



expenditure of his nephew's assets, VIRVUS JONES was required to disclose the expenditure and its purpose in annual settlement statements filed with the Probate Court. As conservator of his nephew's estate, VIRVUS JONES was prohibited from self-dealing with his nephew's assets such as misappropriating funds or borrowing funds for VIRVUS JONES' own benefit.

3. Between on or about November 5, 1986 and on or about July, 3, 1993 in the Eastern District of Missouri, and elsewhere,

**VIRVUS JONES,**

the defendant, devised a scheme to defraud his nephew, Todd L. Clark, and Todd Clark's estate, of money and property and of his duty of honest services by misappropriating, self-dealing and unlawfully converting assets of his nephew and his estate to his own use and by submitting false settlement statements to the St. Louis Probate Court.

4. It was part of the scheme that VIRVUS JONES opened a bank account at Landmark Bank in the name VIRVUS JONES, Guardian for Todd Lamont Clark, and deposited insurance proceeds of Todd Clark into the account.

5. It was further part of the scheme that on or about March 12, 1987, VIRVUS JONES filed an Inventory and Appraisal of the estate of Todd Clark and listed the guardian account as containing Thirty-Five Thousand Dollars (\$35,000.00) and nowhere disclosed or accounted for the remaining insurance proceedings.

6. It was further part of the scheme that VIRVUS JONES would take money from the guardian account by simply writing checks

payable to himself and utilizing the money not for Todd Clark, but for his own personal expenses. In this way VIRVUS JONES greatly depleted the assets of his nephew.

7. It was further part of the scheme that in November, 1988, VIRVUS JONES was required to file with the Probate Court the 1988 annual settlement statement. However, during 1988, VIRVUS JONES had written at least fourteen checks payable to himself from the guardian account and in November, 1988, there was a balance of only Twenty-Two Thousand Dollars (\$22,000.00) and VIRVUS JONES had never sought or obtained any permission from the Probate Court to make expenditures or withdrawals from that account. Therefore, VIRVUS JONES requested several extensions for filing the 1988 annual settlement statement.

8. It was further part of the scheme that in order to cover-up and conceal that VIRVUS JONES had embezzled and misappropriated thousands of dollars from his nephew's estate, VIRVUS JONES took Eighteen Thousand Dollars (\$18,000.00) from his campaign committee and deposited it on February 17, 1989 into a new and second guardian account of Todd Clark's.

9. It was further part of the scheme that in order to conceal this transfer of money from VIRVUS JONES' campaign committee account to the Todd Clark account, VIRVUS JONES made the campaign account check payable to himself and falsely noted in the memo portion of the check that it was for "printing and postage". Additionally, VIRVUS JONES sent the Missouri Ethics Commission a false and fraudulent committee disclosure report and made no

disclosure of the Eighteen Thousand Dollar (\$18,000.00) expenditure at all.

10. It was further part of the scheme that five days after he deposited the Eighteen Thousand Dollars (\$18,000.00), **VIRVUS JONES** filed the annual settlement statement due November, 1988, falsely claiming the balance of the Todd Clark guardian accounts as of November, 1988, was Thirty-Nine Thousand Nine Hundred Eighty-Five Dollars and Forty-Eight Cents (\$39,985.48), composed of Eighteen Thousand Dollars (\$18,000) in the new account and Twenty-One Thousand Nine Hundred Eighty-Five Dollars and Forty-Eight Cents (\$21,985.48) in the other account and the only expenditure or withdrawal from the guardian accounts he claimed was Two Hundred Dollars (\$200.00) for the purchase of the conservator's bond.

11. It was further part of the scheme that after filing the 1988 annual settlement statement on February 22, 1989, **VIRVUS JONES** without any permission of the Probate Court began immediately depleting the second guardian account of all of its funds and utilizing none of the money for the benefit of his nephew.

12. It was further part of the scheme that in November, 1989, **VIRVUS JONES** was required to file with the Probate Court the 1989 annual settlement statement. However, **VIRVUS JONES** had continued to deplete the guardian account by writing checks to himself and the only guardian account remaining was now down to a balance of only Seven Thousand Six Hundred Fourteen Dollars and Forty-Nine Cents (\$7,614.49) and **VIRVUS JONES** had never sought or obtained any permission from the Probate Court to make any expenditure or

withdrawals. Therefore, VIRVUS JONES requested numerous extensions for filing the 1989 annual settlement statement.

13. It was further part of the scheme that in order to continue to cover-up and conceal that he had embezzled and misappropriated thousands of dollars from his nephew's estate, VIRVUS JONES took Thirty-Six Thousand Dollars (\$36,000.00) from his campaign committee and deposited it on April 5, 1990 into the guardian account.

