

# **U.S. Department of Justice**

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### FOR IMMEDIATE RELEASE

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## PRESS RELEASE

### FORMER OFFICIALS OF CENTRAL UNITED TALMUDIC ACADEMY IN BROOKLYN PLEAD GUILTY TO \$3 MILLION FRAUD SCHEME

## Defendants Submitted Fraudulent Reimbursement Claims for School Meals That Were Never Served

Earlier today, at the federal courthouse in Brooklyn, Elozer Porges and Joel Lowy pleaded guilty to conspiracy to commit mail and wire fraud relating to their participation in a multi-million dollar fraud scheme. Porges and Lowy committed this fraud while serving in the administrative offices of Central United Talmudic Academy ("Central UTA"), a school system located in Williamsburg, Brooklyn. Porges served as Central UTA's Executive Director, and Lowy served as Porges's assistant. The pleas were entered before United States District Judge Nicholas G. Garaufis.

Richard P. Donoghue, United States Attorney for the Eastern District of New York, William F. Sweeney, Jr., Assistant Director-in-Charge, Federal Bureau of Investigation, New York Field Office (FBI), Mark Peters, Commissioner, New York City Department of Investigation, and Bethanne M. Dinkins, Special Agent-in-Charge, United States Department of Agriculture, Office of Inspector General, announced the guilty pleas.

According to the indictment, court filings and facts presented during the guilty plea, from between approximately 2013 and 2015, Porges and Lowy submitted documents to the New York State Department of Health (NYSDOH) specifically falsely claiming that its school children had received meals which, in fact, had never been served. The defendants fraudulently inflated the number of meals served at various Central UTA schools in order to obtain larger reimbursement payments from the federal government's Child and Adult Care Food Program (CACFP), a program funded by the United States Department of Agriculture (USDA) and administered by the NYSDOH that is designed to assist schools and other institutions in providing meals to, among others, at-risk children. In total, Porges and Lowy, fraudulently obtained more than \$3 million in reimbursement payments to CUTA. At their guilty plea proceedings, Porges and Lowy admitted to submitting the inflated meal counts on behalf of Central UTA. As part of their plea agreements, Porges and Lowy are required to reimburse \$3,256,338.68 to the USDA in restitution. Lowy is also required to pay restitution in the amount of \$98,407.21 for food stamp and child care benefits he improperly obtained from New York City agencies.

When sentenced, Porges and Lowy each face a statutory maximum of 20 years' imprisonment.

The government's case is being prosecuted by the Office's Public Integrity Section. Assistant United States Attorneys Erik Paulsen and Maria Cruz Melendez are in charge of the prosecution.

#### The Defendants:

ELOZER PORGES Age: 43 Brooklyn, NY

JOEL LOWY Age: 29 Brooklyn, NY

E.D.N.Y. Docket No. 17-CR-431