

United States Attorney Southern District of New York

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CONTACT: U.S. ATTORNEY'S OFFICE

ELLEN DAVIS, CARLY SULLIVAN, JERIKA RICHARDSON,

PUBLIC INFORMATION OFFICE

(212) 637-2600

MANHATTAN U.S. ATTORNEY ANNOUNCES GUILTY PLEAS IN \$7 MILLION DOLLAR FOOD STAMP FRAUD

PREET BHARARA, the United States Attorney for the Southern District of New York, announced today that LOIS JOHNSON and ALICE BRADFORD pled guilty to crimes relating to a massive fraud in which millions of dollars of food stamp benefits were unlawfully procured from the U.S. Department of Agriculture Supplemental Nutrition Assistance Program. At the time of her arrest, JOHNSON was employed by the New York City Human Resources Administration ("HRA"), the agency responsible for administering the food stamp benefit program in New York City. She pled guilty to one count of conspiring to commit mail fraud, and BRADFORD pled guilty to one count of embezzlement of funds from a federal program. JOHNSON and BRADFORD made their pleas before U.S. Magistrate Judge THEODORE H. KATZ.

According to the Complaint, Indictment, and statements made today in Manhattan federal court:

From 2007 through 2010, VANEE SYKES, a co-defendant employed by HRA, used her access to a database that maintains records concerning food stamp benefit cards("Food Stamp Cards") to process and approve numerous fraudulent Food Stamp Cards and food stamp benefits using false names, false social security numbers, and false income and expense information. Records from the database reflect that approximately 1,200 fraudulent food stamp benefit cases were created during this period, with the total dollar amount credited onto the fraudulent cards exceeding \$7 million.

As part of the scheme, BRADFORD paid acquaintances for the use of their mailing addresses. She then provided these mailing addresses to SYKES, who fraudulently caused Food Stamp Cards to be mailed to the addresses. BRADFORD sold the majority of the Food Stamp Cards that she received at these addresses for cash and, in turn, provided a portion of the cash to SYKES.

As part of the scheme, another co-defendant, TORI JACKSON, who worked at HRA and reported to SYKES, also processed fraudulent Food Stamp Cards using false names and false social security numbers. JOHNSON, who had worked for HRA for over 30 years, arranged for JACKSON to mail approximately four of these fraudulently obtained Food Stamp Cards to a post office box that JOHNSON controlled. JOHNSON used the four Food Stamp Cards she received for her own benefit and provided one of these cards to another individual.

* * *

BRADFORD, 50, of Brooklyn, New York, and JOHNSON, 57, face a statutory maximum of 10 and 20 years in prison, respectively. They will be sentenced by U.S. District Judge WILLIAM H. PAULEY III on a date to be determined.

Charges against SYKES and JACKSON remain pending and are merely accusations. They are presumed innocent unless and until proven quilty.

Mr. BHARARA praised the investigative work of the Department of Investigation in this case.

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

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