14. It was further part of the scheme that in order to conceal this transfer of money from VIRVUS JONES' campaign committee account to the Todd Clark account, VIRVUS JONES sent the Missouri Ethics Commission a false and fraudulent committee disclosure report and made no disclosure of the Thirty-Six Thousand Dollar (\$36,000.00) expenditure at all.

15. It was further part of the scheme that a short time after depositing the Thirty-Six Thousand Dollars (\$36,000.00), VIRVUS JONES submitted an interim report pending settlement with the Probate Court, claiming the guardian account balance was now Forty-Three Thousand Three Hundred Eighty-One Dollars and Eighty-Six Cents (\$43,381.86) and listing no expenditures or withdrawals as having been made from the account.

16. It was further part of the scheme that on April 24, 1990, VIRVUS JONES obtained another extension for filing the annual settlement statement. Three days later, VIRVUS JONES withdrew the Thirty-Six Thousand Dollars (\$36,000.00) from the guardian account and put it back into his campaign committee account.

17. It was further part of the scheme that on or about May 4, 1990, VIRVUS JONES again took another Thirty-Six Thousand Dollars (\$36,000.00) from his campaign committee and deposited it into his nephew's guardian account. Again, the Thirty-Six Thousand Dollar (\$36,000.00) expenditure was not disclosed on VIRVUS JONES' committee disclosure reports. Subsequently, he continued to withdraw funds from the estate for his personal use.

18. It was further part of the scheme that in October, 1990, VIRVUS JONES filed with the Probate Court a "Settlement to Majority of Minor", which was suppose to provide a final settlement and accounting of his nephew's estate at the time VIRVUS JONES was supposed to deliver the assets to his nephew.

19. It was further part of the scheme that though Todd Clark had reached the age of majority and the assets of the estate should have been turned over to him, VIRVUS JONES did not deliver the assets to his nephew and falsely led his nephew, Todd Clark, to believe he was not entitled to the money and assets until he reached the age of twenty-one (21) years. Thereby, VIRVUS JONES continued to retain control of the monies in the estate.

20. It was further part of the scheme that after Todd Clark reached majority, VIRVUS JONES continued to deplete his nephew's assets for VIRVUS JONES' personal use including using more than Thirteen Thousand Dollars (\$13,000.00) for such personal expenses as the cost of a trip to Japan for his wife, college tuition for his daughter, a pair of Rolex watches and personal tax bills.

21. On or about July 6, 1990 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service the St. Louis Probate Court's Memorandum Order continuing settlement to majority.

In violation of Title 18, United States Code, Section 1341.

COUNT II

The Grand Jury further charges that:

1. Paragraphs 1 through 20 of COUNT I are realleged and incorporated by reference.

2. On or about August 29, 1990 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service a letter from Landmark Bank, St. Louis, Missouri regarding the balance of the guardian account to his attorney in St. Louis, Missouri.

In violation of Title 18, United States Code, Section 1341.

COUNT III

The Grand Jury further charges that:

1. Paragraphs 1 through 20 of COUNT I are realleged and incorporated by reference.

2. On or about January 15, 1991 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Friends of Virvus Jones dated January 13, 1991.

In violation of Title 18, United States Code, Section 1341.

COUNT IV

The Grand Jury further charges that:

1. Paragraphs 1 through 20 of COUNT I are realleged and incorporated by reference.

2. On or about April 20, 1992 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be delivered by the United States Postal Service an envelope from St. Louis, Missouri to the Internal Revenue Service in Kansas City, Missouri, containing a Two Thousand Seven Hundred Fifty-Four Dollar (\$2,754.00) check which was converted funds from Todd Clark's estate.

In violation of Title 18, United States Code, Section 1341.



COUNT V

The Grand Jury further charges that:

1. At all times relevant to this COUNT, VIRVUS JONES was the Comptroller for the City of St. Louis, and as such owed a duty of honest services to the citizens of the City of St. Louis.
2. During times relevant to the indictment, VIRVUS JONES was also a candidate for the office of Comptroller for the City of St. Louis in the March, 1989, Democratic Party primary election and the April, 1989, general election and again in the March, 1993, Democratic Party primary election and the April, 1993, general election.
3. At all times relevant to this Count, the election laws of the State of Missouri, and in particular Sections 130.041, 130.046, 130.051 and 130.071 of the Revised Statutes of Missouri, required campaign committees and candidates for political offices within the State, including those for the office of Comptroller of St. Louis, to publicly report the dates, amounts and sources of all political contributions, and the dates, amounts, and purposes of all campaign expenditures received and disbursed for the purpose of securing nomination or election to public office.
4. At all times relevant to this Count, candidates for elective offices within Missouri owed a duty of honest services under Sections 130.041, 130.046, 130.051 and 130.071 of the Revised Statutes of Missouri, to report accurately and truthfully the financial campaign information which was required to be publicly disclosed thereby.

