

**COPY**

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

CLERK US DISTRICT COURT  
NORTHERN DIST. OF TX  
FILED

2018 OCT 22 AM 8:38

DEPUTY CLERK JK

UNITED STATES OF AMERICA

v.

LARRY DUNCAN

NO. **3-18CR-536-M**

(Related to Case Nos. 3:17-CR-678-M, 3:18-CR-169-M, 3:18-CR-410-M, & 3:18-CR-409-M)

**INFORMATION**

The United States Attorney Charges:

Introduction

1. At all times relevant to this Information, the defendant, **Larry Duncan**, was the President of the Board of Trustees for Dallas County Schools (DCS).
2. At all times relevant to this Information, Robert Carl Leonard, Jr. owned and presided over Force Multiplier Solutions (FXS), a technology company that put cameras on school buses.
3. From in or around 2011 to in or around 2017, FXS secured over \$70 million in contracts, agreements, orders, and other beneficial treatment from DCS.
4. The DCS Board facilitated some of the transactions between DCS and FXS, by, among other things, approving budgets and budget amendments which allowed DCS's Superintendent to purchase additional equipment from FXS and ratifying a \$25 million asset purchase agreement/licensing agreement between the entities.

5. Between 2012 and 2016, Leonard made campaign contributions to **Duncan** of approximately \$245,000, which represented the vast majority of the political contributions that **Duncan** received during that time period.
6. Some of the contributions to **Duncan** came through employees and associates of Leonard, after which Leonard reimbursed the payees.
7. Of the \$245,000 that **Duncan** received directly or indirectly from Leonard, **Duncan** spent the vast majority of it—specifically, \$184,726.03—on items unrelated to his reelection bids to the DCS Board, including cash withdraws, transfers to himself and his wife, car related payments, and other uses which benefited **Duncan** personally.
8. The \$184,726.03 that **Duncan** received directly or indirectly from Leonard between 2012 and 2016 constituted income under the United States tax laws.
9. **Duncan** knowingly and willfully failed to disclose the \$184,726.03 in income he received from Leonard on his tax returns.
10. Specifically, on his 2016 tax returns, **Duncan** failed to report the \$112,179.84 that he received from Leonard as campaign contributions but used for his personal benefit.
11. **Duncan** filed a false and fraudulent tax return for tax year 2016 by omitting the \$112,179.84 in payments that he received directly or indirectly from Leonard during 2016.

**Count One**  
**Tax Evasion**  
**[Violation of 26 U.S.C. § 7201]**

12. All preceding paragraphs of this Information are realleged and incorporated by reference as if set forth fully herein.

13. Starting in or about January 2012, and continuing through at least 2016, in the Northern District of Texas and elsewhere, the defendant, **Larry Duncan**, willfully attempted to evade and defeat the payment of a substantial income tax due and owing by him to the United States of America, for the tax year 2016, by substantially underreporting his income and by committing at least the affirmative acts described in paragraphs 6 through 8 and 10 through 12 of this Information.

In violation of 26 U.S.C. § 7201.

ERIN NEALY COX  
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