UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA	)	No. _____
	)	
v.	)	Violations: Title 18, United States Code, Sections 2, 666, 1341, 1346, 1503, and 1956(h)
	)	
ROGER STANLEY,	)	
STANLEY STEWART and	)	
ROBERT DOYLE	)	

COUNT ONE

The SPECIAL APRIL 2002 GRAND JURY charges:

1. At times material to this indictment:

METRA Background

A. In November 1983, the Illinois General Assembly enacted legislation that reorganized the Regional Transportation Authority ("RTA"), a special purpose unit of local government, and in the process, created the Northeast Illinois Regional Commuter Railroad Corporation, now commonly known through its registered service mark as Metra (hereinafter "METRA"). With the passage of the 1983 law, the RTA was reformulated into three operating divisions: 1) METRA; 2) the Suburban Bus Division (commonly known as "PACE") and 3) the Chicago Transit Authority (commonly known as the "CTA").

B. The 1983 Law also authorized METRA to establish policy with respect to actual day-to-day operations, capital investments, facilities, fare levels, and service levels for the commuter rail system in northeastern Illinois.

C. METRA annually received benefits in excess of $10,000 under a federal program involving a grant, contract, subsidy, loan, guarantee, or other form of federal assistance, including grants from the Federal Transit Administration for operating and capital funding.

D. In the performance of its lawful functions, METRA awarded contracts for goods and services to outside entities and individuals (hereinafter collectively "outside vendors"). Certain METRA contracts were awarded to outside vendors based, in part, upon a bidding process. As to those METRA contracts for which there was a bidding process, METRA established policies and procedures governing, among other things, creation of a request for proposal ("RFP"), publication of the RFP, the acceptance of bids submitted by prospective vendors pursuant to the RFP, screening of prospective vendors and, ultimately, the recommendation of one or more prospective vendors to the Board of Directors for final selection.

E. METRA was governed by a seven-member Board of Directors (the "Board"), six of whom were appointed by combinations of the chairmen of the county boards for each of the counties that comprise northern Illinois. In addition, the Mayor of Chicago appointed the remaining METRA Board member. All METRA Board members were selected to serve for four-year terms which were renewable.

i. Among other duties and responsibilities, the

Board, on behalf of METRA, determined levels of service, fares and operational policies. In performing these duties, individual Board members were provided internal financial and strategic information regarding METRA's business plan.

ii. With respect to the Board's evaluation of METRA staff recommendations in the award of particular contracts to outside vendors, each Board member was provided information as to the vendor recommended for selection prior to the award of the contract. As part of the selection process, each Board member indicated, in writing, his concurrence or opposition to the staff recommendation. In administering these and other duties and responsibilities on behalf of METRA, Board members owed a duty of honest services to METRA, the RTA and the people of the State of Illinois.

iii. Pursuant to Illinois law, Board members were required annually to file a Written Statement of Economic Interest with the County Clerk's office, wherein each was obligated to disclose services rendered and income derived from sources other than METRA. In addition, pursuant to Illinois law and internal policies and procedures of METRA, each Board member was prohibited from accepting gifts and things of value in return for the performance of the Board member's duties, or as a condition for not performing such duties.

Particular METRA Contracts

F. Among other contracts, METRA awarded the following contracts to outside vendors:

i. **On/Off Counts:** Typically on a bi-annual basis and beginning in 1985, METRA awarded a contract to an outside vendor to assist METRA in, among other things, determining levels of ridership and service use throughout the METRA system.

ii. **Ridership Surveys**: On a periodic basis, METRA awarded a contract to an outside vendor to assist METRA in collecting system-wide travel behavior information and demographic profiles of METRA's customer base.

iii. **Marketing-Related Contracts:** METRA periodically awarded contracts to outside vendors to assist METRA in a variety of marketing-related projects. Such contracts included, among other things, direct mail campaigns, safety awareness efforts and other marketing campaigns.