5. Between on or about January 1, 1989 and on or about March 30, 1995, in the Eastern District of Missouri and elsewhere,

**VIRVUS JONES,**

the defendant, devised a scheme to defraud his campaign contributors, his campaign committees and the State of Missouri of money and property and to obtain money and property from his campaign contributors, his campaign committees and the State of Missouri by means of false and fraudulent pretenses and representations and to defraud the people of the State of Missouri, his campaign contributors, his campaign committees and the voters and citizens of the City of St. Louis of his duty owed by virtue of Sections 130.041, 130.046, 130.051 and 130.071 to file accurate and truthful reports concerning the finances of his campaign committees and to defraud the citizens of the City of St. Louis of the duty of honest services in his job as Comptroller of the City of St. Louis.

6. It was a part of defendant's scheme that he established three separate committees through which he solicited campaign contributions from numerous sources falsely claiming the campaign contributions would all be used for campaign purposes. In 1989, he established Citizens to Elect Virvus Jones. In 1990, he established a second committee known as Friends of Virvus Jones. In 1991, he established Citizens to Re-Elect Virvus Jones. For each of these committees, **VIRVUS JONES** used his power as the Comptroller to solicit large campaign contributions from companies and individuals who were doing significant business with the Comptroller's Office and the City of St. Louis, and from others who were hoping to obtain business from the Comptroller's Office and the City of St. Louis.

7. It was further part of defendant's scheme that the defendant, VIRVUS JONES, would take monies contributed to his various committees and, rather than using the money for its intended purpose of supporting his candidacy, he would fraudulently and contrary to Missouri state law, spend it on personal expenses of his, his family and his girlfriend.

The defendant, VIRVUS JONES, used several different methods to fraudulently take money from the committees and use it for personal expenses. On many occasions he wrote checks from one of the committee accounts directly to an individual or a company and even though the check was for a personal expense, he falsely reported it on his committee disclosure reports as a campaign expense. On many other occasions he wrote checks from one of the committee accounts payable to himself and even though he then converted the check to his own personal uses, he falsely reported on the committee disclosure reports that it was to cover certain campaign expenses. And, on several occasions, he wrote large checks from one of the committee accounts, used the money for personal purposes, and never reported the expenditure on any report. As part of this scheme, VIRVUS JONES wrote checks from his committee accounts to pay personal expenses and checks to himself which he converted to his own use totalling more than Three Hundred Thousand Dollars (\$300,000.00).

Among the money spent by the defendant VIRVUS JONES on personal expenses are the following:

- a. Approximately One Hundred Thousand Dollars (\$100,000.00) paid to his wife Laura Jones falsely claimed to be salary but given to her during times when she did not work for his campaign or any of the candidate committees, including all of 1991, most of 1992, over half of 1993, and all of 1994.
- b. Approximately Seven Thousand Dollars (\$7,000.00) paid to mortgage companies and falsely claimed to be for rent for campaign headquarters when in truth the payments were for the home mortgage of his home on Summit Avenue in St. Louis City.
- c. Approximately Ten Thousand Dollars (\$10,000.00) paid to his wife's Citibank Mastercard claimed to be for campaign expenses when the Mastercard bills paid for by the campaign committees also included many personal expenses including, but not limited to;
  - i) Nordic-Trac equipment;
  - ii) a rowing machine;
  - iii) clothing for himself, his wife and his daughter;
  - iv) furniture for his home;
  - v) a television for his daughter;
  - vi) travel expenses for his wife and daughter;
  - vii) stereo equipment for his home;
  - viii) a pleasure trip on which he took his girlfriend to Chicago in December, 1992; and
  - ix) a pleasure trip to a golf school in Florida in June, 1993 on which he took his girlfriend.
- d. Thousands of dollars put into a bank account of which defendant was the conservator in order to cover up the large sums of monies he had previously stolen and misused from the bank account. Specifically, the bank account was the guardian account for Todd Clark, the defendant's minor nephew. Over a period of several years, VIRVUS JONES had misappropriated thousands of dollars out of the account, and when he was required by the St. Louis City Probate Court to account for the monies which were

supposed to be in the account, VIRVUS JONES took money from the campaign accounts to put into the guardian account in order to conceal the previous embezzlement of monies from the guardian account. The checks of the campaign accounts used for this illegal purpose were not disclosed on the appropriate committee disclosure report submitted by VIRVUS JONES.

