

## **Attorney General James and DOI Commissioner Strauber Announce Guilty Pleas and Sentencing in Decades-Long Bid-Rigging Scheme**

*Group of Individuals and Corporations Ran Scheme to Defraud Programs Intended to Help Victims of Crimes*

New York – New York Attorney General Letitia James and New York City Department of Investigation (DOI) Commissioner Jocelyn E. Strauber today announced the [guilty pleas and sentencings of nine individuals and corporations for operating a two decades-long bid-rigging scheme](#). The individuals submitted thousands of false and inflated bids that charged the New York State Office of Victim Services (OVS) and the New York City Human Resources Administration (HRA) up to three times the fair market value for moving services. Through these actions, this scheme defrauded government agencies of funds intended to help public benefits recipients, domestic violence survivors, and other crime victims urgently in need of relocation services. As a result of the pleas, the individuals will pay damages to New York state and New York City and will be barred from doing further business with state and city agencies.

“It is essential that vulnerable New Yorkers are able to access the help they need to escape dangerous situations quickly and safely,” said **Attorney General James**. “This corrupt scheme stole funds from vital programs that provide moving services to those most in need. Through their actions, the perpetrators of this fraud put profits over people, and put victims of crime and low-income New Yorkers at risk. I thank Commissioner Strauber and DOI for their partnership in stopping this scheme and for their continued commitment to rooting out corruption.”

“These defendants defrauded city and state agencies for two decades through a bid-rigging scheme targeting programs for crime victims and recipients of public benefits. With today’s guilty pleas, all of the defendants now have accepted responsibility for their criminal conduct and defendants Avi Cohen, Derek Barney, and Frank Lopez have agreed to pay restitution totaling \$850,000,” said **DOI Commissioner Jocelyn E. Strauber**. “The vast majority of that amount will go to the city. Avi Cohen and his company are banned from doing business with DSS and its related agencies for one year; the remaining defendants and their business are banned until fall of 2024. I thank the HRA for assisting with this investigation and the Office of the Attorney General for its commitment to pursue this kind of corruption to the fullest extent of the law.”

The individuals involved in the scheme are:

- Derek T. Barney of Carteret, New Jersey;
- Avraham “Avi” Cohen of Great Neck, New York;
- Frank Lopez, Jr. of Queens, New York;
- Cynthia Yeje Ramsaroop of Winter Haven, Florida; and
- Gennoevee Yeje of Land o’ Lakes, Florida.

The corporate entities involved are:

- Avi Moving & Trucking Inc. (Avi Moving) of Queens, New York;

- Baya Inc. of Queens, New York;
- Fastrac Processing LLC of Queens, New York; and
- Prime Moving & Trucking LLC (Prime Moving) of Delaware.

Since approximately 2001, the defendants operated a scheme to defraud OVS and HRA. Both OVS and HRA would fund moving and storage services for public benefit recipients and crime victims and would require clients to submit three competitive bids to ensure that the government paid the lowest price. The defendants used various fraudulent means to divide the market and inflate prices for moving and storage services by submitting rigged and false bids.

### **The United Movers Association**

Barney, the co-owner of Prime Moving, Cohen, the owner of Avi Moving, and Lopez, the owner of Baya Inc. formed and operated a sham trade association called the “United Movers Association.” Each of the moving companies exchanged blank signed bid sheets and agreed that they would use them to submit false bids to OVS and HRA.

In order to seem legitimate, Lopez, Barney, and others submitted a false letter to HRA claiming they had formed the association to combat fraud because other moving companies “submit our estimates fraudulently, without approval.” In fact, the association existed solely as a means for the defendants to perpetuate fraud and submit false bids. Each of the moving companies told OVS and HRA clients that they would obtain, on their behalf, all three bids through their trade association. Instead, the defendants would create two false, more costly bids and submit them, along with their lower bid and the United Movers Association coversheet, directly to OVS or HRA.

### **The Office of Eviction Services**

The defendants operated a fraudulent entity called the “Office of Eviction Services,” which targeted unwitting OVS and HRA clients by falsely identifying itself as a governmental or non-profit organization dedicated to assisting those in need with applying for emergency relocation assistance. To convey this false impression, Yeje and Ramsaroop used phony titles when interacting with public benefits recipients and their caseworkers, claiming that they were the “Program Director” and “Senior Case Manager,” respectively, of the Office of Eviction Services.