Defendants

G. **Defendant ROGER STANLEY:** STANLEY owned or was affiliated with several businesses that were awarded METRA contracts and subcontracts, including the following:

i. Universal Statistical, Inc. (hereinafter "Unistat") was an entity the principal business of which was to provide direct mail services for political campaigns and other entities. Defendant STANLEY was the president and sole shareholder of Unistat, which operated out of an office located at 9800

Industrial Drive in Bridgeview, Illinois, and previously was located in Lombard, Illinois and Willowbrook, Illinois. Unistat was awarded a METRA marketing-related subcontract in 1995 and a METRA marketing-related contract in 1997.

ii. Midwest CompuService Inc. (hereinafter "MCS") was an entity the principal business of which was to provide computerized mailing-related services. Defendant STANLEY was the secretary and 61% shareholder of MCS, which operated out of an office located at 9800 Industrial Drive in Bridgeview, Illinois, and which previously was located in Willowbrook, Illinois. For certain periods between 1993 and 1999, MCS was awarded METRA On/Off Count and Ridership Survey contracts.

iii. Precise Data, Inc. (hereinafter "Precise Data") was an entity the principal business of which was to provide direct mail services. For periods during the 1980s, defendant STANLEY was employed by and associated with Precise Data. In 1985, Precise Data was awarded a METRA On/Off Count contract.

iv. Grafcom Incorporated, later known as Liberty Graphics (hereinafter "Grafcom") was a graphics design company located in Chicago Heights and later Tinley Park, Illinois. Defendant STANLEY facilitated certain contract proposals submitted to METRA on behalf of Grafcom. For certain periods from approximately 1992 to 2000, Grafcom was awarded METRA marketing-related contracts.

v. Security Professionals, Inc., previously known as Special Operations Associates (hereinafter "SPI") was a private security firm located in Chicago, Illinois. For 1987, 1989 and 1991, SPI was awarded METRA On/Off Count contracts. In 1985, 1997 and 1999, SPI served as the principal subcontractor for the On/Off Count contracts. As to each METRA On/Off Count contract for which SPI performed services, a STANLEY-affiliated entity received a percentage of the proceeds of the particular On/Off contract.

H. **Defendant STANLEY STEWART:** STEWART, a long-time friend and associate of defendant ROGER STANLEY and METRA Board member Donald Udstuen, was an attorney licensed to practice law in the State of Illinois. STEWART was employed, at various times, for private and public entities as an attorney, including as a staff attorney for a department of the State of Illinois.

I. **Defendant ROBERT DOYLE**: From approximately 1992 through the present, DOYLE was the president and 39% shareholder of MCS. As president of MCS, DOYLE had substantial involvement in the finances of MCS and the performance of MCS' obligations under the METRA contracts awarded to MCS.

Others

J. **Co-schemer Donald Udstuen**: From approximately 1984 to April 30, 2002, Donald Udstuen served on the Board of METRA. By virtue of his position as a member of the Board, Udstuen owed a duty of honest services to METRA, the RTA and the people of the

State of Illinois. In addition to his position at METRA, Udstuen was a full-time executive with the Illinois State Medical Society, an entity that, among other things, conducted lobbying activities for medical professionals in the State of Illinois.

K. **Individual A**: Beginning in or about the late 1970s, Individual A was a close personal friend of Donald Udstuen and a social acquaintance of defendant STANLEY. From approximately 1985 through 1990, Individual A had a business entity registered in Individual A's name.

L. **Individual B:** Individual B was a long-time professional associate and personal friend of Donald Udstuen and a personal acquaintance of defendant STANLEY STEWART.

Defendants' METRA Payment Scheme

2. Beginning in approximately 1985 and continuing through approximately June 2002, in the Northern District of Illinois and elsewhere,

ROGER STANLEY and
ROBERT DOYLE,

defendants herein, together with Donald Udstuen, Stanley Stewart and others known and unknown to the Grand Jury, devised and intended to devise, and participated in, a scheme and artifice to defraud METRA, the RTA and the people of the State of Illinois of the intangible right to the honest services of METRA Board member Donald Udstuen, and of money and property, by means of materially false and fraudulent pretenses, representations, promises and omissions and by actions of concealment and protection of the

scheme, which scheme is further described below (hereinafter the "METRA payment scheme").

3. It was part of the scheme to defraud that defendant ROGER STANLEY agreed to make payments from STANLEY-affiliated businesses to, and for the benefit of, METRA Board member Donald Udstuen (the "STANLEY payments"). STANLEY agreed to make the STANLEY payments in order to influence and reward Udstuen in the performance of his official duties as a METRA Board member, specifically, Udstuen's promotion and support of STANLEY-affiliated businesses in their efforts to seek and secure certain METRA contracts and business opportunities.

4. It was further part of the scheme to defraud that Donald Udstuen, acting in his capacity as a METRA official, agreed to promote and support the efforts by defendant STANLEY to secure certain METRA contracts and business opportunities for and through STANLEY-affiliated businesses.

