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DAYTON TECHNOLOGY STAFFING COMPANY PLEADS GUILTY IN CONNECTION TO UNIVERSITY VISA FRAUD

DAYTON – A Dayton IT staffing company pleaded guilty in U.S. District Court yesterday to knowing about but failing to notify an authority of a federal offense, namely, visa fraud at Wright State University. The case was unsealed today.

Benjamin C. Glassman, United States Attorney for the Southern District of Ohio, Vance Callander, Special Agent in Charge, Homeland Security Investigations (HSI), Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General and the Defense Criminal Investigative Service, Dayton Resident Agency announced the plea entered into before U.S. District Judge Thomas M. Rose.

According to court documents, Web Yoga, Inc. is a privately held company based in Dayton that specializes in information technology staffing.

During the summer of 2010, an official with Wright State University approached Web Yoga and proposed an arrangement whereby the university would source H-1B visa holders from overseas and subcontract them to Web Yoga for placement at client locations around the country.

Between 2010 and 2013, Wright State entered into several sponsored research contracts with Web Yoga. Wright State would employ software engineers, obtain H-1B visas for the employees, and pay their respective salary and benefits as employees of the university.

The H-1B visa program allows companies in the United States to temporarily employ foreign workers in occupations that require highly specialized knowledge and a bachelor's or higher degree in a specific specialty. As an institute of higher learning, Wright State was sometimes "cap exempt" from limits on the number of H-1B visas it could obtain, unlike other types of organizations.

Wright State University employed 24 foreign employees – who were selected and approved by Web Yoga – through H-1B visas. Web Yoga learned in 2012 that portions of the H-1B visa paperwork filed by Wright State with the federal government did not accurately reflect the work

locations for the visa holders subcontracted to Web Yoga. Specifically, Web Yoga learned the university falsely stated the employees would be physically working on the university's campus. The visa employees worked as consultants on behalf of Web Yoga in various cities throughout the country, including Atlanta, Orlando and New York City.

Web Yoga continued to subcontract for the H-1B employees even after learning the visas were obtained through false statements. Web Yoga continued to present the employees as valid visa holders to their clients across the United States. Web Yoga did not make the felony known to a person of authority and concealed Wright State's false statements through its actions.

As part of the plea, the parties have recommended Web Yoga pay a fine of approximately \$566,000, to be paid no later than the date of sentencing.

In November 2018, Wright State University's Board of Trustees accepted responsibility for visa fraud offenses on behalf of the university and agreed to pay the federal government \$1 million.

"Today's guilty plea marks the successful culmination of a complex visa-fraud investigation by HSI and our partners," said Vance Callander, Special Agent in Charge for HSI in Michigan and Ohio. "This outcome should serve as a stark warning to entities who may be seeking to exploit the U.S. Visa process."

"Web Yoga, Inc. conspired to conceal its use of Wright State University's employees authorized through the H-1B visa program to work in the U.S. As an institution of higher learning, the university is exempt from the national cap on H-1B visas, yet Web Yoga, a privately held company, had the H-1B authorized employees work to fulfill its consulting contracts. We will continue to work with our law enforcement partners to investigate crimes that abuse Department of Labor programs and deprive American workers of employment opportunities," said Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

U.S. Attorney Glassman commended the cooperative investigation of this case by HSI, the Department of Labor Office of Inspector General and the Defense Criminal Investigative Service, as well as Assistant United States Attorney Kyle J. Healey, who is representing the United States in this case.

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