



U.S. Department of Justice

Seth D. DuCharme
Acting United States Attorney
Eastern District of New York

217 Cadman Plaza East
Brooklyn, New York 11201

FOR IMMEDIATE RELEASE

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Contact:

John Marzulli
United States Attorney's Office
(718) 254-6323

PRESS RELEASE

CHIEF EXECUTIVE OFFICER OF STATEN ISLAND TECHNOLOGY COMPANY
PLEADS GUILTY TO WIRE FRAUD

Defendant Stole Hundreds of Thousands of Dollars Earmarked for Computer Equipment and Services at Economically Disadvantaged Catholic Schools in New York City

Earlier today, in federal court in Brooklyn, John Comito, Chief Executive Officer of AutoExec Computer Systems, Inc., pleaded guilty before United States Magistrate Judge Roanne L. Mann to wire fraud in connection with his theft of hundreds of thousands of dollars that was earmarked for the installation of internet access at 26 Catholic Elementary, Middle and High Schools in New York City. When sentenced, Comito faces up to 20 years in prison.

Seth D. DuCharme, Acting United States Attorney for the Eastern District of New York, Philip R. Bartlett, Inspector-in-Charge, United States Postal Inspection Service, New York Division (USPIS), and David L. Hunt, Inspector General of the Federal Communications Commission (FCC-OIG), announced the guilty plea.

“With today’s guilty plea, Comito will now be held to account for defrauding the E-rate federal program and schools in order to enrich himself at the expense of the deserving children the program was designed to serve,” stated Acting United States Attorney DuCharme. “This Office will remain vigilant in ensuring that taxpayer funds are not misappropriated but are used for their intended purpose and recipients.”

“Crimes like these make you shake your head in disbelief. This was no Robin Hood story, but a story of greed and total disregard for those in need of a quality and accessible education. Now with Mr. Comito’s guilty plea, he can spend his time paying for his theft of funds from the E-rate program and those who would have benefited from the needed telecommunication services the program provided,” stated USPIS Inspector-in-Charge Bartlett.

“The E-Rate Program was designed to assist the children in our nation’s neediest schools and we are committed to pursuing investigations into those who would corrupt this program for personal gain,” stated FCC-IG Hunt. “The result in this case demonstrates the

outstanding working relationship between the FCC Office of Inspector General and the U.S. Attorney's Office of the Eastern District of New York. We remain committed to supporting the investigation and prosecution of individuals who defraud this program. We would particularly like to thank the U.S. Postal Inspection Service, New York Division for their assistance in this matter.”

As set forth in the indictment and other court documents, the Federal Communications Commission program known as E-rate distributes funds to schools and libraries, mostly serving economically disadvantaged children so that those institutions can acquire needed telecommunication services, internet access and related equipment. In order to obtain those funds, schools and libraries certify that they are purchasing equipment and services from a private vendor. The private vendor must, in turn, certify that it is providing the services and equipment as ordered, and is otherwise in compliance with the requirements of the program. If approved, the E-rate program defrays the cost to the schools and libraries by up to 90%.

From at least 2013 and into 2017, various Catholic elementary, middle and high schools located in the Diocese of Brooklyn contracted with AutoExec, through its CEO Comito, to provide them with telecommunications services and equipment. Comito agreed to provide specific services and equipment to the schools but AutoExec did not complete the projects as promised. At least eight schools received no items or services whatsoever. The remaining schools received partial, substandard, older or otherwise non-approved equipment and services. Nevertheless, Comito submitted false certifications to the FCC indicating that AutoExec had completed the work as promised in order to obtain E-Rate funds. From approximately February 2013 through September 2017, AutoExec received approximately \$426,000 in E-rate funds, and additional funds from the schools, for these projects. By not doing the work, but keeping the money for personal expenses, Comito enriched himself at the expense of the underprivileged children the E-rate program was designed to serve.

Assistant United States Attorneys Francisco J. Navarro and Philip Pilmar are in charge of the prosecution.

The Defendant:

JOHN COMITO

Age: 69

Staten Island, New York

E.D.N.Y. Docket No. 19-CR-593 (RRM)