5. It was further part of the scheme to defraud that between at least 1985 and 2000, STANLEY-affiliated entities received the following contracts and subcontracts awarded by METRA with Udstuen's promotion, support or vote of approval during METRA Board meetings:

Year	Contract Type	Entity
1985	On/Off Count	Precise Data
1987	On/Off Count	SPI
1989	On/Off Count	SPI
1991	On/Off Count	SPI

1992	Direct Marketing	Grafcom
1993	On/Off Count	MCS
1995	On/Off Count	MCS
1995	Direct Marketing	Unistat
1995	Direct Marketing	Grafcom
1996	Ridership Survey	MCS
1997	On/Off Count	MCS
1997	Direct Marketing	Unistat
1999	On/Off Count	MCS
1999	Ridership Survey	MCS
1999	Safety Awareness	Grafcom
2000	Direct Marketing	Grafcom

From 1985 through the present, STANLEY-affiliated entities received over $4.0 million in revenues relating to contracts approved by the METRA Board, including Udstuen.

6. It was part of the scheme to defraud that, from approximately 1985 to 1999, defendant STANLEY directed that payments to, and for the benefit of, Udstuen be made from the business accounts of Precise Data, Unistat and MCS. With respect to the STANLEY payments from MCS, defendant ROBERT DOYLE assisted in the authorization of the STANLEY payments, knowing that such payments were for the benefit of Donald Udstuen to influence and reward him.

STANLEY Payments Directed Through Stanley Stewart

7. It was further part of the scheme to defraud that, in order to conceal that the STANLEY payments were being made to and

for the benefit of Udstuen relating to the METRA payment scheme, Udstuen and defendant STANLEY recruited Stanley Stewart to serve as a conduit for the STANLEY payments.

8. It was further part of the scheme to defraud that, beginning in or about 1986 and continuing until approximately 1999, at the periodic direction of defendant STANLEY and Donald Udstuen, Stewart created false and fictitious legal invoices and submitted them to STANLEY and defendant DOYLE via the United States mails in amounts specified by STANLEY and Udstuen. Such invoices were false and fraudulent in that Stewart did not perform the legal services for STANLEY's businesses as indicated on the invoices.

9 It was further part of the scheme to defraud that, upon receipt of the false legal invoices submitted to defendant STANLEY and defendant DOYLE, STANLEY and DOYLE caused checks to be made payable to Stanley Stewart from the STANLEY-affiliated businesses and sent via the United States mails to Stewart. From approximately 1985 to approximately 1999, Stewart received, on behalf of and for the benefit of Donald Udstuen, over $100,000 in payments authorized by defendant STANLEY and, to a lesser extent, defendant DOYLE.

10. It was further part of the scheme to defraud that, upon Stanley Stewart's receipt of the STANLEY payment checks, Stewart deposited the checks into one or more of his personal accounts.

11. It was further part of the scheme to defraud, and in order to conceal the nature, source, ownership and control of the STANLEY payments, that after depositing the STANLEY payments,

Stewart distributed the proceeds of the STANLEY payments by writing checks from his personal account to third parties and entities at Donald Udstuen's direction.

12. It was further part of the scheme to defraud, and in order to conceal the nature, source, ownership and control of the STANLEY payments, that Donald Udstuen and defendant STANLEY caused Stewart to make payments of the proceeds to Udstuen; Individual A; Individual B; and numerous local, state and national political campaigns and candidates. In this manner, between approximately 1986 and 2000, Stewart issued checks relating to the METRA payment scheme.

STANLEY Payments Directed To Individual A

13. It was further part of the scheme to defraud that, beginning in or about 1985 through in or about 1990, defendant STANLEY agreed to direct a portion of the STANLEY payments to Individual A on behalf of Udstuen.

14. It was further part of the scheme to defraud that, at the direction of Donald Udstuen and with the knowledge and concurrence of defendant STANLEY, Individual A created false and fictitious professional service invoices and submitted them to STANLEY. Such invoices were false and fraudulent in that Individual A did not perform the professional services indicated on the invoices.

15. It was further part of the scheme to defraud that, upon receipt of the false invoices submitted to defendant STANLEY, STANLEY caused checks to be drawn from Unistat accounts made payable to Individual A's business and sent via the United States

mails to Individual A. From approximately 1985 to approximately 1990, Individual A received, on behalf of and for the benefit of Donald Udstuen, approximately $30,000 authorized by STANLEY.

16. It was further part of the scheme to defraud that, from time to time after depositing the proceeds into Individual A's business account, Individual A distributed a portion of the STANLEY payments to Udstuen and retained a portion of the STANLEY payments for Individual A's own personal use.

