



The City of New York  
Department of Investigation  
ROSE GILL HEARN  
COMMISSIONER

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

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**CONTACT: DIANE STRUZZI  
(212) 825-5931**

**DOI STATEMENT ON SENTENCING OF FORMER DAY CARE PROVIDER TO 9 MONTHS IN PRISON  
FOR HER ROLE IN A WIDE-RANGING DAY CARE FRAUD AND BRIBERY SCHEME**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the sentencing of LYUDMILA GRUSHKO to nine months in prison followed by three years of supervised release for defrauding the publicly-funded day care subsidy program in a scheme that reached into several City agencies and included bribing City employees. GRUSHKO, 62, pleaded guilty in January 2011 to the federal offense of Bribery Concerning Programs Receiving Federal Funds. U.S. District Judge William H. Pauley III sentenced GRUSHKO today in U.S. District Court in Manhattan, ordering her to pay \$40,000 in restitution to DOI and \$40,000 in forfeiture. The office of Preet Bharara, U.S. Attorney for the Southern District of New York, prosecuted the case.

DOI Commissioner Rose Gill Hearn said, "This defendant thought bribery was the way to illegally expand the day care she owned. Instead, she learned the hard way that City employees report corruption to DOI, which stops the wrongdoing and holds the perpetrators accountable. As a result, investigators halted a massive scheme and worked together to ensure the involved day care centers were inspected. More than 20 centers were closed due to violations that were part of the fraud exposed by the investigation. Just as the City recently announced it will continue to devote precious City funds to day care slots, DOI will continue to work with its law enforcement partners to ensure that those scarce funds are not siphoned off through fraud."

GRUSHKO is the second defendant in this multi-defendant case to be sentenced. Last week, Emile Nekhala, a former Public Health Sanitarian at the City Department of Health and Mental Hygiene ("DOHMH"), was sentenced to 24 months in prison for his role in this scheme.

Commissioner Gill Hearn thanked Preet Bharara, U.S. Attorney for the Southern District of New York; James T. Hayes, Jr., Special Agent-in-Charge of the U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI) office in New York; DOHMH Commissioner Dr. Thomas Farley; Robert Doar, Commissioner of the City Human Resources Administration; John Mattingly, Commissioner of the City Administration for Children's Services, and their staffs, for their assistance in this investigation.

The case was prosecuted by Assistant United States Attorneys Michael Bosworth, Harris Fischman, and Brent Wible of the U.S. Attorney's Office for the Southern District of New York.

*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.*

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