- e. Approximately Six Thousand Dollars (\$6,000.00) paid to "Dalco" and falsely claimed to be a campaign expense when the money was actually paid to put new windows and siding on the defendant's home.
- f. Approximately Three Thousand Dollars (\$3,000.00) paid to "Techline" and falsely claimed to be campaign expenses when the money actually paid for new furniture for the apartment in which the defendant was living.
- g. Approximately Five Thousand Dollars (\$5,000.00) paid to Apex Travel and falsely claimed to be travel expenses relating to the campaign when the money actually paid for many personal trips including trips for the defendant to visit his daughter at college, for his wife to visit his daughter in college and to go on a vacation to California, and for his daughter to travel back and forth between college and home and to go on a vacation to California.
- h. Approximately Thirty-Two Hundred Dollars (\$3,200.00) paid to the defendant directly and falsely claimed to be for various campaign expenses when the money was actually used to pay his daughter's college tuition.
- i. Approximately Two Thousand Five Hundred Dollars (\$2,500.00) paid to Stan Smith and falsely claimed to be "consultant fees" when the money was actually used to pay a personal debt of the defendant arising out of his personal financial involvement in the Cabanne Cabana development.
- j. Approximately Five Thousand Dollars (\$5,000.00) paid to Magna Bank directly and illegally used to buy himself VIRVUS JONES a \$5,000.00 certificate of deposit in his name at Boatmen's Bank. This check defendant failed to disclose on the appropriate committee disclosure reports.
- k. Approximately One Thousand Two Hundred Dollars (\$1,200.00) paid to VIRVUS JONES directly and used to pay off an old and outstanding student debt of the defendant at Webster University.

1. Approximately Eight Hundred Dollars (\$800.00) paid to King Dodge falsely claimed to be for campaign expenses when the money was actually used to rent a van to drive his daughter to college.
  - m. Approximately Two Hundred Dollars (\$200.00) paid to "Princess Middleton" and falsely claimed to be for "contracted services" when the money was actually given as a wedding gift to friends of defendant's wife.
  - n. Approximately Twelve Thousand Dollars (\$12,000.00) paid to Jameson Leasing and Gateway Telco Credit Union to pay for a van which was the sole source of transportation for defendant's wife but which he falsely claimed was a van leased for campaign purposes.
  - o. Approximately One Thousand Six Hundred Dollars (\$1,600.00) paid for a golf school in Florida to which he took his girlfriend.
  - p. Approximately Six Hundred Dollars (\$600.00) paid to Pro Golf Discount and falsely claimed to be a campaign expense when the money was actually used to buy golf clubs and shoes for his girlfriend to take to the golf school in Florida.
  - q. Approximately Six Thousand Dollars (\$6,000.00) paid to his girlfriend and falsely claimed to be professional services and campaign expenses and loans when the money was actually paid to his girlfriend as gifts.
8. It was further part of defendant's scheme that in order to conceal the illegal spending of campaign funds for personal expenses of his, his family and his girlfriend, numerous false and fictitious entries were put into his campaign disclosure reports and other documents sent to the Missouri Ethics Commission, contrary to state law, including false entries as to whom the funds were given or for what purpose the funds were spent. Additionally, for several large and fraudulent withdrawals of money from the campaign committee accounts which were used for personal expenses of VIRVUS JONES, the expenditures were completely left off of the campaign disclosure reports, which was also contrary to state law.

9. It was further part of defendant's scheme that in an attempt to conceal his full involvement and control over this fraudulent scheme, **VIRVUS JONES**, contrary to state law, solicited an individual to pose as treasurer for the various committees, when in truth and fact this individual assumed none of the duties of a committee treasurer as set forth in the Missouri Campaign Finance Disclosure Laws, including Sections 130.021, 130.036, 130.041 and 130.051 of the Revised Statutes of Missouri, and **these duties were actually assumed by VIRVUS JONES himself.**

10. It was further part of defendant's scheme that in order to conceal his illegal spending of campaign funds for various personal expenses, **VIRVUS JONES** intentionally failed to keep and maintain accurate records relating to his committees' receipts and expenditures as required by the Missouri Campaign Disclosure Laws, Section 130.036 of the Revised Statutes of Missouri.