17. It was further part of the scheme to defraud, and in order to conceal the scheme, that Donald Udstuen failed to disclose to any METRA personnel or to the public, through his Written Statement Of Economic Interest Forms, his receipt of the STANLEY payments.

18. It was further part of the scheme to defraud that, for certain annual periods between 1986 and 1999, defendants ROGER STANLEY, ROBERT DOYLE and Stanley Stewart caused misleading Form 1099 documents to be directed to certain individuals, and ultimately to the Internal Revenue Service, falsely reflecting that the specified individuals received compensation for bona fide services performed on behalf of STANLEY-affiliated entities.

19. It was further part of the scheme to defraud that, beginning no later than April 2002 and continuing until in or about June 2002, defendants ROGER STANLEY, ROBERT DOYLE and Stanley Stewart committed acts in an attempt to conceal from federal law enforcement certain aspects of the scheme.

20. It was further part of the scheme to defraud that defendants ROGER STANLEY, ROBERT DOYLE, Stanley Stewart, Donald Udstuen and others misrepresented, concealed, and hid, and caused to be misrepresented, concealed and hidden, the purposes of and the acts done in furtherance of the scheme.

21. On or about January 4, 1998, at Oak Park, Illinois, in the Northern District of Illinois, Eastern Division, and elsewhere,

ROGER STANLEY and
ROBERT DOYLE,

defendants herein, along with Donald Udstuen, Stanley Stewart and others known and unknown to the Grand Jury, for the purpose of executing the aforesaid scheme, and attempting to do so, did knowingly cause to be delivered by mail according to the direction thereon an envelope containing an invoice for legal services rendered by Stewart and addressed to:

Robert Doyle
Midwest CompuService Inc.
9800 Industrial Drive
Broadview, IL 60455

In violation of Title 18, United States Code, Sections 1341, 1346 and 2.

COUNT TWO

The SPECIAL APRIL 2002 GRAND JURY further charges:

1. The allegations in paragraphs 1-20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about November 3, 1999, at Bridgeview, Illinois, in the Northern District of Illinois, Eastern Division, and elsewhere,

ROGER STANLEY
and ROBERT DOYLE,

defendants herein, along with Donald Udstuen, Stanley Stewart, and others known and unknown to the Grand Jury, for the purpose of executing the aforesaid scheme, and attempting to do so, did knowingly cause to be delivered by mail according to the direction thereon an envelope containing an MCS check in the amount of $2,000 and addressed to:

Stanley Stewart

1150 South Oak Park Avenue
Oak Park, IL 60304

In violation of Title 18, United States Code, Sections 1341, 1346 and 2.

COUNT THREE

The SPECIAL APRIL 2002 GRAND JURY further charges:

Beginning in approximately 1987 and continuing to at least in or about October 2000, in the Northern District of Illinois, Eastern Division, and elsewhere,

ROGER STANLEY and
STANLEY STEWART,

defendants herein, and Donald Udstuen, conspired with each other, and with persons both known and unknown to the Grand Jury, to conduct and attempt to conduct financial transactions affecting interstate commerce, which transactions involved the proceeds of specified unlawful activity, namely, acts and activities constituting mail fraud, in violation of Title 18, United States Code, Sections 1341 and 1346; and bribery, in violation of Title 18, United States Code, Section 666(a)(2), related to the METRA payment scheme as described in Counts One and Two above, knowing

that the transactions were designed in whole or in part to conceal and disguise the nature, source, ownership, and control of the proceeds of said specified unlawful activity, and that while conducting and attempting to conduct such financial transactions knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

In violation of Title 18, United States Code, Section 1956(h).

COUNT FOUR

The SPECIAL APRIL 2002 GRAND JURY further charges:

1. The allegations in paragraphs 1-20 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. From in or about December 1997 through at least December 1998, in the Northern District of Illinois, Eastern Division,

ROGER STANLEY,

defendant herein, did corruptly give, offer, and agree to give a thing of value to a person, namely cash payments of $5,000 or more for the benefit of Donald Udstuen, with the intent to influence and reward him in his capacity as an agent of METRA, in connection with the business and series of transactions of METRA, a unit of local government that received federal benefits in excess of $10,000;

In violation of Title 18, United States Code, Section 666(a)(2).

