



Approved:    
THOMAS MCKAY / ALEX ROSSMILLER  
Assistant United States Attorneys

Before: HONORABLE BARBARA MOSES  
United States Magistrate Judge  
Southern District of New York

**18 MAG 0202**

----- x  
:   
UNITED STATES OF AMERICA : SEALED COMPLAINT  
:   
- v. - : Violations of  
: 18 U.S.C. §§ 371, 666, 1349, 2  
MELANIE WILLIAMS-BETHEA, : and 20 U.S.C. § 1097  
ANNICE KPANA, :  
CARMEN CANTY, and : COUNTY OF OFFENSE:  
KYLA THOMAS a/k/a "Kyla Britt," : NEW YORK  
:   
Defendants. :  
:   
----- x

SOUTHERN DISTRICT OF NEW YORK, ss.:

DORIS PLAZA, being duly sworn, deposes and says that she is a Special Agent with the United States Department of Education, Office of the Inspector General ("ED-OIG"), and charges as follows:

COUNT ONE  
(Conspiracy)

1. From at least in or about 2008, up through and including at least in or about 2017, in the Southern District of New York and elsewhere, MELANIE WILLIAMS-BETHEA, ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate and agree together and with each other to commit offenses against the United States, to wit, (1) bribery, in violation of Title 18, United States Code, Section 666, and (2) fraud in connection with federal student aid, in violation of Title 20, United States Code, Section 1097.

2. It was a part and object of the conspiracy that WILLIAMS-BETHEA, being an agent of an organization, to wit, the graduate school described herein as "The Graduate School,"

corruptly solicited and demanded for the benefit of a person, and accepted and agreed to accept, a thing of value from a person, intending to be influenced and rewarded in connection with a business, transaction, and series of transactions of such organization involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, and KPANA, CANTY and THOMAS corruptly gave, offered, and agreed to give a thing a value to a person, intending to influence and reward an agent of an organization in connection with a business, transaction, and series of transactions of such organization involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, in violation of Title 18, United States Code, Section 666(a).

3. It was further a part and an object of the conspiracy that WILLIAMS-BETHEA, KPANA, CANTY and THOMAS knowingly and willfully did embezzle, misapply, steal, obtain by fraud and false statement and forgery, and did fail to refund funds, assets, and property provided and insured under Subchapter IV of Chapter 28 of Title 20, United States Code, in an amount exceeding \$200, and did attempt to so embezzle, misapply, steal, obtain by fraud, false statement and forgery, and fail to refund such funds, assets, and property, in violation of Title 20, United States Code, Section 1097.

#### OVERT ACTS

4. In furtherance of said conspiracy and to effect the illegal objects thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. On or about July 9, 2013, MELANIE WILLIAMS-BETHEA, the defendant, forged a stipend form falsely stating that an administrator at The Graduate School requested that ANNICE KPANA, the defendant, receive a stipend of \$18,000.

b. On or about December 24, 2013, one day after receiving a \$17,000 financial aid payment from The Graduate School, KPANA paid WILLIAMS-BETHEA a \$8,500 kickback.

c. On or about June 7, 2013, WILLIAMS-BETHEA forged a stipend form falsely stating that an administrator at The Graduate School requested that CARMEN CANTY, the defendant, receive a stipend of \$10,000.

d. On or about August 8, 2014, one week after receiving a \$34,000 financial aid payment from The Graduate School, CANTY paid WILLIAMS-BETHEA a \$12,500 kickback.

e. On or about March 8, 2013, WILLIAMS-BETHEA, the defendant, forged a stipend form falsely stating that an administrator at The Graduate School requested that KYLA THOMAS a/k/a "Kyla Britt," the defendant, receive a stipend of \$15,432.

f. On or about May 10, 2013, three days after receiving a \$12,000 financial aid payment from The Graduate School, THOMAS paid WILLIAMS-BETHEA a \$6,000 kickback.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Conspiracy to Commit Wire Fraud)

5. From at least in or about 2008, up through and including in or about 2017, in the Southern District of New York and elsewhere, MELANIE WILLIAMS-BETHEA, ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit wire fraud in violation of Title 18, United States Code, Sections 1343 and 1346.

