

U.S. Dept. of Justice: Former university professor to plead guilty to wire fraud and engaging in an unlawful monetary transaction

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United States Attorney Richard G. Frohling announced today that Yue Liu, also known as Troy Liu (age: 41) of Mequon, Wisconsin, had been charged in a two-count information with wire fraud, in violation of Title 18, United States Code, Section 1343, and engaging in an unlawful monetary transaction, in violation of Title 18, United States Code, Section 1957. Liu has signed a plea agreement acknowledging that he is guilty of those charges.

As detailed in court documents, beginning in approximately April 2016 and continuing through at least November 2020, Liu, who was an engineering professor at the University of Wisconsin-Milwaukee (UWM), devised and executed a scheme to defraud. The essence of the scheme was to obtain money, through materially false promises and representations, from foreign students who were accepted into graduate programs at UWM. Liu promised foreign students that they would be part of a program run by an entity he controlled, which would pay expenses associated with their studies at UWM, including tuition and other costs. In reality, there was no such program affiliated with UWM, and UWM waived the students' tuition because they were research assistants. Liu emailed letters to students in which he made false representations about the program, and he wrote those letters using a fictitious name he invented and using what appeared to be a UWM logo.

According to the Information and plea agreement, Liu fraudulently obtained more than \$1.1 million from foreign students and visiting professors. Liu did not use the money from the students to pay their tuition and other expenses. Instead, he used

a portion of the money he received for personal purposes, including to fund investment accounts and to pay credit card expenses. Liu also attempted to conceal the scheme by creating a fraudulent research agreement between UWM and a fictitious entity purportedly based in China and using a portion of the money to fund this agreement.

The wire fraud count carries a maximum penalty of 20 years in prison, a maximum fine of \$250,000, and up to five years of supervised release following any prison term. The unlawful monetary transaction count carries a maximum penalty of 10 years in prison, a maximum fine of \$250,000, and up to three years of supervised release.

The claims made in the Information are allegations that, if the case were to proceed to trial, the government must prove beyond a reasonable doubt to convict the defendant. The plea agreement expresses the defendant's intention to plead guilty, but the defendant has not yet formally entered a plea in this matter.

This matter was investigated by the Federal Bureau of Investigation, the Criminal Investigation Division of the Internal Revenue Service, and Immigration and Customs Enforcement of the Department of Homeland Security. The case is being prosecuted by Assistant U.S. Attorney John P. Scully.