11. It was further part of defendant's scheme that **in order to have more campaign funds available to illegally use for his personal expenses, VIRVUS JONES** violated existing law by having his staff at the Comptroller's Office do a significant amount of work for his campaigns while they were on the City's payroll and were legally prohibited from such activities. In order to conceal the illegal use of City employees for his campaign, the committee disclosure reports did not disclose the in kind services provided by the City employees and paid for by the City.

12. It was further part of defendant's scheme that in order to have more funds available to use for his personal expenses, on numerous trips **VIRVUS JONES** would have the campaign committees pay for certain travel expenses and for the exact same travel expenses paid by the campaign committees also obtain reimbursement from the City of St. Louis thereby being reimbursed twice for one expense.

13. On or about July 16, 1991 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri, to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated July 15, 1991.

In violation of Title 18, United States Code, Section 1341.

**COUNT VI**

**The Grand Jury further charges that:**

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about January 17, 1992 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service



from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated January 15, 1992, and the false and fictitious Committee Disclosure Report for Friends of Virvus Jones dated January 15, 1992.

In violation of Title 18, United States Code, Section 1341.

**COUNT VII**

**The Grand Jury further charges that:**

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about July 15, 1992 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated July 15, 1992.

In violation of Title 18, United States Code, Section 1341.

**COUNT VIII**

**The Grand Jury further charges that:**

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about January 21, 1993 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated January 21, 1993, and the false and fictitious Committee Disclosure Report for Friends of Virvus Jones dated January 21, 1993.

In violation of Title 18, United States Code, Section 1341.

**COUNT IX**

**The Grand Jury further charges that:**

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about April 23, 1993 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated April 19, 1993.

In violation of Title 18, United States Code, Section 1341.

COUNT X

The Grand Jury further charges that:

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about July 16, 1993 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated July 15, 1993.

In violation of Title 18, United States Code, Section 1341.

COUNT XI

The Grand Jury further charges that:

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about January 18, 1994 in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Friends of Virvus Jones dated January 14, 1994.

In violation of Title 18, United States Code, Section 1341.

COUNT XII

The Grand Jury further charges that:

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On or about March 21, 1995, in the Eastern District of Missouri,

VIRVUS JONES,

the defendant, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, a letter to Marion Sinnett, the administrative secretary for the Missouri Ethics Commission, which attempted to cover-up some of the misappropriation and illegal spending of campaign funds which he knew the then ongoing federal investigation had uncovered.

In violation of Title 18, United States Code, Section 1341.

COUNT XIII

The Grand Jury further charges that:

1. Paragraphs 1 through 12 of COUNT V are realleged and incorporated by reference.

2. On March 2, 1993 a primary election was held in St. Louis, Missouri, for the purpose of selecting nominees of the Democratic Party for various municipal offices, including the office of Comptroller of the City of St. Louis.

3. VIRVUS JONES and James Shrewsbury were candidates for the Democratic Party nomination to the office of City Comptroller in the aforesaid primary election.

4. At all times material to this Indictment:

a) St. Louis City Ordinance 2.08.400 required that the name of no candidate shall be printed upon any official ballot at any primary election unless the candidate files a written declaration stating among other things that the candidate has received no remuneration or any personal gift, or other personal favor or promise for his or her filing the declaration of candidacy. Pursuant to this ordinance, candidates owed a duty of honest services to the voters of the City of St. Louis.

b) The election laws of the State of Missouri, and in particular Sections 130.041, 130.046, 130.051 and 130.071 of the Revised Statutes of Missouri, required candidates for political offices within the State, including those for the office of Comptroller of St. Louis, to publicly report the dates, amounts, sources of all political contributions, and the dates, amounts and purposes of all campaign expenditures, received and disbursed for the purpose of securing nomination or election to public office.

c) Candidates for elective offices within Missouri, and campaign financial officers to whom such candidates may have delegated financial disclosure responsibilities, owed a duty of honesty under Sections 130.041, 130.046, 130.051 and 130.071 of the Revised Statutes of Missouri to the citizens of the State of Missouri to report accurately and truthfully the financial campaign information that was required to be publicly disclosed thereby.

d) Campaign financial disclosure reports prepared for the Penny Alcott for Comptroller campaign were transmitted through the United States Mails to Jefferson City, Missouri, as were the same reports for VIRVUS JONES' campaign.