6. It was a part and object of the conspiracy that MELANIE WILLIAMS-BETHEA, ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343, to wit, WILLIAMS-BETHEA, KPANA, CANTY and THOMAS participated in a scheme to fraudulently obtain, by email and wire transfer of funds, among other means and methods, unjustified financial aid payments for KPANA, CANTY and THOMAS.

7. It was further a part and an object of the conspiracy that MELANIE WILLIAMS-BETHEA, ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and to deprive WILLIAMS-BETHEA's employer of its intangible right to WILLIAMS-BETHEA's honest services, would and did transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Sections 1343 and 1346, to wit, WILLIAMS-BETHEA, in her capacity as the Director of Financial Aid at The Graduate School, agreed to approve and facilitate unjustified financial aid payments to students, including KPANA, CANTY and THOMAS, in exchange for kickback payments from those students of portions of the financial aid.

(Title 18, United States Code, Section 1349.)

**COUNT THREE**  
**(Bribery - WILLIAMS-BETHEA)**

8. From at least in or about 2008 up through and including in or about 2017, in the Southern District of New York and elsewhere, MELANIE WILLIAMS-BETHEA, the defendant, being an agent of an organization, to wit, the graduate school described herein as "The Graduate School," corruptly solicited and demanded for the benefit of a person, and accepted and agreed to accept, a thing of value from a person, intending to be influenced and rewarded in connection with a business, transaction, and series of transactions of such organization involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, to wit, WILLIAMS-BETHEA, in her capacity as the Director of Financial Aid at The Graduate School, approved and facilitated unjustified financial aid payments to students, in exchange for kickback payments from those students of portions of the financial aid.

(Title 18, United States Code, Section 666(a)(1)(B) and 2.)

COUNT FOUR  
(Bribery - KPANA)

9. From at least in or about 2008 up through and including in or about 2017, in the Southern District of New York and elsewhere, ANNICE KPANA, the defendant, corruptly gave, offered, and agreed to give a thing a value to a person, intending to influence and reward an agent of an organization in connection with a business, transaction, and series of transactions of such organization involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, to wit, KPANA gave and agreed to give kickback payments to MELANIE WILLIAMS-BETHEA, the defendant, in exchange for WILLIAMS-BETHEA's use of her position as Director of Financial Aid to approve and facilitate unjustified financial aid payments to KPANA.

(Title 18, United States Code, Section 666(a)(2) and 2.)

COUNT FIVE  
(Bribery - CANTY)

10. From at least in or about 2009 up through and including in or about 2017, in the Southern District of New York and elsewhere, CARMEN CANTY, the defendant, corruptly gave, offered, and agreed to give a thing a value to a person, intending to influence and reward an agent of an organization in connection with a business, transaction, and series of transactions of such organization involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, to wit, CANTY gave and agreed to give kickback payments to MELANIE WILLIAMS-BETHEA, the defendant, in exchange for WILLIAMS-BETHEA's use of her position as Director of Financial Aid at The Graduate School to approve and facilitate unjustified financial aid payments to CANTY.

(Title 18, United States Code, Section 666(a)(2) and 2.)

COUNT SIX  
(Bribery - THOMAS)

11. From at least in or about 2009 up through and including in or about 2017, in the Southern District of New York and

elsewhere, KYLA THOMAS a/k/a "Kyla Britt," the defendant, corruptly gave, offered, and agreed to give a thing a value to a person, intending to influence and reward an agent of an organization in connection with a business, transaction, and series of transactions of such organization involving a thing of value of \$5,000 and more, while such organization was in receipt of, in any one year period, benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of federal assistance, to wit, THOMAS gave and agreed to give kickback payments to MELANIE WILLIAMS-BETHEA, the defendant, in exchange for WILLIAMS-BETHEA's use of her position as Director of Financial Aid at The Graduate School to approve and facilitate unjustified financial aid payments to THOMAS.

(Title 18, United States Code, Section 666(a)(2).)

