



*United States Attorney
Southern District of New York*

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**FORMER COLUMBIA UNIVERSITY OFFICIAL PLEADS GUILTY TO
STEALING THOUSANDS OF DOLLARS FROM THE UNIVERSITY**

GUY PETRILLO, the Acting United States Attorney for the Southern District of New York, for purposes of the case described in this release, announced that JOHN BZDIL, III, pleaded guilty today to charges arising out of a scheme to defraud Columbia University ("Columbia") through the submission by BZDIL of phony invoices for expenses and purchases purportedly related to services provided by the Pediatric Neurosciences Department of the Neurological Institute at Columbia. The guilty plea was entered before United States Magistrate Judge MICHAEL H. DOLINGER in Manhattan federal court.

According to the criminal Complaint, Information, and other documents filed in this case, as well as statements made during BZDIL's guilty plea proceeding:

BZDIL is formerly the Manager of the Pediatric Neurosciences Department of the Neurological Institute at Columbia (the "Department"). From approximately June 2005 to approximately June 2008, BZDIL, using his position as Manager of the Department, defrauded Columbia of more than \$180,000, by causing Columbia to make reimbursement payments for expenses and purchases that were unrelated to services provided by the Department.

As one part of this fraud, BZDIL submitted to Columbia phony reimbursement requests for spinal muscular atrophy studies purportedly performed by a medical professional affiliated with Columbia. BZDIL then authorized Columbia to make payment on the reimbursement requests, despite the fact that the spinal muscular atrophy studies described in the reimbursement requests had not been performed. BZDIL then diverted the money Columbia paid into his own accounts or accounts he controlled. In this manner, BZDIL stole over \$112,500.

Additionally, BZDIL submitted reimbursement requests to Columbia for items purchased from Amazon.com for his personal use. Exploiting his position as a Manager, BZDIL authorized these purchases, representing that they were goods and services related to his employment at Columbia. Through this scheme, the defendant purchased, and Columbia paid for, over \$40,000 worth of personal items at Amazon.com, none of which was a legitimate employment-related expense.

BZDIL also submitted reimbursement requests for expenses incurred at the Skytop Lodge, in Skytop, Pennsylvania, in connection with his wedding. These expenses totaled more than \$25,000, and based on BZDIL's false representations, were also paid for by Columbia, purportedly for legitimate expenses related to the Department.

BZDIL, 35, of Allentown, Pennsylvania, pleaded guilty to a one count Information charging him with wire fraud, a charge which carries a maximum term of 20 years in prison. The Information also contains a forfeiture allegation for \$180,000, representing the funds obtained through the fraud. BZDIL is scheduled to be sentenced by United States District Judge SIDNEY H. STEIN on June 25, 2009 at noon.

Mr. PETRILLO praised the investigative work of the Federal Bureau of Investigation in this case.

This prosecution is being handled by the Major Crimes Unit of the United States Attorney's Office. Assistant United States Attorney JULIAN J. MOORE is in charge of the prosecution.

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