



Department of Investigation

Press Release

DISTRICT ATTORNEY - NEW YORK COUNTY

HRA Employee Sent To Jail For Welfare Fraud

THURSDAY, OCTOBER 5, 2000

Manhattan District Attorney Robert M. Morgenthau announced today that two former New York City Human Resources Administration (HRA) employees have been convicted after trial and were sentenced yesterday to state prison for their role in a \$575,000 welfare fraud scheme.

The former eligibility specialists for HRA are ALEXANDER VICTOR and JOHN GUILLIARD. They were convicted of Grand Larceny in the Third Degree after a two and one-half week trial before New York State Supreme Court Judge Daniel Fitzgerald. Judge Fitzgerald sentenced GUILLIARD to 2 to 7 years in state prison and also levied a \$5,000 fine and ordered that the defendant make restitution of \$15,000. Defendant VICTOR was sentenced to 1 to 3 years in prison, was ordered to pay \$5,000 in restitution and a \$5,000 fine.

The convictions stem from an investigation into welfare fraud at the Dyckman Income Support Center in Upper Manhattan conducted by the New York City Department of Investigation, under Commissioner Edward J. Kuriansky, and the District Attorney's Welfare Fraud Unit. The defendants, who were charged in June, 1998, were convicted of stealing public assistance funds by submitting fraudulent payment authorizations to a data entry clerk who entered the bogus authorizations into HRA's computer system, allowing eight public assistance clients to receive special supplemental payments ranging from \$2,500 to \$4,865. The other employees charged at the time, SANDRA ABRAMS, FRANCES HEYWARD and GEORGINA ELLIS, have already pleaded guilty.

A significant number of these payments were issued as "fair hearing" payments even though no fair hearings were held. Fair hearing payments are single payments awarded to public assistance clients who appeal and win grievances concerning the amount of their benefits. The employees issued the payments to public assistance recipients and, in exchange, gave the recipients a small portion of each fraudulent transaction and kept the balance to divide among themselves.

Assistant District Attorney Christina Berninger, who is assigned to the Welfare Fraud Unit, was in charge of the prosecution.