

NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY WESTERN DISTRICT OF MISSOURI

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FORMER ROCKHURST EMPLOYEE PLEADS GUILTY TO DEFRAUDING UNIVERSITY, FALSE TAX RETURN

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that the former director of physical plant at Rockhurst University pleaded guilty today to defrauding the university by taking more than \$100,000 in bribes as a part of a kickback scheme, and to filing a false tax return.

Ralph E. Dunn, 64, of Niceville, Fla., waived his right to a grand jury and pleaded guilty before U.S. District Chief Judge Dean Whipple this afternoon to a federal information. **Dunn** is the former director of physical plant at Rockhurst University, a Jesuit university at 1100 Rockhurst Road, Kansas City, Mo.

Dunn admitted that, from June 1998 to June 2001, he conspired with others to devise a scheme to defraud Rockhurst University. A company doing business with Rockhurst submitted invoices totaling \$697,215 to the university, Graves explained, charging more than the value of the work performed and charging for projects that were never performed. Rockhurst paid the amounts listed on the inflated and fictitious invoices, Graves said, and the company paid bribes to **Dunn** for approving those payments. **Dunn** admitted that he received approximately \$102,600 in bribes over the course of the conspiracy.

Graves explained that those contracts were related to Rockhurst's expansion and renovation of its campus, which included demolition of some houses in the area surrounding the campus.

Dunn also admitted that he failed to report the amounts he received as part of the kickback scheme on his U.S. Individual Tax Return for 2000. **Dunn** reported \$51,119 in taxable income, Graves said, when in reality his true taxable income was \$118,014.

As a result of today's guilty plea, **Dunn** could be subject to a sentence of up to eight years in federal prison without parole, plus a fine up to \$350,000 and an order of restitution. The sentence will be determined according to the United States Sentencing Guidelines. A sentencing hearing will be scheduled after the completion of a presentence investigation by the U.S. Probation Office.

The case was prosecuted by Assistant U.S. Attorney Paul S. Becker. It was investigated by the Federal Bureau of Investigation, Internal Revenue Service-Criminal Investigation, the Department of Labor Inspector General, and the Defense Criminal Investigative Service.

This news release, as well as additional information about the office of the United States
Attorney for the Western District of Missouri, is available on-line at
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