

U.S. Department of Justice

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ELVIN CAMACHO-VÉLEZ PLEAD GUILTY FOR VIOLATIONS OF PROGRAM FRAUD AND EXTORTION STATUTES

San Juan, Puerto Rico- Today, Elvin Camacho-Vélez, plead guilty of violations of Title 18, United States Code, Sections 666 (a)(1)(B) and 1951(a), federal program fraud and extortion, announced Rosa Emilia Rodríguez-Vélez, United States Attorney for the District of Puerto Rico.

Camacho-Vélez was the Mayagüez Regional Director of the "La Oficina para el Mejoramiento de las Escuelas Públicas, also known as "OMEP". The OMEP is a branch of the Puerto Rico Department of Education, which receives federal funds through various grants. One of the purposes of the OMEP is to oversee the repair and improvement of the facilities of the public schools in Puerto Rico.

According to the indictment, returned by a Grand Jury on August 11, 2008, from on or about July 18, 2008 until July 30, 2008, Camacho-Vélez, corruptly requested that a contractor inflate the estimated costs for the performance of various contracts to repair three public schools in the area of Añasco and San Sebastian. Camacho-Vélez told the contractor that there were approximately \$45,000.00 available to complete the construction projects in the schools. While the actual price of the contracts should have totaled approximately \$27,426.00, Camacho-Vélez suggested that the contractor inflate the price to over \$46,837.00. Out of the approximately \$18,000.00 surplus from the inflated price, Camacho-Vélez would receive from the contractor between \$10,000 to \$12,000 dollars, as a kickback for the contracts' award. Camacho-Vélez informed the contractor that he needed the kickback to pay for accumulated debts of his then political campaign. The contractor would be able to keep the remainder of the funds. On July 30, 2008, the contractor met Camacho-Vélez and delivered the agreed upon kickback of \$12,000.00. Camacho-Vélez was arrested on July 30 after he received \$12,000 dollars from a contractor as kickback to pay for accumulated debts of his then political campaign.

Today, once again, justice was served. The U.S. Attorney's Office will continue to prosecute public officials who abuse their positions of trust and take advantage of their access to public funds for personal gain," stated U.S. Attorney Rodríguez-Vélez.

The penalty for these charges is a maximum term of imprisonment of 20 years, and a maximum fine of \$250,000.00 dollars.

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This case is the result of a joint investigation conducted by the FBI and the U.S. Attorney's Office. The case was prosecuted by Assistant U.S. Attorney Charles R. Walsh, under the supervision of Desirée Laborde-Sanfiorenzo, Supervisor-White Collar Division and José Ruiz-Santiago, Chief of the Criminal Division.

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