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Department of Justice

U.S. Attorney's Office

Eastern District of Virginia

FOR IMMEDIATE RELEASE

Friday, February 4, 2022

Florida Man Sentenced for Paying Bribes and Kickbacks and Defrauding the United States

ALEXANDRIA, Va. – A Florida man was sentenced today to 15 years in prison for orchestrating a bribery and kickback conspiracy and committing fraud in connection with a contract for the U.S. Department of Defense's Office of Inspector General (DoD OIG).

According to court records and evidence presented at trial, beginning in 2010 and continuing through 2015, William S. Wilson, 56, of Florida, paid numerous kickbacks and bribes to a public official and two government contractors in return for those individuals corruptly steering business to Wilson's Florida-based companies. Among other things, Wilson paid tens of thousands of dollars in bribes to Mathew Kekoa LumHo, 46, of Fairfax Station, then employed at the DoD OIG. In return, LumHo took official actions that benefitted Wilson's companies. LumHo steered work to Wilson's company by placing fraudulent service orders through a government contract that LumHo controlled.

The evidence presented at trial further proved that, over the same time period from 2010 through 2015, Wilson also paid numerous kickbacks to Ronald Capallia and Co-conspirator 1, then employees for a telecommunications company that was a prime contractor to the government. Wilson paid these kickbacks Capallia and Co-conspirator 1 to cause them to steer work and provide favorable treatment to Wilson's companies as subcontractors to the telecommunications company.

One of the key subcontracts steered to Wilson's company related to a prime contract between the telecommunications firm and the DoD OIG, in which the telecommunications firm was supposed to supply various information technology-related services to the government. Wilson's company was awarded this subcontract despite its lack of any relevant experience or expertise, and despite having no employees based in or near northern Virginia, where all the work was to be performed.

Wilson frequently disguised the bribes and kickbacks to Capallia, LumHo, and Co-conspirator 1 through fake invoices for services that were never provided, or by masking the payments as payroll to relatives of Capallia and LumHo for jobs that did not in fact exist.

As the scheme progressed, the co-conspirators caused the government to submit numerous false and fraudulent service orders through the prime contract. The false service orders typically described the items being provided as specialized IT-related support services, when in fact the co-conspirators were simply buying standard, commercially available items, dramatically marking up the price, and billing the government as though it had been provided with the specialized information technology-related services. The co-conspirators also used fraudulent service orders to conceal bribes in the form of high-end camera equipment and stereo equipment sent from Wilson to LumHo, thereby causing the government to pay for the very bribes that Wilson was sending to LumHo.

The evidence adduced at trial further demonstrated that the co-conspirators repeatedly sought to interfere with the criminal investigation by creating false documentation, making false statements to law enforcement officials, lying on a financial disclosure form, committing perjury during sworn civil deposition testimony, and tampering or attempting to tamper with a witness. Wilson threatened to murder Capallia and his family members by slitting their throats if Capallia ever testified on behalf of the government.

Co-conspirator Ronald A. Capallia, Jr., pleaded guilty on January 25, 2018, to his role in the conspiracy and was sentenced to one year and one day of imprisonment on September 14, 2021. Co-defendant Matthew Kekoa LumHo was convicted at trial and sentenced to 90 months in prison on January 14, 2021. Today, defendant William S. Wilson was sentenced to 15 years in prison.

Jessica D. Aber, U.S. Attorney for the Eastern District of Virginia; Wayne A. Jacobs, Special Agent in Charge of the FBI Washington Field Office Criminal Division; and Kelly P. Mayo, Deputy Inspector General for Investigations at the Department of Defense's Office of Inspector General, made the announcement after sentencing by Senior U.S. District Judge Liam O'Grady.

Assistant U.S. Attorneys Matthew Burke and Russell L. Carlberg prosecuted the case.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 1:17-cr-222.

Topic(s):

Financial Fraud
Public Corruption

Component(s):

[Federal Bureau of Investigation \(FBI\)](#)
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