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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
Plaintiff,  
v.  
MAUREEN O'CONNOR,  
Defendant.

Criminal Case No. *13CR 0537-BEN*  
I N F O R M A T I O N  
Title 18, U.S.C., Sec. 1957 – Engaging  
in Monetary Transactions in Property  
Derived from Specified Unlawful  
Activity

The United States Attorney charges:

COUNT 1

INTRODUCTORY ALLEGATIONS

1. From 1986 to 1992, Maureen O'Connor ("Defendant") was Mayor of San Diego.
2. From 1977 until his death in 1994, Defendant was married to Robert O. Peterson, the Founder of the Jack in the Box restaurant chain. In 1966, Peterson and others created the R.P. Foundation ("Foundation") by filing the Foundation's Articles of Incorporation ("Articles") with the California Secretary of State. During the relevant time period, Defendant was one of three Trustees of the Foundation.
3. According to the Articles, the Foundation was organized pursuant to the General Nonprofit Corporation Law of the State of California. The Foundation's Articles state that "no part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall enure to the benefit of any member, trustee, officer of the

1 corporation, or any private individual, except that reasonable compensation may be paid  
2 for services rendered to or for the corporation affecting one or more of its purposes."

3 4. The Articles also state that the Foundation's "specific and primary purpose  
4 [is] for the advancement of educational, literary, scientific and charitable activities."  
5 According to the Articles, the Foundation's general purpose is to "receive and maintain  
6 a fund or funds of real or personal property, to use and apply the whole or any part of the  
7 income exclusively for charitable, educational, literary and scientific purposes either  
8 directly or by contributions to organizations that qualify as exempt organizations under  
9 Section 501(c)(3) of the Internal Revenue Code."

10 5. Prior to 2008, in furtherance of its charitable purpose, the Foundation  
11 provided money to various non-profit 501(c)(3) organizations and causes, such as City  
12 of Hope, the Alzheimer's Association, Sharp Healthcare, Little Wishes Foundation, San  
13 Diego Hospice, and the John Burton Foundation.

#### 14 GAMBLING ACTIVITY

15 6. Between 2000 and 2009, Forms W-2(G) on file with the Internal Revenue  
16 Service (IRS) from various casinos in Las Vegas, Atlantic City, and San Diego reported  
17 over \$1 billion in gambling winnings by Defendant. Defendant also reported to the IRS  
18 gambling losses greater than her gambling winnings - resulting in a net loss.

19 7. By early 2008, as reflected in bank records, Defendant had outstanding  
20 gambling debts due to various casinos. In order to stay afloat financially and continue  
21 her high-stakes gambling, Defendant liquidated her savings, sold numerous real estate  
22 holdings and auctioned valuable personal items. Defendant also obtained second and  
23 third mortgages on her personal residence in La Jolla, California.

#### 24 MISAPPROPRIATION OF CHARITABLE FUNDS

25 8. By September 2008, Defendant had few, if any, assets. Defendant then  
26 turned to the Foundation for money to pay her gambling debts, continue her high-stakes  
27 gambling and address other personal monetary needs. Between September 2008 and  
28 December 2008, Defendant arranged (via telephone) 15 interstate electronic transfers

1 from the Foundation to Defendant's personal bank account in the Southern District of  
2 California totaling \$1,039,000.

3 9. From January 2009 to March 2009, Defendant arranged (via telephone) 5  
4 interstate electronic transfers from the Foundation to Defendant's personal bank account  
5 in the Southern District of California. During that period, Defendant also wrote a check  
6 from the Foundation payable to her personal bank account. The electronic transfers and  
7 check deposit into Defendant's personal bank account from January 2009 to March 2009  
8 totaled \$1,049,000.

9 10. After misappropriating more than \$2,088,000 from the Foundation between  
10 September 2008 - March 2009, bank and tax records show that Defendant continued her  
11 high-stakes gambling. For example, Defendant won \$100,000 from the Barona casino  
12 in April 2009.

13 11. Defendant's transfers from the Foundation to her personal bank account  
14 were contrary to the Foundation's explicit charitable purpose and its non-profit status  
15 with the IRS. Defendant's transfers left the Foundation bankrupt, and the Foundation's  
16 bank accounts were closed in April 2009.

17 12. In order to conceal her activity and avoid the payment of federal income  
18 taxes, Defendant characterized the misappropriated funds as "loans" from the Foundation  
19 to the Defendant. Although Defendant may have initially intended to pay back the funds  
20 to the foundation, her action were nevertheless prohibited by the specific provisions of  
21 the Foundation and constituted impermissible self-dealing in violation of her fiduciary  
22 responsibility to the Foundation.

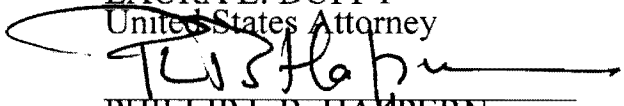

23 13. Despite having limited, if any, assets other than the funds misappropriated  
24 from the Foundation, Defendant continued high-stakes gambling. After March 2009,  
25 Defendant made payments to casinos in an attempt to satisfy outstanding gambling  
26 markers (or lines of credit), yet did not make any attempt to repay the Foundation. In  
27 doing so, Defendant engaged in monetary transactions knowing that the transactions  
28 involved proceeds of her misappropriation of charitable funds.

1 14. Defendant also secured several large gambling winnings after March 2009  
2 that were used to continue gambling, not bring the Foundation out of bankruptcy.

3 THE CHARGE

4 15. On or about January 20, 2009, in the Southern District of California,  
5 defendant MAUREEN O'CONNOR, after arranging for \$449,000 to be transferred from  
6 the Foundation to her personal checking account, did knowingly engage in a monetary  
7 transaction to a financial institution, affecting interstate commerce, in criminally derived  
8 property of a value greater than \$10,000, that is transfer of monetary instruments, to wit,  
9 a personal check in the amount of \$100,000 to the Bellagio casino; such property having  
10 been derived from a specified unlawful activity, that is, wire fraud, all in violation of Title  
11 18, United States Code, Sections 1957 and 2.

12  
13 DATED: 2/12/13

14 LAURA E. DUFFY  
United States Attorney  
  
15 PHILLIP L.B. HALPERN  
Assistant United States Attorney  
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MICHAEL MERRIMAN  
Assistant United States Attorney  
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