COUNT SEVEN

(Fraud in Connection with Federal Student Aid - WILLIAMS-BETHEA, CANTY and THOMAS)

12. From at least in or about 2008 up through and including in or about 2017, in the Southern District of New York and elsewhere, MELANIE WILLIAMS-BETHEA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, did knowingly and willfully embezzle, misapply, steal, obtain by fraud and false statement and forgery, and did fail to refund funds, assets, and property provided and insured under Subchapter IV of Chapter 28 of Title 20, United States Code, in an amount exceeding \$200, and did attempt to so embezzle, misapply, steal, obtain by fraud, false statement and forgery, and fail to refund such funds, assets, and property, to wit, WILLIAMS-BETHEA approved false and fraudulently inflated calculations of the cost of attendance for CANTY and THOMAS, in order to increase the amount of financial aid for which they were eligible, and CANTY and THOMAS knowingly received such false and fraudulently inflated amounts of financial aid, which included federal student loans.

(Title 20, United States Code, Section 1097(a) and Title 18, United States Code, Section 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

13. I am a Special Agent with the ED-OIG and I have been personally involved in the investigation of this matter. This affidavit is based upon my personal participation in the

investigation of this matter, my conversations with law enforcement agents, witnesses, and others, as well as my examination of reports, documents, and records. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

#### Overview

14. As set forth in detail below, there is probable cause to believe that MELANIE WILLIAMS-BETHEA, the defendant, while working as the Director of Financial Aid at The Graduate School, stole hundreds of thousands of dollars from the school and from other sources of financial aid, including the federal government, by facilitating the award of substantial amounts of unjustified financial aid to students with whom she had a personal relationship and then obtaining kickback payments from those students. The students who agreed to enrich themselves and WILLIAMS-BETHEA through this kickback scheme included ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS, a/k/a "Kyla Britt," the defendants.

15. WILLIAMS-BETHEA facilitated the scheme by, among other means and methods, awarding student aid stipends to KPANA, CANTY, and THOMAS either by using a stipend fund that was under WILLIAMS-BETHEA's control, or by creating fraudulent stipend request forms, on which she forged the signatures of other administrators or faculty members who purportedly had requested that KPANA, CANTY and THOMAS receive stipends for their studies. WILLIAMS-BETHEA also approved inflated estimates of these students' cost of attendance, which had the effect of increasing the amount of financial aid they were eligible to receive. After receiving these unjustified awards - typically tens of thousands of dollars at a time, for hundreds of thousands of dollars over a period of years - KPANA, CANTY and THOMAS paid WILLIAMS-BETHEA kickbacks. In all, WILLIAMS-BETHEA alone enriched herself at least \$350,000 through the scheme, and the students each received hundreds of thousands of dollars in unjustified financial aid.

#### The Graduate School

16. Based on my conversations with witnesses and other law enforcement officers and my review of reports and records, I have learned the following:

a. The entity referred to herein as "The Graduate School" is a graduate school of education located in New York, New York. The Graduate School is affiliated with a university also located in New York, New York (the "University").

b. The Graduate School offers numerous programs and areas of study within the field of education, and students may pursue various master's or doctorate degrees.

c. Several types of financial aid are available to students at The Graduate School, including federal financial aid, institutional aid (*i.e.*, aid directly from The Graduate School), which includes endowed funds and stipends. Many of the institutional or endowed stipends are intended to be available only to certain students pursuing certain degrees or courses of study, or who meet certain criteria. As set forth below, the director of financial aid at The Graduate School has the ability to approve the award of certain of these stipends. These stipends, unlike loans, are outright payments to the students that needs not be repaid.

d. For each student receiving financial aid, The Graduate School must determine the student's cost of attendance ("COA"), which typically comprises living expenses, books, and tuition, among other things. A standard COA is calculated by The Graduate School, but varies according to a particular student's course load. A student's COA may also be increased based on specific needs, but such increases require that a form documenting the need be prepared and approved.

e. Each student's COA is ultimately approved by certain employees of the financial aid office, including the director of financial aid. Financial aid - including one or a combination of federal loans, institutional loans and stipends - can then be used to cover the student's COA.

f. The amount of financial aid - to include both federal and institutional aid - that a student receives may not exceed that student's COA. In the event the total amount of financial aid awarded to a student does exceed her COA, a representative of the financial aid office at The Graduate School must reduce the amount of federal student aid received by the student accordingly.



g. In each academic year between 2008-09 and 2017-18, The Graduate School received more than \$10,000 under federal programs involving grant and loan funding.

