A.G. Schneiderman Announces Indictment Of Non-Profit Employee For Allegedly Diverting $400,000 For Personal Use

Human Resources Director Of Hope Community Inc. Allegedly Directed Pay-Outs For Unused Vacation Time And Reimbursements To Accounts Held By Family And Friends

NEW YORK—Attorney General Eric T. Schneiderman today announced the indictment of the former Human Resources Director of the non-profit Hope Community, Inc., Chantel Rodriquez Pierre, for a scheme that allegedly diverted over $400,000 into accounts controlled by her and her associates. Hope Community owns and operates low income housing in Manhattan and is currently under contract with the New York City Department of Homeless Services for $8.9 million over five-years to operate a homeless shelter for families. In early 2014, the non-profit outsourced its payroll functions to a new third party vendor, and Rodriguez Pierre allegedly misinformed the vendor that Hope Community had a policy of paying out unused vacation time. Over the next year and a half, it is charged that she directed the vendor to pay-out unused vacation time for several employees, along with bogus reimbursements, into accounts controlled by her and her friends and family.

"Diverting funding intended to help some of our most vulnerable citizens is reprehensible. We will not allow non-profits that are supposed to serve the public good to be used as personal piggy banks," said **Attorney General Schneiderman**. "Today's charges send a strong message that personal enrichment at the expense of other New Yorkers will not be tolerated."

DOI Commissioner Mark G. Peters said, "This Human Resources Manager was entrusted with protecting the best interests of her organization and employees, instead she now faces charges of cheating them by steering hundreds of thousands of dollars in payroll funds from the not-for-profit designated by the City to provide shelter for homeless New Yorkers. DOI thanks the New York State Attorney General's Office for its partnership in the investigation and looks forward to continued collaboration in weeding out bad actors who attempt to steal from earnest not-for-profit providers."

Rodriguez Pierre was charged with five felony counts including Grand Larceny, Criminal Tax Fraud, and Repeated Failure to File Personal Income and Earnings Taxes. She faces up to 5-15 years in prison. Rodriguez Pierre was held on $50,000 cash bail or fully secured bond.

The case was investigated by Investigator Sixto Santiago under the supervision of Deputy Chief John McManus of the Investigations Bureau, which is led by Chief Dominick Zarrella and DOI's Inspector General for City-funded Not-for-Profits, specifically Special Counsel Inna Spector and Auditor Jeffrey Freeman, under the supervision of Deputy Inspector General/Chief Forensic Auditor Ivette Morales, Inspector General Andrew Brunsden, Associate Commissioner Susan Lambiase, Deputy Commissioner/Chief of Investigations Michael Carroll, and First Deputy Commissioner Lesley Brovner.

The case is being prosecuted by Assistant Attorney General John Chiara, Special Counsel of the Public Integrity Bureau, with assistance provided by Legal Support Analysts Casey Lasda and Graham Louis. Forensic auditing analysis was provided by Forensic Auditor Kristina Kojamanian under the supervision of Deputy Chief Sandy Bizzarro of the Forensic Audit Section, which is led by Chief Edward J. Keegan, Jr. The Public Integrity Bureau is led by Bureau Chief Daniel G. Cort and Deputy Bureau Chief Stacy Aronowitz.

The Attorney General would like to thank the New York State Department of Taxation and Finance for their assistance with the investigation.

The charges are accusations and the defendant is presumed innocent unless and until proven guilty in court.