



The City of New York
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**FORMER CONSULTANT TO NOT-FOR-PROFIT FOSTER CARE AGENCY SENTENCED TO PRISON
FOR CONSPIRING TO DEFRAUD THE CITY AND STEAL FUNDS INTENDED FOR NEEDY CHILDREN**

Today, PHILBERT GORRICK, 54, was sentenced to 33 months in prison for conspiring to embezzle \$375,000 from the City Administration for Children's Services that was meant to help needy children. United States District Judge Barbara S. Jones sentenced GORRICK today in Manhattan federal court and also ordered that he pay \$375,000 in restitution. The office of United States Attorney for the Southern District of New York prosecuted the case.

GORRICK was a computer consultant for an ACS-funded foster care provider. The scheme that involved GORRICK also included the submission of a false invoice to the City for \$711,420 for computer supplies that were never provided. As part of a DOI covert operation, GORRICK received a check for that amount and was arrested in July 2008.

DOI Commissioner Rose Gill Hearn said, "City-funded social service programs are there to help needy New Yorkers, not fraudsters who shamelessly raid them. Today's prison sentence is a just outcome of the defendant's criminal scheme to bilk the City and divert hundreds-of-thousands of dollars from helping vulnerable children to feeding the appetites of greedy criminals. It is another successful result of the ongoing work of DOI and federal prosecutors in the Southern District of New York in exposing scam artists who rip off the taxpayers."

GORRICK is one of several defendants in an embezzlement investigation that also resulted in charges against two then-high-ranking supervisors from ACS; the fiscal director of a foster care not-for-profit, Concord Family Services, Inc., which had been funded by ACS; and three other defendants.

Lethem Duncan, ACS's former Deputy Director of Payment Services, and Nigel Osarenkhoe, ACS's former Supervisor of Adoptions, have each pleaded guilty to defrauding the City of taxpayer funds and are awaiting sentencing.

Stay Thompson, former fiscal director at Concord, is awaiting trial on charges of mail fraud conspiracy, embezzlement conspiracy and money laundering. Her trial is scheduled to begin August 3, 2009.

Three other defendants, Oletha Rhodes, Brenda Towe, and Tammy Moore, were indicted earlier this year for conspiring with Osarenkhoe to steal public funds that were supposed to go to needy children. Charges against them are pending.

Criminal complaints and indictments are accusations. Defendants are 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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