

# GOVERNMENT OF THE DISTRICT OF COLUMBIA

## OFFICE OF THE ATTORNEY GENERAL

[oag.dc.gov](http://oag.dc.gov)



**FOR IMMEDIATE RELEASE:** Friday, June 5, 2015

**Contact:** Rob Marus, Communications Director: 202.724.5646; [robert.marus@dc.gov](mailto:robert.marus@dc.gov)

## District Reaches \$19.4 Million Settlement with Food-Service Contractors for D.C. Public Schools

**WASHINGTON, D. C.** – Attorney General Karl A. Racine announced today that the District has reached a \$19.4 million settlement resolving the District’s claims concerning multi-year contracts the D.C. Public Schools (DCPS) entered into with Chartwells, a division of Compass Group USA, Inc., and Thompson Hospitality Services LLC.

**“We’re pleased that Chartwells and the Office of the Attorney General have reached an agreement to resolve contractual disputes over school meals,”** Attorney General Racine said. **“Chartwells has quite reasonably acknowledged and addressed mistakes it made in administering the contract to provide food and food services to DCPS. It is important to ensure that contractors who receive District funds are held accountable for fulfilling their obligations under the contracts, and today’s settlement does just that. In light of Chartwells’ acceptance of responsibility, DCPS looks forward to continuing its contractual relationship with the company.”**

The District’s complaint in intervention, filed under seal on April 20, 2015, focused on contracts entered into by DCPS and Chartwells/Thompson Hospitality in 2008 and 2012. In 2008, DCPS decided to privatize its student food and nutrition services in order to spend less than it was then spending on its in-house food service operation. In addition, DCPS wanted to improve the quality and nutritional value of the meals it served to students.

In addition to payments and credits to the District totaling \$14.4 million, and in recognition of Chartwells’ commitment to education to the District of Columbia, Chartwells further agreed to make the following payments:

- \$4,000,000 to the D.C. Public Education Fund to fund innovative programs at DCPS;
- \$500,000 to Everybody Wins! DC, a non-profit organization devoted to promoting literacy and leadership in District public elementary schools;
- \$250,000 to Mentors, Inc., a non-profit organization that provides mentoring support to public high school students in the District;
- \$150,000 to the Abramson Scholarship Foundation, a non-profit organization that provides mentors, personal and professional support and college scholarships to District public school students; and

- \$100,000 to College Bound, Inc., a non-profit organization that offers District public school students academic enrichment and resources to prepare for and succeed in college.

**“I commend Chief Deputy Attorney General Natalie O. Ludaway, Public Advocacy Section Chief Bennett Rushkoff, Assistant Attorneys General Jane Drummey and William F. Causey, and former Deputy Attorney General Ellen Efros for their exceptional work on behalf of the citizens of the District of Columbia on this important case,”** Attorney General Racine said.

The District’s complaint was filed in a lawsuit brought on behalf of the District by former DCPS employee Jeffrey Mills under the *qui tam* or whistleblower provisions of the False Claims Act. The Act allows private citizens to bring lawsuits on behalf of the District and share in any recovery obtained by the District. Mr. Mills’ share of the District’s recovery has not yet been determined.

**###**