

1 ISMAIL J. RAMSEY (CABN 189820)
2 United States Attorney

SEALED BY ORDER
OF THE COURT

FILED
JAN 30 2025
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 OAKLAND DIVISION

11 UNITED STATES OF AMERICA,
12 Plaintiff,
13 v.
14 ERIC REGO,
15 Defendant.

CASE NO.

CR 25 0023
YGR

VIOLATIONS:

18 U.S.C. § 1341 – Mail Fraud;
18 U.S.C. § 2 – Aiding and Abetting;
18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) –
Forfeiture Allegation

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18 INDICTMENT

19 The Grand Jury charges:

20 Introductory Allegations

21 At times material to this Indictment:

22 1. The Mount Diablo Unified School District (MDUSD) was a public school district in
23 Contra Costa County, California. MDUSD employed approximately 3,100 educators, administrators,
24 and support staff and operated more than 50 school sites in Bay Point, Clayton, Concord, Lafayette,
25 Martinez, Pacheco, Pittsburg, Pleasant Hill, and Walnut Creek. In 2023-2024, nearly 30,000 students
26 attended MDUSD schools.

27 2. MDUSD offered to students in transitional kindergarten through twelfth grade after-
28 school programming through its Collaborative of Academics Recreation Enrichment for Students

INDICTMENT

1 (CARES) Expanded Learning Program. Among other things, CARES provided students academic
2 (including homework assistance and tutoring), recreational (arts, sports, and field trips), and
3 environmental (nutrition, gardening, and physical fitness education) programming. CARES also
4 provided students a nutritional snack and supper each day. CARES, which was free to students, was
5 established in 1999 and funded primarily through state grants designed to benefit high need population
6 areas.

7 3. Nonprofit 1 was a nonprofit corporation formed in the State of California. Until 2024,
8 Nonprofit 1 had a contract with MDUSD to operate the CARES after-school program. Nonprofit 1 had
9 numerous employees, including managers who were responsible for operations at each after-school site.

10 4. REGO was employed as MDUSD's CARES program coordinator. As the CARES
11 program coordinator, REGO worked closely with Nonprofit 1 to administer MDUSD's after-school
12 program. REGO's duties included renegotiating MDUSD's contract with Nonprofit 1 prior to each
13 school year and reviewing and approving all monthly invoices Nonprofit 1 submitted to MDUSD under
14 the contract. Before becoming an MDUSD employee, REGO was a manager with Nonprofit 1
15 responsible for operations at various MDUSD after-school sites. REGO was a resident of Brentwood
16 and El Dorado Hills, California.

17 COUNTS ONE TO THREE: (18 U.S.C. §§ 1341, 2 – Mail Fraud, Aiding and Abetting)

18 5. Paragraphs 1 through 4 of this Indictment are re-alleged and incorporated as if fully set
19 forth here.

20 6. Beginning no later than in or about July 2020 and continuing through in or about May
21 2024, in the Northern District of California and elsewhere, the defendant,

22 ERIC REGO,

23 knowingly and with the intent to defraud participated in, devised, and intended to devise a scheme and
24 artifice to defraud, and to obtain money and property by means of materially false and fraudulent
25 pretenses, representations, and promises, and omitting, concealing, and failing to disclose material facts
26 with a duty to disclose.

27 THE SCHEME TO DEFRAUD

28 7. As part of his scheme to defraud, REGO purchased or caused to be purchased on his

1 behalf millions of dollars' worth of iPads, MacBooks, GoPro cameras, and other technology through
2 Nonprofit 1. The technology purchases, which were from the device manufacturer and retailers, were
3 generally made in one of two ways:

- 4 a. First, REGO used credit cards belonging to Nonprofit 1 employees to pay for the
5 iPads, MacBooks, GoPro cameras, and other technology. In addition to personally
6 making the purchases, REGO had these employees make purchases on his behalf.
- 7 b. Second, REGO had a Nonprofit 1 employee purchase technology through Nonprofit
8 1's corporate accounts with retailers. In order to induce the employee to make these
9 purchases, REGO falsely claimed the iPads were needed for students enrolled in the
10 CARES program. In fact, REGO converted the iPads, MacBooks, GoPro cameras,
11 and other technology for his own use, reselling them at a fraction of their cost.

