



The City of New York
Department of Investigation

ROSE GILL HEARN
COMMISSIONER

80 MAIDEN LANE
NEW YORK, NY 10038
212-825-5900

Release #127-2009
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
THURSDAY, DECEMBER 10, 2009

CONTACT: DIANE STRUZZI
(212) 825-5931

**INVESTIGATION LEADS TO ARREST OF FORMER NONPROFIT ADMINISTRATOR
ON CHARGES OF BANK FRAUD AND EMBEZZLEMENT**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the arrest of a former nonprofit administrator on federal charges of embezzlement of public funds and bank fraud involving a youth program funded by the City Department of Youth and Community Development ("DYCD") and an after-school enrichment program funded by the United States Department of Education. DOI investigated this matter with the office of Preet Bharara, United States Attorney for the Southern District of New York, which is also prosecuting the case.

DOI Commissioner Rose Gill Hearn said, "This defendant devised elaborate schemes to steal thousands of dollars that instead should have helped young people, according to the charges. This case drives home the importance of DOI's ongoing efforts with the U.S. Attorney's Office for the Southern District of New York to expose unscrupulous insiders who loot nonprofits and ensure that they face justice."

DEBBY DENISE MATTHEW CAMPBELL, 46, of Walden, N.Y., was arrested Wednesday, December 9, 2009, and charged with the following federal offenses: two counts of Bank Fraud and one count of Embezzlement of Federal Funds. Upon conviction, Bank Fraud is punishable by up to 30 years in federal prison and Embezzlement of Federal Funds is punishable by up to 10 years in federal prison. She was arraigned in U.S. District Court in Manhattan late Wednesday and released on \$50,000 bond.

According to the criminal complaint, in 2004 and 2005 CAMPBELL was employed by Caribbean and American Family Services, Inc. ("CAFS"), a nonprofit organization that was contracted by DYCD to administer the Summer Youth Employment Program ("SYEP"), which provides young people between the ages of 14 and 21 with summer employment and educational opportunities. Participants in the program are compensated for their work through debit cards linked to DYCD-funded bank accounts. CAMPBELL oversaw SYEP for CAFS and was responsible for, among other things, enrolling participants in SYEP, entering participants' work hours to generate their pay through debit cards and distributing those debit cards to participants. In the summer of 2005, DYCD found irregularities with a SYEP program in Mount Vernon, N.Y., which was overseen by CAMPBELL; reported it to DOI; and suspended the CAFS SYEP program, freezing the associated debit cards. DOI's investigation found that time sheets and evaluations for the Mount Vernon SYEP program, purportedly signed by a principal where the program operated, had, in fact, not been signed by the principal. The investigation also found that two other SYEP programs overseen by the defendant, a second SYEP program in Mount Vernon and a SYEP program in Bridgeport, Conn., were not in operation in the summer of 2005, but records maintained by the defendant and submitted to DYCD indicated the program was operational.

DOI investigators reviewed CAFS records submitted to DYCD and found two fraudulent letters purportedly from a social service nonprofit indicating that the homeless youths participating in the

more

program resided at the nonprofit's group homes. The investigation found that: the nonprofit did not run group homes; the defendant had worked at the nonprofit for several months and stopped showing up in mid-2005; and the letters were forgeries. Investigators were unable to locate or identify several of the youths listed in the letter. Some of the young people investigators did locate did not work at or get paid by SYEP. The investigation found that between 2004 and 2005, several substantial purchases and withdrawals made with the debit cards purportedly given to SYEP youth participants were made in the vicinity of CAMPBELL's home in Yonkers, even though the youth participants purportedly resided in New York City.

According to the criminal complaint, between 2004 and 2007, CAMPBELL also served as director of the 21st Century Program, an after-school enrichment program funded by the United States Department of Education and operated by Mid-Bronx, a nonprofit organization. The investigation found that CAMPBELL was terminated from her position in March 2007 because she was working fulltime at another job. The investigation also found that approximately \$18,000 in checks issued by Mid-Bronx had been double-endorsed by CAMPBELL and purportedly by the other payees and deposited into CAMPBELL's bank account. The investigation found that some of the individuals employed as instructors or assistants at 21st Century Program had not received the double endorsed checks purportedly signed by them.

Commissioner Gill Hearn thanked Preet Bharara, the United States Attorney for the Southern District of New York, and DYCD Commissioner Jeanne B. Mullgrav, and their staffs, for their joint efforts on this investigation.

This investigation was conducted by DOI's Office of Inspector General for DYCD, including Counsel to the Inspector General Jennifer Fiellman and Examining Attorney Jeanine M. Girgenti, under the supervision of Assistant Commissioner Paul Balukas and DOI Inspector General Pat Russo.

Assistant United States Attorney Howard Master from the Public Corruption Unit of the United States Attorney's Office for the Southern District has been assigned to the prosecution of this case.

A criminal complaint is an accusation. A defendant is 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.

**DOI's press releases can also be found at twitter.com/doinews
Get the worms out of the Big Apple. To report someone ripping off the City, call DOI at (212) 825-5959.**