5. During the campaign, the defendants realized that VIRVUS JONES might not win the primary election and Virvus Jones might lose the Comptroller's job and his ability to continue to have access to campaign funds for his personal expenses. Therefore, the

defendants devised a scheme to defraud the people of the State of Missouri and the voters and citizens of the City of St. Louis of the duty of honest services of VIRVUS JONES and PENNY ALCOTT and to defraud the City of St. Louis of money and property in the form of the Comptroller's salary and other corresponding benefits by depriving the voters of St. Louis of a fair and impartial election and by obtaining the Comptroller's salary and benefits by means of false statements and representations.

6. Between on or about December 1, 1992 and April 1, 1995 in the Eastern District of Missouri,

**VIRVUS JONES,  
CRAIG WALKER,  
JOHN RUNYAN,  
KERRY ALEXANDER and  
PENNY ALCOTT,**

the defendants, and others, did knowingly and willfully conspire and agree amongst themselves to commit offenses against the United States, to-wit mail fraud in violation of Title 18, United States Code, Sections 1341 and 1346, by conspiring to use the mails to defraud the people of the State of Missouri and the voters and citizens of the City of St. Louis of the duty of honest services and the City of St. Louis of money and property in the form of the Comptroller's salary.

7. It was a part of the scheme and conspiracy that Penny Alcott entered as a candidate for the position of City Comptroller in this primary election. However, her candidacy was that of a "stalking horse" for candidate VIRVUS JONES, meaning her campaign was financed in large part by the VIRVUS JONES' campaign and VIRVUS

JONES' supporters for the purpose of enabling her to draw votes away from candidate James Shrewsbury and thus to further the election of candidate VIRVUS JONES.

8. It was further part of the scheme and conspiracy that in order to induce Penny Alcott to enter the Comptroller's race, she was promised financial backing from the defendants, which was to be concealed, and she was promised a job at the conclusion of the election for her agreeing to enter the primary.

9. It was further part of the scheme and conspiracy in order to have Penny Alcott successfully act as a stalking horse, the defendants acted to conceal her true motivation for entering the Comptroller's race.

10. It was further part of the scheme and conspiracy that notwithstanding PENNY ALCOTT'S intended role of a stalking horse and the promises made to her to enter the race, she filed her declaration of candidacy pursuant to St. Louis City Ordinance 2.08.400 falsely claiming her candidacy was a sincere and good faith desire to attain office and falsely claiming she had received no favors, gifts or promises for entering the Comptroller's race and filing her declaration of candidacy, then knowing the declaration to be false.

11. It was further part of the scheme and conspiracy that PENNY ALCOTT was then placed on the official ballot under false and fraudulent pretenses as set forth in the above paragraphs resulting in the voters of St. Louis being deprived of a fair and impartial election.

12. It was further part of the scheme and conspiracy that in execution of the promises made to PENNY ALCOTT, thousands of dollars of concealed contributions were made by and through the defendants and VIRVUS JONES' campaign committee to promote the campaign of PENNY ALCOTT.

13. It was further part of the scheme and the conspiracy that the financial support provided by Virvus Jones and his supporters to Penny Alcott was fraudulently concealed by laundering these monies through different bank accounts and submitting and mailing false and fraudulent disclosure reports in violation of Sections 130.041, 130.046, 130.051, and 130.071 of the Revised Statutes of Missouri.

14. It was further part of the scheme and conspiracy that the defendants took various steps to conceal their fraudulent scheme and to obstruct the investigation of their crimes including:

- a) John Runyan, having earlier admitted the contributions to Penny Alcott's campaign were not his money, but really Craig Walker's, and then after talking to Craig Walker, appeared before the grand jury and lied claiming the money was his.
- b) Kerry Alexander, after his employment as a St. Louis City Police Officer was terminated as a result of his being suspended for his involvement in this conspiracy and VIRVUS JONES' campaign, was hired by VIRVUS JONES to work in the Comptroller's Office as a way to keep Kerry Alexander from talking to the Government regarding his and VIRVUS JONES' involvement in the conspiracy.



