



The City of New York
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**JOINT INVESTIGATION BY DOI AND HUD LEADS TO ARREST OF NEW YORK CITY TEACHER
ON A FEDERAL CHARGE OF STEALING THOUSANDS OF DOLLARS IN SECTION 8 SUBSIDIES**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced the culmination of a joint investigation with the Office of the Inspector General for the United States Department of Housing and Urban Development ("HUD OIG") that has led to the arrest of MONIQUE ELLIS, a teacher with the City Department of Education ("DOE"). ELLIS, who is also known as MONIQUE WALLACE, is charged with concealing her DOE income and collecting approximately \$39,968 in Section 8 housing subsidies that she was not entitled to receive.

The Section 8 Rental Assistance Program is a federal government program for helping low-income individuals to afford housing in the private market. A housing subsidy is paid each month directly to the landlord on behalf of the participating individual, and that individual pays the difference between the actual rent and the amount subsidized by the Section 8 program. The United States Department of Housing and Urban Development ("HUD") funds the Section 8 subsidies.

ELLIS, 39, of Brooklyn, has been charged with violating 18 § U.S.C. 641 for fraudulently obtaining more than \$39,000 from HUD between 2003 and 2008. If convicted, she faces up to ten years in federal prison.

ELLIS has worked for DOE since 1991, is currently a Special Education teacher assigned to P.S. 180 in Brooklyn and receives an annual salary of approximately \$55,430.

DOI Commissioner Rose Gill Hearn said, "Section 8 housing is a scarce and valuable resource reserved for those truly in need. Concealing one's income to garner undeserved housing subsidies is an abuse of the program, a theft from the taxpayers, and a disservice to the eligible families who would otherwise receive the stolen benefits. DOI is committed to investigating and halting such abuses in the City, and we thank the HUD Office of the Inspector General for working with us to expose this fraud."

Rene Febles, Special Agent in Charge at HUD OIG, said, "Together with our partners in law enforcement, the HUD OIG is committed to identifying individuals who are defrauding our programs. It is important that those committing fraud be prosecuted and removed from our programs so that those families truly in need of HUD programs can enjoy the benefits they deserve. There are many good families following our program guidelines and we want to ensure that the integrity of our programs is maintained at a high level. If anyone is aware of fraud committed against HUD, they should immediately contact the HUD OIG hotline at 1-800-347-3735."

Today's arrest stems from a joint investigation by DOI and Special Agents from the HUD OIG. The investigation began after the management company for ELLIS' Section 8 subsidized building in Brooklyn, which is regulated by the New York City Housing Development Corporation ("HDC"), notified investigators that ELLIS was not reporting all of her income while receiving Section 8 subsidies.

The amount of subsidies individuals receive is based on a formula related to their income level. Each year, they must re-certify for Section 8 subsidies, which includes submitting information to HUD about annual income.

The investigation by HUD OIG and DOI found that between 2003 and 2007 ELLIS reported to HUD that her income ranged between \$5,200 and \$16,445. However, investigators determined that her actual income ranged between approximately \$43,350 and \$55,780. The investigation found that if ELLIS had reported her actual income, she would have been ineligible to receive Section 8 benefits between 2003 and 2007. As a result of the income misrepresentations, ELLIS unlawfully obtained approximately \$39,968 in Section 8 subsidies between August 2003 and July 2008, according to the criminal complaint.

The investigation was conducted by Special Agent Mike Granatstein of the HUD Inspector General's Office and investigators from DOI's Inspector General's Office for HDC.

The office of Benton J. Campbell, the United States Attorney for the Eastern District of New York, is prosecuting the case, which is assigned to Assistant U.S. Attorney Sylvia Shweder.

Criminal complaints are merely 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.

**Get the worms out of the Big Apple.
To report someone ripping off the city, call DOI at (212) 825-5959.**