

The City of New York Department of Investigation ROSE GILL HEARN COMMISSIONER

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DOI STATEMENT ON SENTENCING OF THREE FORMER HRA EMPLOYEES AND A FOURTH DEFENDANT INVOLVED IN \$7 MILLION FOOD STAMP FRAUD

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the sentencing today of four defendants involved in a \$7 million scheme to defraud the federally-funded food stamp program administered by the New York City Human Resources Administration ("HRA"). Three of the defendants were former workers at HRA: VANEE SYKES, a supervisor, who used her insider access to process and approve more than 1,100 fraudulent food stamp benefit cases; TORI JACKSON, a former HRA temporary contract employee, who created and processed approximately 45 fraudulent food stamp benefit cases, and separately, illegally obtained more than \$200,000 in child care benefits for herself; and LOIS JOHNSON, a former HRA secretary, who arranged for four fraudulent food stamp cards to be mailed to an address she controlled. A fourth defendant, ALICE BRADFORD, assisted SYKES by providing mailing addresses for the fraudulent cards, and did not work for the City. SYKES, 44, was sentenced to 63 months in prison, JACKSON, 34, was sentenced to 41 months in prison, JOHNSON, 57, was sentenced to three years of probation with a special condition of eight months home confinement, and BRADFORD, 50, was sentenced to 30 months in prison. U.S. District Judge William H. Pauley, III sentenced the defendants who collectively were ordered to pay more than \$7.5 million in restitution. The three defendants sentenced to prison terms are expected to surrender on January 19, 2012. DOI uncovered the multimillion dollar fraud scheme and the office of Preet Bharara, United States Attorney for the Southern District of New York, prosecuted the case.

DOI Commissioner Rose Gill Hearn said, "These defendants ripped off and pocketed millions of dollars in food stamp benefits, siphoning these taxpayer funds from a program that helps hungry New Yorkers. Most troubling is that these City employees stole from the very program they were entrusted with protecting. However, the message delivered today is clear and strong: Individuals who bilk taxpayer-funded programs face serious consequences, including prison. DOI commends the U.S. Attorney's Office for the Southern District of New York on the successful prosecution of this case, and we continue to work with them to expose corruption and hold fraudsters to account."

SYKES was employed with HRA since July 1989 and was an Associate Job Opportunity Specialist receiving approximately \$59,047 annually when she resigned in September 2011.

JOHNSON was employed with HRA since October 1973 and was a secretary receiving an annual salary of approximately \$46,210 when she went on leave without pay in February 2011 and retired the following month.

JACKSON was employed with HRA since 2001, first in a training program, and then as a temporary contract employee assigned to HRA at the same center where Sykes worked. JACKSON worked at HRA until June 2010 when her services were no longer needed and received approximately \$9,942 in wages in 2010.

Commissioner Gill Hearn thanked Preet Bharara, U.S. Attorney for the Southern District of New York and HRA Commissioner Robert Doar, and their staffs, for their assistance on this investigation.

This investigation was conducted by DOI's Office of Inspector General for HRA.

Assistant United States Attorney Paul M. Krieger from the U.S. Attorney's Office for the Southern District of New York was in charge of the prosecution.