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DOI RELEASES PENSION FRAUD REPORT INVOLVING EIGHT SEPARATE CASES IN WHICH INDIVIDUALS ATTEMPTED TO DEFRAUD OR DEFRAUDED NYCERS OF MORE THAN $400,000

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), released a report today detailing eight recent investigations into fraud upon the New York City Employees' Retirement System ("NYCERS"), the country's largest municipal pension system. The eight investigations included in this report are the most recent that DOI has conducted and illustrate a range of fraudulent schemes that include family members and beneficiaries of deceased pensioners taking NYCERS funds they were not entitled to receive and the theft of NYCERS checks by individuals who falsely claimed they had not received the funds. These eight investigations identified nearly $384,000 in NYCERS funds that individuals wrongfully obtained and an attempt to obtain approximately $17,200, which was thwarted by DOI and NYCERS. Five of the eight individuals have already been criminally charged and three of those individuals have pleaded guilty, with one individual receiving a 60-day jail sentence just last week. A copy of the report is attached to this release.

DOI Commissioner Rose Gill Hearn said, "Fraudsters who siphon cash from the City's pension plan will be caught, charged, and held accountable for returning stolen funds. DOI investigators shut down these schemes, protecting City retirees' nest eggs from theft, and worked with NYCERS to strengthen the agency's controls."

The following are highlights from DOI's report:

- For six years after his uncle's death, the nephew of a deceased pensioner fraudulently collected approximately $181,003 of his uncle's NYCERS' payments, taking the money from a joint bank account he held with his uncle. The case has been referred for prosecution.

- The son of a deceased beneficiary forged his mother's signature on seven pension checks issued after her death, cashed the checks, and collected approximately $4,560 that he was not entitled to receive. As a result of DOI's investigation, the individual was charged, pleaded guilty to Forgery in the Second Degree, and was ordered to pay full restitution as part of his sentence.

- DOI arrested a beneficiary after he submitted an affidavit to NYCERS claiming he did not receive his benefit check, worth approximately $17,200, and requested that NYCERS re-issue the check. DOI found that the beneficiary had actually endorsed and cashed the supposedly lost check. DOI and NYCERS stopped the individual from obtaining the replacement check and then DOI arrested the man who failed to appear at his first court appearance. With the assistance of the U.S. Marshals Fugitive Task Force, DOI found the beneficiary in South Carolina, and he was returned to New York City, where he recently pleaded guilty to Offering a False Instrument for Filing in the Second Degree and was sentenced to 60 days in jail.

- The son of a beneficiary submitted a fraudulent affidavit to NYCERS after his mother's death claiming he was able to accept his mother's beneficiary checks as her power of attorney. However, the son never revealed to NYCERS that his mother had died. In addition, DOI found he falsely claimed that he was entitled to collect her funds. As a result, the son collected approximately $44,165 from NYCERS he was not entitled to receive. He was charged, pleaded guilty to Offering a False Instrument for Filing in the First Degree, and was ordered to pay full restitution as part of his sentence.

Commissioner Gill Hearn thanked NYCERS Executive Director Diane D'Alessandro, NYCERS Director of Security Craig Thornton, and NYCERS General Counsel Karen Mazza, and their staffs, for their assistance and cooperation in these investigations.

In addition, Commissioner Gill Hearn also thanked United States Attorney for the Southern District of New York Preet Bharara; New York County District Attorney Cyrus R. Vance, Jr.; Kings County District Attorney Charles J. Hynes; Bronx County District Attorney Robert T. Johnson; Queens County District Attorney Richard A. Brown, and their staffs, as well as the United States Marshals Fugitive Task Force, and the United States Postal Inspection Service, and their staffs, for their partnership and assistance in these investigations.

The above investigations were conducted by DOI's Office of the Inspector General for NYCERS.

