

OFFICE OF THE STATE INSPECTOR GENERAL
ANNUAL REPORT TO THE GOVERNOR AND THE
GENERAL ASSEMBLY OF VIRGINIA

FRAUD AND ABUSE WHISTLE BLOWER FUND

SEPTEMBER 2014



JUNE W. JENNINGS, CPA
STATE INSPECTOR GENERAL
REPORT No. 2014-ADM-003



COMMONWEALTH OF VIRGINIA
Office of the State Inspector General

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September 29, 2014

The Honorable Terence R. McAuliffe
Governor of Virginia
Patrick Henry Building, Third Floor
1111 East Broad Street
Richmond, VA 23219

Members of the Virginia General Assembly
General Assembly Building
1000 Bank Street
Richmond, VA 23219

Dear Governor McAuliffe and Members of the Virginia General Assembly:

Pursuant to *Code of Virginia* [§ 2.2-3014](#), the Office of the State Inspector General submits the fiscal year 2014 summary of Fraud and Abuse Whistle Blower Reward Fund activities.

Fraud and Abuse Whistle Blower Protection Act Program

The Fraud and Abuse Whistle Blower Reward Fund (Fund) is solely used to provide monetary rewards to Commonwealth of Virginia (Commonwealth) citizens and state government employees who have disclosed information of wrongdoing or abuse under the Fraud and Abuse Whistle Blower Protection Act (WBPA) for a disclosure that results in a savings of at least \$10,000. The amount of the reward is equal to one percent of total savings realized by the Commonwealth as a result of the disclosure, not to exceed \$5,000.

The Office of the State Inspector General (OSIG) assumed responsibility for administering the WBPA July 1, 2012. Commonwealth of Virginia (Commonwealth) citizens and state government employees are encouraged to report instances of wrongdoing or abuse by state and non-state agencies without fear of discrimination or reprisal per *Code of Virginia (Code)* [§ 2.2-3009](#) et seq.

Fiscal Year 2014 Fund Legislative Changes

[House Bill 439](#), incorporated into Chapter 403 of the Virginia Acts of Assembly, was introduced by Delegate James Lemunyon, passed the House and Senate, and went into effect July 1, 2014. The Bill:

- Expanded the Fraud and Abuse Whistle Blower Protection Act to all citizens of the Commonwealth (*Code* [§ 2.2-3009](#)).
- Made all Virginia citizens eligible for an award from the Fraud and Abuse Whistle Blower Reward Fund, provided the requirements of the Act are met.

Fiscal Year 2014 (FY2014) Operations

WBPA incidents reported to OSIG	None
Fund claims made to OSIG	None

FY2014 Financial Activity

Fund balance: July 1, 2013	\$0.00
Fund deposits: July 1, 2013 – June 30, 2014	\$0.00
Fund withdrawals: July 1, 2013 – June 30, 2014	\$0.00
Fund balance: June 30, 2014	\$0.00

The Fraud and Abuse Whistle Blower Protection Act Regulations, Policies and Procedures Manual

During FY14 OSIG developed policies and procedures for proper administration of the Fund, including eligibility requirements and rules for filing claims. The manual is available at the OSIG's [public website](#).

WBPA Promotion

In the third quarter of FY2014, the Deputy State Inspector General gave a media interview about the WBPA program and the Fund. The OSIG is currently developing more in-depth plans for promoting the WBPA and the Fund, including a press release geared toward all Commonwealth citizens.

If you have any questions, please contact me at 804-625-3255 or via email at june.jennings@osig.virginia.gov. I am also available to meet with you to discuss this report or any aspects of this office at your convenience.

Respectfully,



June W. Jennings
State Inspector General

cc: Paul Reagan, Chief of Staff for Governor McAuliffe
Suzette Denslow, Deputy Chief of Staff for Governor McAuliffe