



Department of Investigation

Press Release

Release #010-99

DOI ARRESTS 4 IN \$11,500 BAIL REFUND SCAMS

THURSDAY, MARCH 4, 1999 -- EDWARD J. KURIANSKY, Commissioner of the Department of Investigation (DOI), today announced the arrest of four New York City residents for scheming to defraud the City's Department of Finance (DOF) out of nearly \$11,500 in bail refund checks through four separate schemes.

According to Commissioner Kuriansky, cash bail posted in Supreme, Criminal, or Family Court is deposited into a DOF bank account. If the bail is later ordered returned, it is the responsibility of DOF's Client Services Operation to issue a refund check. On average, DOF annually issues more than 36,000 bail refund checks, totaling in excess of \$3 million. In the event that an eligible individual fails to receive such a check, a Forgery Claim Affidavit must be completed, in which the person attests that the check was never received and that the endorsement appearing on the original refund check was a forgery. Once the affidavit is filed, the check-cashing establishment or bank that cashed the "forged" original check must return the funds to DOF before a replacement check may be issued to the individual.

"Today's charges resulted, in part, from complaints made by several check-cashing establishments which DOF had asked to make good on 'forged' bail refund checks they previously cashed," Commissioner Kuriansky said. "The firms were able to produce Regiscope photographs showing that the intended payees -- namely, a welfare recipient and a food stamp recipient -- were, in fact, the ones who had cashed the checks. Ironically, in two of the cases for which bail had been posted by a friend or relative, the underlying criminal charges were dismissed. Not content just to accept a refund, they tried instead to double their money -- and lost it all!"

Commissioner Kuriansky expressed his sincere appreciation to the Department of Finance for initially uncovering these matters and promptly referring them to DOI. He noted that the investigation is continuing, and that DOF has increased its scrutiny of those filing Forged Claim Affidavits.

The details of each of today's charges are summarized below:

1) HELEN QUESADA, 40, of 54-64 Rutgers Street in Manhattan, obtained a bail refund check for \$7,500 from DOF in December 1996. It is alleged that several months after cashing the check, QUESADA fraudulently filed a Forgery Claim Affidavit with DOF, stating that she had not received the check and requesting that a new one be issued to her. As a result, DOF issued QUESADA a replacement check for \$7,500; she then cashed the check and improperly kept the proceeds. QUESADA was arrested earlier this week and charged with Grand Larceny in the Third Degree, Offering a False Instrument for Filing in the First Degree, and Making an Apparently Sworn False Statement in the First Degree. If convicted, she faces up to 7 years in jail.

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2) RAQUEL SAEZ, 48, of 770 Faile Street in the Bronx, received and cashed a \$3,000 bail refund check in July 1998 at the same check-cashing establishment she uses to cash her public assistance benefits. Two months later, in an attempt to get a replacement check, SAEZ fraudulently filed a Forgery Claim Affidavit with DOF, claiming that she did not receive the original check. SAEZ was arrested today and charged with Offering a False Instrument for Filing in the First Degree and Making an Apparently Sworn False Statement in the First Degree. If convicted, she faces up to 4 years in jail.

3) KENNETH DUNN, 56, of 953 DeKalb Avenue in Brooklyn, was charged with fraudulently filing a Forgery Claim Affidavit on June 17, 1998, in which he falsely stated that he had not received a \$485 bail refund check. However, DOI's investigation revealed that DUNN had actually cashed the check on May 20, 1998, at the same check-cashing establishment where he receives his food stamps. DUNN was arrested last month and subsequently pleaded guilty to Offering a False Instrument for Filing in the Second Degree. He was sentenced to 10 days in jail.

4) TINA MARIE McGINNIS, 20, of 58-30 Catalpa Avenue in Ridgewood, Queens, was charged with stealing a \$485 bail refund check that DOF had issued and mailed to her brother, Michael Gomez, in June 1998. When Gomez filed a Forgery Claim Affidavit with DOF, claiming that he did not receive the check, an investigation by DOI determined that McGINNIS, who received mail for her brother at her address, had improperly cashed the check. McGINNIS was arrested earlier this week and charged with Petit Larceny and Criminal Possession of Stolen Property in the Fifth Degree. If convicted, she faces up to 1 year in prison.

The investigations were conducted by Assistant Commissioner Vincent E. Green, DOI's Inspector General for DOF, and members of his staff, including Deputy Inspector General Maureen A. Thomas and Investigator Belarminia Ortiz.

The Office of New York County District Attorney Robert M. Morgenthau is prosecuting the QUESADA, SAEZ, and DUNN cases. Assistant District Attorney Juan Merchan, of the Special Prosecutions Bureau, is handling the QUESADA and SAEZ matters, and Assistant District Attorney Grace Lee, of the Trials Bureau, has been assigned to the DUNN case.

The Office of Queens County District Attorney Richard A. Brown is prosecuting the McGINNIS case. Assistant District Attorney Phyllis Weiss, of the District Attorney's Integrity Bureau, is handling the matter.