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EASTERN DISTRICT *of* VIRGINIA

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## Department of Justice

U.S. Attorney's Office

Eastern District of Virginia

FOR IMMEDIATE RELEASE

Tuesday, September 28, 2021

**Government Contractor Agrees to Settle Anti-Kickback Act Allegations**

ALEXANDRIA, Va. – A Maryland-based federal company, as well as its president and sole owner, agreed to pay \$450,000 to settle allegations that they solicited and received kickbacks in connection with federal government contracts reserved for “8(a)” small businesses.

Wete and Company, Inc. (Wete), located in Laurel, Maryland, was certified by the Small Business Administration as an 8(a) small business, meaning it was owned and operated by a socially or economically disadvantaged citizen. Dorothy Wete, a resident of Laurel, is the president and owner of Wete. Sage Consulting Group, Inc. (Sage), a federal government contractor located in Vienna, lacked an 8(a) certification.

According to the United States’ allegations, between 2014 and 2020, Wete and Sage agreed that Wete would use its 8(a) certification to bid on government contracts that Sage was not eligible to bid on. Wete and Sage allegedly agreed to subcontract all the work on those contracts to Sage in exchange for a “fee” calculated by each hour of work subcontracted to Sage, and Sage allegedly paid Wete the agreed upon kickback amount when the work was subcontracted to them. The United States and Sage reached a settlement in July 2021.

The settlement resolves allegations under the civil penalty provisions of the Anti-Kickback Act.

The resolutions obtained in this matter were the result of a coordinated effort between the U.S. Attorney’s Office for the Eastern District of Virginia, Department of Defense Office of Inspector General, Defense Criminal Investigative Service, and the General Services Administration Office of Inspector General.

This matter was investigated by Assistant U.S. Attorney Krista Anderson.

A copy of this press release is located on the [website](#) of the U.S. Attorney’s Office for the Eastern District of Virginia. A copy of a press release describing the United States’ settlement with Sage Consulting Group, Inc. can be found [here](#).

*The civil claims settled by this agreement are allegations only; there has been no determination of civil liability.*

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