

Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Wednesday, September 1, 2021

Two Postal Employees Charged with Fraud in Connection with Unemployment Insurance Benefits

NEWARK, N.J. -- Two New Jersey postal employees were arrested today for their alleged roles in a fraud committed in connection with unemployment insurance benefits, Acting U.S. Attorney Rachael A. Honig announced.

Khaori Monroe, 28, of Newark, and Ross Clayton, 30, of Irvington, New Jersey, are each charged by complaint with one count of wire fraud. They are scheduled to appear by videoconference today before U.S. Magistrate Judge Leda Dunn Wettre.

According to the complaints:

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act created a new temporary federal unemployment insurance program called Pandemic Unemployment Assistance (PUA), which provides unemployment insurance benefits (UIB) for individuals who are not eligible for other types of unemployment (e.g., self-employed, independent contractors, and gig economy workers). The CARES Act also created a new temporary federal program called Federal Pandemic Unemployment Assistance that provides an additional \$600 weekly benefit to those eligible for PUA and regular UIB. Unemployment Insurance (UI) is a state-federal program that provides unemployment insurance benefits (UIB) to eligible workers.

Monroe and Clayton were U.S. Postal Service employees. Monroe and Clayton each took UIB-related mail, including debit cards, from a U.S. Postal Service location in New Jersey and used that mail to obtain unemployment insurance benefits to which they were not entitled.

The charge of wire fraud is punishable by a maximum potential penalty of 20 years in prison and a fine of \$250,000, or twice the gross profits or gross loss, whichever is greatest.

Acting U.S. Attorney Honig credited special agents of the U.S. Department of Labor, Office of Inspector General, under the direction of Special Agent in Charge Michael C. Mikulka in Manhattan; postal inspectors of the U.S. Postal Inspection Service, under the direction of Acting Inspector in Charge Rodney M. Hopkins in Newark; and special agents of the U.S. Postal Service Office of Inspector General, under the direction of Special Agent in Charge Matthew Modafferi, Northeast Area Field Office, with the investigation leading to today's arrests.

The government is represented by Assistant U.S. Attorney Andrew Kogan of the U.S. Attorney's Office Cybercrime Unit in Newark.

The charges and allegations contained in the complaints are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

Attachment(s):

[Download Monroe.Complaint.pdf](#)

[Download Clayton.Complaint.pdf](#)

Topic(s):

Coronavirus

Financial Fraud

Component(s):
USAO - New Jersey

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