

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

FRAUD AND ABUSE WHISTLE BLOWER FUND

OCTOBER 2019



**MICHAEL C. WESTFALL, CPA
STATE INSPECTOR GENERAL
REPORT No. 2020-ADM-001**



COMMONWEALTH OF VIRGINIA
Office of the State Inspector General

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August 7, 2019

The Honorable Ralph S. Northam
Governor of Virginia
Patrick Henry Building, Third Floor
1111 East Broad St.
Richmond, VA 23219

Members of the Virginia General Assembly
Pocahontas Building
900 E. Main St.
Richmond, VA 23219

Dear Governor Northam and Members of the Virginia General Assembly:

Pursuant to *Code of Virginia* (Code) § [2.2-3014](#), the Office of the State Inspector General (OSIG) submits its fiscal year 2019 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 is solely used to provide monetary rewards to Commonwealth of Virginia 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 recovery of at least \$5,000. The amount of the reward shall be up to 10 percent of the actual sums recovered by the Commonwealth as a result of the disclosure of the wrongdoing or abuse. Regardless of the sums recovered, at no time shall the amount of any reward, even if less than 10 percent, exceed the balance of the Fund.

OSIG assumed responsibility for administering the WBPA effective July 1, 2012. 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 § [2.2-3009](#) et seq.

| Whistle Blower Reward Fund FY 2019 Operations | |
|--|------|
| WBPA incidents reported to OSIG | 0 |
| Fund claims made to OSIG | None |

| Whistle Blower Reward Fund FY 2019 Financial Activity | |
|--|--------|
| Fund balance: July 1, 2018 | \$0.00 |
| Fund deposits: July 1, 2018-June 30, 2019 | \$0.00 |
| Fund withdrawals: July 1, 2018-June 30, 2019 | \$0.00 |
| Fund balance: June 30, 2019 | \$0.00 |

The Fraud and Abuse Whistle Blower Protection Act Manual

Policies and procedures for proper administration of the Fund, including eligibility requirements and rules for filing claims, are published and available on OSIG's [website](#).

WBPA Regulation

The WBPA now has a regulation to comply with Code of Virginia [§2.2-3014](#): **Fraud and Abuse Whistle Blower Reward Fund**. The regulation, [1 VAC 42-30](#) Fraud and Abuse Whistle Blower Reward Fund, defines the Fund and its administration by OSIG, including eligibility requirements, amount, distribution, process for leftover monies at the end of the fiscal year and the Fund's establishment on the books of the Comptroller.

Please contact me at 804-625-3255 or michael.westfall@osig.virginia.gov with any questions. I am also available to meet with you to discuss this report or any aspects of this office at your convenience.

Respectfully,



Michael C. Westfall, CPA, CIG, CFE
State Inspector General

cc: Clark Mercer, Chief of Staff for Governor Northam
Suzette Denslow, Deputy Chief of Staff for Governor Northam
Division of Legislative Automated Systems [§ 30-34.15](#).