12 8. As part of his scheme to defraud, REGO generally had the iPads, MacBooks, GoPro
13 cameras, and other technology shipped directly to his home in Brentwood, California. To conceal the
14 fact that these items were being shipped directly to his home, REGO redacted his home address from the
15 receipts associated with the technology purchases. REGO also instructed a Nonprofit 1 employee who
16 made technology purchases on REGO's behalf to make these redactions before the employee submitted
17 the receipts to Nonprofit 1 at the end of each month.

18 9. As part of his scheme to defraud, REGO obtained from Nonprofit 1 a monthly invoice
19 purporting to show Nonprofit 1's payroll and operating expenses and administrative fees. These
20 monthly invoices included a line-item expense for "Subcontracts" or "Subcontracts/Supplies." At
21 REGO's direction, a Nonprofit 1 employee included the cost of the iPads, MacBooks, GoPro cameras,
22 and other technology in the "Subcontracts" or "Subcontracts/Supplies" line-item in order to conceal the
23 purchases from MDUSD.

24 10. As part of his scheme to defraud, REGO reviewed and approved the monthly invoices –
25 which never listed iPads, MacBooks, or GoPro cameras – and then caused them to be submitted to
26 MDUSD's fiscal department for processing and payment. By approving the monthly invoices and
27 causing their submission to MDUSD's fiscal department, REGO represented to MDUSD that the
28 invoices were exclusively for expenses Nonprofit 1 incurred from operating the CARES after-school

1 program and for items Nonprofit 1 purchased for the program. But this representation, as REGO well
2 knew, was false. REGO kept the iPads, MacBooks, GoPro cameras, and other technology for himself,
3 which he then resold at a fraction of their cost.

4 11. As part of his scheme to defraud, in his monthly submissions to MDUSD's fiscal
5 department, REGO included a separate document that listed the items purportedly comprising the
6 subcontracts line-item from Nonprofit 1's monthly invoices. For example, the following is REGO's
7 March 2024 list of items, along with their purported cost:

March	Supplies for direct services program/distance after school learning program/Staff Shirts/Lanyards, additional hats, office shelving, CARES students sportswear, Long sleeve shirt Staff Order, Apex walkies, earpieces/equipment, sports program (soccer, goal posts, uniforms, attire), Camp Concord shirts and supplies, electronics, garden supplies			
				\$212,289.03

25 But this list and the others REGO caused to be submitted to MDUSD's fiscal department each month
26 were false and misleading. In fact, the subcontracts line-item was comprised of iPads, MacBooks,
27 GoPro cameras, and other technology, a material fact that REGO, as MDUSD's CARES program
28 coordinator, had a duty to disclose to, but instead concealed from, MDUSD.

12. As MDUSD's CARES program coordinator, REGO supervised a fiscal analyst (MDUSD Employee 1) who was responsible for verifying the accuracy of the monthly invoices REGO obtained from Nonprofit 1. In or about September 2020, MDUSD Employee 1 questioned the prior month's subcontracts line-item expense, writing in an email to REGO, "Is it possible for me to see what makes up the \$59,102.95 worth of 'subcontracts?'" In response, REGO wrote, "We can process the invoice without all that makeup" and "[i]t's easier that way." Dissatisfied with REGO's answer, MDUSD Employee 1 responded, "If it has to go through my hands, I'd like to know what it is. A completely unsubstantiated \$59,000 expense is no small thing." REGO wrote in response, "No worries, I will just take care of it. Please leave the invoice on my desk."

13. In the months following this email exchange, and in order to conceal his fraud scheme from MDUSD, REGO caused MDUSD to initiate disciplinary proceedings against MDUSD Employee 1. Although no disciplinary action was ultimately taken against MDUSD Employee 1, the proceedings were initiated by REGO in order to intimidate MDUSD Employee 1 and ensure that REGO could continue to approve and have processed false and misleading monthly invoices REGO obtained from Nonprofit 1.