15. In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts were committed:

- a) On or about December 31, 1992, in the Eastern District of Missouri, Penny Alcott signed her declaration of candidacy.
- b) On February 19, 1993, in the Eastern District of Missouri, Virvus Jones signed a check for \$6,700.00 from **Citizens to Re-Elect VIRVUS JONES** payable to **KERRY ALEXANDER**.
- c) On February 19, 1993, in the Eastern District of Missouri, **KERRY ALEXANDER** wrote off his account checks in the amount of Three Thousand Four Hundred Dollars (\$3,400.00) and Three Thousand Three Hundred Dollars (\$3,300.00) made payable to his sister Sandra Latimore and his niece Stephanie White.
- d) On February 19, 1993, in the Eastern District of Missouri, **VIRVUS JONES** called Stephen Baker and told him to come to **VIRVUS JONES'** office in City Hall to pickup Six Thousand Seven Hundred Dollars (\$6,700.00) worth of checks from **KERRY ALEXANDER'S** sister and niece for **PENNY ALCOTT'S** campaign.
- e) On or about March 30, 1993, in the Eastern District of Missouri, **VIRVUS JONES** signed the Committee Disclosure Report dated March 30, 1993, for **Citizens to Re-Elect VIRVUS JONES**, wherein the Six Thousand Seven Hundred Dollar (\$6,700.00) contribution to **PENNY ALCOTT'S** campaign was falsely listed as "cash to pay canvassers".
- f) On February 1, 1993, **JOHN RUNYAN** deposited a check from **CRAIG WALKER** for Two Thousand Seven Hundred Dollars (\$2,700.00) payable to **JOHN RUNYAN**.
- g) On February 1, 1993, **JOHN RUNYAN** wrote a Two Thousand Five Hundred Dollar (\$2,500.00) check payable to **PENNY ALCOTT'S** campaign.
- h) On or about February 24, 1993, **JOHN RUNYAN** wrote a false and fraudulent note indicating he was making a Nine Thousand Dollar (\$9,000.00) loan to the **PENNY ALCOTT** campaign.
- i) On or about February 24, 1993, in the Eastern District of Missouri, **CRAIG WALKER** requested Prudential Securities to issue a Nine Thousand Dollar (\$9,000.00) check to **PENNY ALCOTT'S** campaign and debit his employee checking account.

- j) On or about April 15, 1993, in the Eastern District of Missouri, PENNY ALCOTT signed the Committee Disclosure Report for the PENNY ALCOTT for Comptroller Committee falsely listing the Six Thousand Seven Hundred Dollar (\$6,700.00) contribution as contributions from Sandra Latimore and Stephanie White and the Eleven Thousand Five Hundred Dollar (\$11,500.00) from CRAIG WALKER as contributions and loans from JOHN RUNYAN.

All in violation of Title 18, United States Code, Section 371.

COUNT XIV

The Grand Jury further charges that:

1. Paragraphs 1 through 15 of COUNT XIII are realleged and incorporated by reference.

2. On or about January 14, 1994, in the Eastern District of Missouri,

VIRVUS JONES,  
CRAIG WALKER,  
JOHN RUNYAN,  
KERRY ALEXANDER and  
PENNY ALCOTT,

for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for the Penny Alcott for Comptroller Committee dated April 15, 1993.

In violation of Title 18, United States Code, Section 1341 and Section 2.

COUNT XV

The Grand Jury further charges that:

1. Paragraphs 1 through 15 of COUNT XIII are realleged and incorporated by reference.

2. On or about March 30, 1993 in the Eastern District of Missouri,

**VIRVUS JONES,**  
**CRAIG WALKER,**  
**JOHN RUNYAN,**  
**KERRY ALEXANDER and**  
**PENNY ALCOTT,**

the defendants, for the purpose of executing the scheme, did knowingly cause to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service from St. Louis, Missouri to Jefferson City, Missouri, the false and fictitious Committee Disclosure Report for Citizens to Re-Elect Virvus Jones dated March 30, 1993.

In violation of Title 18, United States Code, Section 1341 and Section 2.

COUNT XVI

The Grand Jury further charges that:

On or about March 17, 1995, in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, after finding out that his estranged wife was subpoenaed and was going to testify under oath before a federal grand jury investigating his criminal conduct, asked his estranged wife to lie to the grand jury by asking her to testify she could not remember instead of answering questions truthfully and by specifically asking her to lie by saying she worked for his

campaign in 1991 when he knew she never had done such work, and he did all of this corruptly endeavoring to impede and obstruct the due administration of justice by obstructing the federal grand jury investigation of his criminal conduct.

In violation of Title 18, United States Code, Section 1503.

COUNT XVII

The Grand Jury further charges that:

1. Paragraphs 1 through 15 of COUNT XIII are realleged and incorporated by reference.

2. On or about October 6, 1994 in the Eastern District of Missouri,

JOHN RUNYAN,

the defendant, while under oath in a criminal investigation proceeding before a federal grand jury did knowingly make false material declarations in that he falsely stated the Twenty-Five Hundred Dollar (\$2,500.00) contribution to PENNY ALCOTT'S campaign was his own money and not CRAIG WALKER'S; and he falsely stated that when he wrote a note stating he was loaning the Penny Alcott Committee Nine Thousand Dollars (\$9,000.00) he in fact intended to make the loan to the committee; and he falsely stated the Twenty-Five Hundred Dollar (\$2,500.00) check from his bank account for the Alcott contribution was the only check from his account to any St. Louis candidate for public office; and he falsely stated he never made any other political contributions at CRAIG WALKER'S request.

