



**UNITED STATES ATTORNEY'S OFFICE**  
*Southern District of New York*

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**CURRENT AND FORMER NEW YORK CITY HUMAN RESOURCES  
ADMINISTRATION EMPLOYEES EACH CHARGED WITH  
CORRUPTION OFFENSES**

*Eleven Others Also Charged In Multi-Year Scheme to Defraud Public Assistance Programs*

Preet Bharara, the United States Attorney for the Southern District of New York, Mark G. Peters, Commissioner of the New York City Department of Investigation (“DOI”), Catherine Leahy Scott, Acting Inspector General of the New York State Office of Welfare Inspector General (“State IG”), and Diego Rodriguez, Assistant Director-In-Charge of the New York Field Office of the Federal Bureau of Investigation (“FBI”), announced today the filing of criminal charges against **CHERRISSE WATSON-JACKSON**, a/k/a “Reesie,” a current New York City Human Resources Administration (“HRA”) supervisor, along with eleven others, with corruption offenses involving the theft of approximately \$1.5 million from two public assistance programs. U.S. Attorney Bharara and Commissioner Peters simultaneously announced separate charges against **PETRONILA PERALTA**, a/k/a “Petra,” a former HRA employee, in a separate scheme involving the theft of approximately \$600,000 more in public funds.

**WATSON-JACKSON** and **PERALTA** were arrested this morning in Queens, New York, and the Bronx, New York, respectively, and are scheduled to appear before U.S. Magistrate Judge Sarah Netburn in Manhattan federal court later today. **GERARD STOKES**, **VERNECKA PETERSEN-FOWLER**, **KEVIN WILLIAMS**, **BEVERLY LORD**, **JARON ANNUNZIATA**, and **BEVERLY FRANKLIN** were also arrested this morning, and are scheduled to appear before U.S. Magistrate Judge Sarah Netburn in Manhattan federal court later today. **DERRICK WILLIAMS**, a/k/a “Blood,” is in state custody on an unrelated charge, and is expected to appear in Manhattan federal court later this week. **ISAAC ALLEN** is in custody in Vermont on an unrelated charge, and is expected to appear in Manhattan federal court at a later date. **COREY**

BROCK, a/k/a “Cee,” MAURICE CROMWELL, a/k/a “Reece,” and YESENIA DEPENA remain at large.

U.S. Attorney Preet Bharara said: “As alleged, one current and one former HRA employee abused their positions of trust as administrators of public funds to enrich themselves. Cherisse Jackson-Watson and Petronila Peralta allegedly diverted more than \$2 million in public funds designed to assist the most needy in our community for their own personal use. I thank our partners in this investigation for their work in rooting out public corruption.”

Commissioner Mark G. Peters said: “During a season when we are reminded about hunger’s prevalence, these defendants are charged with shamelessly stealing the funds that assist in feeding that basic need. Vulnerabilities like those exposed in these arrests and in DOI’s Report breed corruption and must be dealt with swiftly to prevent further fraud of this magnitude from occurring. I thank our law enforcement partners and HRA for their partnership on these important cases.”

New York State Inspector General Catherine Leahy Scott said: “Cherisse Watson-Jackson was entrusted to provide government assistance to New York’s neediest families but instead abused that trust and her authority, steering \$1.5 million in public funds to herself and her accomplices. Today’s arrests should send a clear message that my law enforcement partners and I will not tolerate the use of public office and public resources for criminal activity. We will investigate and bring to justice those who corrupt the system, and will continue to work together to find solutions to curtail systemic theft and abuse of public funds.”

FBI Assistant Director-In-Charge Diego Rodriguez said: “Watson-Jackson and Peralta are accused of abusing their positions to commit fraud through theft from a program designed to support the most in need. They not only allegedly took from the needy, but they conspired to defraud the tax-payers. Their actions jeopardized the foundation of the programs set up to help the community. This fraudulent scheme not only profited Watson-Jackson and Peralta, but it also lined the pockets of their co-conspirators. The FBI continues to work alongside our partners in the New York City Department of Investigation and New York State Office of Welfare Inspector General to ensure confidence in the government and its programs.”

According to the allegations contained in the Complaints\* unsealed today in Manhattan federal court and publicly-available documents:

HRA is an agency of the City of New York responsible for administering various public assistance programs. Among other things, HRA provides temporary help to individuals and families with social service and economic needs to assist them in reaching self-sufficiency. Its services include, among other things, administering the federally-funded Supplemental Nutrition Assistance Program (“SNAP”) (more commonly known as “food stamps”), the federally-funded Temporary Aid to Needy Families Program (“TANF”), and providing rental assistance to low-income families and individuals.

