



The City of New York
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DOI INVESTIGATION RESULTS IN ARREST OF HRA JOB OPPORTUNITY SPECIALIST ON CHARGES OF STEALING MORE THAN \$500,000 IN PUBLIC ASSISTANCE FUNDS

Mark G. Peters, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the arrest of an Associate Job Opportunity Specialist employed by the City Human Resources Administration ("HRA") on charges of illegally issuing over \$500,000 in public assistance funds. DOI's investigation was initiated after HRA reported discrepancies involving HRA employee RAFAEL HERAS. DOI's investigation uncovered that HERAS stole public assistance subsidies by fraudulently issuing rent checks to phony landlords who then gave the majority of those funds to HERAS. One of those purported landlords, CARLOS FELIX, was also arrested on charges of working in concert with HERAS to steal more than \$100,000 of the total theft. The office of New York County District Attorney Cyrus R. Vance, Jr., is prosecuting the case.

DOI Commissioner Mark G. Peters said, "As a City employee, this defendant should have ensured that public subsidies helped the City's homeless clients. Instead, he pocketed it for his own profit, as charged. I commend HRA for reporting this important matter to DOI."

HRA Commissioner Steve Banks said, "These criminal allegations are an insult to all the hard-working staff of HRA who are doing their best to fight poverty and help low-income New Yorkers. I thank HRA staff who discovered this crime and DOI for the successful investigation."

HERAS, 45, of Manhattan, N.Y., and FELIX, 74, of Manhattan, were each charged Wednesday, July 23, 2014, with varying counts of Grand Larceny in the Second Degree and Welfare Fraud in the 2nd Degree, class C felonies, and Grand Larceny in the Third Degree and Welfare Fraud in the Third Degree, class D felonies. Upon conviction, a class C felony is punishable by up to 15 years in prison and a class D felony is punishable by up to seven years in prison.

HERAS has been employed by HRA since October 1994 and receives an annual salary of approximately \$50,294.

According to DOI's investigation and the charges outlined in the complaint, HERAS worked at the St. Nicholas Job Center on West 125th Street in Manhattan between 2006 and 2012. In his capacity as a Job Opportunity Specialist, HERAS issued rent checks to landlords on behalf of qualifying individuals, including homeless clients who were receiving public assistance funds for rent. The investigation found that between April

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2006 and August 2009, HERAS administered benefits for programs that assisted homeless clients and that he issued checks to individuals, including FELIX, who he purported to be landlords but who were really associates funneling back the majority of those funds to HERAS. The investigation uncovered more than \$500,000 in public assistance funds had been stolen in this manner.

Commissioner Peters thanked New York County District Attorney Cyrus R. Vance, Jr., HRA Commissioner Steven Banks, and their staffs, for their assistance in this investigation.

The investigation was conducted by DOI's Office of the Inspector General for HRA, including Deputy Counsel Christos Hilas and Investigative Auditor Elizabeth Mack under the supervision of Inspectors General John Tseng and Shelley Solomon; and was assisted by DOI's squad of NYPD Detectives.

Assistant District Attorney Allie Rubin from the office of New York County District Attorney Cyrus R. Vance, Jr., is prosecuting the case, under the supervision of Assistant District Attorney Daniela Gallo, Chief of the District Attorney's Public Assistance Fraud Unit.

A criminal complaint is an accusation. 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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