



Focus on *Group 4 Securicor*

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Group 4 Securicor U.S. subsidiary overbilled major client for millions, lawsuit claims

Allegations come within days of a U.S. Govt decision on Wackenhut contract worth USD \$126 million

The *Miami Herald* newspaper reported on 28 September that, according to a lawsuit filed by a former employee, Wackenhut, Group 4 Securicor's largest U.S. subsidiary, has allegedly fraudulently overbilled one of the largest counties in the state of Florida, Miami-Dade. The lawsuit claims the company charged the county for security work on two contracts that was never performed. The contracts, to guard the county's transit system and Juvenile Assessment Center, are worth more than USD \$90 million over five years.

According to the *Miami Herald*, the lawsuit claims that Wackenhut's overbilling has cost Miami-Dade County up to USD \$4.5 million a year. Former Wackenhut employees provided the evidence for the suit. The full article is online at <http://www.miami.com/mld/miamiherald/news/12758568.htm>.

The news about the lawsuit brings unwanted attention at a sensitive time for Wackenhut. A decision is expected within days about one of the company's largest accounts, a USD \$126 million contract to guard one of the U.S.

Ongoing Investigation by Trade Union

Since late 2004, SEIU, America's largest security officers' union, has been conducting an ongoing investigation into allegations by a number of current and former Wackenhut security officers of improper billing practices by Wackenhut at the Miami-Dade Transit contract, and several other major contracts held by Wackenhut with the U.S. Government.

Government's high-profile nuclear storage sites. Currently out to tender, the contract is with the U.S. Department of Energy (DOE) for security services at the Nevada Test Site (NTS).

The total value of all of Wackenhut's contracts with the U.S. Department of Energy is an estimated USD \$240 million a year. Contracts with nuclear and government facilities such as these account for an estimated 40

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percent of Wackenhut's overall turnover. For a list of Wackenhut's contracts with the U.S. Department of Energy, visit www.FocusonGroup4Securicor.com.

The DOE's top nuclear security administrator previously has voiced concerns over security performance problems at NTS, where several recent problems have occurred on Wackenhut's watch, including:

- A poor performance on a high level security drill simulating an attack by mock terrorists
- "Systematic" violations of weapons inventory and handling policies
- Cut backs on training
- Inappropriate storage of explosives

Separate, but similar allegations by Wackenhut employees at U.S. Govt accounts

Current and former Wackenhut security officers at certain sensitive federal facilities have signed statements stating that Wackenhut maintains staffing levels at the facilities that are lower than required under its contract with a federal government agency.

Additionally, a report released in June 2005 by the U.S. Department of Energy's Inspector General found that Wackenhut did not provide all the hours of training it reported to the DOE at a highly sensitive U.S. Government nuclear weapons facility in Oak Ridge, Tenn. Wackenhut also has been caught cheating on security drills at the Tennessee nuclear facility

Leading U.S. watchdog group finds security problems at major gov't nuclear account

One of America's leading nuclear watchdog organizations is claiming there are problems with security at one of the U.S. Government's largest nuclear facilities guarded by Wackenhut. The group, the Project on Government Oversight (POGO), sent a letter to the Secretary of Energy and the Member of Congress who chairs a House Committee with nuclear security oversight alleging that POGO investigators were able to access certain sensitive areas of the Oak Ridge National

Laboratory (ORNL) without proper security intervention. Weapons grade uranium is stored at the site.

The group's strongly worded letter, sent 29 September 2005, said, "We suggest that you find out who is responsible for this debacle and take appropriate action."

For more information visit www.pogo.org.