FILED
U.S. DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
2010 NOV 18 AM 10: 25
LORETTA G. WHYTE
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

UNITED STATES OF AMERICA	*	CRIMINAL DOCKET NO.
v.	*	VIOLATION: 18 U.S.C. § 371
BARRETT C. WHITE	*	FILED: 10-324
	*	SECT. L MAG. 5
Defendant.	*	

* * *

INFORMATION

The United States charges that:

COUNT I

A. AT ALL TIMES MATERIAL HEREIN:

1. In 1996, the Federal government initiated a program to provide subsidies to schools and libraries for use in the purchase and installation of Internet access and telecommunications services as well as internal computer and communication networks ("E-Rate Program"). The E-Rate Program is administered under contract with the government by a not-for-profit company called the Universal Service Administrative Company ("USAC") and by a subdivision of USAC

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called the Schools and Libraries Division ("SLD"). The Federal Communications Commission ("FCC") oversees and regulates USAC.

2. One of the principal objectives of the E-Rate Program is to encourage economically disadvantaged schools to install and upgrade their Internet and communications infrastructure, and to provide their students with access to the Internet as a learning tool. To accomplish this, the Federal government offers to pay a large portion of the cost of each participant school's infrastructure enhancements where such schools meet the E-Rate Program's eligibility requirements.

3. E-Rate rules require that contracts procured under this program be awarded through an open and fair competitive bid process.

4. At times relevant to the Information, the defendant acted on his own behalf and as an agent of a company based and located in Illinois, owned and operated by him.

5. The defendant acted in concert with other coconspirators, including the following:

A. Coconspirator A was the principal owner of Computer Training and Associates and part owner of Global Networking Technologies, Inc., and was actively engaged in marketing and providing E-Rate funded services to schools; and

B. Coconspirator B was part owner of Global Networking Technologies, Inc., and was actively engaged in providing E-Rate funded services to

schools.

B. THE CONSPIRACY:

Beginning on or about February, 2004, and continuing thereafter through August, 2005, the exact dates being unknown to the United States, the defendant herein,

BARRETT C. WHITE

and other coconspirators did knowingly and willfully combine, conspire, confederate, and agree together with each other, and with other persons known and unknown to the Grand Jury, to defraud the United States of America by impeding, impairing, obstructing and defeating the lawful functions of USAC, the SLD, and the Federal Communications Commission to assist schools with obtaining affordable telecommunications and Internet access through an open and fair competitive E-Rate bid process.

C. OBJECTS AND PURPOSES OF THE CONSPIRACY:

Among the objects and purposes of the conspiracy were to:

1. induce schools to select CTA and GNT as E-Rate service providers by controlling and subverting the bid processes;

2. offer and deliver bribes, kickbacks, and other gratuities to school officials and employees responsible for the procurement of Internet access and related technology services in return for E-Rate contracts;

3. submit materially false and fraudulent documents to the SLD;

4. invoice, accept and retain payment from the SLD for the E-Rate

contracts routed to CTA and GNT; and

5. conceal the existence of the conspiracy from USAC.

D. WAYS AND MEANS TO ACCOMPLISH THE CONSPIRACY:

Among the ways and means by which the defendant, **BARRETT C. WHITE** and his coconspirators carried out the conspiracy and scheme to defraud were:

1. The use of the defendant's company as a conduit to conceal the true source and nature of payments from Coconspirator A and Coconspirator B to school employees responsible for awarding E-Rate contracts.

2. The creation of false invoices submitted to the defendant by a Louisiana school employee billing defendant's company for services never provided by the school employee. The invoices were created to legitimize the bribes paid by the defendant to the school employee in connection with the foregoing E-Rate contracts.

E. OVERT ACTS :

In furtherance of the conspiracy and to effect the unlawful objects thereof, defendant **BARRETT C. WHITE** and other coconspirators committed and caused to be committed the following acts in the Eastern District of Louisiana, and elsewhere:

1. At the direction of Coconspirator A, defendant **BARRETT C. WHITE** executed the following checks from bank accounts controlled by him or his company:

a. A cashier's check in the approximate amount of $20,000 dated February 6, 2004 payable to a Louisiana school employee;

b. A check in the approximate amount of $3,500 dated July 19,

2004, payable to a Louisiana school employee;

c. A check in the approximate amount of $5,000 dated August 18, 2004, payable to an Arkansas school official.

2. As late as June 13, 2005, Coconspirator A and Coconspirator B sought from the SLD reimbursement for E-Rate contract services by transmitting by means of wire communication in interstate commerce an electronic FCC Form 474.

3. On or about August 29, 2005, Coconspirator A and Coconspirator B accepted from the SLD and USAC an electronic deposit in the amount of $45,000.00 in connection with an E-Rate contract.

4. On or about August 29, 2005, Coconspirator A and Coconspirator B accepted from the SLD and USAC an electronic deposit in the amount of $22,522.50 in connection with an E-Rate contract.

ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 371.

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