

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 14-CR-20731-LENARD(s)(s)

UNITED STATES OF AMERICA

v.

MICHAEL GRUBBS,

Defendant.

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FACTUAL PROFFER

Had this case proceeded to trial, the United States would have proved beyond a reasonable doubt that on or about May 17, 2012, Michael GRUBBS (hereinafter “the defendant”) stole approximately \$463 from the United States government. Specifically, between approximately 2008 and May 2012, the defendant worked as a director of admissions at the Jacksonville campus of Fast Train College (“Fast Train”), headquartered at 10100 S.W. 107th Avenue, Miami, Florida, Miami, Florida. Fast Train, which was owned by Alejandro Amor, was for-profit college that awarded career diplomas and industry certifications in, among other things, medical assisting, medical coding, patient care, computer technology, and information technology. Fast Train operated seven campuses across the state of Florida, which included two in Miami-Dade County, two in Broward County, one in Hillsborough County, one in Pinellas County, and one in Duval County. At various times between approximately August 2008 and May 2012, Juan Arreola, Luis Arroyo, Juan Peña, Jose W. Gonzalez, and Anthony Mincey, among others, also worked in the admissions department at Fast Train.

Fast Train was approved by the United States Department of Education to receive federal student aid on behalf of its students, including both Pell Grants, which did not require repayment,

and Direct Loans, which required repayment. However, receipt of Pell Grants and Direct Loans, as well as any other form of federal student aid, was conditioned upon compliance with the Department of Education's eligibility requirements. In particular, students were required to possess a high school diploma, a General Equivalency Diploma ("GED"), or other credential approved by the Department of Education, in order to receive Pell Grant or Direct Loan funds. In addition, participating schools had to calculate refunds for students who dropped out or withdrew from school and refund the amount to the Department of Education. Alejandro Amor and his wife, D.A., were the sole signatories on all of Fast Train's bank accounts, including those accounts specifically designated to receive Pell Grants and Direct Loans.

Beginning in early 2010, Alejandro Amor instructed Juan Arreola, Luis Arroyo, and others, to recruit any student they could find on the street, irrespective of whether that prospective student had a high school diploma and was therefore eligible for Pell Grants and Direct Loans. Amor further instructed Juan Arreola, Luis Arroyo, and others, to make sure that students without the requisite diploma falsely answered "yes" on Fast Train's enrollment paperwork when asked whether he or she had graduated from high school. Finally, Amor instructed Juan Arreola, Luis Arroyo, and others, to train the defendant and others to implement these illegal recruiting and enrollment practices across all of Fast Train's campuses.

When the number of student admissions in the northern Florida campuses dropped, Amor instructed the defendant to come to Miami to learn Amor's fraudulent recruitment and enrollment practices and later sent Juan Arreola and others to Jacksonville to continue the training. During his training, the defendant, along with other Fast Train admission representatives, drove around low-income neighborhoods recruiting students without high school diplomas. In Jacksonville, Amor's fraudulent recruiting and enrollment practices were implemented by, among others,

Anthony Mincey and Jose W. Gonzalez, who likewise knowingly enrolled students without high school diplomas and instructed those students to falsely tell Fast Train's Financial Aid office that he or she did have a high school diploma.

In or around February 2012, student I.B. was recruited by Anthony Mincey to enroll in Fast Train, even though I.B. told Mincey she was seventeen years old and did not have a high school diploma or GED. Later, the defendant spoke to I.B. and encouraged her to enroll at Fast Train, even though he knew, or should have known, that I.B. was not eligible to apply for federal student aid. On or about February 23, 2012, with the help of the defendant, Mincey, and the Fast Train Financial Aid office, I.B. filled out a FAFSA, falsely and fraudulently indicating that I.B. had graduated from high school. On or about May 17, 2012, Fast Train drew down approximately \$463 in Pell Grants on behalf of I.B., to which it was not entitled. I.B. never earned her high school diploma.

WIFREDO A. FERRER
UNITED STATES ATTORNEY

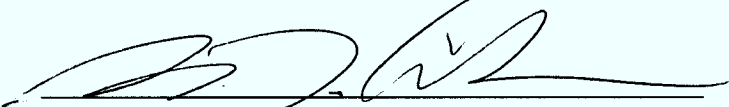
Date: 10-2-15

By: 
AMANDA PERWIN
ASSISTANT UNITED STATES ATTORNEY

Date: 10.2.15

By: 
SOWMYA BHARATHI
ATTORNEY FOR DEFENDANT

Date: 10/2/15

By: 
MICHAEL GRUBBS
DEFENDANT