



# Department of Justice

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**FORMER SOUTH CAROLINA SCHOOL DISTRICT OFFICIAL SENTENCED TO TWO YEARS IN JAIL FOR ROLE IN SCHEME TO DEFRAUD THE FEDERAL E-RATE PROGRAM**

WASHINGTON – A former South Carolina school district official was sentenced to serve two years in jail and to pay \$468,496 in restitution for using the mail to submit fraudulent applications for E-Rate funding on behalf of Bamberg County School District One in Bamberg, S.C., the Department of Justice announced today.

Cynthia K. Ayer, the school district's former technology director, pleaded guilty on April 30, 2008, to committing mail fraud by submitting applications containing false information to the E-Rate program. She requested funds she was not entitled to and caused Universal Service Administrative Company (USAC) to mail her a \$25,243 check made payable to her company, Go Between. Ayer was previously indicted by a federal grand jury in Columbia, S.C., on April 20, 2006. She pleaded guilty to a mail fraud charge of the indictment. Ayer will pay the restitution to USAC.

"Today's sentencing demonstrates the Department's resolve to hold accountable individuals who subvert the competitive process and frustrate efforts to help children in our nation's economically disadvantaged schools," said Deborah A. Garza, Acting Assistant Attorney General in charge of the Department's Antitrust Division.

The E-Rate program subsidizes the provision of Internet access and telecommunications services, as well as internal computer and communications networks, to economically disadvantaged schools and libraries. The program was created by Congress in the Telecommunications Act of 1996 and is administered by USAC, a non-profit corporation, under the auspices of the Federal Communications Commission.

The charges in the indictment resulted from an ongoing federal investigation of fraud and anticompetitive conduct in the E-Rate program. The investigation was conducted jointly by the United States Attorney's Office for the District of South Carolina and the Antitrust Division's Atlanta Field Office, with the assistance of the Federal Communications Commission Office of Inspector General.

As a result of the Antitrust Division's investigation into fraud and anticompetitive conduct in the E-Rate program, a total of seven companies and 17 individuals have pleaded guilty or have been convicted and found guilty or entered civil settlements and have paid, agreed to pay, or been sentenced to pay criminal fines and restitution totaling more than \$40 million.

Anyone with information concerning fraud or anticompetitive conduct in the E-Rate program should contact the Atlanta Field Office of the Antitrust Division at 404-331-7100.

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