



WARREN
LAW GROUP

**WHITE COLLAR
CRIMES & HOW
THEY GOT CAUGHT:
VARSITY BLUES SCANDAL**

INTRODUCTION

A white-collar crime is a non-violent offense committed by an individual or organization, often in a professional setting, for financial gain. Such offenses are typically committed by individuals in positions of power or trust, and can include fraud, embezzlement, money laundering, insider trading, bribery, and cybercrime. These crimes are often carried out using sophisticated methods and are difficult to detect, making them a significant threat to businesses and society as a whole.

Examples of white-collar crimes can range from corporate executives taking kickbacks to enrich themselves, to employees embezzling funds from their company, to computer hackers stealing sensitive information for profit.

Other charges that can be brought against an individual or organization include tax evasion, environmental crimes, antitrust violations, and securities fraud. The penalties for these crimes can be severe, including significant imprisonment, fines, and damage to a person's reputation and credibility. It is important to note that victims of white-collar crimes can be anyone, regardless of social status or occupation.

At the Warren Law Group, we have extensive experience defending individuals accused of committing white-collar crimes, including some of significant notoriety. This eBook will highlight two of the most prominent cases of our partner David Rosenfield including his representation of the cooperator responsible for uncovering one of the most widespread scandals in recent American history - the Varsity Blues college admissions scandal.

VARSITY BLUES SCANDAL

The Varsity Blues scandal, also known as the college admissions scandal, was an investigation and legal case involving a scheme to influence college admissions decisions. The scandal was uncovered in 2019 and led to the arrest and prosecution of dozens of individuals, including wealthy parents, coaches, and test administrators.

What first caused this nationwide scam to be exposed was an unlikely cooperator, one of David Rosenfield's former clients, who exposed the scheme while cooperating with prosecutors in a separate investigation.

The cooperator was a wealthy stock promoter executive who had been caught up in an investigation involving securities fraud. Facing the possibility of a lengthy prison sentence, the individual decided to cooperate with the authorities in the hope of securing leniency in his own case. It was during this cooperation that he mentioned to federal investigators that he knew of a college admissions bribery scheme being perpetrated. The leader of the scheme, unbeknownst to our cooperator at the time, was Rick Singer.

Singer was a consultant who had built a business around helping wealthy parents secure admission for their children to elite universities. The scheme involved parents paying large sums of money to Singer, who then used his connections to bribe coaches and administrators at these universities to secure admission for the children. The scheme also involved cheating on college entrance exams, with Singer arranging for a proctor to change the student's answers or for someone else to take the test on behalf of the student.

This was not a new scheme, but it had become more sophisticated over time. Singer had built a network of coaches and administrators who were willing to take bribes in exchange for admitting the children of wealthy parents. He also had a team of proctors and test-takers who helped students cheat on college entrance exams.

Singer targeted universities with athletic programs where coaches had significant discretion over admissions decisions. He then approached coaches in minor sports (rowing, sailing, soccer) the coaches with an offer to give money to them, or donate money to the program, in exchange for a "recruitment slot" for a student who was not actually an athlete. Singer often created fake athletic profiles for the students, complete with photoshopped images of them engaging in the sport in question.

Singer had significant experience in the college admissions world, having worked as a college counselor and an admissions officer earlier in his career. He had a deep understanding of how the admissions process worked and how to exploit its weaknesses.

David's client's role in uncovering the scheme was pivotal. He provided the initial tip that led to the investigation, and he also agreed to wear a wire and record conversations with one of the coaches involved in the scheme. The recordings provided the evidence that federal authorities needed to build their case against Singer and the others.

The cooperator's motivations for coming forward were not entirely altruistic. He had his own legal problems to worry about, and he saw an opportunity to help himself by cooperating with the authorities. The cooperator, a Canadian financier, was sentenced to one year of prison, later reduced to four months for his involvement in the securities fraud scheme.

According to court documents, the cooperator was attempting to facilitate the admission of a student to Yale University by introducing the student to Rudy Meredith, the then women's soccer coach at the school. He bribed Meredith to designate the student as a soccer recruit, even though the student might not otherwise have made the team.

The cooperator's involvement in the scheme sheds light on the inner workings of the college admissions system, which has long been criticized for favoring the wealthy and connected. The scandal, which involved dozens of wealthy parents and high-profile coaches, exposed the lengths to which some families will go to secure a place for their children at elite colleges.

The relatively lenient sentence for the cooperator was due to his significant cooperation with federal investigators.

