
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon. Cathy L. Waldor
 :
 v. : Mag. No. 15-7268
 :
 ROBERT E. MAYS :
 :
 : **CRIMINAL COMPLAINT**

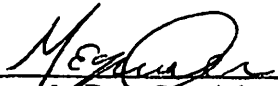
I, Megan L. Dau, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT B

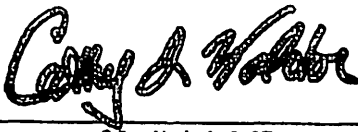
continued on the attached pages and made a part hereof.


Megan L. Dau, Special Agent
Federal Bureau of Investigation

Sworn to before me, and
subscribed in my presence

October 21, 2015 at
Newark, New Jersey

HONORABLE CATHY L. WALDOR
UNITED STATES MAGISTRATE JUDGE


Signature of Judicial Officer

ATTACHMENT A

From at least in or about September 2013 to in or about May 2014, in Hudson County, in the District of New Jersey and elsewhere, defendant

ROBERT E. MAYS,

being an agent of the Jersey City Child Development Centers, Inc. ("JCCDC"), embezzled, stole, obtained by fraud and otherwise without authority knowingly converted to the use of any person other than the rightful owner and intentionally misapplied, property valued at \$5,000 or more that was owned by, and was under the care, custody, and control of JCCDC, an organization that received in excess of \$10,000 in federal program benefits within the relevant one-year period.

In violation of Title 18, United States Code, Section 666(a)(1)(A) and Section 2.

ATTACHMENT B

I, Megan L. Dau, a Special Agent of the Federal Bureau of Investigation, having conducted an investigation, including interviewing witnesses and reviewing documents obtained through grand jury subpoena and through other sources, and having discussed this matter with other law enforcement officers, have knowledge of the following facts:¹

1. At all times relevant to this Complaint:
 - a. From on or about September 10, 2013 to on or about May 21, 2014, defendant ROBERT E. MAYS ("MAYS") was employed by the Jersey City Child Development Centers, Inc., ("JCCDC") as its Executive Director.
 - b. JCCDC was a non-profit organization that managed programs to provide early childhood development services and education to under-privileged children in Jersey City, New Jersey. JCCDC received approximately \$8,020,919 in grants during the fiscal year May 1, 2013 to April 30, 2014 from the Administration for Children and Families ("ACF"), a division of the United States Department of Health and Human Services ("HHS"), to be used for the benefit of the children who attended the child development programs that were managed by JCCDC.

2. The investigation has revealed that MAYS engaged in a scheme to steal and take by fraud money from JCCDC principally by: (1) unilaterally increasing his salary without authorization from JCCDC; and (2) withdrawing funds from JCCDC bank accounts for his personal benefit without authorization from JCCDC.

Unauthorized Salary Increase

3. MAYS joined JCCDC as its full-time Executive Director, pursuant to the terms of an Executive Employment Agreement between MAYS and JCCDC dated September 10, 2013 (the "Employment Agreement"). The Employment Agreement provided that JCCDC "receive[d]

¹ Because this complaint is being submitted for a limited purpose, I have not set forth each and every fact that I know concerning this investigation. To the extent the statements of others are set forth herein, they are set forth in substance and in part.

federal grant funds . . . to promote the school-readiness of low-income children by enhancing their cognitive, social and emotional development.” The Employment Agreement also provided that MAYS was “to carry out [JCCDC’s] purposes and mission in Jersey City, New Jersey.” Moreover, the Employment Agreement provided that MAYS had to perform senior management services as directed by the members of the Board of Directors of JCCDC (the “Board”), to whom he reported.

4. The Employment Agreement further provided that MAYS’s annual salary would be \$96,500, and that the salary would be payable on the 15th and last day of each month. Federal law enforcement agents have confirmed, through interviews of Board members, that there was no other written or oral agreement between MAYS and JCCDC that would have entitled him to additional compensation above and beyond the terms of the Employment Agreement.

5. On or about November 12, 2013 – two months after MAYS began working at JCCDC – MAYS caused his salary to increase from \$96,500 to \$155,000 annually, an approximate 61% salary increase. To effectuate the salary increase, MAYS signed a form entitled “Transfer of Personnel,” which caused others to process the request for the salary increase. The same form also reflects that the salary increase was due to “Increase[d] Job Function,” and that the salary increase was payable retroactively and effective October 21, 2013.

6. The investigation has revealed that the Board did not authorize this salary increase for MAYS. According to a Board member (“Board Member No. 1”), in or about April 2014, Board Member No. 1 questioned MAYS about the salary increase. MAYS explained to Board Member No. 1 that prior to Board Member No. 1’s joining the Board, the Board had approved the salary increase for MAYS. MAYS then showed Board Member No. 1 Board minutes purportedly from a meeting that took place on or about October 29, 2013, approving the salary

increase for MAYS (the “Forged Board Minutes”). A review of the Forged Board Minutes obtained during the investigation reflect the following, in part:

Motion made by: **[Board Member No. 2]** to approve salary increase to \$155,000.00 for both the Executive Director and [another individual].

