

The Virgin Islands Consortium

Former VICARE Finance Director Sentenced To 30 Months In Prison For Theft Of Federal Program Funds

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ST. THOMAS -- District Court Judge Curtis V. Gomez sentenced Celeste P. Bermudez, 42, of Methuen, Massachusetts, today to 30 months in prison and three years of supervised release for theft of federal program funds, Acting United States Attorney Joycelyn Hewlett announced.

Gomez also ordered Bermudez to serve a concurrent sentence of 12 months in prison for making and subscribing a false tax return, and pay the following restitution: \$321,961.29 to the U.S. Department of Housing and Urban Development (HUD), \$137,983.41 to the U.S. Department of Health and Human Services (HHS), and \$50,592 to the Virgin Islands Bureau of Internal Revenue. Bermudez also has to pay a \$100 special assessment and

perform 350 hours of community service.

On April 3, 2017, Bermudez pleaded guilty to theft of federal program funds and making and subscribing a false income tax return. 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, HUD approved approximately \$1.3 million in grant funds to VICARE. During the period July 1, 2011, through June 30, 2014, HHS Centers for Disease Control and Prevention awarded VICARE approximately \$627,365 in grant funds.

Bermudez admitted to embezzling more than \$5,000 of the grant funds 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 approximately \$135,503.61 in 2011 income from VICARE.

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