

1 1. Defendant SIAVASH POURSAARTIP, aka Mike Poursartip
2 ("POURSAARTIP"), was the president, chief executive officer ("CEO"),
3 chief financial Officer, and secretary of Infotek Associates, Inc.
4 (hereinafter "Infotek"). Infotek was a California corporation with
5 offices located in Oakland and Sacramento, California.

6 2. Defendant SARA SHIRAZI ("SHIRAZI") was an employee of
7 Infotek. She also identified herself as the president, CEO,
8 secretary, and registered agent for Internet 2000. Internet 2000
9 was a California corporation.

10 3. Defendant CLINT GREGORY ("GREGORY") was a Senior
11 Transportation Engineer Supervisor for the California Department of
12 Transportation ("CALTRANS").

13 4. CALTRANS was an agency of the State of California that
14 managed highway and freeway lanes. CALTRANS received from the
15 federal government in excess of \$2 billion dollars each year from
16 2004 through 2009. CALTRANS had twelve district offices throughout
17 the State of California. Defendant GREGORY worked for CALTRANS
18 District 10, which was headquartered in Stockton, California.

19 5. CALTRANS had different procedures for awarding contracts
20 based on the value of the goods or services needed. For contracts
21 exceeding \$5,000, CALTRANS used a competitive bidding process.
22 "Minor B" contracts were awarded by CALTRANS for purchase orders,
23 namely contracts authorizing work or purchases, which were valued at
24 less than \$131,000. Minor B contracts for "purchasing and
25 installing" products could not exceed \$100,000. The CALTRANS
26 regulations required that CALTRANS seek and receive bids from at
27 least two certified vendors before awarding Minor B contracts.

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1 B. THE SCHEME TO DEFRAUD

2 Beginning in or about December 2004, through in or about March
3 2009, in the State and Eastern District of California, and
4 elsewhere, defendant POURSARTIP, defendant SHIRAZI, defendant
5 GREGORY, and others, both known and unknown to the Grand Jury,
6 devised and intended to devise a material scheme and artifice to
7 defraud CALTRANS, and for obtaining money and property from CALTRANS
8 by means of materially false and fraudulent pretenses,
9 representations, and promises.

10 C. MANNER AND MEANS

11 It was part of the scheme and artifice to defraud that:

12 1. Defendant POURSARTIP and defendant SHIRAZI offered, and
13 defendant GREGORY accepted, bribes, including money, a Persian rug,
14 a cellular telephone, and other gifts in exchange for being awarded
15 Minor B contracts by CALTRANS.

16 2. To conceal his misconduct, defendant GREGORY deposited and
17 caused to be deposited the bribe payments into bank accounts held in
18 the names of business entities he controlled, namely Computer
19 Junction, Environmental Energy Technologies, and Jak Engineering.

20 3. Defendants POURSARTIP, SHIRAZI, GREGORY, and others known
21 to the Grand Jury, arranged for third party companies known to the
22 Grand Jury to submit straw bids for Minor B contracts on which
23 Infotek was bidding to give CALTRANS the false illusion of
24 competitive bidding. Defendants POURSARTIP, SHIRAZI, GREGORY set
25 the bid amount of the straw bids and Infotek's bids to pre-determine
26 the "winner." As a result of the defendants' actions, the Minor B
27 contracts were awarded by CALTRANS to either Infotek or one of the
28 straw bidders.

1 4. In those instances when the contract was awarded to the
2 straw bidder instead of Infotek, the straw bidder did not do the
3 work required by the contract. Instead, defendant POURSARTIP
4 submitted, and caused the submission of, false invoices to CALTRANS
5 reflecting that the work called for by the contract was being done
6 by the straw bidder, when in fact, no work was being done, or it was
7 done by Infotek.

8 5. Payments made by CALTRANS to the straw bidder were
9 forwarded by the straw bidder to Infotek and defendant POURSARTIP,
10 after the straw bidder kept a portion of the payment as a
11 "commission," without disclosing this arrangement to CALTRANS.

