

**IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF FLORIDA
PANAMA CITY DIVISION**

UNITED STATES OF AMERICA

v.

INDICTMENT

VICKI DYER MIDDLEMAS
_____ /

5:18 cr 3-RH

THE GRAND JURY CHARGES:

A. INTRODUCTION

At all times material to this Indictment:

1. In or about May 2010, **VICKI DYER MIDDLEMAS** (“**MIDDLEMAS**”) became the Executive Director of the Visual Arts Center of Northwest Florida (“the VAC”) located in Panama City, Florida, (“the City”).
2. **MIDDLEMAS**’s salary was set at \$50,000 annually. In addition, **MIDDLEMAS** would receive incentive bonuses based on revenue production at the VAC.
3. When **MIDDLEMAS** began her employment, the VAC was a tax-exempt 501(c)(3) non-profit organization that displayed art exhibits to the general public and provided art classes in return for a fee.

4. Between 2010 and 2015, the City provided the VAC an annual stipend of approximately \$89,964. In return for the stipend, the VAC, by written agreement, agreed not to use the City's stipend for personnel salaries, but only for benefits and services provided to the public. Between 2010 and 2015, **MIDDLEMAS** signed these annual agreements on behalf of the VAC.

5. The annual stipend and other monies belonging to the VAC were maintained in Regions Bank accounts ending in 1359, 6538, and 7282, on which **MIDDLEMAS** was the sole signator.

6. On or about May 15, 2012, the Internal Revenue Service revoked the VAC's 501(c)(3) tax-exempt status as a result of its failure to file tax returns or other necessary documentation for three consecutive years.

7. During 2013 and 2014, the building in which the VAC was housed underwent renovations that were funded by the City. Many of the renovations were completed by Anderson Construction, which directly billed the VAC for its services.

8. To fund the construction, the City issued checks to the VAC in amounts detailed in Anderson Construction invoices **MIDDLEMAS** submitted to the City.

B. THE CHARGE

Between on or about May 1, 2010, and on or about May 27, 2015, in the Northern District of Florida and elsewhere, the defendant,

VICKI DYER MIDDLEMAS,

did knowingly and willfully devise, and intend to devise, a scheme to defraud and for obtaining money and property by means of material false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme, did cause wire communications to be transmitted in interstate commerce.

C. SCHEME TO DEFRAUD

It was part of the scheme to defraud that:

1. **MIDDLEMAS** used her position as Executive Director to fraudulently obtain money from the VAC and the City.
2. **MIDDLEMAS** submitted altered and falsely made Anderson Construction invoices to the City in order to obtain payment in excess of what Anderson Construction was actually owed.
3. **MIDDLEMAS** converted the excess payment to her own use by writing herself checks drawn on the VAC Regions Bank account.
4. **MIDDLEMAS** delayed payment and made partial payment of monies owed to vendors while at the same time writing herself checks drawn on the VAC

Regions Bank account for amounts in excess of the amounts she was entitled to as salary and bonuses.

5. To conceal the fact that she was taking monies from the VAC to which she was not entitled, **MIDDLEMAS** falsely wrote “salary” and “bonus” in the memo line of the VAC’s Regions Bank account checks she wrote to herself.

6. **MIDDLEMAS** concealed the fact that she was delaying and making only partial payments to vendors, and did so by failing to submit invoices to the City that reflected unpaid sums and by altering invoices to falsely reflect that the VAC was being billed for amounts other than that was actually owed.

7. **MIDDLEMAS** made approximately \$7,284.95 in unauthorized charges on the VAC debit card to rent a vacation property for her personal use and the use of others not entitled thereto, and concealed these expenditures by falsely representing that the rental charges were for a “paint class,” a “paint class fundraiser,” and a “preview party.”

8. Knowing that the City’s yearly stipend payments to the VAC were conditioned upon the VAC remaining a tax-exempt 501(c)(3) non-profit organization, **MIDDLEMAS** fraudulently concealed the fact that the VAC’s tax exempt 501(c)(3) status had been revoked.

