

10

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

ORIGINAL

UNITED STATES OF AMERICA,

Plaintiff,

vs.

D-1 RONNIE SIMS,

Defendant.

Case:2:16-cr-20219
Judge: Leitman, Matthew F.
MJ: Majzoub, Mona K.
Filed: 03-29-2016 At 09:52 AM
INFO USA V RONNIE SIMS (BG)

VIOLATIONS:
18 U.S.C. § 371 (Conspiracy)
18 U.S.C. § 666 (Bribery)

INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

GENERAL ALLEGATIONS

At all times relevant to this Information:

1. Detroit Public Schools (“DPS”) was a government agency operating within Wayne County, Michigan, in the Eastern District of Michigan.
2. DPS was a government agency that received in excess of \$10,000.00 under one or more federal programs involving grants, contracts, subsidies, loans, guarantees, insurance and other forms of federal assistance in each one-year period for fiscal years 2008 through 2012.

3. Defendant RONNIE SIMS was an employee and agent of DPS, a government agency, when he was employed as Principal of Fleming Elementary (Fleming) from 2005 through 2010, and Principal of Brenda Scott Middle School (Brenda Scott) from 2010 through 2012.

4. As Principal, SIMS had the primary authority for ordering school supplies for Fleming and Brenda Scott. SIMS also had the primary authority for selecting vendors from whom he would order supplies for Fleming and Brenda Scott.

5. As Principal, SIMS was responsible for certifying that Fleming and Brenda Scott received the goods listed on a vendor's invoice, and then submitting, or causing to be submitted, the invoice to DPS for payment to the vendor.

6. Sometime prior to December 2008, SIMS chose Norman Shy, doing business as Allstate Sales ("Shy"), as a vendor of school supplies for Fleming and Brenda Scott.

COUNT ONE

(18 U.S.C. §§ 371, 666(a)(1)(B) –
Conspiracy to Commit Federal Program Bribery)

7. Paragraphs 1 through 6 of the General Allegations are hereby incorporated in this Count.

8. From in or about December 2008 through July 2012, in the Eastern District of Michigan, defendant RONNIE SIMS and Shy, did knowingly and

willfully conspire and agree with each other for SIMS, an agent of DPS, to corruptly accept things of value, to wit: kickback payments, intending to be influenced and rewarded in connection with a series of payments from DPS to Shy's business, which payments were valued at more than \$5,000, in violation of Title 18, United States Code, Section 666(a)(1)(B).

Manner and Means of the Conspiracy

9. The conspiracy was carried out through the following manner and means:

10. SIMS promised to and did take official action, including ordering school supplies from Shy, and certifying and submitting, and causing to be certified and submitted, fraudulent invoices to DPS for payment to Shy for goods that were not delivered, in exchange for kickback payments to SIMS from Shy.

11. At times, Shy did not deliver any of the goods to Fleming and Brenda Scott that were listed on the fraudulent invoices that SIMS certified and submitted, and caused to be certified and submitted, to DPS for payment.

12. At other times, Shy delivered only a portion of the goods specified on an invoice for the purpose of making the transaction appear legitimate.

13. Shy maintained a ledger to keep track of how much money Shy owed SIMS in kickback payments as a result of the fraudulently submitted invoices.

14. SIMS regularly met and communicated with Shy to discuss how much money Shy owed him, and to request and receive kickback payments in connection with the fraudulent invoices he submitted, and caused to be submitted, to DPS.

15. SIMS corruptly received things of value, i.e., money, from Shy, which represented a portion of the payments Shy received from DPS as a result of the fraudulent invoices SIMS submitted and caused to be submitted.

16. At Shy's direction, SIMS provided Shy with fraudulent invoices from SIMS' sham consulting company, "Educational Consultants USA," in order to conceal and make Shy's kickback payments to SIMS appear legitimate.

17. To disguise kickback payments to SIMS, Shy gave checks to SIMS payable to Educational Consultants USA. At times, Vender NS gave SIMS checks payable to SIMS directly.

Overt Acts Which Furthered the Conspiracy

18. In order to further the unlawful conspiracy, one or more of the conspirators committed the following acts, among others:

19. Sometime prior to December 2008, SIMS selected Shy as a vendor to provide school supplies to Fleming.

20. Sometime prior to December 2008, Shy described to SIMS how they could fraudulently "encumber" DPS funds by certifying and submitting, and causing

to be certified and submitted, to DPS invoices from Shy for goods that were not delivered.

21. Sometime prior to December 2008, Shy directed SIMS to establish a company called "Educational Consultants USA" in order to conceal and make kickback payments to SIMS appear legitimate.

22. Sometime prior to December 2008, Vendor further described that he could provide SIMS checks payable to "Educational Consultants USA" which would represent his portion of the encumbered funds which Shy fraudulently received from DPS for the undelivered goods.

23. Beginning in at least December 2008, in exchange for kickback payments from Shy, SIMS agreed to submit and cause to be submitted to DPS fraudulent invoices from Shy for goods that were not delivered.

