

The Virgin Islands Consortium

Former St. Croix Resident Pleads Guilty To Federal Program Fraud And Tax Charges

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ST. THOMAS -- Celeste P. Bermudez, 41, formerly of St. Croix, pleaded guilty today to theft of federal program funds and making and subscribing a false income tax return, Acting United States Attorney Joycelyn Hewlett announced. District Judge Curtis V. Gomez allowed Bermudez to remain on bail until August 1, 2017, when she must self-surrender to the United States Marshals Service. Sentencing is scheduled for August 8, 2017.

According to the plea agreement, Bermudez was the finance director of the Virgin Islands Community AIDS Resource & Education, Inc. (VICARE), a nonprofit organization dedicated to promoting HIV-AIDS education and support services to individuals living

with HIV-AIDS. In 2011, the U.S. Department of Housing and Urban Development (HUD) approved approximately \$1.3 million in grant funds to VICARE. During the period July 1, 2011, through June 30, 2014, the Department of Health and Human Services (HHS) Centers for Disease Control and Prevention (CDC) awarded VICARE approximately \$627,365 in grant funds. Bermudez admitted to embezzling more than \$5,000 during the period January 2012 through December 2013. Bermudez also admitted to making and subscribing a false 2011 income tax return, in that Bermudez failed to report \$135,783.29 in 2011 income from VICARE.

Bermudez faces a maximum sentence of 10 years in prison and a \$250,000 fine for the federal program fraud charge, and not more than three years in prison or a \$5,000 fine, or both, for the tax charge.

The case was investigated by HUD Office of Inspector General, HHS Office of Inspector General, and the Internal Revenue Service, Criminal Investigations. It is being prosecuted by Assistant U.S. Attorneys Kim L. Chisholm and Meredith Edwards.