

Jackie Lacey
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NEWS RELEASE

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Man Sentenced For Stealing Millions of Dollars from LAUSD

A 74-year-old man was sentenced today for bilking millions of dollars from the Los Angeles Unified School District by submitting fake invoices for irrigation clocks, the Los Angeles County District Attorney's Office announced.

Karl Hauser was placed on formal probation for three years and must serve 50 days in jail. He also paid \$3.1 million in restitution.

In February, Hauser and co-defendant John Paul Chapman, 76, each pleaded no contest to one felony count of embezzlement.

Chapman was previously sentenced to formal probation for five years, to pay \$20,000 to LAUSD and ordered to complete 400 hours of community service.

Deputy District Attorney Lana Kim prosecuted the case.

Hauser was the president of Plumbing and Industrial Supply, Inc., a company that was awarded numerous LAUSD contracts, and Chapman was the office manager at the company's Vernon branch.

Prosecutors said more than 200 fake company invoices for irrigation clocks were submitted between 2002 and 2006.

An LAUSD employee, who had since died, was compensated for his role in the scheme by having unlimited use of the company's credit card and having items purchased on his behalf for his personal businesses, prosecutors said.

Case BA421721 was investigated by the District Attorney's Bureau of Investigation.

About the Los Angeles County District Attorney's Office

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to protecting our community through the fair and ethical pursuit of justice and the safeguarding of crime victims' rights.