FACTS OF THE CASE

Background

The scheme was orchestrated by William "Rick" Singer, who ran a for-profit college admissions consulting company called The Key. Singer worked with wealthy parents to bribe coaches, college administrators, and test administrators to help their children gain admission to elite colleges. The scheme involved two primary methods: cheating on standardized tests and bribing college coaches to designate non-athletic students as athletic recruits.

What the Scheme Involved

Singer worked with parents to bribe test administrators to allow for cheating on standardized tests such as the SAT and ACT. Singer also bribed college coaches to designate non-athletic students as athletic recruits, which gave them an almost certain likelihood of admission to elite colleges. In some cases, Singer and his associates created fake athletic profiles for students to make them appear to be very successful athletes.

End Results

As a result of the investigation, dozens of individuals were arrested and charged with crimes including fraud, bribery, and money laundering. Most either pled guilty or were convicted after a trial. The scandal has exposed the inequities in the college admissions process and raised questions about the system's fairness. Several high-profile individuals, including actresses Felicity Huffman and Lori Loughlin, were charged and pled guilty in connection with the scheme. Many of the students who gained admission to colleges through the scheme have had their admissions rescinded or have been expelled from their schools.

What They Did Wrong

Initially, the FBI had no idea this massive scheme was occurring. It wasn't until David's client decided to cooperate fully in a connection with a totally unrelated crime that everything came to light. The cooperator traveled to Boston to discuss with the government his involvement in the unrelated pump-and-dump scheme. It was there that he disclosed information concerning his bribery of the Yale soccer coach, having provided the coach with bribes so that he could buy a second home in Florida.

Subsequently, the FBI orchestrated a sting operation where the client contacted the soccer coach, who then traveled to Boston, and their interaction, including the payment of cash bribes, was recorded via audio and video.

During this interaction, the client explicitly referred to his desire to have his daughter placed on the Yale soccer team. The name of Rick Singer, described by the soccer coach as a well-connected individual based in California, was mentioned, and the investigation of Singer began. As a result of this operation, the soccer coach and Singer ultimately pled guilty, leading to the arrest and charging of numerous parents for their involvement in the admissions scandal.

The government places significant importance on an individual's cooperation, which can potentially result in the prosecution of additional cases. A pump-and-dump scandal investigation eventually led to the unprecedented Operation Varsity Blues case. Eventually, the client pled guilty to securities fraud charges and faced a stern judge, who was renowned for imposing harsh sentences. Nonetheless, due to the client's remarkable cooperation, the US Attorney's Office recommended probation, resulting in an initial sentence of only one year, which was subsequently reduced to 4 months. Cooperation must be comprehensive and unconditional, which David's client certainly did. Additionally, individuals cooperating with the government should adhere to a no-press rule and refrain from discussing their case publicly until sentencing, which David's client did.

Expert Opinion

Cooperation is key. And cooperation means full cooperation. These are the lessons of the client and the Varsity Blues case. The Varsity Blues investigation only came about because David's client got jammed up in another completely unrelated criminal investigation. Because our client didn't hold anything back, he was not only able to lead the government to the Varsity Blues scandal, he was also able to help himself by drawing a much lighter sentence than he otherwise would have received.



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Resources

- <https://www.rollingstone.com/culture/culture-news/operation-varsity-blues-scam-tipster-college-admissions-808418/>
- <https://www.latimes.com/california/story/2020-08-12/college-admissions-scandal-morrie-tobin-sentenced>
- <https://www.reuters.com/world/us/us-college-admissions-scam-tipsters-prison-sentence-reduced-4-months-stock-fraud-2021-10-01/>

Protect Your Rights and Reputation:

Trust Warren Law Group for Skilled Defense in White Collar Crime Cases

If you or someone you know is facing allegations of a white-collar crime, it's crucial to seek out experienced legal representation as soon as possible. At the Warren Law Group, we have a proven track record of successfully defending individuals and organizations in complex white-collar criminal cases. Our team of highly skilled attorneys is dedicated to protecting your rights, reputation, and freedom.

To get started, don't hesitate to contact us today. We offer a free consultation to assess your case and begin building a strong defense strategy that can help you achieve the best possible outcome. Whether you're dealing with charges related to fraud, embezzlement, insider trading, or another type of white-collar crime, we're here to help.

To reach us, you can call our phone number at (332) 272-2921 or email us at info@warren.law. You can also visit our website at <https://warren.law/> to learn more about our firm and the types of cases we handle. While you're there, be sure to subscribe to our newsletter to receive updates and insights from our legal team.

Don't let allegations of a white-collar crime destroy your future. Trust the Warren Law Group to fight for you and protect your rights. Contact us today to schedule a consultation and take the first step toward a strong defense.



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