

RECEIVED
U.S. DISTRICT COURT
EASTERN DISTRICT OF LA.

2019 JAN 31 P 2:03

WILLIAM W. BLEVINS
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

BILL OF INFORMATION FOR THEFT OF
GOVERNMENT FUNDS AND IDENTITY THEFT

FELONY

UNITED STATES OF AMERICA

*

CRIMINAL NO.

19-00011

v.

*

SECTION:

SECT. 1 MAG. 2

KENDRA GRAVES

*

VIOLATIONS: 18 U.S.C. § 641

18 U.S.C. § 1028(a)(7)

*

* * *

The United States Attorney charges that:

COUNT 1

(Theft of Government Funds)

A. AT ALL MATERIAL TIMES HEREIN:

1. The United States Department of Education (Department) is a cabinet agency of the United States Government established to ensure equal access to education and to promote education throughout the United States. One of the primary responsibilities of the Department is oversight and administration of the Federal Student Aid (FSA) Program authorized by the Higher Education Act of 1965 to assist qualified students in obtaining post-secondary education.

2. The Department operates, administers, and regulates various FSA programs, including the federal Pell Grant Program.

3. Since June 2010, the Federal Direct Loan Program has become the primary source of student loans. Education loans obtained through the Federal Direct Loan Program are made directly from the Department to students and are administered by the Department. Students eligible for such federal student loans must complete a Master Promissory Note (MPN).

4. Under the FSA programs, students must meet certain criteria to be eligible to receive federal financial aid, to include, signing a statement on the Free Application for Federal Student Aid (FAFSA) form stating that the federal student aid will only be used for educational purposes.

5. Information provided by an applicant on the FAFSA form is used to calculate an applicant's Expected Family Contribution (EFC) towards the cost of the college. Financial Aid Administrators at the applicant's school of choice determine the applicant's need for federal student aid from the Department and other sources of assistance by subtracting the EFC from the student applicant's cost of attendance.

6. The FAFSA can be completed online after the student obtains a Personal Identification Number (PIN) to complete the FAFSA form. The student applicant certifies that they are the person using the PIN, and that the funds received will be used for educational purposes only.

7. All schools that receive FSA program funds obtain the funds through the Department's G5 payment system (G5). The school requests financial aid funds from the

Department and G5 deposits the funds in the school's designated Title IV bank account(s). The school then credits the funds to the student's financial aid account.

8. If the amount of federal financial aid received by the school exceeds the cost of attendance for a particular student, thereby creating an FSA credit balance, the school must pay the credit balance directly to the student. Payment of a credit balance to the student is often called a Title IV refund or credit refund. Credit refunds are often paid in the form of an electronic funds transfer to a financial institution account (or debit card) designated by the student applicant.

9. Funds received by a student under the FSA Programs must be used for an educational purpose and can be used to satisfy tuition and fees charged by the institution and for other expenses incurred by a student pursuing an education program, such as books, supplies, transportation, and living expenses.

10. From early 2014 through 2016, **KENDRA GRAVES** recruited 15 individuals under the guise of assisting them with applying for attendance at Delgado Community College in New Orleans, Louisiana.

11. From early 2014 through 2016, **KENDRA GRAVES** used the Personally Identifying Information (PII) of these 15 individuals in order to fraudulently submit a FAFSA and MPN in each individual's name in an effort to obtain federal financial aid.

12. From early 2014 through 2016, **KENDRA GRAVES** accepted the grants and student loans that were awarded to these 15 individuals and created online banking accounts with Bank Mobile for each individual's financial aid refund to be deposited. **GRAVES** also designated bank accounts belonging to herself and family members for depositing these individual's financial aid refunds.

B. THE OFFENSE:

From in or around January 2014, and continuing through 2016, in the Eastern District of Louisiana, and elsewhere, the defendant, **KENDRA GRAVES**, did willfully and knowingly steal, purloin and convert to her own use, money of a value in excess of \$1,000 belonging to the United States Department of Education, an agency of the United States; namely, federal student financial aid funds to which she was not entitled to receive.

All in violation of Title 18, United States Code, Section 641.

COUNT 2

(Identity Theft)

A. AT ALL TIMES MATERIAL HEREIN:

The allegations of Paragraph A of Count 1 are incorporated as though fully set forth herein.

B. IDENTITY THEFT:

On or about July 2015, in the Eastern District of Louisiana and elsewhere, the defendant, **KENDRA GRAVES**, did knowingly possess and use in or affecting interstate commerce, without lawful authority, a means of identification of another person, that is, the name and social security number of "R.T.", with the intent to commit, and in connection with an unlawful activity that constitutes a violation of federal law, that is, theft of government funds, in violation of Title 18, United States Code, Section 641, and by such conduct the defendant obtained anything of value aggregating \$1,000 or more during any one year period.

All in violation of Title 18, United States Code, Section 1028(a)(7).

NOTICE OF FRAUD FORFEITURE

1. The allegations of Count 1 of this Bill of Information are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 641 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c).

2. As a result of the offense alleged in Count 1, defendant, **KENDRA GRAVES**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c), any and all property, real or personal, which constitutes or is derived from proceeds traceable to a violation of Title 18, United States Code, Section 641.

3. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Sections 641 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c).

NOTICE OF IDENTITY THEFT FORFEITURE

1. The allegations of Count 2 of this Bill of Information are re-alleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 1028(a)(7) and 982.

2. As a result of the offense alleged in Count 2, the defendant, **KENDRA GRAVES**, shall forfeit to the United States all property real or personal, constituting or derived from, proceeds the defendant obtained directly or indirectly, as a result of identity theft, in violation of Title 18, United States Code, Section 1028(a)(7).

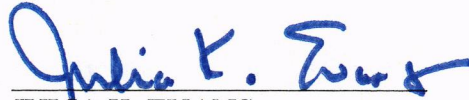
3. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b)(1) and Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Section 982.

PETER G. STRASSER
UNITED STATES ATTORNEY



JULIA K. EVANS
Assistant United States Attorney

New Orleans, Louisiana
January 31, 2019