### The Defendants

17. Based on my conversations with witnesses and my review of documents and records, including records maintained by The Graduate School, I know the following:

a. MELANIE WILLIAMS-BETHEA, the defendant, was the Director of Financial Aid at The Graduate School from in or about 2005 through in or about May 2017.<sup>1</sup> Among other duties and responsibilities as Director of Financial Aid, WILLIAMS-BETHEA had the ability to increase a student's COA, and had the ability to request and approve certain institutional stipend awards. Among the larger institutional funds from which WILLIAMS-BETHEA had the ability to approve stipends was the FTAC Fund, which was a general bucket of financial aid available to students.

b. ANNICE KPANA, the defendant, has been enrolled as a student at The Graduate School from in or about 2007 up through and including the present. KPANA was seeking a master's degree in education, but she has not obtained her degree. Since at least in or about 2010, KPANA has not been taking classes or actively pursuing her degree.

c. CARMEN CANTY, the defendant, has been enrolled as a student at The Graduate School from in or about 2005 up through and including the present. CANTY was seeking a doctoral degree in education, but she has not obtained her degree. Since at least in or about 2010, CANTY has not been taking classes and her dissertation remains incomplete.

d. KYLA THOMAS a/k/a "Kyla Britt," the defendant, has been enrolled as a student at The Graduate School from in or about 2005 up through and including the present. THOMAS was seeking a doctoral degree in education, but she has not obtained her degree. Since at least in or about 2010, THOMAS has not been taking classes.<sup>2</sup>

---

<sup>1</sup> Based on my conversations with administrators at The Graduate School, I understand that WILLIAMS-BETHEA was terminated on or about May 2, 2017, after The Graduate School discovered evidence of the unjustified financial aid payments described herein.

<sup>2</sup> Based on my conversations with an administrator at The College, I understand that THOMAS defended her dissertation in or about December 2017.

18. Based on my review of emails provided by The Graduate School, as well as documents obtained from hotel, airline, and cruise companies, I believe that MELANIE-WILLIAMS BETHEA, the defendant, maintains personal, social relationships with ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants. For example:

a. WILLIAMS-BETHEA and KPANA have vacationed together in the Dominican Republic, Hawaii, New Orleans, and Anguilla, and took a cruise together in the Caribbean in 2011.

b. In or about April 2008, WILLIAMS-BETHEA, CANTY, THOMAS, and another individual exchanged emails planning a social gathering, during which they would meet at WILLIAMS-BETHEA's house and then go to a club.

c. In or about May 2013, WILLIAMS-BETHEA and THOMAS planned to attend a music concert together.

**The Scheme: Unjustified Financial Aid for Kickbacks**

19. As set forth in greater detail below, MELANIE WILLIAMS-BETHEA, the defendant, enriched herself and her friends, including ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, by authorizing and approving exorbitant financial aid payments to those students that exceeded their need, and then taking kickback payments from KPANA, CANTY, and THOMAS out of the unjustified aid.

20. MELANIE WILLIAMS-BETHEA, the defendant, furthered the scheme by approving excessive COAs for the students that did not comport with their actual needs or costs of living, and by approving stipends for the students up to (and sometimes exceeding) their heavily inflated COAs. WILLIAMS-BETHEA issued some stipend awards herself using an account from which she had the ability to direct funds, and facilitated other awards by forging the signatures of faculty members or administrators with the authority to request those stipends, and then approving the forged requests. Then, after the unjustified payments were made from The Graduate School to ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, the students kicked back portions of the payments to WILLIAMS-BETHEA.

