



UNITED STATES ATTORNEY'S OFFICE
Southern District of New York

U.S. ATTORNEY PREET BHARARA

FOR IMMEDIATE RELEASE
Friday, November 18, 2011
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CONTACT: U.S. ATTORNEY'S OFFICE
Ellen Davis, Jerika Richardson,
Carly Sullivan
(212) 637-2600

TWO FORMER NEW YORK CITY EMPLOYEES AND TWO OTHERS
SENTENCED IN MANHATTAN FEDERAL COURT FOR
PARTICIPATING IN \$7 MILLION FOOD STAMP FRAUD

Preet Bharara, the United States Attorney for the Southern District of New York, announced that VANEE SYKES, ALICE BRADFORD, TORI JACKSON, and LOIS JOHNSON, were sentenced today by U.S. District Judge William H. Pauley III for carrying out a massive food stamp fraud through which \$7 million in food stamp benefits were unwittingly paid for by the United States Department of Agriculture Supplemental Nutrition Assistance Program. SYKES was sentenced to 63 months in prison. BRADFORD was sentenced to 30 months in prison. JACKSON was sentenced to 41 months in prison. JOHNSON was sentenced to three years of probation with eight months of home confinement.

SYKES pled guilty on August 10, 2011, to one count of conspiring to commit mail fraud and one count of embezzlement of funds from a federal program. BRADFORD pled guilty on July 12, 2011, to one count of embezzlement of funds from a federal program. JACKSON and JOHNSON each pled guilty to one count of conspiring to commit mail fraud on August 2, 2011, and July 12, 2011, respectively.

Manhattan U.S. Attorney Bharara said: "These defendants – some of whom were public officials – engaged in a fraudulent scheme that exploited a vital public benefits program meant to help New Yorkers in need, and diverted taxpayer dollars into their own pockets. Today's sentences should make clear to other individuals who seek to enrich themselves at the government's expense that this conduct will not be tolerated."

According to the Complaint, Indictment, other documents filed in Manhattan federal court, and statements made in connection with the defendants' guilty pleas and sentencings:

VANEE SYKES was a long-time supervisor at the New York City Human Resources Administration ("HRA"), the agency responsible for administering the food stamp benefit program in New York City. From 2007 through 2010, SYKES, used her access to the HRA 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. Records from the Welfare Management

System reflect that approximately 1,122 fraudulent food stamp benefit cases were created in this manner by Sykes during this period, and the total dollar amount credited onto these fraudulent Food Stamp Cards exceeded \$7 million.

As part of the scheme, ALICE BRADFORD provided SYKES with mailing addresses for the purpose of creating the fraudulent food stamp cases. SYKES then had the fraudulent Food Stamp Cards mailed to these addresses. BRADFORD paid acquaintances for the use of these mailing addresses, collected the cards and then sold the majority of them to another individual who paid her in cash. BRADFORD, in turn, provided a portion of the cash she received to SYKES. BRADFORD was involved in the creation of approximately 300 fraudulent food stamp cases. SYKES created and sent fraudulent cards to mailing addresses in addition to those provided by BRADFORD, and she also sold fraudulent Food Stamp Cards that she created in exchange for cash.

As another part of the scheme, TORI JACKSON, who worked at HRA in various positions and at times reported to SYKES, also created and processed fraudulent Food Stamp Cards using false names and false social security numbers. SYKES mailed fraudulent Food Stamp Cards to mailing addresses controlled by JACKSON. JACKSON is responsible for creating approximately 45 fraudulent food stamp cases, causing HRA to improperly issue almost \$300,000 in food stamps.

LOIS JOHNSON, who had worked for HRA for over 30 years, arranged for JACKSON to mail approximately four of the fraudulently obtained Food Stamp Cards to a post office box that she controlled. JOHNSON used the four Food Stamp Cards she received for her own benefit, and provided one of them to another individual.

TORI JACKSON was also involved in a fraud concerning publicly-funded child care benefits. From July 2007 through January 2011, while working at the HRA in Brooklyn and Manhattan, JACKSON used her position at HRA to obtain approximately \$220,000 in child care benefits from New York City to which she was not entitled.

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In addition to their prison terms, Judge Pauley sentenced the defendants to the following:

- SYKES, 44, of Brooklyn, New York, was sentenced to three years of supervised release. She was also ordered to pay \$6,556,596.92 in restitution, and a \$200 special assessment fee.
- BRADFORD, 50, of Brooklyn, New York, was sentenced to three years of supervised release. She was also ordered to pay \$821,269.55 in restitution, and a \$100 special assessment fee.
- JACKSON, 34, of Brooklyn, New York, was sentenced to three years of supervised release. She was also ordered to pay \$473,406.43 in restitution, and a \$100 special assessment fee.

- JOHNSON, 57, of Staten Island, New York, was ordered to pay \$24,406.00 in restitution, and a \$100 special assessment fee.

Mr. Bharara praised the investigative work of the New York City 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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