

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

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TWO DEFENDANTS PLEAD GUILTY IN \$7 MILLION FOOD STAMP FRAUD

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement today on the guilty pleas of two defendants in a \$7 million food stamp fraud uncovered last December as a result of an extensive DOI investigation. Today, in U.S. District Court in the Manhattan, ALICE BRADFORD, 50, of Brooklyn, pleaded guilty to embezzlement from a federally-funded program, and LOIS JOHNSON, 57, of Staten Island, a former employee of the City's Human Resources Administration ("HRA"), pleaded guilty to mail fraud conspiracy. According to the Indictment, BRADFORD provided mailing addresses that were used in creating fraudulent food stamp cases and then collected food stamp cards mailed to those addresses and sold them for cash. JOHNSON received and used fraudulent food stamp cards that were mailed to her post office box in Manhattan. Charges against two other defendants, Vanee Sykes, an HRA employee, and Tori Jackson, a former HRA employee, are pending. The office of Preet Bharara, United States Attorney for the Southern District of New York, is prosecuting the case. Magistrate Judge Theodore H. Katz accepted BRADFORD's and JOHNSON's guilty pleas.

DOI Commissioner Rose Gill Hearn said, "These two defendants, one who is a former HRA employee, perpetrated a multimillion fraud by using the publicly-funded food stamp program as a personal treasure trove of easy money. Their crimes facilitated the churning out of phony food stamp cases and cards to benefit themselves and their co-conspirators rather than the individuals the funds were intended to help. With their guilty pleas, these defendants are now convicted felons who face possible prison terms for stealing food subsidies that should have gone to New York's neediest."

DOI's investigation and the resulting Indictment obtained by the United States Attorney's Office for the Southern District of New York stemmed from a report by an HRA employee who noticed irregularities in HRA's processing of food stamp applications.

Commissioner Gill Hearn thanked United States Attorney Preet Bharara and HRA Commissioner Robert Doar and their staffs for their assistance in the case.

An indictment is an accusation. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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