### *The Watson-Jackson Scheme*

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\* As the introductory phrase signifies, the entirety of the text of the Complaints and the description of the Complaints set forth below constitute only allegations, and every fact described should be treated as an allegation.

Since 1993, WATSON-JACKSON has worked at HRA, most recently as a supervisor in a job center in Queens, New York. In that capacity, she supervised a group of other supervisors who in turn were responsible for teams of employees who review and determine eligibility for public assistance clients. Since at least early 2012, and continuing until at least December 2013, WATSON-JACKSON abused her position by engaging in a scheme to defraud two of the public assistance programs that she was charged to help administer. The first of the two schemes involved WATSON-JACKSON fraudulently loading electronic benefit transfer (“EBT”) cards with funds from SNAP, which funds were then spent by co-conspirators throughout the New York City area, including by ALLEN, DERRICK WILLIAMS, BROCK, STOKES, and ANNUNZIATA. The second scheme involved WATSON-JACKSON fraudulently causing rental assistance checks to be mailed to co-conspirators who posed as “landlords” of low-income tenants. Co-conspirators, including CROMWELL, KEVIN WILLIAMS, ANNUNZIATA, FRANKLIN, and PETERSON cashed and/or assisted others to cash the fraudulently-obtained checks, including with the assistance of DEPENA, a teller at a check-cashing business who knowingly cashed more than 200 fraudulent checks in different names. The two schemes led by WATSON-JACKSON resulted in the loss of more than approximately \$1.5 million in public funds.

#### *The Peralta Scheme*

Between 2005 and August 2014, PERALTA worked at HRA, most recently as a Job Opportunity Specialist in a different job center in Queens, New York. In that capacity, PERALTA was supposed to provide economic support and employment-related services to persons in need. Starting by approximately 2009, PERALTA abused her position by fraudulently issuing more than approximately 800 supplemental issuances to individuals who were not entitled to such payments. A “supplemental issuance” is a supplemental transmission of funds to a public assistance beneficiary who did not receive the amount of funds he or she was due previously. Between approximately 2009 and May 2011, PERALTA repeatedly issued such funds not to individuals who were entitled to them, but to co-conspirators, and took steps to seek to conceal her conduct, including by using the computer system log-in information of a former employee of HRA, rather than her own. The scheme led by PERALTA resulted in the loss of more than approximately \$600,000 in public funds.

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WATSON-JACKSON, 44, of Queens, New York; CROMWELL, 39, of Staten Island, New York; ALLEN, 39, of Brooklyn, New York; DERRICK WILLIAMS, 34, of Queens, New York; BROCK, 35, of Queens, New York; STOKES, 32, of Queens, New York; PETERSEN-FOWLER, 44, of Brooklyn, New York; KEVIN WILLIAMS, 27, of Queens, New York; DEPENA, 24, of Brooklyn, New York; LORD, 53, of Queens, New York; ANNUNZIATA, 35, of Brooklyn, New York; and FRANKLIN, 37, of Queens, New York, are each charged in a complaint with conspiracy to commit mail and wire fraud, which carries a maximum penalty of 20 years in prison. WATSON-JACKSON, CROMWELL, DERRICK WILLIAMS, BROCK, STOKES, KEVIN WILLIAMS, and DEPENA are also each charged with aggravated identity theft, which carries a mandatory penalty of two years in prison, to be served consecutively to any penalty imposed for the mail and wire fraud conspiracy.

PERALTA, 51, of Bronx, New York, is charged in a separate complaint with conspiracy to commit wire fraud, which carries a maximum penalty of 20 years in prison, and aggravated identity theft, which carries mandatory penalty of two years in prison, to be served consecutively to any penalty imposed for the wire fraud conspiracy.

The maximum potential sentences in these cases are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendants will be determined by a judge.

U.S. Attorney Bharara praised the work of DOI, the State IG, and the FBI, and noted that both investigations are ongoing.

These cases are being prosecuted by the Office's Public Corruption Unit. Assistant U.S. Attorneys Daniel C. Richenthal, Andrew D. Beaty, and Shawn G. Crowley are in charge of the prosecutions.

The charges contained in the Complaints are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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