 20548. The public may also visit the FraudNet page of our website at <http://www.gao.gov/fraudnet/fraudnet.htm>.

Evidence or suspicions of abuse may be provided anonymously and GAO treats all inquiries confidentially. Internet information is transmitted over a secure connection. Tipsters are asked to provide as much detail as possible about their allegations. GAO may refer allegations for follow-up to its own investigative units, appropriate inspector general offices, or to the Justice Department. Past reports of alleged mismanagement and wrongdoing have covered topics as varied as the misappropriation of funds, security violations, and contractor fraud.

The Recovery Act requires GAO to issue bimonthly reviews of how selected states and localities are using funds. The agency has selected a core group of 16 states to follow over the next several years, along with a sample of localities within those states. GAO will also issue targeted studies in areas such as small business lending, education, and trade adjustment assistance.

(more)

For more information, contact Chuck Young, Managing Director of Public Affairs, at (202) 512-4800.

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GAO, the audit and investigative arm of Congress, helps meet legislators' need for timely and reliable information on a wide range of government activities. The agency seeks to improve the performance of the federal government and hold it accountable to Congress and, ultimately, the American people. GAO examines the use of public funds; evaluates how well programs and policies are meeting their objectives; and provides analyses, recommendations, and other assistance to help Congress make sound oversight, policy, and funding decisions.