

FELONY

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

**BILL OF INFORMATION FOR CONSPIRACY TO COMMIT THEFT OF
GOVERNMENT FUNDS AND THEFT OF GOVERNMENT FUNDS**

UNITED STATES OF AMERICA	*	CRIMINAL NO.
v.	*	SECTION:
	*	VIOLATION: 18 U.S.C. § 371
PRAVEEN KAILAS	*	18 U.S.C. § 641

* * *

The United States Attorney charges that:

COUNT 1-CONSPIRACY

A. **AT ALL TIMES MATERIAL HEREIN:**

1. Beginning at a time unknown, but no later than on or about June 6, 2011 and continuing to on or about November 16, 2012, the Department of Housing and Urban Development ("HUD"), an agency or department of the United States, funded the Small Rental Property Program ("SRPP") which is a component of the Louisiana Road Home Program to provide monetary assistance to property owners to repair their small scale rental properties damaged by Hurricanes Katrina or Rita. In order to receive the grant, the small rental property owner had to agree to make

the renovated rental units available to moderate to low-income tenants for a period of years.

2. HUD provided the State of Louisiana Office of Community Development with federal funds to administer the SRPP. The State of Louisiana, in turn, subcontracted with private entities to oversee the administration of the SRPP, including the actual renovation of the properties by contractors.

3. Defendant, **PRAVEEN KAILAS**, is an owner and officer of Lago Construction, L.L.C., a Louisiana company located at 3525 N. Causeway Blvd., in Metairie, Louisiana.

4. From on or about June 6, 2011 until present, Lago Construction, L.L.C., has been a subcontractor for the SRPP and tasked to provide construction monitoring services on a hourly basis to ensure the timeliness, quality, and workmanship of each property renovated through SRPP grants.

B. THE CONSPIRACY:

Beginning on or about June 6, 2011, and continuing to on or about November 16, 2012, in the Eastern District of Louisiana, and elsewhere, the defendant, **PRAVEEN KAILAS**, and others known and unknown to the United States Attorney, did knowingly and willfully combine, conspire and agree with each other to steal and purloin over \$1,000.00 in goods and property of the United States in violation of Title 18, United States Code, Section 641.

C. MANNER AND MEANS:

It was a part of the conspiracy that the defendant, **PRAVEEN KAILAS**, and others known to the United States Attorney, approved timesheets overstating the amount of hours individuals worked on the SRPP subcontract. The inflated timesheets were the basis for the fraudulent invoices that were submitted on behalf of Lago Construction, L.L.C., for payment from the federal dollars

designated for the proper administration of the SRPP.

It was further a part of the conspiracy that when individuals serving as SRPP construction monitors were not needed to perform services for the SRPP subcontract, the defendant, **PRAVEEN KAILAS**, and other stakeholders of Lago Construction, L.L.C., tasked the monitors to perform personal contract labor or work for other companies affiliated with the defendant, **PRAVEEN KAILAS**, and other Lago Construction, L.L.C. stakeholders. The defendant, **PRAVEEN KAILAS**, did not adjust the construction monitors' timesheets to reflect the time they spent on matters unrelated to the SRPP or pay them separately for the hours they did not spend working on the SRPP subcontract, but fraudulently billed for payment from the federal dollars designated for the administration of the SRPP for the personal benefit of the defendant, **PRAVEEN KAILAS**, and the other stakeholders of Lago Construction, L.L.C.

D. OVERT ACTS:

On or about the following dates, in furtherance of the conspiracy and to accomplish its purposes, the defendant, **PRAVEEN KAILAS**, and others known and unknown to the United States Attorney, committed the following overt acts, among others, in the Eastern District of Louisiana and elsewhere:

1. Starting on or about June 6, 2011 and continuing until on or about October 2012, the defendant, **PRAVEEN KAILAS**, approved another Lago Construction, L.L.C., stakeholder being billed for working 40 hours a week as a SRPP construction monitor, when that stakeholder did not spend 40 hours each week performing SRPP construction monitoring services or any other administrative services.
2. After February 1, 2012, individuals hired to perform construction monitoring were tasked by the defendant, **PRAVEEN KAILAS**, and other stakeholders of Lago Construction, L.L.C., to work on the Kailas personal residence or work for other Kailas affiliated companies, but the defendant, **PRAVEEN KAILAS**, approved those individuals being billed for working 40 hours a week on the SRPP contract.

All in violation of Title 18, United States Code, Section 371.

COUNT 2-THEFT OF GOVERNMENT FUNDS

A. The allegations contained in Paragraph A of Count 1 of this Bill of Information, as set forth above, are realleged and incorporated by reference as though set forth in their entirety herein.

B. **THEFT OF GOVERNMENT FUNDS:**

From on or about June 6, 2011, until on or about November 16, 2012, in the Eastern District of Louisiana, the defendant, **PRAVEEN KAILAS**, did wilfully and knowingly steal and purloin over \$1,000.00 in goods and property of the United States; in violation of Title 18, United States Code, Section 641.

NOTICE OF FORFEITURE

1. The allegations of Counts 1 and 2 of this Bill of Information are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 641 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461.

2. As a result of the offenses alleged in Counts 1 and 2, the defendant, **PRAVEEN KAILAS**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461, any and all property, real or personal, which constitutes or is derived from proceeds traceable to violations of Title 18, United States Code, Section 641.

3. If any of the property subject to forfeiture, as a result of any act or omission of the

defendant:

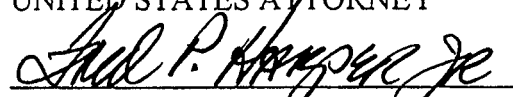
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

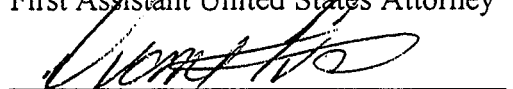
All in violation of Title 18, United States Code, Sections 641 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461.



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New Orleans, Louisiana
June __, 2013