

Children Services (“Joyce Ann Thomas”), that provided, among other services, transportation to students who needed to travel from the District of Columbia to education centers located outside of the District of Columbia for special services.

While working at DCPS, Dukes personally referred, or caused colleagues of his at DCPS to refer, 86 out-of-state student transports to Joyce Ann Thomas, resulting in Joyce Ann Thomas receiving \$325,000 in payments from OSSE. Joyce Ann Thomas incurred legitimate expenses associated with providing the transportation services to the District of Columbia during that time frame totaling \$161,378.68, leaving Joyce Ann Thomas (*i.e.*, Dukes) an illegally obtained profit of \$163,621.32.

To facilitate this scheme, Dukes created aliases for himself; namely, “Charles Melton” and “Sylvia Melton.” Dukes informed his colleagues at DCPS that they should contact “Charles Melton” or “Sylvia Melton” if they wanted to refer a transport to Joyce Ann Thomas. By using these aliases, Dukes was able to conceal from his colleagues that Dukes was the true owner of Joyce Ann Thomas and stood to benefit financially from his colleagues’ referrals to Joyce Ann Thomas. On occasions when Dukes personally referred students to Joyce Ann Thomas, Dukes improperly benefitted from his own referrals.

B. Wire Fraud

In October 2010, Dukes was terminated by DCPS as part of a reduction in force (“RIF”). After his termination, Dukes continued to conduct business through Joyce Ann Thomas. Dukes’s hope was to raise enough money through Joyce Ann Thomas to open a private, for-profit, charter school in Washington D.C. Dukes estimated that he needed approximately \$25,000 to \$30,000 in revenue per month from Joyce Ann Thomas to open the charter school.

One of the hurdles Dukes faced in generating revenue through Joyce Ann Thomas was maintaining the number of referrals that DCPS had been making to Joyce Ann Thomas while Dukes worked at DCPS. Prior to Dukes's termination from DCPS, Dukes had access to non-public lists that detailed which students were going to be in need of transport. With that information, Dukes was able to target for referral to his company the students who were most likely in need of transportation services. After leaving DCPS, Dukes no longer had access to that critical information.

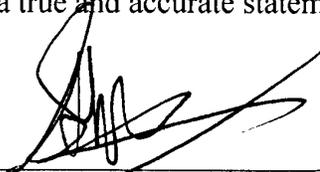
To overcome this hurdle, Dukes provided things of value to his former colleagues at DCPS such as tickets to concerts, access to vacation properties, and free food and drinks to cause the former colleagues to send the non-public lists to Dukes via electronic mail. These electronic communications oftentimes were sent by DCPS employees from their government computer terminals located in Washington, D.C. to Dukes's computer terminal located in his home in Landover, Maryland. One example of these electronic communications took place on April 1, 2011.

Specifically, on that date, DCPS employee #1 used a DCPS computer terminal located in Washington, D.C. to email a non-public student list to Dukes's computer terminal located in Dukes's house in Landover, Maryland, causing an interstate wire communication from Washington, D.C. to Maryland to occur. With access to the non-public student lists, Dukes was able to once again target students for transport who Dukes knew were in need of transportation.

Despite this competitive advantage, Dukes was still not able to meet his goal of \$25,000 to \$30,000 in monthly revenue through Joyce Ann Thomas's student transportation services. So, Dukes used the non-public student lists to identify students in need of transportation and create false invoices and supporting documentation that were sent to OSSE for payment in the names of these students. These false documents represented to OSSE that Joyce Ann Thomas had transported

certain students from Washington, D.C. to schools located outside of Washington, D.C., and back, when, in fact, the students had not been transported. Dukes created 60 false invoices and supporting documentation through this scheme, causing OSSE to pay Joyce Ann Thomas \$300,000 in payments for transportation services that Joyce Ann Thomas never rendered.

The parties agree that the above facts set forth a true and accurate statement of the offense.



Seth B. Waxman
Assistant United States Attorney

DEFENDANT'S ACCEPTANCE

I have read every word of the Statement of Offense. Pursuant to Rule 11 of the Federal Rules of Criminal Procedure, and after consulting with my attorney, I agree and stipulate to this Statement of Offense.

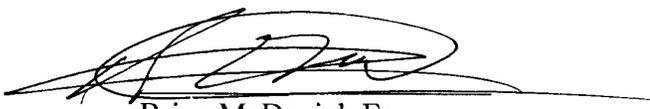
Date: 10-1-2013



Donnie Dukes

I have fully discussed this Statement of Offense with my client, Donnie Dukes. I concur with the decision to stipulate to this Statement of Offense.

Date: 10/1/13



Brian McDaniel, Esq.
Counsel for Defendant