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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**  
v. :  
RAFAEL VELEZ : Mag. No. 07-

I, James J. Breen, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

From in or about July 2006 to in or about September 2006, in Atlantic County, in the District of New Jersey and elsewhere, defendant

RAFAEL VELEZ

did knowingly and willfully attempt to obstruct, delay, and affect interstate commerce by extortion under color of official right, by soliciting and accepting corrupt payments that were paid by another, with that person's consent.

In violation of Title 18, United States Code, Sections 1951(a) and 2.

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

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James J. Breen, Special Agent  
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,  
September 5, 2007, at Trenton, New Jersey

HONORABLE TONIANNE BONGIOVANNI  
UNITED STATES MAGISTRATE JUDGE

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Signature of Judicial Officer

## ATTACHMENT A

I, James J. Breen, am a Special Agent with the Federal Bureau of Investigation ("FBI"). I have personally participated in this investigation and am aware of the facts contained herein, based upon my own investigation, as well as information provided to me by other law enforcement officers. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of the investigation. Statements attributable to individuals contained in this Attachment are related in substance and in part, except where otherwise indicated. All contacts discussed herein were recorded, except where otherwise indicated.

1. At all times relevant to this Complaint, defendant RAFAEL VELEZ (hereinafter "defendant VELEZ") served as a member of the Pleasantville Board of Education (hereinafter "PBOE") in Pleasantville, New Jersey. In his capacity as an elected board member, defendant VELEZ's duties included, but were not limited to, participating in the allocation of school district resources, establishing district policy and approving certain district expenditures and contracts, to include contracts for insurance brokerage services and roofing services.

2. At all times relevant to this Complaint, two cooperating witnesses ("CW-1" and CW-2") purported to be representatives of companies capable of providing insurance brokerage services (the "Insurance Brokerage Business") and roofing services (the "Roofing Business") to governmental entities. As represented by the CWs, their businesses were based in New Jersey, did business in various states, and paid for goods and services in interstate commerce.

3. Beginning in or about May 2006, a member of the PBOE (hereinafter "Official 1") and CW-1 discussed that certain members of the PBOE, including defendant VELEZ, would accept corrupt payments in exchange for their official action and influence as PBOE members. Subsequently, Official 1 and other members of the PBOE accepted cash payments in exchange for their supporting, among other things, the CWs' efforts to secure roofing and insurance brokerage business from the PBOE. A portion of these corrupt payments was given to defendant VELEZ to obtain his official support.

4. On or about July 20, 2006, CW-1 and CW-2 met Official 1 at a restaurant in Egg Harbor Township, New Jersey. Official 1 accepted a \$7,500 cash payment from CW-2 in exchange for Official 1's official assistance in attempting to secure roofing work for the Roofing Business from the PBOE. Official 1 indicated that a portion of this payment was to be given to

defendant VELEZ to obtain defendant VELEZ's support for the Roofing Business.

5. Later on that same day, Official 1 and CW-2 had a telephone conversation. Official 1 told CW-2 that defendant VELEZ wanted to "say thank you." Defendant VELEZ then picked up the telephone and stated, "I would like to thank you very much, and you don't know me yet, but you will know me." Referring to the payment that had been provided to defendant VELEZ by Official 1, defendant VELEZ stated "I really appreciate it" and "it means a lot to me."

6. On or about July 27, 2007, defendant VELEZ met Official 1, CW-1 and CW-2 at a restaurant in Egg Harbor Township, New Jersey. Official 1 arranged the meeting to introduce defendant VELEZ to the CWs and, as described by defendant VELEZ, "make it personal." During the meeting, Official 1 accepted a second \$7,500 cash payment from CW-2 in exchange for Official 1's and defendant VELEZ's official assistance in securing upcoming roofing business contracts for the Roofing Business from the PBOE. CW-1 asked Official 1 whether defendant VELEZ would be supportive of the Roofing Business, to which Official 1 responded that they "got a friend . . . [defendant VELEZ] is loyalty, brother," indicating that defendant VELEZ would support CW-2's efforts to secure roofing contracts. Official 1 further stated that defendant VELEZ would receive \$10,000 of the \$15,000 provided by CW-2.

7. On or about August 1, 2007, defendant VELEZ met CW-2 at a restaurant in Egg Harbor Township, New Jersey. During the meeting, defendant VELEZ advised CW-2 that defendant VELEZ, Official 1 and another school board member were going to meet later that week to identify the schools in the district that required roofing services. Once the work was identified, defendant VELEZ stated that he and Official 1 would "see if we can get [the Roofing Business] everything in one shot." Defendant VELEZ stated that roofing work for the Roofing Business would be placed on the following week's PBOE agenda and that defendant VELEZ and others would attempt to "approve it on Tuesday," since any roofing work needed to be completed before the next school session began.

8. From in or about August 2006 to in or about September 2006, Official 1 and other PBOE members accepted corrupt cash payments in exchange for their supporting CW-1 and CW-2's efforts to secure insurance brokerage business from the PBOE. On or about September 12, 2006, as a consequence of this corrupt arrangement, defendant VELEZ and Official 1, among others, voted

to pass a resolution authorizing the Insurance Brokerage Business to provide insurance brokerage services to the PBOE.

9. On or about September 28, 2006, defendant VELEZ met CW-2 in a car in a mall parking lot in Egg Harbor Township, New Jersey. Defendant VELEZ explained that he, Official 1 and other PBOE members engineered passage of the aforementioned resolution and boasted, "I say, I promise, we deliver." Throughout his conversation with CW-2, in reference to corrupt payments, defendant VELEZ used the term "hours" as a code word for thousand-dollar increments, and explained his usage of this term to CW-2. Further, defendant VELEZ complained that Official 1 was not providing defendant VELEZ with a fair share of the corrupt moneys provided by CW-2 to the "team."

10. At the conclusion of the meeting, CW-2 informed defendant VELEZ that Official 1 had said that CW-2 was supposed to give defendant VELEZ "four hours" for defendant VELEZ's support in passing the aforementioned insurance resolution. Defendant VELEZ accepted a \$4,000 cash payment from CW-2 in exchange for voting in favor of the resolution described in paragraph 8.