

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)
)
)
v.) No.
)
)
JAYSON CRUZ,) Violation: Title 18, United States Code,
MONICA KNOX-SUMRELL,) Section 1343
VONZELL WHITE,)
also known as "Debo,")
MICHAEL ELARDE, and)
JERRY BROWN, JR.)

COUNT ONE

The SPECIAL JANUARY 2014 GRAND JURY charges:

1. At times material to this indictment:
 - a. The Social Security Administration was a federal agency with offices in Chicago, Illinois, and elsewhere.
 - b. The Social Security Administration provided Old-Age, Survivors, and Disability Insurance Benefits in the form of monthly payments to qualifying beneficiaries and their representative payees.
 - c. Upon the death of a beneficiary, if money was owed by the Social Security Administration to the deceased beneficiary, a payment of such money, known as an underpayment, would be issued to a qualifying family member or representative of the deceased beneficiary.
 - d. Defendant JAYSON CRUZ was employed as a benefits authorizer by the Social Security Administration at the Great Lakes Program Service Center in Chicago, Illinois. As a benefits authorizer, CRUZ was one of the

Social Security Administration employees responsible for authorizing payments to beneficiaries, representative payees, and qualifying family members and representatives of deceased beneficiaries.

e. Under Social Security Administration procedures, a benefits authorizer authorized payments after inputting a code indicating the basis for the payment into the Social Security Administration's electronic system. If a payment authorized by a benefits authorizer involved the disbursement of less than \$6,000 to the recipient, the payment would not require supervisor approval.

f. When a payment was authorized in the Social Security Administration's electronic system, payment information was sent electronically to the United States Department of the Treasury, which would then issue the payment to the recipient either as a direct deposit into a bank account, or by a check that was sent by the U.S. Postal Service to the recipient.

2. Beginning in or about September 2009, and continuing until at least in or about December 2013, at Chicago, in the Northern District of Illinois, Eastern Division and elsewhere,

JAYSON CRUZ,
MONICA KNOX-SUMRELL,
VONZELL WHITE (also known as "Debo"),
MICHAEL ELARDE, and
JERRY BROWN, JR.,

defendants herein, together with others known and unknown to the Grand Jury, knowingly devised, intended to devise, and participated in a scheme to defraud the Social Security Administration, and to obtain money and property from the Social

Security Administration by means of materially false and fraudulent pretenses, representations, and promises, which scheme is further described below.

3. It was part of the scheme that defendants JAYSON CRUZ, MONICA KNOX-SUMRELL, VONZELL WHITE (also known as "Debo"), MICHAEL ELARDE, and JERRY BROWN, JR., and others known and unknown to the Grand Jury, fraudulently caused the Social Security Administration to issue more than \$1.9 million in payments to approximately 154 recipients by making and causing to be made false representations in the Social Security Administration's electronic system, and for the purpose of executing the scheme, caused interstate wire transmissions.

Payments to Benefits Recipients

4. It was further part of the scheme that defendant CRUZ authorized payments to recipients of monthly Social Security Administration benefits payments, including Individual D.B., Individual G.O., Individual D.M., Individual L.S., Individual L.M. 1., Individual H.W., Individual R.T., Individual L.M. 2, Individual A.M., and Individual Y.D., and others known and unknown to the Grand Jury, knowing that those individuals were not entitled to receive the payments.

5. It was further part of the scheme that defendant CRUZ authorized payments to recipients in amounts slightly less than \$6,000 to conceal and avoid detection of the fraudulent nature of the payments.

6. It was further part of the scheme that defendants CRUZ, KNOX-SUMRELL, WHITE, ELARDE, and BROWN recruited recipients of monthly Social

Security Administration benefits to receive payments in addition to what they were legitimately owed. CRUZ, KNOX-SUMRELL, WHITE, ELARDE, and BROWN knew the recruited individuals were not entitled to the additional payments, which CRUZ fraudulently authorized.

7. It was further part of the scheme that defendant KNOX-SUMRELL falsely represented herself to be an employee of the Social Security Administration to some of the individuals who were legitimately owed monthly Social Security Administration benefits, and who were recruited to receive additional payments that were fraudulently authorized by CRUZ.

8. It was further part of the scheme that defendant CRUZ authorized the additional fraudulent payments knowing that the Social Security Administration would send the fraudulently authorized payments by electronic transfer to the bank accounts of the recruited individuals or by check sent by the U.S. Postal Service to the recruited individuals.

9. It was further part of the scheme that, after having recruited the individuals and having authorized the fraudulent additional payments, defendants CRUZ, KNOX-SUMRELL, WHITE, ELARDE, and BROWN collected, or caused to be collected, the majority of the fraudulently authorized payments from the recruited individuals, which CRUZ, KNOX-SUMRELL, WHITE, ELARDE, and BROWN then converted to their own use.

10. It was further part of the scheme that, by falsely and fraudulently authorizing payments to the recipients, defendant CRUZ caused letters from the

Social Security Administration to be issued and mailed to the payment recipients that corresponded with the fraudulently authorized payments. The letters falsely represented that the money paid was owed to the recipients from the Social Security Administration.

11. It was further part of the scheme that, to conceal the scheme, defendants CRUZ, KNOX-SUMRELL, WHITE, ELARDE, and BROWN instructed the recruited individuals to use the letters from the Social Security Administration to falsely represent that the payments were legitimate.

