

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division



UNITED STATES OF AMERICA)

v.)

HOWARD W. JANOSKE)

Defendant.)

Criminal No. 1:19-CR-0049 (LO)

CRIMINAL INFORMATION

THE UNITED STATES ATTORNEY CHARGES THAT:

GENERAL ALLEGATIONS

1. Union A was a large, international union that was headquartered in Herndon, Virginia, in the Eastern District of Virginia. Union A was a “labor organization” engaged in industries and activities affecting commerce within the meaning of the Labor Management Reporting and Disclosure Act (“LMRDA”) of 1959, 29 U.S.C. §§ 402(i) and (j).

2. As a labor organization subject to the provisions of the LMRDA, the officers, agents, shop stewards, and other representatives of Union A occupied positions of trust and were required to hold its money and property solely for the benefit of Union A and its members and to manage and expend such money and property in accordance with Union A’s constitution and by-laws. Union A was required to be governed in accordance with its constitution and by-laws.

3. PERSON A resided in the Eastern District of Virginia. PERSON A was employed by Union A and managed Union A’s Real Estate / Facilities Department. Among other things, PERSON A supervised other employees; oversaw the daily maintenance of an office building that Union A owned in Herndon, Virginia; negotiated contracts; and supervised contractors that

provided janitorial, electrical, plumbing, security, pest control, elevator maintenance, and heating, ventilation, and air conditioning (“HVAC”) services.

4. COMPANY A was a HVAC and plumbing contractor located in Maryland. Union A retained COMPANY A, directly and indirectly, through a series of maintenance agreements and purchase orders starting in or about mid-2002.

5. Beginning in or about April 2013, PERSON A oversaw the replacement of four exhaust fans and an air conditioning unit at Union A’s headquarters. PERSON A selected COMPANY A to perform the work. Union A paid COMPANY A approximately \$146,932 pursuant to an agreement signed by PERSON A.

6. Defendant HOWARD W. JANOSKE was COMPANY A’s co-owner and president. Among other things, JANOSKE reviewed and approved bid and cost proposals.

7. PERSON B was JANOSKE’s administrative assistant at COMPANY A.

8. PERSON C was a project manager and estimator for COMPANY A.

COUNT 1
CONSPIRACY
(Violation of 18 U.S.C. § 371)

9. The allegations set forth in paragraphs 1 through 8 are realleged and incorporated by reference as though fully set forth herein.

The Conspiracy

10. Beginning no later than in or about May 2012 and continuing thereafter until at least in or about mid-2015, in the Eastern District of Virginia and elsewhere, the defendant, HOWARD W. JANOSKE, PERSON A, and others known and unknown, did knowingly and unlawfully combine, conspire, confederate and agree together and with each other:

a. to devise and intend to devise a scheme and artifice to defraud and deprive Union A and its members of their right to the honest and faithful services of PERSON A, a Union A manager, representative, and head of a Union A department, through bribes and kickbacks and the concealment of material information, and to cause wire communications to be transmitted in interstate commerce for the purpose of executing such scheme, in violation of 18 U.S.C. §§ 1343 and 1346; and

b. to embezzle, steal, and unlawfully and willfully abstract and convert to his own use and the use of another, the moneys, funds, securities, property, and other assets of Union A, a labor organization engaged in an industry affecting commerce, while PERSON A was employed as manager, representative, head of a Union A department, and Union A employee—that is, PERSON A received and converted to his personal use moneys, property, and other assets of Union A, in violation of 29 U.S.C. § 501(c).

Nature and Purpose

11. The nature and purpose of the conspiracy included the following: (a) to defraud and convert to the personal use of the conspirators and others money and property belonging to Union A and its members; (b) to deprive Union A and its members of their right to the honest and faithful services of PERSON A, a Union A manager, representative, and head of a Union A department; (c) to enrich the conspirators and others by obtaining and retaining money and property to which the conspirators were not entitled; (d) to provide preferential treatment to COMPANY A and JANOSKE in the awarding of contracts and maintenance agreements; and (d) to conceal the nature and purpose of the scheme and artifice to defraud.

Manner and Means

The conspiracy was carried out through the following manner and means, among others:

12. JANOSKE and COMPANY A provided things of value to PERSON A and his family members for numerous years, including appliances, outdoor kitchen equipment and supplies, and free residential plumbing and HVAC services.

13. In exchange for receiving things of value from JANOSKE and COMPANY A, PERSON A provided JANOSKE and COMPANY A with preferential treatment in the awarding of Union A's HVAC and plumbing contracts and maintenance agreements.

