



U.S. Department of Justice

Ronald C. Machen Jr.
*United States Attorney for the
District of Columbia
Judiciary Center
555 Fourth St. N.W.
Washington, D.C. 20530*

PRESS RELEASE

FOR IMMEDIATE RELEASE

Thursday, January 23, 2014

For Information Contact:

Public Affairs

(202) 252-6933

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Former District of Columbia Schools Compliance Officer Pleads Guilty to Wire Fraud and Conflict-of-Interest Charges Defendant's Private Transportation Company Collected More Than \$460,000 in Fraudulent Payments

WASHINGTON – Donnie Dukes, a former compliance officer for the District of Columbia Public Schools, has pled guilty to charges in a scheme involving more than \$460,000 in fraudulent payments to a private transportation company that he owned and controlled.

The plea was announced by U.S. Attorney Ronald C. Machen Jr.; Valerie Parlave, Assistant Director in Charge of the FBI's Washington Field Office; Charles J. Willoughby, Inspector General for the District of Columbia, and Steven Anderson, Special Agent in Charge, Mid-Atlantic Regional Office, Office of Inspector General, U.S. Department of Education.

Dukes, 40, of Hyattsville, Md., pled guilty on Jan. 22, 2014, in the U.S. District Court for the District of Columbia, to wire fraud and conflict-of-interest charges. The Honorable Ketanji Brown Jackson scheduled sentencing for June 17, 2014. Under federal sentencing guidelines, the parties have agreed that Dukes faces a prison sentence of 27 to 33 months, as well as potential financial penalties. The plea agreement calls for Dukes to pay a total of \$463,621 in restitution to the District of Columbia. He also has agreed to a forfeiture money judgment of \$300,000.

According to the government's evidence, Dukes worked from October 2008 until October 2010 as a compliance officer for the District of Columbia Public Schools (DCPS). His duties included making arrangements for transportation for the special needs students who received education services outside of the District of Columbia.

At the same time, however, Dukes owned and controlled a private company that provided, among other services, transportation to students who needed to travel from the District of Columbia to education centers 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 his company, resulting in the firm receiving \$325,000 in payments from the District of Columbia Office of the State Superintendent of Education. Of this, the government's evidence showed, \$163,621 involved illegitimate expenses.

Dukes was terminated from DCPS in October 2010 as part of an overall reduction in the workforce. He then schemed to obtain non-public lists of students needing transportation services from his former colleagues at DCPS. Dukes later used these lists to create false invoices and supporting documentation for payments to his company in the names of the students. Dukes created 60 false invoices and supporting documentation through this scheme, causing the District of Columbia Office of the State Superintendent of Education to pay his company \$300,000 for transportation services that never were provided.

In announcing the plea, U.S. Attorney Machen, Assistant Director in Charge Parlave, Inspector General Willoughby, and Special Agent in Charge Anderson commended the work of those who investigated the case from the FBI's Washington Field Office, the District of Columbia Office of Inspector General, and the U.S. Department of Education's Office of Inspector General. They also acknowledged the efforts of those who worked on the case from the U.S. Attorney's Office, including Legal Assistant Nicole Wattlelet and Assistant U.S. Attorney Seth B. Waxman, who is prosecuting the case.

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