WILLIAMS-BETHEA Authorizes Unjustified Financial Aid for  
KPANA, CANTY and THOMAS

21. Based on my review of documents maintained by The Graduate School, my review of financial records, and my conversations with witnesses, I believe that ANNICE KPANA, the defendant, received hundreds of thousands of dollars in unjustified financial aid facilitated or authorized by MELANIE WILLIAMS-BETHEA, the defendant, much of which was given during years in which KPANA was not actively seeking her degree from The Graduate School. In particular:

a. Between in or about 2006 and in or about 2017, KPANA received nearly \$1 million in stipends, scholarships and loans. Nearly \$800,000 of this amount came in the form of institutional stipends from The Graduate School.

b. Since in or about the 2013-14 school year, The Graduate School has maintained an online database reporting the source of stipend funds. During these years, the vast majority of the stipends awarded to KPANA were authorized by WILLIAMS-BETHEA and came from the FTAC Fund. As noted above, WILLIAMS-BETHEA had the ability to award funds from the FTAC Fund.

c. In addition to the FTAC stipends, other stipend awards issued to KPANA appear, based on the relevant forms, to have been designated as "FLAS Stipends," which are stipends for a program jointly administered with the University. Based on my review of records maintained by the University, I have learned that KPANA was not enrolled in that program. WILLIAMS-BETHEA approved these stipend awards.

d. In all but her first year at The Graduate School, KPANA received financial aid that exceeded - and often far exceeded - her COA. For example, in school year 2009-2010, KPANA's COA was approximately \$54,684, but she received approximately \$109,551 in financial aid.

e. In school years 2010-2011, 2011-2012, 2012-13, 2014-2015, 2015-16, and 2016-17, KPANA had a COA of \$0, because she took no classes, yet she received substantial amounts of financial aid - ranging between \$75,000 and \$121,152 - during those years.<sup>3</sup>

---

<sup>3</sup> Based on my review of a Department of Education database, I know that, during several of these years, KPANA was also receiving federal student aid in connection with her enrollment at unrelated institutions.

f. In school year 2013-14, KPANA's COA was listed as \$90,790, even though she took no classes. By comparison, based on my conversations with witnesses at The Graduate School, I have learned that the standard COA for a student enrolled in a full course-load during that school year was approximately \$74,000. KPANA's COA included line items, such as \$6,300 for "books & supplies," which I believe to be inconsistent with a student who is not enrolled in classes. WILLIAMS-BETHEA approved this COA.

g. Based on my conversations with an employee at The Graduate School, I know that The Graduate School has been unable to locate a record of any COA adjustment forms justifying these exorbitant COA figures for KPANA.

22. Based on my review of documents maintained by The Graduate School, my review of financial records, and my conversations with witnesses, I believe that CARMEN CANTY, the defendant, has also received hundreds of thousands of dollars in unjustified financial aid facilitated or authorized by MELANIE WILLIAMS-BETHEA, the defendant, much of which was given during years in which CANTY was not enrolled in classes at The Graduate School but rather purportedly was working on her dissertation, which has never been completed. In particular:

a. Between in or about 2005 and in or about 2016, CANTY received more than \$650,000 in stipends, scholarships and loans. More than \$150,000 of this amount came in the form of institutional stipends from The Graduate School, and these stipends were awarded almost entirely in years in which CANTY was not enrolled in classes but purportedly was working on her dissertation.

b. During the years in which The Graduate School's database maintains a report of the source of stipend funds, the stipends awarded to CANTY were authorized by WILLIAMS-BETHEA and came from the FTAC Fund. As noted above, WILLIAMS-BETHEA had the ability to award funds from the FTAC Fund.

c. In three school years - 2009-2010, 2011-12 and 2012-13 - CANTY received financial aid that exceeded her COA by thousands of dollars. In each of these years, CANTY received federal student aid which, as noted above, should have been reduced so that her total aid did not exceed her COA.