12 6. Defendant POURSARTIP submitted, and caused to be submitted,
13 materially false and misleading invoices to CALTRANS misrepresenting
14 the work that Infotek and the straw companies performed. In some
15 instances, neither the straw bidder nor Infotek performed any work
16 for the money that was paid by CALTRANS.

17 7. On one occasion, defendant GREGORY requested that Infotek
18 provide him with a fictitious invoice to conceal an unauthorized
19 purchase he made for parts for his personal airplane using a
20 CALTRANS credit card. Defendant SHIRAZI prepared the invoice which
21 defendant GREGORY submitted to CALTRANS for reimbursement.

22 8. As a result of the fraud, CALTRANS incurred a loss of more
23 than \$1.2 million.

24 D. MAILINGS

25 On or about the dates listed below, for the purpose of
26 executing the aforementioned scheme and artifice to defraud, and
27 attempting to do so, the defendants knowingly caused to be delivered
28 by U.S. mail, the items described below:

CT	DATE	ITEM	SENDER	RECIPIENT
1	12/6/06	Check in the amount of \$96,390 for Purchase Order 10-12802	State Controller's Office P.O. Box 942850 Sacramento, CA	Company 1 Oakland, CA
2	8/29/07	Check in the amount of \$99,819 for purchase order 10-13088	State Controller's Office P.O. Box 942850 Sacramento, CA	Company 1 Oakland, CA
3	8/30/07	Check in the amount of \$99,900 for purchase order 10-13086	State Controller's Office P.O. Box 942850 Sacramento, CA	Internet 2000 Walnut Creek, CA
4	10/18/07	Check in the amount of \$98,593.20 for purchase order 10-13133	State Controller's Office P.O. Box 942850 Sacramento, CA	Company 2 El Cajon, CA
5	10/23/07	Check in the amount of \$99,997.20 for purchase order 10-13085	State Controller's Office P.O. Box 942850 Sacramento, CA	Company 2 El Cajon, CA
6	12/28/07	Check in the amount of \$98,820 for purchase order 10-13142	Caltrans P.O. Box 168019 Sacramento, CA	Infotek Oakland, CA
7	12/31/07	Check in the amount of \$98,658 for purchase order 10-13140	State Controller's Office P.O. Box 942850 Sacramento, CA	Company 3 Vallejo, CA

All in violation of Title 18, United States Code, Sections 1341 and 2.

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1 COUNT EIGHT: [18 U.S.C. §§ 371, 666(a)(2) - Conspiracy to Commit
2 Theft and Bribery Concerning Programs Receiving
3 Federal Funds]

3 The Grand Jury further charges:

4 SIAVASH POURSAARTIP,
5 aka Mike Poursartip, and
6 SARA SHIRAZI,

6 defendants herein, as follows:

7 A. INTRODUCTION

8 At all times relevant to this indictment:

9 The Grand Jury realleges and incorporates by reference the
10 allegations set forth in paragraphs A-1 through A-5 of Counts One
11 through Seven of this Indictment.

12 B. THE CONSPIRACY

13 Beginning in or about December 2004, and continuing through in
14 or about March 2009, in the State and Eastern District of
15 California, and elsewhere, defendant POURSAARTIP, defendant SHIRAZI,
16 and others both known and unknown to the Grand Jury, did knowingly
17 combine, conspire, and agree among themselves to corruptly give,
18 offer, and agree to give anything of value to Clint Gregory,
19 intending to influence and reward him as an agent of CALTRANS, an
20 agency of the State of California, which agency received from the
21 federal government in excess of \$10,000 during any one-year period
22 during the dates alleged above, in connection with any business,
23 transaction, and series of transactions of CALTRANS involving
24 anything of value of \$5,000 or more, in violation of Title 18,
25 United States Code, Section 666(a)(2).

