



The City of New York
Department of Investigation

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DOI INVESTIGATION LEADS TO ARREST OF FORMER HUMAN RESOURCES ADMINISTRATION EMPLOYEE AND METROPOLITAN TRANSIT AUTHORITY TRAIN OPERATOR ON CHARGES OF PUBLIC ASSISTANCE FRAUD

Mark G. Peters, Commissioner of the New York City Department of Investigation ("DOI"), announced today the arrest of five individuals for the theft of over \$35,500 in public assistance funds, including a former New York City Human Resources Administration ("HRA") Job Opportunity Specialist and a Metropolitan Transit Authority ("MTA") New York City Transit ("NYCT") Train Operator. DOI's investigation showed that thousands of dollars of public assistance benefits, including housing and food benefits, were funneled to relatives and acquaintances of the HRA employee even though they were otherwise ineligible to receive those benefits. The investigation began after HRA discovered questionable payments processed by the employee and referred the case to DOI. The office of the Brooklyn District Attorney Eric Gonzalez is prosecuting the case.

DOI Commissioner Mark G. Peters said, "As charged, this defendant exploited her position issuing public assistance benefits, instead stealing these funds and doling out cash to her four associates who did not qualify for assistance. In return for this illegal conduct, this former City employee received kickbacks and other benefits; she now faces criminal charges along with her co-defendants who profited off this charged scheme. DOI and its partners will continue to weed out these bad actors who would steal from funds meant to help our City's most vulnerable."

Brooklyn District Attorney Eric Gonzalez said, "Public assistance programs are a lifeline for many families. This defendant's alleged actions violated the public trust and we now intend to hold her accountable. It is imperative that taxpayer money is safeguarded and used for the purpose for which it is designated. I remain committed to working with our law enforcement partners to root out schemes such as this that carry a heavy cost over the long term."

DAWN BATSON, 56, of Brooklyn, N.Y., was charged with Grand Larceny in the Third Degree, a class D felony; and Petit Larceny, a class A misdemeanor. Upon conviction, a class D felony is punishable by up to 7 years in prison and a class A misdemeanor is punishable by up to one year's incarceration.

BATSON was employed by HRA as a Job Opportunity Specialist from September 2001 and was receiving an annual salary of \$42,346 at the time of her termination in March 2014.

According to the criminal complaints and DOI's investigation, from December 2003 through February 2013, BATSON was assigned to several HRA Job Centers in Brooklyn processing applications for public assistance benefits, including cash assistance and Supplemental Nutrition Assistance Program ("SNAP") benefits, formerly referred to as food stamps. According to the charges, BATSON used her City position and access to issue certain benefits to her own family and neighborhood friends, including SNAP benefits, utilities, rent, and other housing-related payments, even though those individuals did not qualify for the benefits they received because they did not file the required HRA applications and/or were gainfully employed. In certain instances, BATSON caused rental payments to be made to a fictitious landlord. In some instances, defendants indicated they provided BATSON with payments in cash or other means in exchange for processing the benefits.

The following individuals were also charged with Grand Larceny in the Third Degree, a class D felony; and Petit Larceny, a class A misdemeanor for their alleged roles in the scheme. According to the criminal complaints:

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- Between July 2007 and July 2011, SEAN BARNWELL, 40, of Brooklyn, N.Y., was fraudulently issued HRA benefits checks on numerous occasions totaling \$19,649. DOI found that BARNWELL was issued rental assistance checks as a landlord of several HRA clients when, in fact, he was never their landlord nor did he live with these individuals. In the vast majority of instances where BARNWELL received checks as a landlord, Batson accessed HRA databases to case files at around the same time that the checks were issued to the defendant.

BARNWELL has been employed by the MTA as a Train Operator since February 2003 and earns an annual base salary of approximately \$73,500 a year.

- Between December 2008 and February 2013, TERRY BOURNE, 41 of Brooklyn, N.Y., fraudulently received HRA benefits through BATSON despite BOURNE's case file missing some or all of the required documentation. BOURNE received \$7,324 in fraudulent benefits through Electronic Benefits Transfer ("EBT") card issuances and checks. The investigation showed BOURNE approached BATSON for help obtaining benefits, and in exchange, gave BATSON her EBT card and PIN to use, and that Batson did so. TERRY BOURNE was also charged with Bribery in the Third Degree, a class D felony.

The following individuals were charged with Grand Larceny in the Fourth Degree, a class E felony; and Petit Larceny, a class A misdemeanor. Upon conviction, a class E felony is punishable by up to 4 years in prison:

- Between January 2010 and September 2010, GIAN HAZEL, 54, of Brooklyn, N.Y., a family member of BATSON's, conspired with BATSON to fraudulently receive \$1,629 in HRA benefits, including rental and other housing assistance.
- Between September 2011 and February 2012, ALLAN BOURNE, 58, of Brooklyn, N.Y., fraudulently received SNAP benefits, cash assistance for utility arrears, and other public assistance benefits. A portion of BOURNE's public assistance benefits was granted as relief from a fire or other disaster in BOURNE's household. DOI found, however, that BOURNE's household never suffered a fire and BOURNE was not homeless, but rather BOURNE paid BATSON \$350 to receive the fraudulent HRA benefits and allowed BATSON to use his EBT card. BOURNE was also charged with Bribery in the Third Degree, a class D felony.

Commissioner Peters thanked the Commissioner of the Department of Social Services, Steven Banks, who oversees the Human Resources Administration, and Brooklyn District Attorney Eric Gonzalez, and their staffs, for their cooperation and assistance in this investigation.

The investigation was conducted by DOI's Inspector General for the Human Resources Administration, specifically Assistant Inspector General Gladys Cambi, under the supervision of Deputy Inspector General Margaret Shivers, with the assistance of Special Investigator Jeremy Reyes, and overall supervision by Inspector General Milton Yu, Associate Commissioner Andrew Brunsten, Deputy Commissioner and Chief of Investigations Susan Lambiase, and First Deputy Commissioner Lesley Brovner, and assistance from NYPD Detectives assigned to DOI.

The case is being prosecuted by Assistant District Attorney Katherine E. Zdrojeski of the District Attorney's Public Integrity Unit, with the assistance of Senior Assistant District Attorney Adam S. Libove, under the supervision of Assistant District Attorney Michael Spanakos, Chief of the Public Corruption Unit.

Criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country and New York City's corruption watchdog. 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. DOI's strategy attacks corruption comprehensively through systemic investigations that lead to high-impact arrests, preventive internal controls and operational reforms that improve the way the City runs.

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