



***United States Attorney
District of New Jersey***

FOR IMMEDIATE RELEASE

October 12, 2010

www.justice.gov/usao/nj

CONTACT: Rebekah Carmichael
Office of Public Affairs
(973) 645-2888

**ASSISTANT COMMISSIONER OF THE NEW JERSEY DEPARTMENT OF
CORRECTIONS ARRESTED ON BRIBERY CHARGES**

TRENTON, N.J. – Lydell B. Sherrer, Assistant Commissioner of the New Jersey Department of Corrections’ Division of Programs and Community Services, was arrested today by agents of the Federal Bureau of Investigation on charges of soliciting and receiving bribes in connection with his official duties, United States Attorney Paul J. Fishman announced.

Lydell B. Sherrer, 51, of Neptune, N.J., is charged in a criminal Complaint which alleges he solicited \$18,500 and accepted approximately \$9,000 in installment payments on those agreed-upon bribes from two individuals in return for favors in connection with his official duties.

Sherrer was arrested today by federal agents after they witnessed him allegedly accepting a \$2,000 payment from one of the individuals in return for his assistance in obtaining a favorable outcome regarding an anticipated lawsuit against the New Jersey Department of Corrections (NJDOC). Sherrer, who was arrested following the meeting in a hotel restaurant in Princeton, N.J., is expected to appear before United States Magistrate Judge Douglas Arpert this afternoon in Trenton federal court.

U.S. Attorney Fishman stated: “According to the Complaint, Sherrer brazenly asked for money to help a laid off DOC employee get another job and to assist another employee in suing Sherrer’s own agency. There is no place in government for shake downs, and those who believe bribes are how business is done in New Jersey will learn the consequence of their corruption.”

FBI Special Agent in Charge Michael Ward. “Lydell Sherrer, a high ranking executive with the New Jersey Department of Corrections, is accused of utilizing his position and influence as an Assistant Commissioner to solicit bribes and kickbacks from subordinates. It should not go unnoticed that Sherrer, during the course of several meetings with multiple cooperating witnesses, set his price and openly acknowledged the quid pro quo that could be expected by those meeting his price, be it the promise of a new job or favorable influence with settlement of a lawsuit.”

According to the Complaint:

NDOC’s Division of Programs and Community Services, of which Sherrer is the assistant commissioner, contracts with private and nonprofit providers throughout the state to provide community-based residential treatment programs for offenders under community supervision.

Last year, Sherrer held the position of Deputy Commissioner with NJDOC, reporting directly to the Commissioner.

In April 2010, Sherrer sought a payment of \$10,000 from a person being laid off by the NJDOC in return for Sherrer's assistance in securing another position with either the NJDOC or with an agency that contracts with the NJDOC. That individual, referred to as CS#1 in court documents, reported the illegal proposal to law enforcement, and subsequently cooperated with the FBI in recording telephone conversations with Sherrer.

On May 17, 2010, Sherrer accepted a \$5,000 cash payment from CS#1 as part of the deal. In a recorded June 30, 2010, conversation, Sherrer talked about securing a possible six-figure job for CS#1. On September 8, 2010, the two discussed the progress of CS#1's getting a job through Sherrer's assistance and in connection with the bribe.. CS#1 stated: "We discussed me getting a position based on quid pro quo, right?" Sherrer responded in the affirmative, and indicated that he had made efforts to secure employment for CS#1 with an agency that contracts with NJDOC.

The Complaint also sets forth Sherrer's participation in another bribe scheme. In May 2010, Sherrer sought a payment of \$6,500 from a recently-demoted NJDOC employee, referred to as CS#2 in court documents, in return for Sherrer's assistance in obtaining a favorable outcome in contemplated employment litigation against the NJDOC – including Sherrer sharing internal NJDOC information with this employee in connection with allegations that the demotion was discriminatory.

Sherrer accepted a total of \$4,000 in cash through three installment payments on the \$6,500 bribe from CS#2. During recorded meetings between Sherrer and CS#2, the pair discussed a possible discrimination lawsuit to be filed by CS#2 against the NJDOC. Sherrer told CS#2 that he would recommend to the NJDOC that it begin settlement discussions with CS#2 by offering \$750,000 to resolve the case, and assured CS#2 that Sherrer would be at the negotiation table during those discussions. In connection with the cash payments from CS#2 to Sherrer, Sherrer provided CS#2 with internal NJDOC documents which Sherrer represented would help CS#2 in a potential lawsuit against NJDOC and with securing a sizable settlement.

If convicted, Sherrer faces a maximum potential penalty of 10 years in prison and a fine of up to \$250,000 on each of the two counts with which he is charged.

U.S. Attorney Fishman credited special agents of the FBI's Trenton Resident Agency, under the direction of Special Agent in Charge Michael B. Ward in Newark, with developing the investigation.

The government is represented by Assistant U.S. Attorney Kevin T. Smith of the U.S. Attorney's Office Special Prosecutions Division in Camden.

The charges and allegations contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

10-288

###