



**U.S. Department of Justice**

**Richard P. Donoghue**  
*United States Attorney*  
*Eastern District of New York*

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**FOR IMMEDIATE RELEASE**

**December 16, 2019**

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**PRESS RELEASE**

**CEO OF STATEN ISLAND TECHNOLOGY COMPANY INDICTED FOR STEALING  
HUNDREDS OF THOUSANDS OF DOLLARS EARMARKED FOR INTERNET  
ACCESS AT CATHOLIC SCHOOLS IN THE DIOCESE OF BROOKLYN**

An indictment was unsealed today in federal court in Brooklyn charging John Comito, Chief Executive Officer of Staten Island-based AutoExec Computer Systems, Inc. (AutoExec) with mail and wire fraud in connection with the federal program known as E-rate. Comito was arrested this morning, and was arraigned this afternoon before United States Magistrate Judge Steven M. Gold. Comito was released on a \$500,000 bond.

Richard P. Donoghue, 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, Federal Communications Commission (FCC-OIG), announced the charges.

“Comito allegedly overbilled the E-rate program and schools for equipment and services in order to enrich himself at the expense of the children the program was designed to serve,” stated United States Attorney Donoghue. “This Office will vigorously prosecute those who defraud taxpayer-supported programs for personal gain.”

“Instead of completing the work he was trusted and contracted to perform, the defendant allegedly chose to bilk the government and steal from those less fortunate. Society will swiftly denounce this type of criminal behavior, and Comito will now be held accountable,” stated USPIS Inspector-in-Charge Bartlett.

“An important mission of the Office of Inspector General is to investigate allegations of fraud related to the E-rate Program,” stated FCC Inspector General Hunt. “We will continue to work with our law enforcement partners to investigate these matters, where the allegation involves a service provider seeking to take advantage of the program by retaining funds for his own purposes rather than providing equipment and services to needy schoolchildren.”

As set forth in the indictment and other court documents, the E-rate program distributes funds to schools and libraries serving economically disadvantaged children to purchase telecommunication services, internet access and related equipment. In order to qualify, educational institutions must certify that they are purchasing equipment and services from a private vendor. The vendor must 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 by up to 90 percent.

From 2013 to 2017, 26 elementary, middle and high schools located in the Diocese of Brooklyn contracted with AutoExec to provide telecommunications equipment and services. At least eight schools received no equipment or services, and the remaining schools received partial, substandard or non-approved equipment and services. In total, Comito overbilled the E-rate program, and defrauded the program and schools, in the amount of approximately \$426,000.

The charges in the superseding indictment are allegations, and the defendant is presumed innocent unless and until proven guilty.

If convicted, Comito faces a maximum sentence of 20 years' imprisonment on each count of mail fraud and wire fraud.

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

**The Defendant:**

JOHN COMITO

Age: 68

Staten Island, New York

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