Indictments and criminal complaints are accusations. 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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New York City Department of Investigation

Report on Pension Fraud

Commissioner Rose Gill Hearn

May 2012

Table of Contents

I. Executive Summary

II. Overview of New York City Employees' Retirement System

III. Recent Case Studies

a. 3 Cases Involving Fraud by a Family Member of a Deceased Pensioner

b. 2 Cases Involving Fraud by a Family Member of a Deceased Beneficiary

c. 1 Case Involving Fraud by a Legitimate Beneficiary

d. 2 Cases Involving Stolen Pension Checks

IV. Conclusion

I. Executive Summary

Pension fraud poses a significant risk to each of New York City's five pension funds. The New York City Employees' Retirement System ("NYCERS") is an especially rich target for fraud, given the sheer magnitude of its benefit fund ($42.4 billion in assets as of 2011)[1] and the size of its membership base (nearly 350,000 total members as of 2009).[2] Indeed, the New York City Department of Investigation ("DOI") has witnessed a steady flow of NYCERS-related fraud allegations in recent years. During this same approximate period, there has been an increase in the number of DOI arrests that involve NYCERS-related pension fraud.

This *Report on Pension Fraud* focuses on eight recent NYCERS-related cases that were investigated by DOI, which serves as the Inspector General for NYCERS pursuant to a Memorandum of Understanding signed by both agencies.[3] As these eight recent cases illustrate, DOI makes it a priority to resolve substantiated cases of pension fraud by achieving a positive impact for the City, specifically by: (i) recouping money from those who have committed pension fraud; and (ii) making criminal referrals and arrests in cases where the evidence supports criminal charges. In conducting each of these recent investigations, DOI has developed a strong working relationship with NYCERS, one that will continue to play a crucial role in the City's ongoing battle against perpetrators of pension fraud.

In addition, to be proactive about detecting and avoiding pension fraud, DOI has worked with NYCERS regarding implementation of a data-matching program that each week compares the pension rolls against national sources of data about recent deaths. The results have been effective in that NYCERS is now promptly and methodically identifying payments that should be stopped or recaptured, rather than doing so ad hoc and after long periods of time. DOI hopes to eventually be put out of business with this data-matching program as it relates to this type of fraud.

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[1] According to the *NYCERS 2011 Comprehensive Annual Financial Report*, the firm Deloitte & Touche LLP audited NYCERS financial statements and calculated that the fund's net assets were worth $42.4 billion as of June 30, 2011.

[2] *NYCERS 2011 Comprehensive Annual Financial Report.*

[3] Under separate cover, DOI has responded to the Office of the New York City Comptroller, which in September 2010 referred to DOI for investigation fourteen cases involving what were described as possible overpayments of pension benefits. Eight of the cases involved payments made by the Teachers' Retirement System. Accordingly, DOI referred those eight cases to its colleagues at the Office of the Special Commissioner of Investigation for the New York City School District. The remaining six cases related to payments made by various New York City pension funds including NYCERS. DOI investigated those six cases and determined that none are viable criminal cases.

II. Overview of New York City Employees' Retirement System

Each of the cases discussed in this report centers on fraud relating to NYCERS, which is New York City's largest pension system. NYCERS is a defined benefit retirement plan for New York City municipal employees.[4] NYCERS payments are governed by the New York State Retirement and Social Security Law and by Title 13, Chapter 1 of the New York City Administrative Code.

According to the most recently available data, NYCERS had 347,695 total members as of 2009.[5] The fund's benefits are financed by contributions from City employers and employees, as well as from interest earned on NYCERS investments.

Upon retirement at a qualifying age, a NYCERS member may choose from several payment options. Many of these options include payments that are made to a person designated by the NYCERS member upon the member's death. A person so designated is known as a NYCERS "beneficiary." A NYCERS member may chose from a variety of payment plans for his or her beneficiary, or he or she may chose not to select any beneficiary at all. Retirement plans that include payments to a beneficiary reduce the member's per-month benefit payments. Such options include: (i) plans that allow payments to a beneficiary beginning upon the member's death and continuing until the beneficiary's death; and (ii) plans that allow for a set number of payments to a beneficiary if a NYCERS member dies within a pre-specified window of time (commonly five or ten years).[6] Regarding the latter option, members may also designate someone as a "contingent beneficiary," who would receive benefit payments if the primary beneficiary dies during the pre-specified window of time.

