

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

United States Attorney

Laura E. Duffy

Assistant U. S. Attorney Rebecca S. Kanter (619) 546-7304

For Immediate Release

FORMER WESTIN SAN DIEGO EXECUTIVE PLEADS GUILTY TO ELABORATE EMBEZZLEMENT

EXECUTIVE ADMITS STEALING ALMOST A MILLION DOLLARS FROM TWO HOTELS

NEWS RELEASE SUMMARY – January 30, 2014

United States Attorney Laura E. Duffy announced that Kevin Kelso pled guilty today in federal court before Magistrate Judge William V. Gallo to charges of wire fraud stemming from his employment as a senior finance executive at the Westin San Diego, from which he stole more than a half a million dollars.

According to court records, Kelso was an employee of Interstate Hotels & Resorts and worked as Westin San Diego's Director of Finance between December 2010 and September 2012. Kelso utilized this position to embezzle funds from the Westin to pay for his own personal expenses. He admitted

stealing the money using a variety of means, including abusing the hotel's change order process (the process by which a hotel exchanges large denomination bills for smaller bills to keep in the hotel safe), obtaining an unauthorized corporate American Express card (which he paid using Westin San Diego's bank account), and writing checks from Westin San Diego's bank account to pay himself and third parties for personal expenses. In his plea, Kelso also admitted to concealing the fact that he was taking cash from the hotel's safe and not making a corresponding deposit during the change order process and making false entries in Westin San Diego's general ledger.

Kelso further admitted to defrauding his prior employer, the Ann Arbor Marriot Ypsilanti in Michigan, using similar machinations. The total amount of embezzled funds from the two hotels was over \$800,000.

The defendant has been released on bond pending sentencing. The guilty plea is not final until it has been accepted by the district court. Kelso is scheduled to be sentenced April 18, 2014 at 9 a.m. before U.S. District Judge Dana Sabraw.

DEFENDANT **Case Number: 13CR3017-DMS**

Kevin Kelso

SUMMARY OF CHARGES

Counts 1-6: Title 18, United States Code, Section 1343 – Wire Fraud

Forfeiture: Title 18, United States Code, Sections 981(a)(1)(C) and Title 28, United States Code, Section 246

INVESTIGATING AGENCIES

United States Secret Service