14. In or about May 2022, and despite fearing job termination, MDUSD Employee 1 requested in an email to REGO's own supervisor that a provision be added to the 2022-2023 contract between MDUSD and Nonprofit 1 requiring Nonprofit 1 to provide documentation supporting their monthly invoices. MDUSD Employee 1 explained that "[r]ight now nothing . . . [Nonprofit 1] invoice[s] us for is really substantiated at all," and requested that the provision be added "so that the costs for which they invoice are genuinely substantiated." REGO intervened, writing, "I do not know if this will be possible as these *[sic]* are how their invoices have always been done/paid so I don't foresee adding the language." REGO subsequently wrote, "this is something we should have a conversation about next year for the 2023-2024 contract!" Although he had the ability to do so, REGO did not add the requested provision to the 2022-2023 or 2023-2024 contracts between MDUSD and Nonprofit 1.

15. As referenced, as part of his ongoing scheme to defraud, REGO sent the iPads, MacBooks, and GoPro cameras to an individual (Reseller 1) with the intent that Reseller 1 would resell the items and pay REGO a portion of the proceeds. REGO coordinated the sales with Reseller 1 through

1 text messages and email.

2 16. In all, as part of his scheme to defraud, REGO purchased from one retailer not less than
3 approximately \$2 million worth of iPads, MacBooks, and other technology, and from a second retailer
4 not less than approximately \$1.3 million worth of iPads, MacBooks, and other technology. REGO also
5 purchased significant quantities of iPads and other technology directly from Apple, the manufacturer.

6 17. As referenced, REGO caused MDUSD to pay for these items through his monthly
7 submission of the above-mentioned false and misleading invoices and supporting documents (that listed
8 the items purportedly comprising the subcontracts line-item) and through his failure to disclose to
9 MDUSD that the subcontracts line-item was comprised of iPads, MacBooks, GoPro cameras, and other
10 technology that he kept for himself and later sold.

11 EXECUTION OF THE SCHEME AND USE OF THE MAIL

12 18. On or about the following dates, in the Northern District of California and elsewhere, for
13 the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, the
14 defendant,

15 ERIC REGO,

16 did knowingly cause to be delivered by mail and any private and commercial interstate carrier according
17 to the direction thereon, and at the place at which it was directed to be delivered by the person to whom
18 it was addressed, any matter and thing, namely:

COUNT	DATE	DESCRIPTION
ONE	12/15/2022	UPS shipment of one 12.9-inch iPad Pro from retailer to Brentwood, California
TWO	12/30/2022	UPS shipment of two 11-inch and one 12.9-inch iPad Pros from retailer to Brentwood, California
THREE	6/14/2023	UPS shipment of one MacBook Pro 14 and two MacBook Pro 16 Laptops from retailer to Brentwood, California

24
25 Each in violation of Title 18, United States Code, Section 1341.

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1 FORFEITURE ALLEGATION: (18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c))

2 The allegations contained in this Indictment are re-alleged and incorporated by reference for the
3 purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title
4 28, United States Code, Section 2461(c).

5 Upon conviction for any of the offenses set forth in this Indictment, the defendant,
6 ERIC REGO,
7 shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and
8 Title 28, United States Code, Section 2461(c), all property, real or personal, constituting, or derived
9 from proceeds the defendant obtained directly and indirectly, as the result of those violations, including
10 but not limited to a money judgment.

11 If any of the property described above, as a result of any act or omission of the defendant:

- 12 a. cannot be located upon exercise of due diligence;
13 b. has been transferred or sold to, or deposited with, a third party;
14 c. has been placed beyond the jurisdiction of the court;
15 d. has been substantially diminished in value; or
16 e. has been commingled with other property which cannot be divided without
17 difficulty,

18 the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21,
19 United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

20 All pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code,
21 Section 2461(c), and Federal Rule of Criminal Procedure 32.2.

22 DATED:

A TRUE BILL.

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24 
FOREPERSON

25 ISMAIL J. RAMSEY
26 United States Attorney

27 /S/
28 RYAN ARASH REZAEI
Assistant United States Attorney