24. From in and about December 2008 through July 2012, SIMS certified and submitted or caused to be submitted fraudulent invoices from Shy on behalf of Fleming and Brenda Scott which caused DPS to issue payments to Shy for goods that were never delivered.

25. On the following approximate dates, among others, at Shy's direction, SIMS provided Shy with fraudulent invoices from Educational Consultants USA for services not provided in order to conceal and make the kickback payment from Shy appear legitimate:

- a. April 15, 2009
- b. October 14, 2009
- c. October 19, 2009
- d. October 30, 2009
- e. December 18, 2009
- f. January 15, 2010
- g. February 15, 2010
- h. February 24, 2010
- i. February 25, 2010
- j. March 13, 2010
- k. April 27, 2010
- l. June 16, 2010
- m. April 4, 2011
- n. May 4, 2011
- o. June 3, 2011
- p. July 1, 2011
- q. August 15, 2011
- r. August 15, 2011
- s. February 15, 2012
- t. April 25, 2012

26. On the following approximate dates, among others, SIMS accepted kickback payments in the form of checks payable to Educational Consultants USA from Shy:

	Approximate Date	Amount of Kickback
a.	December 31, 2008	\$6,900
b.	April 24, 2009	\$800
c.	October 15, 2009	\$2,982.18
d.	October 19, 2009	\$1,440
e.	October 30, 2009	\$2,222.70
f.	December 21, 2009	\$1,200
g.	January 16, 2010	\$3,046
h.	February 15, 2010	\$1,825.35
i.	February 25, 2010	\$1,162.50
j.	March 18, 2010	\$1,175
k.	April 29, 2010	\$2,500
l.	June 19, 2010	\$1,923
m.	April 14, 2011	\$3,200
n.	May 4, 2011	\$3,200
o.	June 8, 2011	\$1,650
p.	June 29, 2011	\$4,200
q.	August 18, 2011	\$1,980
r.	December 5, 2011	\$4,475
s.	February 28, 2012	\$2,000
t.	April 25, 2012	\$4,800
u.	July 11, 2012	\$3,200

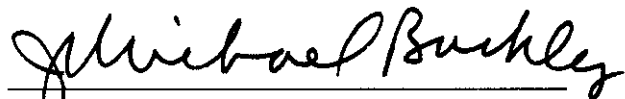
27. On the following approximate dates, among others, SIMS accepted kickback payments in the form of checks payable to RONNIE SIMS from Shy:

	Approximate Date	Amount of Kickback
a.	June 25, 2012	\$5,000
b.	July 11, 2012	\$1,600
c.	July 20, 2012	\$837.50

28. SIMS accepted kickback payments totaling approximately \$58,519.23 from Shy.

All in violation of Title 18, United States Code, Sections 371 and 666.

BARBARA L. McQUADE
United States Attorney



J. MICHAEL BUCKLEY
Assistant United States Attorney
Deputy Chief, Public Corruption Unit



FRANCES LEE CARLSON
Assistant United States Attorney
Public Corruption Unit
211 W. Fort St., Ste. 2001
Detroit, MI 48226
313-226-9100

Dated: March 29, 2016

Case: 2:16-cr-20219
 Judge: Leitman, Matthew F.
 MJ: Majzoub, Mona K.
 Filed: 03-29-2016 At 09:52 AM
 INFO USA V RONNIE SIMS (BG)

United States District Court Eastern District of Michigan	Criminal Case Cover
--	----------------------------

NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately in all respects.

Reassignment/Recusal Information This matter was opened in the USAO prior to August 15, 2008 []

Companion Case Information	Companion Case Number: See attached
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned: See attached
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	AUSA's Initials: <i>JMB</i>

Case Title: USA v. D-1 RONNIE SIMS

County where offense occurred : Wayne

Check One: Felony Misdemeanor Petty

Indictment/ Information --- no prior complaint.
 Indictment/ Information --- based upon prior complaint (Case number: _____)
 Indictment/ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ Judge: _____

- Original case was terminated; no additional charges or defendants.
- Corrects errors; no additional charges or defendants.
- Involves, for plea purposes, different charges or adds counts.
- Embraces same subject matter but adds the additional defendants or charges below:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
-----------------------	----------------	--

Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

March 29, 2016
Date

Michael Buckley

J. MICHAEL BUCKLEY
 Assistant United States Attorney
 211 W. Fort Street, Suite 2001
 Detroit, MI 48226-3277
 Phone: 313-226-9581
 Fax: 313-226-3413
 E-Mail address: Michael.Buckley@usdoj.gov
 Attorney Bar #: P36167

¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.

Companion Case Information

Companion Case Number and Judge Unknown; all cases filed simultaneously on March 29, 2016:

U.S. v. Ronald Alexander

U.S. v. Tanya Bowman

U.S. v. Josette Buendia

U.S. v. Beverly Campbell

U.S. v. Nina Graves-Hicks

U.S. v. James Hearn

U.S. v. Gerlma Johnson

U.S. v. Stanley Johnson

U.S. v. Tia'Von Moore-Patton

U.S. v. Willye Pearsall

U.S. v. Norman Shy and Clara Flowers

U.S. v. Clara Smith