Second by **[Board Member No. 3]**. All were in favor. Motion carried.

7. Evidence has been obtained revealing that the Forged Board Minutes were fraudulent based on the following. First, law enforcement interviewed Board Member No. 2 and Board Member No. 3. Both of them stated that they did not vote, and would not have voted, in favor of a salary increase for MAYS after MAYS had been employed by JCCDC for only two months. Second, the Chairperson of the Board in October 2013 (“Board Member No. 4”), who was present at the October 29, 2013 Board meeting and continues to be a Board member, also stated that fellow Board members did not vote to increase MAYS’s salary at any point during his employment with JCCDC. Other Board members also stated that they had not, nor would they have, approved a salary increase for MAYS. Finally, law enforcement reviewed an email dated January 16, 2014, sent to Board members by a JCCDC employee who was responsible for creating and maintaining Board minutes. That email attached the Board minutes from the October 29, 2013 meeting (the “True Board Minutes”). The True Board Minutes reflect that instead of the language concerning the salary increase quoted in the Forged Board Minutes, the Board had a discussion about amending the by-laws to add “a five meeting participation requirement” for Board members. Nothing contained in the True Board Minutes addressed MAYS’s salary increase.

8. A review of JCCDC’s payroll records further revealed that MAYS indeed received these fraudulent increases in pay. Had MAYS received a salary in accordance with the

terms of the Employment Agreement, which was \$96,000 annually, the gross compensation reflected on each paycheck would have been approximately \$3,692.30 every two weeks. Instead, payroll records from approximately January 2014 to approximately March 2014 show that his gross compensation was approximately \$5,961.90 every two weeks, which amounts to approximately \$155,000 annually.

9. Accordingly, evidence indicates that MAYS fraudulently took money from JCCDC by increasing his salary without Board approval and furthered this fraud by submitting phony documents to JCCDC.

Unauthorized Transfer of \$50,000 and Purchase of Maserati

10. The evidence has revealed that MAYS took money from a JCCDC bank account ending in number 7152 (the "7152 Account") to purchase, among other things, a 2007 4-door grey Maserati Quattroporte (the "Maserati"). As the Executive Director of JCCDC, MAYS had the authority to conduct financial transactions on behalf of JCCDC and to withdraw funds from JCCDC bank accounts for the benefit of JCCDC. However, he was not authorized to withdraw funds solely for his personal benefit, according to Board members who have been interviewed by federal law enforcement agents.

11. An analysis of bank records revealed that on or about December 18, 2013, a check from the 7152 Account was issued to "Robert Mays" in the amount of \$60,000. The check was purportedly signed by "Robert Mays" and Board Member No. 4 for the purported purpose of "JCCDC Branding," according to a review of the front of the check. On or about December 18, 2013, MAYS deposited the same \$60,000 check in an account at a credit union ("Credit Union Account"). MAYS was the sole authorized account holder. Prior to this deposit, the balance in the Credit Union Account was \$100.

12. On or about January 6, 2014, MAYS issued a check in the amount of \$38,764.65 from the Credit Union Account payable to an auto dealership in Carlstadt, New Jersey. Records obtained from the auto dealership demonstrate that the check was used to purchase the Maserati, which eventually was registered to MAYS.

13. The investigation has revealed that MAYS was not authorized to take the \$60,000 from the 7152 Account. Specifically, Board Member No. 4, the Chairperson of the Board at the time that the \$60,000 check was issued to MAYS, indicated that although the check bears the name of Board Member No. 4 as an issuer, Board Member No. 4 never signed that check. Moreover, Board Member No. 4 disclosed to law enforcement that any payments made to executives like MAYS above and beyond his normal salary would have needed approval by the Board. Board Member No. 4 stated that the Board never authorized MAYS to take the \$60,000. A review of Board records revealed the Board neither considered nor voted on whether MAYS should have received this \$60,000 payment. The investigation further has revealed that on or about January 7, 2014, MAYS issued a check to JCCDC in the amount of \$10,000 from the Credit Union Account. That check was deposited into 7152 Account.

14. Hence, evidence also indicates that MAYS initially fraudulently took \$60,000 without authorization from JCCDC and returned \$10,000, resulting in a \$50,000 loss to JCCDC for this particular transaction, principally to fund the purchase of the Maserati.

