

# News Release

**U.S. Department of Justice**

*United States Attorney  
Northern District of Ohio*

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William J. Edwards, United States Attorney for the Northern District of Ohio, C. Frank Figliuzzi, Special Agent in Charge of the Cleveland Division of the FBI, and Jose A. Gonzalez, Special Agent in Charge of the Internal Revenue Service today announced that a 16-count Information was filed charging John Kevin Kelley, Kevin F. Payne, Daniel P. Gallagher and Brian Schuman in connection with the Cuyahoga County public corruption investigation.

Kelley, age 39, of Parma, is currently employed at the Cuyahoga County Engineer's Office. Payne, age 54, a Brecksville resident, and Gallagher, age 58, a Strongsville resident, are both former Cuyahoga County Engineer's Office employees. Schuman, age 32, of Bedford, is the former co-executive director for Alternatives Agency.

The Information charges Kelley with participating in nine bribery schemes, one fraud scheme, and filing false tax returns; charges Payne with seven bribery schemes and filing false tax returns; charges Gallagher with six bribery schemes, obstruction of justice, and filing false tax returns; and charges Schuman with participating in one bribery scheme. According to the Information, Kelley, Payne and Gallagher participated in schemes in both Cuyahoga County and in the Parma City School District.

The following is a brief summary of the offenses:

<b>Count</b>	<b>Charge</b>	<b>Defendant</b>	<b>Brief Description</b>
1	18 U.S.C. § 1951	Kelley Schuman	Bribery related to a \$250,000 Cuyahoga County contract
2	18 U.S.C. § 1349	Kelley	Fraud related to diverting an organization's funds for private gain
3	18 U.S.C. § 1951	Kelley	Bribery related to the Juvenile Justice Center and Snow Road Project
4	18 U.S.C. § 1951	Payne Gallagher	Bribery related to the Engineer's Office lease
5	18 U.S.C. § 1951	Payne Gallagher	Bribery related to a \$100,000 Docuware contract
6	18 U.S.C. § 1951	Kelley Payne Gallagher	Bribery Related to the SBE selection in the \$5.26 million GIS project
7	18 U.S.C. § 1951	Kelley Payne Gallagher	Bribery Related to Eagle Group's involvement in the \$5.26 million GIS project
8	18 U.S.C. 666 and 2	Kelley Payne Gallagher	Bribery related to a Parma City Schools construction management contract
9	18 U.S.C. § 1951	Kelley	Bribery related to a \$335,000 Parma City School District consulting contract
10	18 U.S.C. § 666	Kelley	Bribery related to a \$96,000 Parma City School District construction project
11	18 U.S.C. § 1951	Kelley Payne	Bribery related to \$243,000 in Parma City School District contracts
12	18 U.S.C. § 371	Kelley Payne Gallagher	Bribery related to Cuyahoga County hiring and personnel decisions
13	18 U.S.C. § 1519	Gallagher	Obstructing the Cuyahoga County corruption investigation
14	26 U.S.C. § 7206(1)	Kelley	Filing false tax returns
15	26 U.S.C. § 7206(1)	Payne	Filing false tax returns

16	26 U.S.C. § 7206(1)	Gallagher	Filing false tax returns
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SAC Figliuzzi says of the charges, “These charges mark the beginning of the end to the reign that a few corrupt officials have held in Cuyahoga County government.”

If convicted, a defendant’s sentence will be determined by the Court after review of factors unique to this case, including a defendant’s prior criminal record, if any, a defendant’s role in the offense and the characteristics of the violation. In all cases the sentence will not exceed the statutory maximum and in most cases it will be less than the maximum.

This case is being prosecuted by Assistant U.S. Attorneys Ann C. Rowland and Antoinette T. Bacon, following investigation by the Cleveland office of the Federal Bureau of Investigation and the Internal Revenue Service. The investigation is ongoing.

An Information is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government’s burden to prove guilt beyond a reasonable doubt.