Underpayments

12. It was further part of the scheme that defendant CRUZ accessed the Social Security Administration's electronic records of deceased beneficiaries, who were owed money by the Social Security Administration, and who had qualifying family members and representatives who were entitled to underpayments. CRUZ entered the names, addresses, and bank account information of individuals, including defendants WHITE, ELARDE, and BROWN, and falsely represented that they were qualifying family members and representatives of the deceased beneficiaries, knowing that the individuals were not qualifying family members or representatives of the deceased beneficiaries.

13. It was further part of the scheme that defendant CRUZ entered false and fraudulent authorization codes in the Social Security Administration's electronic system to issue underpayments to those individuals, including defendants

WHITE, ELARDE, and BROWN, who CRUZ knew were not entitled to receive the payments.

14. It was further part of the scheme that defendant CRUZ authorized the fraudulent payments knowing that the Social Security Administration would send the fraudulently authorized payments by electronic transfer to the bank accounts of the individuals who were not entitled to the payments or by check sent by the U.S. Postal Service to those individuals.

15. It was further part of the scheme that defendants WHITE, ELARDE, and BROWN received the underpayments fraudulently authorized by defendant CRUZ, knowing that they were not entitled to the payments, which CRUZ, WHITE, ELARDE, and BROWN converted to their own use.

16. It was further part of the scheme that defendants CRUZ, KNOX-SUMRELL, WHITE, ELARDE, and BROWN misrepresented, concealed and hid, and caused to be misrepresented, concealed and hidden, the acts done in furtherance of the scheme and the purpose of those acts.

17. On or about August 6, 2012, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
MICHAEL ELARDE,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate Automated Clearing House (“ACH”) transaction through the Federal Reserve System in the amount of approximately \$5,980, which funds represented a payment issued by the Social Security Administration in the name of Individual D.B.;

In violation of Title 18, United States Code, Section 1343.

COUNT TWO

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about November 6, 2012, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,940, which funds represented a payment issued by the Social Security Administration in the name of Individual G.O.;

In violation of Title 18, United States Code, Section 1343.

COUNT THREE

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about November 14, 2012, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
MICHAEL ELARDE,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,977, which funds represented a payment issued by the Social Security Administration in the name of Individual D.M.;

In violation of Title 18, United States Code, Section 1343.

COUNT FOUR

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about January 29, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
VONZELL WHITE (also known as “Debo”),

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,870, which funds represented a payment issued by the Social Security Administration in the name of Individual L.S.;

In violation of Title 18, United States Code, Section 1343.

COUNT FIVE

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about April 1, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
JERRY BROWN, JR.,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,892, which funds represented a payment issued by the Social Security Administration in the name of Individual L.M. 1;

In violation of Title 18, United States Code, Section 1343.

COUNT SIX

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about October 8, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
MONICA KNOX-SUMRELL,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,840, which funds represented a payment issued by the Social Security Administration in the name of Individual H.W.;

In violation of Title 18, United States Code, Section 1343.

COUNT SEVEN

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about October 9, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,847, which funds represented a payment issued by the Social Security Administration in the name of Individual R.T.;

In violation of Title 18, United States Code, Section 1343.

COUNT EIGHT

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about October 9, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
VONZELL WHITE (also known as “Debo”),

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,787, which funds represented a payment issued by the Social Security Administration in the name of Individual L.M. 2;

In violation of Title 18, United States Code, Section 1343.

COUNT NINE

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about November 5, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
MONICA KNOX-SUMRELL,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,877, which funds represented a payment issued by the Social Security Administration in the name of Individual Y.D. on behalf of Individual A.C.;

In violation of Title 18, United States Code, Section 1343.

COUNT TEN

The SPECIAL JANUARY 2014 GRAND JURY further charges:

1. Paragraphs One through Sixteen of Count One are incorporated here.
2. On or about November 20, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAYSON CRUZ and
JERRY BROWN, JR.,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate ACH transaction through the Federal Reserve System in the amount of approximately \$5,817, which funds represented a payment issued by the Social Security Administration in the name of Individual A.M.;

In violation of Title 18, United States Code, Section 1343.

FORFEITURE ALLEGATION

The SPECIAL JANUARY 2014 GRAND JURY alleges:

1. Counts One through Ten are incorporated here for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).
2. As a result of their violations of Title 18, United States Code, Section 1343, as alleged in the foregoing indictment,

JAYSON CRUZ,
MONICA KNOX-SUMRELL,
VONZELL WHITE (also known as "Debo"),
MICHAEL ELARDE, and
JERRY BROWN,

defendants herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all right, title and interest in property, real and personal, which constitutes or is derived from proceeds traceable to the charged offenses.

3. The interests of the defendants subject to forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), include, but are not limited to: (a) approximately \$1,908,290; and (b) the real property commonly known as 7947 South Clyde Avenue, Chicago, Illinois, and legally described as:

LOT 20 IN BLOCK 2 IN ACKLEY AND HURROUN'S
SUBDIVISION OF THE EAST 1/2 OF THE NORTHWEST 1/4
OF THE NORTHEAST 1/4 OF SECTION 36, TOWNSHIP 38
NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL
MERIDIAN, (EXCEPT THE NORTH, SOUTH, EAST, AND

WEST 33 FEET THEREOF TAKEN FOR STREET), SITUATED
IN THE CITY OF CHICAGO, COUNTY OF COOK AND STATE
OF ILLINOIS.

4. If any of the property subject to forfeiture and described above, as a result of any act or omission of the defendants:
- a. Cannot be located upon the exercise of due diligence;
 - b. Has been transferred or sold to, or deposited with, a third party;
 - c. Has been placed beyond the jurisdiction of the Court;
 - d. Has been substantially diminished in value; or
 - e. Has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY