

Department of Justice

U.S. Attorney's Office

Western District of Missouri

FOR IMMEDIATE RELEASE

Wednesday, February 21, 2018

Former Charity Executive, Arkansas Lobbyist Indicted for \$1 Million Bribery Scheme

SPRINGFIELD, Mo. – Timothy A. Garrison, United States Attorney for the Western District of Missouri, announced today that a former executive of a Springfield charity, who was also an Arkansas lobbyist has been indicted by a federal grand jury for his role in a nearly \$1 million bribery conspiracy involving a Springfield, Mo., health care organization.

Milton Russell Cranford, also known as “Rusty,” 56, of Rogers, Arkansas, was charged in a nine-count indictment returned under seal by a federal grand jury in Springfield, Mo., on Tuesday, Feb. 20, 2018. That indictment was unsealed and made public today upon Cranford’s arrest. An initial court appearance is scheduled tomorrow in the U.S. District Court in Fayetteville, Arkansas.

Cranford was both a lobbyist and an employee of Preferred Family Healthcare, Inc. (formerly known as Alternative Opportunities, Inc.), a nonprofit corporation headquartered in Springfield. Cranford served as an executive for the charity’s operations in the state of Arkansas. Cranford also operated two lobbying firms, The Cranford Coalition and The Capital Hill Coalition.

The indictment alleges that Cranford and co-conspirator Eddie Wayne Cooper, 51, of Melbourne, Arkansas, received \$264,000 in secret kickback payments from co-conspirator Donald Andrew Jones, also known as “D.A.” Jones, of Willingboro, New Jersey, who was paid nearly \$1 million by the charity in a bribery scheme that lasted almost six years, from February 2011 until January 2017.

Cooper, a former state representative in Arkansas from 2006 through January 2011, worked for The Cranford Coalition as a lobbyist and held a full-time position as regional director for Preferred Family Healthcare. Jones was a Philadelphia, Pennsylvania-based political operative who owned and operated the firm, D.A. Jones & Associates, which purported to provide political and advocacy services, including consulting, analysis, and public relations. Neither Cooper nor Jones are charged in the indictment with Cranford; they each have pleaded guilty in separate cases.

Cranford allegedly recommended to the charity’s chief financial officer, chief operating officer and chief executive officer to enter into a contractual arrangement with Jones for lobbying and advocacy services. Cranford influenced the charity in its award of the contract, the indictment says, then demanded payments to himself and Cooper of a portion of the funds Jones obtained from the charity in exchange for Cranford’s influence on Jones’s behalf.

According to the indictment, the charity paid Jones a total of \$973,807 to provide advocacy services for the charity, including direct contact with legislators, legislators’ offices, and government officials, in order to influence elected and appointed public officials to the financial benefit of the charity, including attempting to steer grants and other sources of funding to the charity. Jones allegedly paid a total of \$264,000 to Cranford and Cooper. Most of the funds were paid to Cranford or one of his firms, the indictment says.

In addition to the conspiracy, the indictment charges Cranford with eight counts of receiving a bribe by an agent of an organization that receives federal funds.

The indictment also contains a forfeiture allegation, which would require Cranford to forfeit to the government all property derived from the proceeds of the alleged offenses.

Garrison cautioned that the charges contained in this indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

This case is being prosecuted by Assistant U.S. Attorney Steven M. Mohlhenrich. It was investigated by IRS-Criminal Investigation, the FBI and the Offices of the Inspectors General from the Departments of Labor, Health and Human Services, Housing and Urban Development, Veterans Affairs, and the FDIC. This is a combined investigation with the Western District of Arkansas, the Eastern District of Arkansas, and the Eastern District of Pennsylvania.