In the cases discussed below, the NYCERS members selected a number of different payment and beneficiary options. Where applicable, the case studies below will note the specific options that were selected by the NYCERS member at issue and will explain how those options affect the case at hand.

Finally, NYCERS members who meet certain qualifications regarding length of membership and pension account balance are also permitted to take out loans from the NYCERS fund. These loans are borrowed against members' current pension account balances. NYCERS pays out these loans to members in the form of checks, and members repay the loans to NYCERS (with interest) through payroll deductions.

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[4] A defined benefit retirement plan is one in which benefit payments are determined by formulas written into law.

[5] According to the *NYCERS 2011 Comprehensive Annual Financial Report*, the fund's most recent "actuarial valuation" determined the fund's total membership to be 347,695 as of 2009. This figure includes the following specific subgroups: 131,031 retirees; 8,867 terminated but vested members not yet receiving benefits; 21,513 other inactive members; and 186,284 active members receiving salaries.

[6] These two types of the latter option are known, respectively, as "Five-Year Certain" and "Ten-Year Certain" options.

III. Recent Case Studies

The following is a summary of eight recent investigations conducted by DOI. All eight investigations feature a subject who committed fraud relating to NYCERS.[7] The investigations are grouped according to the specific type of fraud that was committed. In each of these investigations, DOI obtained and reviewed records from NYCERS, had numerous discussions with NYCERS personnel, subpoenaed and reviewed bank records, subpoenaed and reviewed other relevant business records, and conducted interviews of subjects and witnesses.

Cases Involving Fraud by a Family Member of a Deceased Pensioner

The first three investigations are grouped together because they each involve fraud committed by a family member of a deceased pensioner. In all three cases, the subject failed to inform NYCERS of the pensioner's death and continued to accept the deceased pensioner's monthly benefit payments. NYCERS discovered the overpayments in each of these cases as a result of the agency's comparisons between: (i) a list of those individuals who, according to the NYCERS pension payroll files, receive monthly pension payments; and (ii) a Death Master File provided by National Technical Information Service ("NTIS"), an outside vendor.[8]

These three investigations (Smith, Gonzalez, and Kingcade) share the following common features: (i) the pensioner received his or her monthly pension payment via direct deposit into a joint bank account to which the corresponding subject had access; (ii) the monthly pension payments continued for several years after the pensioner's death until NYCERS became aware of the death and ceased making the payments; and (iii) funds from the monthly pension payments were unlawfully withdrawn by the subject, who was not lawfully entitled to them, following the pensioner's death.

Kevin Smith

DOI determined that an individual named Kevin Smith fraudulently collected the monthly pension benefit payments of NYCERS pensioner Edward Smith for several years after Edward Smith's death. In total, Kevin Smith collected $181,003 in pension benefit payments to which he was not entitled.

At the outset of its investigation, DOI confirmed that pensioner Edward Smith retired from the New York City Transit Authority on February 17, 1994, and died on November 9, 2004.[9] Smith's monthly pension payments from NYCERS were deposited via direct deposit into

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[7] In five of these eight investigations (Ardizzone, Weaver, Wyche, Diallo, and Escobar), the subject has been criminally charged. In two more investigations (Smith and Gonzalez), prosecutors are currently considering whether to bring criminal charges. In the remaining investigation (Kingcade), the subject has agreed to pay back the money she owes to NYCERS.

[8] The Death Master File is a comprehensive list of deceased individuals that is regularly updated by obtaining information from a variety of sources including the Social Security Administration.

[9] DOI confirmed Edward Smith's death by obtaining his death certificate from the Department of Health for Washington, D.C., which is where he died.

a bank account that he held jointly with his nephew, Kevin Smith. The monthly pension payments continued after Edward Smith's death until the death was discovered by NYCERS in November 2010, at which time NYCERS stopped the payments. From 2004 through 2010, NYCERS overpaid $181,003 in benefits for Edward Smith.