COUNT FIVE

The SPECIAL APRIL 2002 GRAND JURY further charges:

Federal Grand Jury Investigation

1. In or about the Spring of 1998, the SPECIAL JUNE 1997-2 Grand Jury sitting in Chicago, Illinois, commenced grand jury investigation 98 GJ 596 (the "Grand Jury Investigation"). Successive federal grand juries, including the SPECIAL JANUARY 1999-2 Grand Jury, the SPECIAL JULY 2000-2 Grand Jury, and the SPECIAL APRIL 2002 Grand Jury have continued the Grand Jury Investigation, into among other things, allegations of official misconduct, corruption and fraudulent conduct relating to the Illinois Secretary of State's Office ("SOS Office") and certain individuals and entities doing business with the SOS Office and other public offices. The Grand Jury Investigation has concerned allegations of violations of the following federal statutes, among

others: Title 18, United States Code, Sections 666 (theft concerning programs receiving federal funds); 1341 and 1346 (mail fraud); 1503 and 1512 (obstruction of justice); 1623 (perjury); 1951 (extortion); 1956 (money laundering); 1962 (racketeering) and Title 26 (tax violations). During the pendency of the Grand Jury Investigation, numerous individuals have been charged with official misconduct-related offenses. The Grand Jury Investigation continues up to and including the date of the return of this indictment.

2. On or about March 8, 2002, in furtherance of the Grand Jury Investigation, Donald Udstuen was served with a grand jury subpoena. At the time of the issuance of the subpoena, investigators were seeking information from Udstuen on a number of matters then under investigation, including Udstuen's business relationship with Roger Stanley.

3. On or about April 2, 2002, the SPECIAL JULY 2000-2 Grand Jury returned an indictment charging, among others, Scott R. Fawell, with corruption related offenses in United States v. Fawell, et. al., 02 CR 310 (the "Fawell indictment"). As part of the Fawell indictment, Roger Stanley was referenced but not identified by name in the indictment relating to certain misconduct alleged in the award of SOS Office benefits to Stanley-affiliated businesses.

4. On or about April 8, 2002, the SPECIAL JULY 2000-2 Grand Jury subpoenaed certain records from METRA relating to contracts awarded to Roger Stanley and Stanley-affiliated businesses.

5. On or about May 16, 2002, Stanley Stewart began cooperating with the Grand Jury Investigation.

6. On or about June 10, 2002, Robert Doyle began cooperating with the Grand Jury Investigation.

7. On or about June 12, 2002, at the request of defendant ROGER STANLEY, Robert Doyle met with defendant STANLEY and showed STANLEY legal invoices submitted by Stanley Stewart to MCS in furtherance of the METRA payment scheme for the years 1996, 1997, 1998 and 1999.

8. On or about June 12, 2002, in Bridgeview, Illinois, Northern District of Illinois, Eastern Division,

ROGER STANLEY,

defendant herein, endeavored to influence, obstruct, and impede the due administration of justice; namely, that defendant STANLEY, knowing that the Grand Jury Investigation was probing, among other things, his business activities relating to the METRA payment scheme, directed and advised Doyle, with regard to inquiries by federal investigators that: 1) Doyle and STANLEY had to “be on the same page” regarding their understanding as to purpose for the Stewart legal invoices; 2) Doyle should “accept the fact” that Stewart had performed legitimate legal work for MCS over the years;

3) the Stewart legal invoices to MCS were for “legitimate” legal work, such as collections and SOS Office work; and 4) Doyle, who had already retained an attorney for purposes of the Grand Jury Investigation, should confer with an attorney referred by STANLEY in order for Doyle to get his “head better focused.”

In violation of Title 18, United States Code, Sections 1503(a) and 2.

FORFEITURE ALLEGATION

The SPECIAL APRIL 2002 GRAND JURY further charges:

1. The Grand Jury realleges and incorporates by reference the allegations of Count Three of this Indictment for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982.

2. As a result of his violation of Title 18, United States Code, Section 1956(h),

ROGER STANLEY,

defendant herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all right, title, and interest the defendant has in any property, real and personal, involved in such offenses, and any property traceable to such property.

3. The interests of the defendant subject to forfeiture pursuant to Title 18, United States Code, Section 982, include, but are not limited to all payments made in connection with and traceable to the METRA payment scheme, as described in Counts One and Two above, between 1985 and 2000, including, without limitation, at least $130,000 in STANLEY payments paid on and for the benefit of Donald Udstuen through Stanley Stewart and Individual A.

4. To the extent that the property described above as being subject to forfeiture pursuant to Title 18, United States Code, Section 982, as a result of any act or omission of the defendant:

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred to, sold to, or deposited with a third person;

` (c) has been placed beyond the jurisdiction of the court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property that cannot be subdivided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

All pursuant to Title 18, United States Code, Section 982.

A TRUE BILL:

_____
Foreperson

_____
United States Attorney