

The City of New York Department of Investigation

ROSE GILL HEARN COMMISSIONER

80 MAIDEN LANE NEW YORK, NY 10038 212-825-5900 Release #81-2007 nyc.gov/html/doi

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CONTACT: DIANE STRUZZI (212) 825-5931

DOI INVESTIGATION LEADS TO ARREST OF HRA EMPLOYEE FOR ALLEGEDLY FALSIFYING INCOME TO RECEIVE APPROXIMATELY \$41,000 IN SECTION 8 HOUSING SUBSIDIES BETWEEN 2003 AND 2007

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (DOI), announced today the arrest of EVELYN MEDAL for allegedly falsifying her income to qualify for higher Section 8 housing subsidies administered by the New York City Housing Development Corporation (HDC). MEDAL is an employee of the New York City Department of Human Resources Administration ("HRA").

MEDAL, 33, of the Bronx, has been charged by the U.S. Attorney's Office in the Southern District of New York with violating 18 U.S.C. 641, for the theft of approximately \$41,000 from the United States Department of Housing and Urban Development (HUD), which funds the Section 8 program. If convicted, she faces up to ten years in federal prison.

MEDAL has worked at the HRA since 2002. Currently, she is a caseworker earning an annual salary of \$37,189.

Section 8 is a federal government program for helping low-income individuals to afford housing in the private market. Each month, a housing subsidy is paid 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 Section 8. The program was administered in this case by HDC.

According to the criminal complaint, DOI's investigation found that MEDAL, who is residing in a Section 8 subsidized apartment in the Bronx, worked at HRA from at least 2002 to 2007 and that between 2003 and 2007 she did not report that income to the HDC. A review of the New York City Payroll Management System database revealed that between 2002 and 2007 MEDAL approximately earned between \$29,895 and \$37,189 annually. In addition, MEDAL also filed false papers to HDC indicating that she was employed as a babysitter between 2003 and 2007, which she was not. HDC determined that between 2003 and 2007, MEDAL collected approximately \$41,000 in Section 8 housing subsidies to which she was not entitled, according to the criminal complaint.

Commissioner Rose Gill Hearn said, "Falsifying income to obtain additional Section 8 benefits can deprive other more deserving families of these valuable rental subsidies. It is

especially egregious when a City employee is accused of engaging in this type of illegal conduct. As this arrest shows, there are serious consequences for such behavior."

Commissioner Gill Hearn thanks Michael J. Garcia, the United States Attorney for the Southern District of New York, for the prosecution of this case. Assistant U.S. Attorney Telemachus P. Kasulis is in charge of the prosecution.

Commissioner Gill Hearn also thanked the staff of HDC for their assistance and cooperation in this investigation.

The investigation was conducted by HDC Inspector General Joseph P. Piazza and Special Counsel Catherine Riccards, with the assistance of Special Investigator Anthony Deleo under the supervision of Pat Russo, Inspector General for DOI's Public Assistance and Grants Unit.

Criminal complaints 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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