



*United States Attorney
Southern District of New York*

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**MANHATTAN U.S. ATTORNEY CHARGES TWO NEW YORK CITY
EMPLOYEES AND TWO OTHERS WITH OPERATING \$8 MILLION
DOLLAR FOOD STAMP FRAUD**

PREET BHARARA, the United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced that a criminal complaint was unsealed today in Manhattan federal court, charging VANEE SYKES, ALICE BRADFORD, TORI JACKSON, and LOIS JOHNSON with operating a massive fraud through which they and others obtained more than \$8 million in food stamp benefits that were paid for by the U.S. Department of Agriculture Supplemental Nutrition Assistance Program ("SNAP"). SYKES and JOHNSON are employees of the New York City Human Resources Administration ("HRA"), which is an agency responsible for administering the food stamp benefit program in New York City. JACKSON also worked at HRA until approximately June 2010. This morning, SYKES and JOHNSON surrendered to law enforcement, and BRADFORD and JACKSON were arrested. All of the defendants are expected to be presented in Manhattan federal court later today.

Manhattan U.S. Attorney PREET BHARARA said: "The Complaint unsealed today represents yet another example of government officials accused of betraying the trust placed in them by the public. Charged with administering a program meant to help our neediest families, these defendants allegedly chose, instead, to help themselves, on a massive scale. At a time of tightening public budgets and high unemployment, we simply cannot tolerate fraud in public benefit programs. This Office is committed to working with DOI, and our other law enforcement partners, to ensure the integrity of all of our public benefit programs and to bring to justice those who attempt to defraud the Government."

DOI Commissioner ROSE GILL HEARN said: "These defendants turned the publicly funded food assistance program into their own feeding trough, consuming \$8 million intended for needy New Yorkers, according to the charges. Most disturbing is that a veteran HRA supervisor is at the heart of this charged crime and monumental abuse of trust. She turned her expertise against her own agency and the taxpayers and steered a staggering sum of money to herself and her criminal associates, according to the complaint. The scheme was undone and stopped because an alert HRA employee noticed something amiss and reported it, leading to this continuing investigation and these felony charges. DOI will continue to work with our partners in the U.S. Attorney's Office for the Southern District of New York and our colleagues in City government to hold the wrongdoers accountable and protect public resources."

According to the Complaint unsealed today in Manhattan federal court:

From in or around 2007 through in or around 2010, VANEE SYKES, who has been employed by the HRA since at least October 2006, used her access to the computer database (the "Welfare Management System") that maintains records concerning food stamp benefit cards ("Food Stamp Cards") and food stamp benefits, to process and approve numerous Food Stamp Cards and food stamp benefits using false names, false social security numbers, and false income and expense information. Indeed, records from the Welfare Management System reflect that SYKES participated in the processing and approval of approximately 1,500 food stamp benefit cases during this period. Between April 2007 and November 2010, the total dollar amount credited onto the Food Stamp Cards issued in connection with these approximately 1,500 fraudulent cases exceeded \$8 million.

As part of the scheme, ALICE BRADFORD provided SYKES with mailing addresses for SYKES to use in creating the fraudulent food stamp cases, which caused the fraudulent Food Stamp Cards to be mailed to these locations. BRADFORD allegedly paid acquaintances for the use of their mailing addresses, and then sold the majority of the Food Stamp Cards that she received to another individual not charged in the Complaint who paid BRADFORD in cash for the Food Stamp Cards. BRADFORD, in turn, provided a portion of the cash she received to SYKES.

As another part of the scheme, TORI JACKSON, who worked at HRA in various positions from 2001 until 2010, also provided SYKES with mailing addresses to use in creating fraudulent food

stamp cases, causing fraudulent Food Stamp Cards to be mailed to these locations. While working at HRA, JACKSON herself also processed at least approximately 35 fraudulent Food Stamp Cards using false names and false social security numbers. Some of the Food Stamp Cards that JACKSON processed were sent to a post office box in Manhattan that was controlled by LOIS JOHNSON. JOHNSON, who has been an HRA employee for over 30 years, permitted JACKSON to have Food Stamp Cards in the names of other people sent to JOHNSON's post office box. JOHNSON herself received allegedly fraudulent Food Stamp Cards from JACKSON, each containing approximately \$1,000 to \$2,000 in food stamp benefits.

SYKES, BRADFORD, JACKSON, and JOHNSON are charged with one count of conspiring to commit mail fraud. If convicted, the defendants each face a maximum of 20 years in prison.

Mr. BHARARA praised the investigative work of DOI in this case.

This case is being prosecuted by the Office's Public Corruption Unit. Assistant U.S. Attorney PAUL M. KRIEGER is in charge of the prosecution.

The charges contained in the Complaint are merely accusations, and each of the defendants is presumed innocent unless and until proven guilty.

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