D. WIRE COMMUNICATIONS

On or about the following dates, for the purpose of executing the scheme to defraud, the defendant,

VICKI DYER MIDDLEMAS,

knowingly did cause wire communications to be transmitted in interstate commerce as set forth below:

COUNTS	DATE	COMMUNICATION
ONE	March 26, 2014	Charge of approximately \$4,807.63 on VAC Regions Bank debit card
TWO	April 9, 2014	E-mail of false Anderson Construction invoice
THREE	June 20, 2014	E-mail of Anderson Construction invoice
FOUR	July 29, 2014	E-mail of false Anderson Construction invoice
FIVE	September 12, 2014	Charge of approximately \$2,477.32 on VAC Regions Bank debit card

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT SIX

On or about September 12, 2014, in the Northern District of Florida, the defendant,

VICKI DYER MIDDLEMAS,

a resident of Panama City, Florida, who during the calendar year 2013 was married, did willfully make and subscribe a joint United States Individual Income Tax Return, Form 1040, for the calendar year 2013, which was filed with the Internal Revenue Service and contained and was verified by a written declaration that it was made under the penalties of perjury, and which the defendant did not believe to be true and correct as to every material matter, in that on Schedule C of the 2013 Income Tax Return, the defendant represented her business income as \$44,081.00, with a total income of \$113,817.00, and a total tax of \$13,334.00 for the calendar year 2013, when, in truth and fact and as the defendant then well knew her income and total tax for the calendar year 2013 were in excess of those amounts.

In violation of Title 26, United States Code, Section 7206(1).

COUNT SEVEN

On or about January 19, 2016, in the Northern District of Florida, the defendant,

VICKI DYER MIDDLEMAS,

a resident of Panama City, Florida, who during the calendar year 2012 was married, did willfully make and subscribe a joint United States Individual Income Tax Return, Form 1040X, for the calendar year 2012, which was filed with the Internal Revenue Service and contained and was verified by a written declaration

that it was made under the penalties of perjury, and which the defendant did not believe to be true and correct as to every material matter, in that on Schedule C of the 2012 Income Tax Return, the defendant represented her business income as \$49,600, a total income of \$128,028.00, and a total tax of \$16,571.00 for the calendar year 2012, when, in truth and fact and as the defendant then well knew her income and total tax for the calendar year 2012 were in excess of those amounts.

In violation of Title 26, United States Code, Section 7206(1).

COUNT EIGHT

On or about October 18, 2016, in the Northern District of Florida, the defendant,

VICKI DYER MIDDLEMAS,

a resident of Panama City, Florida, who during the calendar year 2015 was married, did willfully make and subscribe a joint United States Individual Income Tax Return, Form 1040, for the calendar year 2015, which was filed with the Internal Revenue Service and contained and was verified by a written declaration that it was made under the penalties of perjury, and which the defendant did not believe to be true and correct as to every material matter, in that on Schedule C of the 2015 Income Tax Return, the defendant represented her business income as zero, a total income of \$113,317.00, and a total tax of \$7,874.00 for the calendar

year 2015, when, in truth and fact and as the defendant then well knew her income and total tax for the calendar year 2015 were in excess of those amounts.

In violation of Title 26, United States Code, Section 7206(1).

COUNT NINE

On or about December 29, 2016, in the Northern District of Florida, the defendant,

VICKI DYER MIDDLEMAS,

a resident of Panama City, Florida, who during the calendar year 2014 was married, did willfully make and subscribe a joint United States Individual Income Tax Return, Form 1040, for the calendar year 2014, which was filed with the Internal Revenue Service and contained and was verified by a written declaration that it was made under the penalties of perjury, and which the defendant did not believe to be true and correct as to every material matter, in that the defendant represented her "other income" as \$40,000, a total income of \$107,142.00, and a total tax of \$6,652.00 for the calendar year 2014, when, in truth and fact and as the defendant then well knew her income and total tax for the calendar year 2014 were in excess of those amounts.

In violation of Title 26, United States Code, Section 7206(1).

CRIMINAL FORFEITURE

The allegations contained in Counts One through Five of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture. From her engagement in the violations alleged in Counts One through Five of this Indictment, the defendant,

VICKI DYER MIDDLEMAS,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any and all of the defendant's right, title, and interest in any property, real and personal, constituting, and derived from, proceeds traceable to such offenses.

If any of the property described above as being subject to forfeiture, as a result of acts or omissions of the defendant:

- i. cannot be located upon the exercise of due diligence;
- ii. has been transferred, sold to, or deposited with a third party;
- iii. has been placed beyond the jurisdiction of this Court;
- iv. has been substantially diminished in value; or
- v. has been commingled with other property that cannot be subdivided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c),

to seek forfeiture of any other property of said defendant up to the value of the
forfeitable property.

A TRUE BILL:

REDACTED

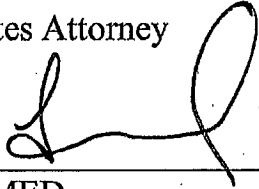
FOREPERSON

2.6.18

DATE



CHRISTOPHER P. CANOVA
United States Attorney



AINE AHMED
Assistant United States Attorney