14. In or about 2013, PERSON A solicited a bid proposal from COMPANY A for an air conditioning and fan replacement project at Union A's headquarters at approximately the same time that PERSON A requested that COMPANY A supply and install an outdoor kitchen at PERSON A's house. With PERSON A's knowledge, COMPANY A's bid proposal for the air conditioning and fan replacement project was inflated to cover the cost of PERSON A's residential project as well as plumbing and HVAC work previously performed at PERSON A's house in or about 2012 and 2013.

15. Members of the conspiracy attempted to conceal the scheme by, among other things, submitting false and inflated invoices and providing false information to Union A.

Overt Acts

In furtherance of the conspiracy and to effect the objects thereof, the following overt acts were committed within the Eastern District of Virginia and elsewhere:

16. Between in or about May 2012 and May 2013, PERSON A requested and received free plumbing and HVAC supplies and services from COMPANY A for PERSON A's house (totaling approximately \$7,058.73). With JANOSKE's knowledge, COMPANY A billed Union A for these supplies and services.

17. In or about July 2012, PERSON A requested and received free HVAC supplies and services from COMPANY A for PERSON A's relative (totaling approximately \$2,993.75). With JANOSKE's knowledge, COMPANY A billed Union A for these supplies and services.

18. On or about May 16, 2013, after PERSON A requested that COMPANY A submit a cost proposal for Union A's air conditioning and fan replacement project, PERSON B sent an e-mail to JANOSKE, which stated in part: "[PERSON C] was in here all day today working on proposals. [PERSON C] said that [PERSON A] is wanting new appliances in his new house so [PERSON C] is waiting on him to let us know how much they will be so [PERSON C] can add that into [PERSON C's] quote for [Union A]. I added up all the work we did for [PERSON A] within the past year including all the stuff we just did for him and the total was a little over 7K."

19. On or about June 4, 2013, PERSON B sent an e-mail to JANOSKE, which stated in part: "[PERSON C] also got word from [PERSON A], the appliances he wants come to about 10K and he wants them by June 24th. [PERSON C] is worried about this b/c we haven't been

awarded the job yet and [PERSON C] wants to talk to you before [PERSON C] orders these appliances. The job was for 123K which includes the 10K for appliances and 8K that we've done for him within the past year."

20. On or about June 5, 2013, PERSON C sent an e-mail to PERSON B regarding the work proposal for Union A. PERSON C stated, "After you talk to Howard can u send proposal to [PERSON A]?"

21. On or about June 5, 2013, PERSON B sent an e-mail to PERSON A attaching COMPANY A's cost proposal. The total estimated price was \$146,932.

22. On or about July 25, 2013, PERSON B sent an e-mail to JANOSKE, stating in part: "[COMPANY A employee], [PERSON C], and myself have sent out [PERSON A's] outdoor kitchen list to a bunch of places and we'll see who gives us the best deal. I asked [PERSON C] how much we had in the budget for [PERSON A] and he had budgeted 10K then you added another 10K so we are good at least."

23. Between on or about July 25, 2013 and on or about September 27, 2013, PERSON B sent e-mails to JANOSKE that included updates regarding PERSON A's outdoor kitchen project.

24. Between on or about April 30, 2014 and on or about June 26, 2014, PERSON A, using his personal e-mail account, and PERSON B exchanged e-mails about having COMPANY A replace a high-end faucet in PERSON A's residence (totaling approximately \$1,198.86).

25. On or about May 8, 2014, PERSON B sent an e-mail to JANOSKE, stating in part: "I'm ready to send out the [Union A] invoice that will have [PERSON A's] faucet on it, I just need to know how many hours you think it will take to install?" JANOSKE replied, "8 hrs send the bill[.]"

26. On or about February 25, 2015, PERSON A sent an e-mail to PERSON B, which stated in part: "Hi [PERSON B], Could you check with Howard about a home humidification system for my home. I would like something decent but not outrageously priced! ☺ Also if he might have any chance of an install this Friday! I know this is a lot to ask. One more note, if he is working on the fishing schedules I definitely want to go on one (or two) this year!" PERSON B replied in part: "Howard said he needs to have [PERSON C] come by and take a look at the house."

(In violation of 18 U.S.C. § 371)

Forfeiture Allegation

Pursuant to Federal Rule of Criminal Procedure 32.2, the defendant is hereby notified that upon conviction of the offense charged in Count 1 of this Criminal Information, he shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense charged in Count 1. The United States may also seek an order forfeiting substitute assets if the proceeds of the offenses are not available.

(In accordance with 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).)

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