In violation of Title 18, United States Code, Section 1623.

COUNT XVIII

**The Grand Jury further charges that:**

1. Paragraphs 1 through 15 of COUNT XIII are realleged and incorporated by reference.

2. On or about June 2, 1994 in the Eastern District of Missouri,

**KERRY ALEXANDER,**

the defendant, while under oath in a criminal investigation proceeding before a federal grand jury did knowingly make false material declarations in that he falsely stated he exercised no control over any documents relating to VIRVUS JONES' campaign; and he falsely stated he was not involved in VIRVUS JONES' campaign; and he falsely stated the only document he ever handled for VIRVUS JONES' campaign was cashing one check.

In violation of Title 18, United States Code, Section 1623.

COUNT XIX

**The Grand Jury further charges that:**

1. Paragraphs 1 through 20 of COUNT I are realleged and incorporated by reference.

2. On or about April 16, 1990, in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, who was then a resident of the City of St. Louis, Missouri, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040) for 1988, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue

Service, which income tax return the defendant did not believe to be true and correct as to every material matter in that the income tax return reported adjusted gross income of Sixty-One Thousand Eight Hundred Sixty-Six Dollars (\$61,866.00), where, as he then and there well knew and believed, he should have reported substantial additional adjusted gross income.

In violation of Title 26, United States Code, Section 7206(1).

COUNT XX

The Grand Jury further charges that:

1. Paragraphs 1 through 20 of COUNT I and paragraph 7 of COUNT V are realleged and incorporated by reference.

2. On or about April 16, 1990, in the Eastern District of Missouri,

VIRVUS JONES,

the defendant, who was then a resident of the City of St. Louis, Missouri, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040) for 1989, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which income tax return the defendant did not believe to be true and correct as to every material matter in that the income tax return reported adjusted gross income of Sixty Seven Thousand Five Hundred Eighteen Dollars (\$67,518.00), where, as he then and there well knew and believed, he should have reported substantial additional adjusted gross income.

In violation of Title 26, United States Code, Section 7206(1).

COUNT XXI

**The Grand Jury further charges that:**

1. Paragraphs 1 through 20 of COUNT I and paragraph 7 of COUNT V are realleged and incorporated by reference.

2. On or about April 20, 1992, in the Eastern District of Missouri,

**VIRVUS JONES,**

the defendant, who was then a resident of the City of St. Louis, Missouri, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040) for 1990, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which income tax return the defendant did not believe to be true and correct as to every material matter in that the income tax return reported adjusted gross income of Ninety-Two Thousand Ninety-Six Dollars (\$92,096.00), where, as he then and there well knew and believed, he should have reported substantial additional adjusted gross income.

In violation of Title 26, United States Code, Section 7206(1).

COUNT XXII

**The Grand Jury further charges that:**

1. Paragraphs 1 through 20 of COUNT I and paragraph 7 of COUNT V are realleged and incorporated by reference.

the defendant, who was then a resident of the city of St. Louis, Missouri, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040) for 1992, which was verified by a written declaration that it was made under the

**VIRVUS JONES,**

Missouri,

2. On or about January 4, 1995, in the Eastern District of

COUNT V are realleged and incorporated by reference.

1. Paragraphs 1 through 20 of COUNT I and paragraph 7 of

The grand jury further charges that:

**COUNT XXIII**

In violation of Title 26, United States Code, Section 7206(1).

reported substantial additional adjusted gross income. as he then and there well knew and believed, he should have Five Thousand Four Hundred Eighty-Six Dollars (\$125,486.00), where, tax return reported adjusted gross income of One Hundred Twenty- be true and correct as to every material matter in that the income Service, which income tax return the defendant did not believe to penalties of perjury and was filed with the Internal Revenue verified by a written declaration that it was made under the Individual Income Tax Return (Form 1040) for 1991, which was Missouri, did willfully make and subscribe a United States the defendant, who was then a resident of the city of St. Louis,

**VIRVUS JONES,**

Missouri,

2. On or about March 12, 1994, in the Eastern District of



reported substantial additional adjusted gross income.

In violation of Title 26, United States Code, Section 7206(1).

A True Bill.

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FOREPERSON

EDWARD L. DOWD, JR.  
UNITED STATES ATTORNEY

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JAMES G. MARTIN  
ASSISTANT UNITED STATES ATTORNEY