d. In the following three school years - 2013-14, 2014-15 and 2015-16 - CANTY's COA increased significantly, even though she was not enrolled in classes but purportedly was

working on her dissertation. Her COA in each of these years - \$99,624, \$110,142, and \$107,052 - was approximately double the standard COA in each of these years for a doctoral student working on a dissertation. CANTY'S COA in these years included line items attributing large amounts of money to non-specific categories, such as \$35,318 in "Other Expenses" in 2015-16 or \$20,460 in "Personal Expenses" in 2014-15. In each of these years, WILLIAMS-BETHEA approved CANTY's COA.

e. In each of these years (2013-14 through 2015-16), CANTY received federal student loans - \$55,142, \$49,349 and \$49,770. In these years, CANTY also received tens of thousands of dollars of institutional stipends and scholarships, such that she received a total amount of financial aid nearly as high as her dramatically inflated COA. As noted above, had her COA been closer to that of the standard COA such that her total aid exceeded her COA, her federal student loans would have been subject to reduction so as to not exceed her COA.

f. Based on my conversations with an employee at The Graduate School, I know that The Graduate School has been unable to locate a record of any COA adjustment forms justifying these exorbitant COA figures for CANTY.

23. Based on my review of documents maintained by The Graduate School, my review of financial records, and my conversations with witnesses, I believe that KYLA THOMAS, a/k/a "Kyla Britt," the defendant, received hundreds of thousands of dollars in unjustified financial aid facilitated or authorized by MELANIE WILLIAMS-BETHEA, the defendant, much of which was given during years in which THOMAS was not enrolled in classes at The Graduate School but rather was working on her dissertation.<sup>4</sup> In particular:

a. Between in or about 2005 and in or about 2017, THOMAS received more than \$1 million in stipends, scholarships and loans. Nearly \$500,000 of this amount came in the form of institutional stipends from The Graduate School, and nearly half of these stipends were awarded in years in which THOMAS was not enrolled in classes but was working on her dissertation.

---

<sup>4</sup>As noted above, THOMAS recently defended her dissertation. However, based on my conversations with administrators at The Graduate School, I understand that THOMAS's progress towards her dissertation was considerably slower than an average doctoral student. Moreover, as described below, I believe that the amount of financial aid provided to THOMAS during the years she was working on her dissertation and her COA during those years significantly exceeded that of an average doctoral student.

b. During the years in which The Graduate School's database maintains a report of the source of stipend funds, the majority of the stipends awarded to THOMAS were authorized by WILLIAMS-BETHEA and many of these stipends came from the FTAC Fund. As noted above, WILLIAMS-BETHEA had the ability to award funds from the FTAC Fund.

c. In at least three school years - 2009-2010, 2011-12 and 2012-13 - THOMAS received financial aid that exceeded her COA by thousands of dollars.<sup>5</sup>

d. In the following four school years - 2013-14, 2014-15, 2015-16 and 2016-17 - THOMAS's COA increased significantly, even though she was not enrolled in classes but was working on her dissertation. Her COA in each of these years - \$119,736, \$138,787, \$144,195, and \$176,447 - was more than double and in one instance more than triple the standard COA in each of these years for a doctoral student working on a dissertation. THOMAS'S COA in these years included line items attributing large amount of money to non-specific categories, such as \$34,500 in "Other Expenses" in 2015-16 or \$20,831 in "Personal Expenses" in 2016-17. In each of these years, WILLIAMS-BETHEA approved THOMAS's COA.

e. In each of these years (2013-14 through 2016-17), THOMAS received federal student loans - \$47,041, \$57,377, \$51,386 and \$61,940. In these years, THOMAS also received tens of thousands of dollars of institutional stipends and scholarships, such that she received a total amount of financial aid nearly as high as her dramatically inflated COA. As noted above, had her COA been closer to that of the standard COA such that her total aid exceeded her COA, her federal student loans would have been subject to reduction so as to not exceed her COA.

f. In at least five school years (2010-11, 2013-14, 2014-15, 2015-16, and 2016-17), THOMAS had the single highest COA at The Graduate School.

g. Based on my conversations with an employee at The Graduate School, I know that The Graduate School has been unable to locate a record of any COA adjustment forms justifying these exorbitant inflated COA figures for THOMAS.