DOI's review of Edward Smith's NYCERS personnel file revealed that prior to his retirement, Edward Smith had selected to have NYCERS pay a lump sum amount of $10,000 to his designated ben eficiary, Kevin Smith, upon Edward Smith's death. As a result of this selection, all regular payments would cease upon Edward Smith's death, and the beneficiary, Kevin Smith, was entitled only to the aforementioned lump sum.

According to NYCERS records, Kevin Smith did not inform NYCERS of Edward Smith's death. By the time NYCERS learned of Edward Smith's death and ceased the monthly payments, NYCERS had deposited a total of $181,003 in overpayments into the joint account shared by Edward Smith and Kevin Smith. DOI's review of the bank records revealed that Kevin Smith withdrew these overpayments between 2004 and 2010. As a signatory on the account, Kevin Smith withdrew at least $59,595 from the account following Edward Smith's death. Moreover, DOI has determined that the signatures on checks written on the account and other withdrawal items match the signature that the bank has on file for Kevin Smith as a signatory of the account.

On December 15, 2010, NYCERS attempted to recoup a portion of the overpaid amount by exercising its power to automatically deduct funds from the account. However, as the bank account had insufficient funds (i.e. less than $1,000), the bank did not allow this recoupment. As of February 21, 2011, the account had a $96.50 overdraft.

On February 1, 2012, DOI interviewed Kevin Smith under oath at his residence in Washington, D.C. Kevin Smith acknowledged his awareness that Edward Smith's NYCERS monthly pension payments continued to be deposited into the joint account for years after Edward Smith's death. After conceding that he knew that he was not entitled to the payments at issue, Kevin Smith then stated his belief that the NYCERS monthly pension payments that were being deposited into the joint account after Edward Smith's death represented a survivor benefit that was legitimately being paid to Kevin Smith as a beneficiary.[10] However, Kevin Smith was unable to provide any documentation or other basis to corroborate why he would reasonably believe this to be true.

Kevin Smith claimed that while Edward Smith was alive, Edward Smith suffered from significant medical problems and did not have adequate health insurance to cover the related bills. According to Kevin Smith, he continued to use the funds from the NYCERS monthly payments to pay Edward Smith's outstanding medical bills after his death. While Kevin Smith has indicated that he will provide receipts relating to these costs that he claimed to have paid, DOI has not received any such receipts from him to date.

[10] Kevin Smith added that as Edward Smith's only living relative, he was his power of attorney and sole beneficiary.

Kevin Smith conceded that he made no attempt to inform NYCERS of Edward Smith's 2004 death until December 2010 or January 2011, which was after he realized that the monthly payments were no longer being deposited into the joint account.

DOI's findings regarding Kevin Smith have been referred to the United States Attorney's Office for the Southern District of New York for prosecution.

Eve Gonzalez

DOI determined that an individual named Eve Gonzalez fraudulently collected the monthly pension benefit payments of NYCERS pensioner Freda Adams for several years after Adams's death. In total, Gonzalez collected $58,235 in pension benefit payments to which she was not entitled.

At the outset of its investigation, DOI confirmed that pensioner Freda Adams retired from the New York City Health and Hospitals Corporation on May 18, 1990, and died in New York City on July 11, 2006.[11] Adams's monthly pension payments from NYCERS were deposited via direct deposit into a bank account that she held jointly with her niece, Eve Gonzalez. The monthly pension payments continued after Adams's death until the death was discovered by NYCERS in November 2010, at which time NYCERS stopped the payments. From 2006 through 2010, NYCERS overpaid $58,235 in benefits for Adams.

DOI's review of Adams's NYCERS personnel file revealed that prior to her retirement, Adams selected to receive the maximum amount of money due to her each month throughout her life. As a result of this selection, all payments would cease upon Adams's death. Adams did not have a beneficiary who was entitled to collect any payment upon her death.

