



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**John E. Murphy, Acting U.S. Attorney**

**FOR IMMEDIATE RELEASE**  
[www.usdoj.gov/usao/twx/index.html](http://www.usdoj.gov/usao/twx/index.html)

Contact: Daryl Fields, Public Information Officer  
(210) 384-7440

July 2, 2009

**FORMER EXECUTIVE OF NATIONAL CENTER FOR THE EMPLOYMENT OF THE DISABLED  
PLEADS GUILTY TO EMBEZZLEMENT, TAX, AND PUBLIC CORRUPTION CHARGES**

**John E. Murphy, Acting United States Attorney**, announced that in El Paso this morning, 63-year-old Robert Edward Jones, former CEO and President of the National Center for the Employment of the Disabled (NCED), pleaded guilty to six federal charges related to embezzling millions of dollars in government program funds and to conspiring with others to deprive the community of the right to honest services of elected officials.

Appearing before United States District Judge Frank Montalvo, Jones pleaded guilty to two counts of conspiracy to commit theft or embezzlement of federal program funds; one count of conspiracy to make false statements and to defraud the United States; one count of making a false statement to a financial institution; one count of aiding and abetting in the preparation of a false tax return; and, one count of conspiracy to commit mail fraud, wire fraud and the deprivation of honest services.

By pleading guilty, Jones admitted that during a three-year period beginning in June 2003, he schemed to steal or embezzle at least \$5,000 from NCED, an organization that received at least \$10,000 in federal government program money in each year charged and, without authorization of the NCED Board of Directors, directed the money for his use or others.

Jones also admitted that from November 22, 2003, until March 6, 2006, he conspired to make false statements and defraud the United States by lying to the Committee for Purchase from the Blind and Severely Disabled, falsely claiming NCED was in compliance with the Javits - Wagner-O'Day Act (JWOD). By doing so, Jones fraudulently secured no-bid contracts from government agencies—contracts which are set aside for not-for-profit organizations who employ blind or other severely handicapped individuals to perform at least 75 percent of the work on the government contracts. According to the superceding indictment in this case, NCED did not employ sufficient numbers of blind or severely disabled workers to qualify for JWOD contracts.

Jones further admitted that in 2003, he submitted false information to a financial institution in order to secure a \$975,000 mechanic's lien on his new home.

In addition to pleading guilty to the above charges—all of which were contained in federal grand jury indictments—Jones pleaded guilty to two criminal Informations filed yesterday by the United States Attorney's Office. The first Information charges Jones with aiding and abetting in the preparation of a False 2003 Income Tax Return. By pleading guilty, Jones admitted that he knowingly failed to report \$1 million dollars in income the Jones Family Trust received in 2003.

**Bob Jones guilty plea release**

**July 2, 2009**

**Page 2**

The second Information charges that from late 1998 until March 2006, Jones conspired with elected officials and others to commit mail fraud, wire fraud and to deprive El Pasoans of the right to the honest services of elected officials. By pleading guilty, Jones admitted that he was involved in a scheme to defraud the County of El Paso, the El Paso, Ysleta and Socorro Independent School Districts as well as the citizens living and voting in El Paso County of the right to honest services of elected officials. Furthermore, Jones admitted to paying cash and other bribes in the forms of campaign contributions and gratuities in order to secure vendor contracts between Access Healthsource and the above mentioned entities.

This ongoing investigation is being conducted by agents of the Federal Bureau of Investigation (FBI); the U.S. Army Criminal Investigation Division-Major Fraud Unit; the General Services Administration-Office of the Inspector General (GSA-OIG); the United States Postal Service-Office of the Inspector General (USPS-OIG); and the Internal Revenue Service-Criminal Investigation Division (IRS-CID). The case is being prosecuted for the government by Assistant United States Attorneys William F. Lewis, Steve Spitzer and Debra Kanof.

#####