26 C. MANNER AND MEANS

27 In connection with the aforesaid conspiracy, defendant
28 POURSAARTIP, defendant SHIRAZI, and others, both known and unknown to

1 the Grand Jury, employed, among others, the manner and means set
 2 forth in paragraphs C-1 through C-3 of Counts One through Seven of
 3 this Indictment.

4 D. OVERT ACTS

5 In furtherance of the conspiracy and to effect the objects
 6 thereof, defendant POURSARTIP, defendant SHIRAZI, and others, both
 7 known and unknown to the grand jury, committed the following overt
 8 acts in the Eastern District of California, and elsewhere:

9 1. On or about December 21, 2004, Clint Gregory opened a bank
 10 account in the name of Computer Junction.

11 2. On or about the dates set forth below, defendants
 12 POURSARTIP and SHIRAZI paid the amounts listed below by check to
 13 Clint Gregory, through companies controlled by him:

Date Issued	Amount	Recipient	Issued By
12/22/04	\$20,188.64	Computer Junction	Poursartip
1/06/05	\$20,188.64	Computer Junction	Poursartip
8/08/06	\$3,000.00	Jak Engineering	Shirazi
3/10/07	\$66,904.20	Environmental Energy Technologies	Poursartip, Shirazi
6/18/07	\$8,750.00	Jak Engineering	Shirazi
8/31/07	\$6,000.00	Jak Engineering	Shirazi
10/05/07	\$9,968.00	Jak Engineering	Poursartip
11/15/07	\$9,850.00	Jak Engineering	Poursartip
2/07/08	\$6,000.00	Jak Engineering	Poursartip
2/07/08	\$9,600.00	Jak Engineering	Poursartip
2/07/08	\$8,400.00	Jak Engineering	Poursartip
5/06/08	\$7,200.00	Jak Engineering	Poursartip
5/06/08	\$4,800.00	Jak Engineering	Poursartip
9/19/08	\$14,000.00	Jak Engineering	Poursartip

10/15/08	\$9,600.00	Jak Engineering	Poursartip
12/17/08	\$9,800.00	Jak Engineering	Poursartip
2/25/09	\$9,250.00	Jak Engineering	Poursartip

3. On or about June 9, 2006, defendant POURSARTIP gave Clint Gregory a cellular telephone.

4. On or about June 29, 2006, Clint Gregory submitted a Purchase Request asking CALTRANS to award a Minor B contact to a straw bidder, Company 1.

5. On or about December 11, 2006, defendant POURSARTIP sent an email to defendant SHIRAZI and others reminding defendant SHIRAZI "to meet with Clint and do not forget his gift."

6. On or about December 11, 2006, defendant POURSARTIP and defendant SHIRAZI gave Clint Gregory a Persian rug.

7. On or about May 31, 2007, Clint Gregory signed a Purchase Request asking CALTRANS to award a Minor B contract to a straw bidder, Internet 2000.

All in violation of Title 18, United States Code, Sections 371 and 666(a)(2).

COUNT NINE: [18 U.S.C. § 666(a)(2) - Theft and Bribery Concerning Programs Receiving Federal Funds]

The Grand Jury further charges: T H A T

SIAVASH POURSARTIP,
 aka Mike Poursartip, and
 SARA SHIRAZI,

defendants herein, beginning in or about August 2005, and continuing through in or about March 2009, in the State and Eastern District of California, and elsewhere, did corruptly give, offer, and agree to

1 give anything of value to Clint Gregory, intending to influence and
2 reward him as an agent of CALTRANS, an agency of the State of
3 California, which agency received from the federal government in
4 excess of \$10,000 during any one-year period during the dates
5 alleged above, in connection with any business, transaction, and
6 series of transactions of CALTRANS involving anything of value of
7 \$5,000 or more, in violation of Title 18, United States Code,
8 Section 666(a)(2).

