



Department of Justice

United States Attorney Billy J. Williams
District of Oregon

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WWW.USDOJ.GOV/USAO/OR

CONTACT: KEVIN SONOFF

PHONE: (503) 727-1185

KEVIN.SONOFF@USDOJ.GOV

OREGON MILITARY DEPARTMENT EMPLOYEE PLEADS GUILTY TO MAKING FALSE STATEMENTS

Former civil servant misrepresented the condition of military equipment, jeopardizing U.S. Army's war-ready posture

PORTLAND, Ore.—Dominic Caputo, 48, of Clackamas County, Oregon, pleaded guilty today to making false statements while employed as a civilian program manager for the Oregon National Guard Oregon Sustainment Maintenance Site (OSMS).

According to court documents, the Oregon National Guard (ONG) operates and maintains the OSMS at Camp Withycombe, an Oregon Military Department installation in Clackamas County. OSMS supports readiness and training of the U.S. Military by refurbishing out-of-service electronic equipment owned by the U.S. Department of Defense. In the event of an emergency or declaration of war, OSMS deploys refurbished equipment to other military bases or installations. During the time alleged in the Indictment and until 2015, OSMS was the only maintenance site in the United States capable of repairing and rebuilding certain engines in support of the federal military supply system.

From 2010 to 2014, Caputo served as a civilian program manager for the OSMS Power Division where he directed, controlled, and supervised the rebuilding and repair of small and large engines, generators, tires and other types of equipment. Caputo was responsible for certifying completed work and submitting claims to the U.S. Army Communications-Electronics Command (CECOM) under the National Maintenance and RESET Programs.

In Fiscal Year 2014, Caputo billed CECOM more than \$675,000 for the repair and rebuilding of John Deere Diesel Engines despite the work having not been performed. More than 60 of the engines had already been repaired and billed to CECOM in prior fiscal years. For those engines, Caputo directed Power Division employees to remove and replace original serial numbers and identifying engine plates from the engines to conceal the duplicate billing.

In June 2014, Caputo willingly and knowingly prepared a work order and run test data indicating that the falsified repair work on an engine had been performed. Caputo submitted this

false information to CECOM. Caputo's employment with OSMS was terminated in November 2014 when his fraud was revealed.

In September 2018, a federal grand jury in Portland indicted Caputo for misrepresenting the operational status of military equipment used to maintain a war-ready posture.

Caputo faces a maximum sentence of five years in prison, a \$100,000 fine and three years of supervised release. He will be sentenced on May 4, 2020 before U.S. District Court Judge Karin J. Immergut.

As part of the plea agreement, Caputo has agreed to pay more than \$2.6 million in restitution to CECOM.

This case was investigated by the FBI, the U.S. Department of Defense Office of Inspector General's Defense Criminal Investigative Service (DCIS), and the U.S. Army Criminal Investigation Command (CID). It is being prosecuted by Michelle Kerin, Assistant U.S. Attorney for the District of Oregon.

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