Unauthorized use of JCCDC Funds to Repair Maserati

15. The evidence further indicates that MAYS used JCCDC funds without authorization to repair the Maserati. On or about January 15, 2014, MAYS took the Maserati to an auto body repair shop located in Jersey City (the "Repair Shop"), to repair damage to the front bumper, front grill, right fender and hood of the vehicle. The estimated cost of the repair was

\$3,561.82, based on a review of documents obtained from the Repair Shop. On or about January 29, 2014, MAYS issued a check from a JCCDC bank account ending in number 7005 (the "7005 Account") in the amount of \$3,561.82. The check was payable to the Repair Shop purportedly for a "2008 Toyota Sienna," which was one of JCCDC's vehicles, according to the front of this check and other JCCDC documents. The check also bore the signatures of "Robert Mays" and Board Member No. 4 as issuers, but Board Member No. 4 stated that Board Member No. 4 never signed that check.

16. Law enforcement also interviewed the individual at the Repair Shop who dealt with the repair of the Maserati ("Individual 1"). Individual 1 provided documents to law enforcement which confirmed that the JCCDC check that MAYS issued for the "2008 Toyota Sienna" was in fact for the repair of MAYS's Maserati. Board Member No. 4 stated that the Board never authorized MAYS to take JCCDC funds to repair his Maserati. Therefore, evidence also demonstrates that MAYS issued a check to pay for the repair of his personal vehicle, the Maserati, but tried to conceal the transaction by purporting to issue the check for the repair of one of JCCDC's vehicles.

Unauthorized use of JCCDC Funds to Purchase Fur Coat

17. The evidence also indicates that MAYS purchased a fur coat without authorization from JCCDC by using a JCCDC debit card for the 7152 Account. Specifically, a review of documents, which are discussed below, has revealed that on or about December 24, 2013, MAYS paid \$3,398.75 from the 7152 Account to a store which sells fur coat (the "Fur Store") in New Jersey.

18. Law enforcement interviewed an individual who was the president of the Fur Store ("Individual 2") in connection with the \$3,398.75 transaction. Individual 2 stated, among

other things, that in or about December 2013, MAYS visited the Fur Store by himself to purchase a whiskey mink, skin-on-skin fur coat.

19. Individual 2 also produced records concerning MAYS's purchase of that fur coat. The documents show that, on or about December 12, 2013, MAYS placed a purchase order for a "Bleached Whiskey Stroller Skin-on-Skin (Fendi Style)" fur coat. The documents note that the order was for "MR. ROBERT MAYS" as a "gift" for someone else. The document also listed an address which, at the time, was MAYS's last known address. The total cost of the fur coat was \$4,398.75. Receipts from the Fur Store revealed that MAYS gave Individual 2 a \$1,000 deposit in cash and the remaining \$3,398.75 was due the following week.

20. A Fur Store receipt shows that on or about December 24, 2013, MAYS paid the remaining balance for the fur coat, \$3,398.75, using the debit card of the 7152 Account. That receipt specifically shows the purchaser to be "Robert E. Mays" and bore a signature that appears to be MAYS's signature.

21. On or about September 11, 2015, law enforcement conducted a search at MAYS's residence. A fur coat, fitting the description above, was seized from MAYS's residence.

22. The investigation has revealed that MAYS was not authorized to purchase a fur coat with JCCDC funds. Law enforcement interviewed Board Member No. 4 and reviewed Board documents to determine whether MAYS was authorized to make such a purchase. Board Member No. 4 stated that neither Board Member No. 4, nor the Board, approved that transaction. Nothing in the Board documents during the relevant time period shows that MAYS was authorized to make that transaction. Accordingly, this evidence indicates that MAYS fraudulently took JCCDC funds to pay the Fur Store for the balance owed on this fur coat.

Other Additional Unauthorized Withdrawals of JCCDC Funds

23. The evidence further revealed that, in addition to the funds discussed above, MAYS took funds from JCCDC without authorization by issuing checks to himself from JCCDC's 7152 Account as follows:

Payable to	Check Amount	Date
MAYS	\$55,000	January 8, 2014
MAYS	\$10,000	February 21, 2014
MAYS	\$10,000	February 21, 2014
CASH ²	\$10,000	February 28, 2014
TOTAL	\$85,000	

24. All the checks identified above bore the purported signatures "Robert Mays" and Board Member No. 4 as the issuers of the checks. Board members, including Board Member No. 4, have stated that neither Board Member No. 4 nor the Board authorized those payments to MAYS. Board Member No. 4 also stated that Board Member No. 4 did not sign those checks.

25. Board members have stated that MAYS did not hold additional positions with JCCDC that would have warranted additional compensation above what his employment contract provided. Such payments would have needed approval by the Board. A review of Board records revealed that the payments to MAYS set forth in the chart above were not considered, voted upon or approved by the Board. Accordingly, this evidence reveals that MAYS took JCCDC funds for his personal benefit without authorization.

² The endorsement on the back of this check appears to be MAYS's signature.