

## **Bribery of Liberian Officials for False Accreditation of Academic Institutions / Richard John Novak**

**Case ID:**

ST-107

**Case Cluster :**

Bribery of Liberian Officials for False Accreditation of Academic Institutions

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Department of Justice

**Jurisdiction of Foreign Public Official(s) :**

Liberia

**Year of Settlement:**

2006

**Month/Day of Settlement (or Notes):**

03/20

**Other Jurisdictions of Settlement:**

Unknown

**Settlement with Individual or Legal Person?:**

Individual

**Type of Settlement:**

Criminal

**Legal Form of Settlement:**

Guilty Plea

**Monetary Sanctions (Types):**

None

**Total Monetary Sanctions (US\$):**

\$0.00

**Criminal Fine/Penalty (US\$) :**

\$0

**Monetary Sanctions Returned / Ordered Returned (US\$):**

\$0

**UNCAC Articles(s) Implicated:**

Art.16

**OECD Anti-Bribery Convention Articles Implicated:**

Art. 1

**Offenses - Alleged:**

Conspiracy to bribe foreign officials, Conspiracy to commit wire and mail fraud, Bribery of foreign officials

**Offenses - Settled:**

Conspiracy to bribe foreign officials, Conspiracy to commit wire and mail fraud, Bribery of foreign officials

**Public Procurement Contract / SOE Involved?:**

No (Education License)

**Summary:**

According to the June 2011 United States Report to the OECD, "In a superseding information filed on March 20, 2006, Richard John Novak was charged with one count of bribery in violation of the FCPA and an additional count of conspiracy to bribe foreign officials, to commit mail fraud, and to commit wire fraud. These charges stemmed from a series of bribe payments, in excess of \$43,000, which were made to several Liberian officials in order to obtain accreditation from Liberia for Saint Regis University, Robertstown University, and James Monroe University, and to induce Liberian officials to issue letters and other documents to third parties falsely representing that Saint Regis University was properly accredited by Liberia. These "online universities" were in fact part of an online "diploma mill scheme," and they provided no legitimate educational services and had no legitimate academic accreditation. According to court documents, between October 2002 and September 2004, approximately \$19,200 was wired from an account in the State of Washington controlled by Novak's co-defendants, Dixie Ellen Randock and Steven Karl Randock, Sr., to a bank account in Maryland in the name of the Liberian Consul. These corrupt payments benefited officials of the Liberian Embassy in Washington, D.C., the Director of National Commission of Higher Education of Liberia, and the Director General of Higher Education of Liberia." (Source: US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Bribery of Liberian Officials for False Accreditation of Academic Institutions Case Summary at 119-120.)

**Sources :**

US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Bribery of Liberian Officials for False Accreditation of Academic Institutions Case Summary at 119-120, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US v. Richard John Novak, Case No. 2:05-cr-180-LRJ (E.D. Wash.), Superseding Indictment filed March 20, 2006, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/novakr/03-20-06novak-supersede-info.pdf>; Plea Agreement filed March 20, 2006, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/novakr/03-20-06novak-plea-agree.pdf>; Judgment in a Criminal Case, October 2, 2008, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/novakr/10-02-08novak-judgment.pdf>.