

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

ORIGINAL

UNITED STATES OF AMERICA,

Plaintiff,

vs.

D-1 BEVERLY CAMPBELL,

Defendant.

Case:2:16-cr-20213
Judge: Borman, Paul D.
MJ: Majzoub, Mona K.
Filed: 03-29-2016 At 09:20 AM
INFO USA V BEVERLY CAMPBELL (LG)

VIOLATIONS:
18 U.S.C. § 371 (Conspiracy)
18 U.S.C. § 666 (Bribery)

INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

GENERAL ALLEGATIONS

At all times relevant to this Information:

1. Detroit Public Schools (“DPS”) was a government agency operating within Wayne County, Michigan, in the Eastern District of Michigan.
2. DPS was a government agency that received in excess of \$10,000.00 under one or more federal programs involving grants, contracts, subsidies, loans, guarantees, insurance and other forms of federal assistance in each one-year period for fiscal years 2002 through 2014.

3. Defendant BEVERLY CAMPBELL was an employee and agent of DPS, a government agency, when she was employed as Principal of Rosa Parks School (“Rosa Parks”) from 2002 through 2005 and Greenfield Union Elementary-Middle School (“Greenfield Union”) from 2005 through August 2015.

4. As Principal, CAMPBELL had the primary authority for ordering school supplies for Rosa Parks and Greenfield Union. CAMPBELL also had the primary authority for selecting vendors from whom she would order supplies for Rosa Parks and Greenfield Union.

5. As Principal, CAMPBELL was responsible for certifying that Rosa Parks and Greenfield Union received the goods listed on a vendor’s invoice, and then submitting, or causing to be submitted, the invoice to DPS for payment to the vendor.

6. Beginning in 2002, CAMPBELL chose Norman Shy, doing business as Allstate Sales (“Shy”), as the primary vendor of school supplies for Rosa Parks. Beginning in 2005, CAMPBELL chose Shy as a vendor of school supplies for Greenfield Union.

COUNT ONE

(18 U.S.C. §§ 371, 666(a)(1)(B) –
Conspiracy to Commit Federal Program Bribery)

7. Paragraphs 1 through 6 of the General Allegations are hereby incorporated in this Count.

8. From some time in 2002, through January 2015, in the Eastern District of Michigan, defendant BEVERLY CAMPBELL and Shy, did knowingly and willfully conspire and agree with each other for CAMPBELL, an agent of DPS, to corruptly accept things of value, to wit: kickback payments, intending to be influenced and rewarded in connection with a series of payments from DPS to Shy's business, which payments were valued at more than \$5,000, in violation of Title 18, United States Code, Section 666(a)(1)(B).

Manner and Means of the Conspiracy

9. The conspiracy was carried out through the following manner and means:

10. CAMPBELL promised to and did take official action, including ordering school supplies from Shy, and certifying and submitting, and causing to be certified and submitted, fraudulent invoices to DPS for payment to Shy for goods that were not delivered, in exchange for kickback payments to CAMPBELL from Shy.

11. At times, Shy did not deliver any of the goods to Rosa Parks or Greenfield that were listed on the fraudulent invoices that CAMPBELL certified and submitted, and caused to be certified and submitted, to DPS for payment.

12. At other times, Shy delivered only a portion of the goods specified on an invoice for the purpose of making the transaction appear legitimate.

13. Shy maintained a ledger that kept track of how much money Shy owed CAMPBELL in kickback payments as a result of the fraudulently submitted invoices.

14. CAMPBELL regularly communicated and met with Shy to discuss how much money Shy owed her, and to request and receive kickback payments in connection with the fraudulent invoices she submitted, and caused to be submitted, to DPS.

15. CAMPBELL corruptly received things of value, i.e., money, from Shy, which represented a portion of the payments Shy received from DPS as a result of the fraudulent invoices CAMPBELL submitted and caused to be submitted.

Overt Acts Which Furthered the Conspiracy

16. In order to further the unlawful conspiracy, one or more of the conspirators committed the following acts, among others:

17. In approximately 2002, Shy described to CAMPBELL how they could fraudulently “encumber” DPS funds by certifying and submitting to DPS invoices from Shy for goods that were not delivered.

18. In approximately 2002, Shy further described that he could provide CAMPBELL a cash kickback payment which would represent 40% of the encumbered funds Shy fraudulently received from DPS for the undelivered goods.

19. In approximately 2002, CAMPBELL selected Shy as a vendor to provide school supplies to Rosa Parks.

20. In approximately 2002, in exchange for kickback payments from Shy, CAMPBELL agreed to submit and cause to be submitted to DPS fraudulent invoices from Shy for goods that were not delivered to Rosa Parks.

21. In approximately 2005, in order to continue receiving cash kickback payments, CAMPBELL selected Shy as a vendor to provide school supplies to Greenfield Union.

22. From February 2002 through May 2014, CAMPBELL certified and submitted, and caused to be certified and submitted, fraudulent invoices from Shy on behalf of Rosa Parks and Greenfield Union which caused DPS to issue payments to Shy for goods that were never delivered.

23. On the following approximate dates, CAMPBELL certified and submitted to DPS, and caused to be certified and submitted, invoices from Shy for goods that were not all delivered:

- a. April 1, 2014
- b. April 3, 2014
- c. April 4, 2014
- d. April 17, 2014

24. From February 2002 through May 2014, CAMPBELL would meet with Shy approximately four or five times per year in order to receive cash kickback payments totaling approximately \$50,000 from Shy.

All in violation of Title 18, United States Code, Section 371 and 666.

BARBARA L. McQUADE
United States Attorney



J. MICHAEL BUCKLEY
Assistant United States Attorney
Deputy Chief, Public Corruption Unit



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Dated: March 29, 2016

United States District Court
Eastern District of Michigan

Criminal Case Co

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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to con

Reassignment/Recusal Information This matter was opened in the USAO prior to August 15, 2008 []

Companion Case Information	Companion Case Number: See attached
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned: See attached
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	AUSA's Initials: <i>JMB</i>

Case Title: USA v. D-1 BEVERLY CAMPBELL

County where offense occurred : Wayne

Check One: Felony Misdemeanor Petty

____ Indictment/ Information --- no prior complaint.
 ____ Indictment/ ____ Information --- based upon prior complaint [Case number: _____]
 ____ Indictment/ ____ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ Judge: _____

- Original case was terminated; no additional charges or defendants.
- Corrects errors; no additional charges or defendants.
- Involves, for plea purposes, different charges or adds counts.
- Embraces same subject matter but adds the additional defendants or charges below:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
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Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

March 29, 2016
Date

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 Assistant United States Attorney
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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated. 04/13

Companion Case Information

Companion Case Number and Judge Unknown; all cases filed simultaneously on March 29, 2016:

U.S. v. Ronald Alexander

U.S. v. Tanya Bowman

U.S. v. Josette Buendia

U.S. v. Nina Graves-Hicks

U.S. v. James Hearn

U.S. v. Gerlma Johnson

U.S. v. Stanley Johnson

U.S. v. Tia'Von Moore-Patton

U.S. v. Willye Pearsall

U.S. v. Norman Shy and Clara Flowers

U.S. v. Ronnie Sims

U.S. v. Clara Smith