



The City of New York
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Release #49-2009
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
FRIDAY, JUNE 5, 2009

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**DOI STATEMENT ON ARREST OF CITY HUMAN RESOURCES ADMINISTRATION SUPERVISOR
ON A CHARGE OF FRAUDULENTLY OBTAINING \$72,000 IN SECTION 8 BENEFITS**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on a DOI investigation that led to the federal indictment and arrest of a Supervisor with the New York City Department of Human Resources Administration ("HRA") who was charged with fraudulently obtaining approximately \$72,000 in Section 8 rent subsidies from the Department of Housing Preservation and Development ("HPD"). HPD administers Section 8 vouchers and distributes federal Section 8 funds on behalf of the United States Department of Housing and Urban Development.

DOI began its investigation after it was notified by HPD about questions concerning the income information STROUD submitted. The office of Lev L. Dassin, Acting United States Attorney for the Southern District of New York, is prosecuting the case.

PATRICIA STROUD, of Union City, N.J., was charged today with the theft of public funds, Title 18, U.S.C. §641. A conviction on this charge is punishable by up to ten years in prison. STROUD has been an employee of HRA for 23 years and is a Supervisor I assigned to the Medical Assistance Program, which provides Medicaid-funded home care services to eligible individuals, and receives an annual salary of about \$51,000. In addition, STROUD is also employed as an Adjunct Instructor at Monroe College's School of Business Administration.

DOI Commissioner Rose Gill Hearn said, "A City supervisor whose job was to ensure that publicly-funded home care services went to people in need is herself charged with defrauding another City agency's program that provides housing benefits to needy New Yorkers. Concealing income to obtain housing subsidies is a crime, and it is especially troubling that a City employee who should know better is accused of this kind of abuse."

DOI's investigation found that between October 2004 and March 2008 STROUD did not report her income from HRA and Monroe College on her housing benefit application and related documents and obtained approximately \$72,000 in Section 8 benefits she was not entitled to receive.

Commissioner Gill Hearn thanked Lev L. Dassin, Acting United States Attorney for the Southern District of New York; HPD Commissioner Rafael E. Cestero and HRA Commissioner Robert Doar, and their staffs, for their assistance and cooperation in this investigation.

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The investigation was conducted by Assistant Inspector General Ondie Frederick of DOI's Office of the Inspector General for HPD, under the supervision of Associate Commissioner Julie Block, Inspector General Peter L. Zanolin and Deputy Inspector General David Jordan.

Assistant U.S. Attorney James Pastore from the U.S. Attorney's Office for the Southern District of New York has been assigned the case.

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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