---

<sup>5</sup> According to records maintained by The Graduate School, in 2010-11, THOMAS's COA was listed as more than \$1.9 million. Based on my conversations with witnesses at The Graduate School, I believe this is a typographical error.

24. Based on my conversations with an administrator at The Graduate School, I understand that his review of a database showed no indication that ANNICE KPANA, CARMEN CANTY, or KYLA THOMAS a/k/a "Kyla Britt," the defendants, had returned any of her financial aid payments to The Graduate School.

WILLIAMS-BETHEA Creates Fraudulent Stipend Request Forms for Awards to KPANA, CANTY and THOMAS

25. Based on my review of documents maintained by The Graduate School, I have learned that stipend awards like those described above often originate when a professor or administrator fills out a form requesting that a stipend be awarded to a particular student for a particular purpose. These forms indicate, among other things, who made the request, who approved the request, the amount sought, and the purpose of the stipend (e.g., for research).

26. I have reviewed stipend request forms relating to awards made to ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, among other individuals. I and other law enforcement officers have also interviewed the professors and administrators listed as the requesting or authorizing individual on some of these forms. Based on my participation in the investigation, including my conversations with the professors and administrators, and my conversations with other law enforcement officers, I believe that MELANIE WILLIAMS-BETHEA, the defendant, created fraudulent stipend request forms that gave the appearance that professors or other administrators had requested stipends for KPANA, CANTY and THOMAS, when in fact they had not. For example:

a. On a stipend request form dated July 9, 2013, an administrator at The Graduate School ("Administrator-1") is listed as the requestor of an \$18,000 stipend to KPANA. Administrator-1 has stated that he did not know KPANA and never requested that she be awarded such a stipend. After being shown the form, Administrator-1 stated that he recognized the handwriting on the form to be not his own but rather that of MELANIE WILLIAMS-BETHEA, the defendant.<sup>6</sup> Moreover, attached to the stipend request form is a sticky note addressed to two employees in the accounts payable department, which is written in the same handwriting as that on the form. The note reads, in pertinent part: "Please let me know when check is ready. I'll

---

<sup>6</sup> Administrator-1 stated that he is familiar with WILLIAMS-BETHEA's handwriting because he worked with her for years and had to sign off on her travel vouchers and timesheets, among other things.

pick up! Thanks, Melanie." WILLIAMS-BETHEA is listed as the approver on this form.

b. On numerous stipend request forms, dated in 2009, 2011, and 2013, another administrator at The Graduate School ("Administrator-2") is listed as the requestor of awards to KPANA ranging from \$10,000 to \$12,000 each. Administrator-2 has stated that she did not know KPANA. After being shown the forms, Administrator-2 stated that she never requested these stipends and that the handwriting on the forms was not hers. Moreover, in the "purpose of stipend" section of several of these forms, the requestor listed "FLAS award." As noted above, FLAS Stipends are for a program jointly administered with the University, but the University has no record of KPANA ever being enrolled in that program. WILLIAMS-BETHEA is listed as the approver on these forms.

c. On a stipend request form dated January 15, 2013, a professor at The Graduate School ("Professor-1") is listed as the requestor of a \$15,432 stipend to KPANA. Professor-1 stated that he does not know KPANA and did not request this stipend. WILLIAMS-BETHEA is listed as the approver on this form.

d. On two stipend request forms, dated November 20, 2012 and June 7, 2013, a third administrator at The Graduate School ("Administrator-3") was listed as the requestor for stipend awards of \$5,000 and \$10,000 to CANTY. Administrator-3 stated that she vaguely recalled that CANTY was a student, but that she did not request these stipends and that the handwriting on the forms was not hers. Administrator-3 further stated that the description under "purpose of stipend" on one form was something she was not familiar with and on the other form was something she would not have written. WILLIAMS-BETHEA is listed as the approver on these forms.

e. On two stipend request forms, dated November 20, 2012 and March 8, 2013, Administrator-3 was listed as the requestor for stipend awards of \$5,000 and \$15,432 to THOMAS. Administrator-3 stated that she did not recall THOMAS, that she did not request these stipends, and that the handwriting on the forms was not hers. Administrator-3 further stated that the description under "purpose of stipend" on one form was something she was not familiar with and on the other form was something she would not have written. WILLIAMS-BETHEA is listed as the approver on these forms.



