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NEWS



**United States Attorney Jenny A. Durkan  
Western District Of Washington**

**California Man Who Defrauded 'Computers For Schools' Program  
Pleads Guilty To Wire Fraud, Identity Theft, And Tax Crime**

***Defendant Fraudulently Obtained and Sold More Than 19,000 Items  
Originally Purchased for Over \$30 Million***

FOR IMMEDIATE RELEASE

January 3, 2014

A Palmdale, California resident who defrauded a government program designed to provide computers to needy schools and non-profits pleaded guilty today to three felony charges in the U.S. District Court in Seattle, announced U.S. Attorney Jenny A. Durkan. STEVEN ALEXANDER BOLDEN, 50, pleaded guilty to wire fraud, aggravated identity theft, and filing a false income tax return. When sentenced by U.S. District Judge Ricardo S. Martinez on April 3, 2014, BOLDEN faces a mandatory minimum two years in prison on the aggravated identity count in addition to the sentences imposed on the other counts.

According to the facts admitted in the plea agreement, between 2007 and 2013, BOLDEN defrauded a program called "Computers for Learning," that transfers excess government and related peripheral equipment directly to qualified schools and educational non-profit organizations. BOLDEN posed as 14 different non-profits to obtain the computers for free, and then sold them for his personal profit. Over the course of the scheme, BOLDEN obtained 19,442 items through the system with an original purchase cost of \$30.3 million. Using a standard "fair market value" formula, the computer equipment has a value of about \$7.2 million. BOLDEN also failed to pay the shipping costs associated with the delivery of the computer equipment – more than \$100,000.

The plea agreement details how one transaction occurred. BOLDEN became acquainted with a person operating a legitimate non-profit in Southern California. BOLDEN convinced the head of the non-profit to let him review the paperwork for the organization. Using the non-profit organization's information, BOLDEN created an account in the Computers for Learning program, and in July of 2010, obtained 41 Dell and HP computers that were made available by the Border Patrol at Blaine, Washington. BOLDEN claimed the computers and later sold them for his own benefit. The conviction for aggravated identity theft is based on BOLDEN's use of the identities of the non-profit organization and his acquaintance.

Finally, records indicate that BOLDEN failed to report any income from the sale of computers. In fact, records from a computer recycler in Santa Ana, California show it paid BOLDEN more than \$64,892 in 2012. BOLDEN failed to report the income on his tax return.

The amount of restitution BOLDEN owes will be determined at sentencing. The case was investigated by multiple law enforcement partners led by the General Services Administration Office of Inspector General (GSA-OIG), the Internal Revenue Service Criminal Investigation (IRS-CI), the Department of Transportation Office of Inspector General (DOT-OIG), and the FBI. The case is being prosecuted by Assistant United States Attorney David Reese Jennings.