The Office of Eviction Services advertised directly to public benefits recipients and HRA caseworkers by distributing flyers outside of HRA job centers and operating a website for the sham entity. The OVS and HRA clients who called the Office of Eviction Services were told that it would assist them with the process of obtaining and submitting the three required bids. Instead, the Office of Eviction Services created and submitted false, rigged, and inflated bids for the same movers.

Originally, Yeje and Ramsaroop worked for Cohen and operated the Office of Eviction Services as a means of steering business to Avi Moving. They did so by creating one bid for Avi Moving and two false and more costly competitor bids. Several employees worked for both Avi Moving and the Office of Eviction Services, and to conceal their

dual roles, those employees would use fake names and disguised voices when switching between answering the phones for the entities.

In 2016, Cohen sold the Office of Eviction Services to Yeje, and she, along with Ramsaroop, operated it remotely from Florida. Under their control, the Office of Eviction Services operated to divide OVS and HRA moving business between Avi Moving, the Prime Moving companies, and Baya, Inc. In exchange for a kickback of 25 percent or more, Yeje and Ramsaroop would create two false competitor bids and submit them, along with the selected company's bid, directly to OVS or HRA under the coversheet of the Office of Eviction Services.

That same year, Yeje incorporated another sham entity, Fastrac Processing LLC (Fastrac), which was designed to secretly collect undisclosed kickbacks from the moving companies for the rigged and inflated bids that they were awarded through the Office of Eviction Services. Yeje regularly emailed Barney, Cohen, and Lopez monthly invoices, detailing the jobs that they had been awarded and kickbacks owed to Fastrac as a result of the false and rigged bids submitted on their behalf.

Defendants Barney and Prime Moving today pled guilty to violations of New York Penal Law and General Business Law. Their sentencing is pending, and they agreed to pay \$50,000 restitution to OVS. They will also be ordered to not do moving business with HRA and other agencies.

On October 26, 2023, Defendants Lopez and Baya Inc. pled guilty to violations of New York Penal Law and General Business Law, were sentenced to a one-year conditional discharge, and paid restitution of \$200,000 to the New York City. On October 17, 2023, Defendants Cohen and Avi Moving also pled guilty to violations of New York Penal Law and General Business Law. They were sentenced to a one-year conditional discharge and paid \$600,000 to New York state and New York City. All defendants were also ordered to not seek to do moving business with HRA and other agencies.

On July 18, 2023, the defendants behind the Office of Eviction Services pled guilty to Scheme to Defraud in the Second Degree, in violation of New York Penal Law, and were each sentenced to a one-year conditional discharge with the conditions that they perform 100 hours of community service, not commit any further crimes, and not seek to do business with HRA and other agencies.

The Attorney General would like to thank DOI for their partnership in this investigation. Attorney General James would also like to thank the New York State Office of Victim Services and the New York City Department of Social Services and Human Resources Administration.

At DOI, the case was investigated by the Office of the Inspector General for HRA Assistant Inspector General Gabriel Lipker, with assistance from Investigative Auditor Yanyan Wang and Director of Audits Laila Jane Yu, under the supervision of Deputy Inspector General Jeremy Reyes, Inspectors General Audrey Feldman and John

Bellanie, Deputy Commissioner of Strategic Initiatives Christopher Ryan, and Deputy Commissioner/Chief of Investigations Dominick Zarrella.

The Attorney General's investigation was conducted by Senior Detective Brian Metz of the Major Investigations Unit under the supervision of Assistant Chief Michael Leahy, Assistant Chief Sam Scotellaro, and Deputy Chief Juanita Bright. The Investigations Division is led by Chief Investigator Oliver Pu-Folkes.

This case is being prosecuted by Assistant Attorney General Gregory Morril and Senior Counsel Russell Satin of the Attorney General's Public Integrity Bureau, under the supervision of Bureau Chief Gerard Murphy and Deputy Bureau Chief Kiran Heer, with assistance by Legal Support Analyst Crystal Bisbano.

Financial analysis was conducted by former Principal Auditor Investigator Meaghan Scotellaro and former Auditor Investigator Karishma Tukrel, under the supervision of Deputy Chief Auditor Sandy Bizzarro and former Chief Auditor Kristen Fabbri of the Forensic Audit Section.

The Investigations Division and the Public Integrity Bureau are part of the Division for Criminal Justice, which is led by Chief Deputy Attorney General José Maldonado and overseen by First Deputy Attorney General Jennifer Levy.

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