27. Based on my review of the above-described stipend request forms and numerous documents containing the handwriting of MELANIE WILLIAMS-BETHEA, the defendant, I believe that the handwriting on the forms is consistent with the handwriting of WILLIAMS-BETHEA. Moreover, on all of these forms, WILLIAMS-BETHEA's name is written on the form as the person approving the stipend, and the handwriting for WILLIAMS-BETHEA's name appears to be the same handwriting as the person who prepared the form (regardless of which administrator or professor purportedly made the request). Thus, I believe that WILLIAMS-BETHEA prepared all of the above-described forms.

KPANA, CANTY and THOMAS Pay Kickbacks to WILLIAMS-BETHEA

28. Based on my review of bank records obtained by subpoena, I know that MELANIE WILLIAMS-BETHEA, the defendant, has received hundreds of thousands of dollars in payments from ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants. In particular:

a. Between in or about May 2011 and in or about March 2017, KPANA received nearly \$600,000 in stipends from The Graduate School, and kicked back nearly \$300,000 of that amount to WILLIAMS-BETHEA by check.

b. KPANA's checks to WILLIAMS-BETHEA were frequently written within days after stipend funds were deposited into KPANA's account, and often amounted to approximately half of the amount of the stipend funds that KPANA received on a particular occasion. For example, on or about December 23, 2013, KPANA received a check from The Graduate School for \$17,000. The next day, she wrote a check to WILLIAMS-BETHEA for \$8,500. This pattern occurred nearly every month between 2011 and 2017.

c. KPANA's checks to WILLIAMS-BETHEA often included notations in the memo line such as "Love" or "Thank you!"

d. Between in or about May 2010 and in or about May 2016, CANTY received more than \$200,000 in stipends and scholarship awards from The Graduate School, and kicked back approximately \$50,000 of that amount to WILLIAMS-BETHEA by cashier's checks and postal money orders.

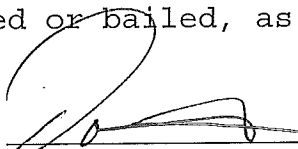
e. Some of CANTY's payments to WILLIAMS-BETHEA were made shortly after she received stipend or scholarship payments from The Graduate School. For example, on or about August 1, 2014, CANTY received a \$34,000 stipend payment from the Graduate

School; on or about August 8, 2014, CANTY paid WILLIAMS-BETHEA \$12,500 by cashier's check.

f. Between in or about September 2010 and in or about July 2013, THOMAS received more than \$60,000 in stipends from The Graduate School, and kicked back approximately \$25,000 of that amount to WILLIAMS-BETHEA by check.<sup>7</sup>

g. Some of THOMAS's payments to WILLIAMS-BETHEA were made within days of receiving a check from The Graduate School and, in these instances, THOMAS's checks to WILLIAMS-BETHEA often amounted to approximately half of the amount of the check from The Graduate School. For example, on or about May 7, 2013, THOMAS received a check from The Graduate School for \$12,000; on or about May 10, 2013, THOMAS wrote a check to WILLIAMS-BETHEA for \$6,000.

WHEREFORE, I respectfully request that arrest warrants be issued for MELANIE WILLIAMS-BETHEA, ANNICE KPANA, CARMEN CANTY, and KYLA THOMAS a/k/a "Kyla Britt," the defendants, and that they be arrested and imprisoned or bailed, as the case may be.

  
BORIS PLAZA  
Special Agent, ED-OIG

Sworn to before me this  
10th day of January, 2018

  
THE HONORABLE BARBARA MOSES  
UNITED STATES MAGISTRATE JUDGE  
SOUTHERN DISTRICT OF NEW YORK

<sup>7</sup> THOMAS received hundreds of thousands of dollars' worth of stipend payments between 2013 and 2017 – payments that I believe, for the reasons set forth herein, to have been unjustified – but I have as-of-yet not identified kickbacks of those payments to WILLIAMS-BETHEA.