



The City of New York
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**STATEMENT OF DOI COMMISSIONER ROSE GILL HEARN ON WIRE FRAUD GUILTY PLEA
BY ASSOCIATE OF FORMER NEW YORK STATE SENATOR**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the guilty plea of MIGUEL CASTANOS to defrauding the not-for-profit Community Association of Progressive Dominicans ("ACDP") of nearly \$34,500 with a no-show job. CASTANOS, who pleaded guilty to wire fraud before U.S. Magistrate Judge Frank Maas in Manhattan federal court, was an associate of former State Senator Efrain Gonzalez, Jr. and is the second defendant within a week to plead guilty in the case. Last week, Neil Berger, the former executive director of the not-for-profit Pathways for Youth, Inc., pleaded guilty to a federal program fraud charge. DOI's statement on that guilty plea can be found at the following link: http://www.nyc.gov/html/doi/pdf/pr27berger_33009.pdf. The charges against Gonzalez and a fourth defendant, Lucia Sanchez, are pending.

DOI Commissioner Rose Gill Hearn said, "The defendant's admitted fleecing of a nonprofit agency is the latest revelation of how public funds have been siphoned away from the community by unscrupulous insiders. He acknowledged in court today that he was paid for doing nothing. The case also illustrates that those who treat taxpayer-funded programs as easy pickings for unearned cash face a rude awakening when their scams are exposed and prosecuted."

Commissioner Gill Hearn thanked Lev L. Dassin, Acting United States Attorney for the Southern District of New York, and Ronald J. Verrochio, Inspector-in-Charge of the New York Office of the United States Postal Inspection Service, and their staffs, for their work on this matter.

An indictment 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.

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