9 COUNT TEN: [18 U.S.C. § 666(a)(1)(B) - Theft and Bribery Concerning
10 Programs Receiving Federal Funds]

11 The Grand Jury further charges: T H A T

12 CLINT GREGORY,

13 defendant herein, beginning in or about August 2005, and continuing
14 through in or about March 2009, in the State and Eastern District of
15 California, and elsewhere, was an agent of CALTRANS, an agency of
16 the State of California, which agency received from the federal
17 government in excess of \$10,000 during any one-year period during
18 the dates alleged above, and defendant corruptly solicited, demanded
19 for the benefit of himself, and accepted and agreed to accept
20 anything of value from Siavash Poursartip, aka Mike Poursartip, and
21 Sara Shirazi, intending to be influenced and rewarded in connection
22 with any business, transaction, and series of transactions of
23 CALTRANS involving anything of value of \$5,000 or more, in violation
24 of Title 18, United States Code, Section 666(a)(1)(B).

25 FORFEITURE ALLEGATION: [18 U.S.C. § 981(a)(1)(C) and 28 U.S.C.
26 § 2461(c) - Criminal Forfeiture]

27 The Grand Jury further charges:
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~~210-CR-0305-LMK~~

UNITED STATES DISTRICT COURT

Eastern District of California

Criminal Division

THE UNITED STATES OF AMERICA

vs.

SIAVASH POURSAARTIP,
aka Mike Poursartip,
SARA SHIRAZI, and
CLINT GREGORY

INDICTMENT

VIOLATION(S): 18 U.S.C. § 1341 - Mail Fraud (7 Counts);
18 U.S.C. §§ 371, 666(a)(2) - Conspiracy to Commit Theft and
Bribery Concerning Programs Receiving Federal Funds; 18 U.S.C.
§ 666(a)(2) - Theft and Bribery Concerning Programs Receiving
Federal Funds; 18 U.S.C. § 666(a)(1)(B) - Theft and Bribery
Concerning Programs Receiving Federal Funds; 18 U.S.C. §
981(a)(1)(C) and 28 U.S.C. § 2461(c) - Criminal Forfeiture

A true bill,

AS/

Foreman.

Filed in open court this 29 day

of July, A.D. 20 10

Clerk.

Bail, \$ Summons - AS to Poursartip + Shirazi
Notice to appear - AS to Gregory

[Signature]

PENALTY SLIP

DEFENDANTS: SIAVASH POURSAITIP
SARA SHIRAZI
CLINT GREGORY

210 - CR - 0305 LKK

COUNTS ONE through SEVEN

VIOLATION: 18 U.S.C. § 1341 - Mail Fraud
PENALTY: Not more than \$250,000 fine, or
Not more than 20 years imprisonment, or both
Term of 3 years supervised release.

DEFENDANTS: SIAVASH POURSAITIP
SARA SHIRAZI

COUNT EIGHT

VIOLATION: 18 U.S.C. §§ 371, 666(a)(2) - Conspiracy to Commit Theft and
Bribery Concerning Programs Receiving Federal Funds
PENALTY: Not more than \$250,000
Not more than 5 years imprisonment, or both; and
Term of 3 years supervised release.

COUNT NINE

VIOLATION 18 U.S.C. §666(a)(2) - Theft and Bribery Concerning Programs
Receiving Federal Funds
PENALTY Not more than \$250,000
Not more than 10 years imprisonment, or both; and
Term of 3 years supervised release.

DEFENDANT: CLINT GREGORY

COUNT TEN

VIOLATION: 18 U.S.C. § 666(a)(1)(B) - Theft and Bribery Concerning Programs
Receiving Federal Funds
PENALTY: Not more than \$250,000
Not more than 10 years imprisonment, or both; and
Term of 3 years supervised release.

**FORFEITURE
ALLEGATION**

18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. §2461(c)

PENALTY

ASSESSMENT: \$100.00 special assessment each count