According to NYCERS, Gonzalez did not inform NYCERS regarding Adams's death. By the time NYCERS learned of Adams's death and ceased the monthly payments, NYCERS had deposited a total of $58,235 in overpayments into the joint account shared by Adams and Gonzalez. DOI's review of the joint account's statements and supporting documentation revealed that beginning in early 2007, after Adams's death, there were very few other deposits aside from Adams's monthly pension payments. Moreover, from November 2007 through November 2010, the account exhibits a pattern in which the funds pertaining to each monthly automatic pension payment were withdrawn from the account immediately after being deposited.[12]

DOI's review of the bank records revealed that Gonzalez withdrew these overpayments between 2007 and 2010. As a signatory on the account, Gonzalez withdrew a total of at least $47,247 following Adams's death. Moreover, DOI has determined that signatures on checks written on the account and other withdrawal items match the signature that the bank has on file

[11] DOI confirmed Adams's death by obtaining her death certificate from the New York City Department of Health and Mental Hygiene.

[12] These regular withdrawals usually occurred either on the same day as the monthly deposit, or on the following day.

for Gonzalez as a signatory of the account. The bank account was closed in February 2011, which was several months after NYCERS learned about Adams's death and ceased making the monthly pension payments.

On December 28, 2011, DOI interviewed Gonzalez under oath at DOI's office. Gonzalez acknowledged her awareness that Adams's monthly pension payments continued to be automatically deposited into their joint bank account after Adams's death. Gonzalez explained that she believed that these automatic payments were the proceeds from a private annuity that Adams had previously purchased on her own through an insurance company. However, Gonzalez has not provided any documentation to corroborate this explanation. Moreover, DOI's review of the bank records revealed that the payments at issue are clearly marked with the phrase "N.Y.C.E.R.S. – pens. pay." Nonetheless, Gonzalez claimed that she had no idea that the automatic deposits related to City funds and she believed that she was entitled to these funds because she was named as a beneficiary in Adams's will.

Gonzalez admitted to having made the aforementioned withdrawals from the bank account, many in the form of checks she wrote payable to cash or to herself. Gonzalez said that she used some of the money to purchase money orders, which she then used to pay a number of bills that were in Adams's name. However, when asked to provide receipts for either the money orders or the bills to corroborate her story, Gonzalez stated that she did not have any receipts and that she had purchased the money orders at a number of different locations. Gonzalez further admitted to having used the money to continue paying the rent and utility bills on Adams's cooperative apartment so that a family friend could live there following Adams's death. Gonzalez stated that she wanted to cooperate with DOI's investigation and that she is willing to pay the money back to NYCERS on a repayment plan.

DOI's findings regarding Gonzalez have been referred to the New York County District Attorney's Office for prosecution.

Jacqueline Kingcade

DOI determined that an individual named Jacqueline Kingcade fraudulently collected the monthly pension benefit payments of NYCERS pensioner Pearl Floyde for several years after Floyde's death. In total, Kingcade collected $86,234 in pension benefit payments to which she was not entitled.

At the outset of its investigation, DOI confirmed that pensioner Pearl Floyde retired from the New York City Human Resources Administration on March 4, 1998, and died in New York City on September 6, 2006.[13] Floyde's monthly pension payments from NYCERS were deposited via direct deposit into a bank account that she held jointly with her daughter, Jacqueline Kingcade. The monthly pension payments continued after Floyde's death until the death was discovered by NYCERS in December 2010, at which time NYCERS stopped the payments. From 2006 through 2010, NYCERS overpaid $86,234 in benefits for Floyde.

[13] DOI confirmed Floyde's death by obtaining her death certificate from the New York City Department of Health and Mental Hygiene.

DOI's review of Floyde's NYCERS personnel file revealed that prior to her retirement, Floyde had selected to receive the maximum amount of money due to her each month throughout her life. As a result of this selection, all payments would cease upon Floyde's death. Floyde did not have a beneficiary who was entitled to any payment upon her death.

According to NYCERS, even though Floyde died in 2006, Kingcade did not inform NYCERS of Floyde's death until December 9, 2010, which was immediately after the monthly payments ceased being deposited into the joint account shared by Floyde and Kingcade.[14] By the time NYCERS learned of Floyde's death and ceased the monthly payments, NYCERS had deposited a total of $86,234 in overpayments into the joint account.

DOI's review of the bank records revealed that Kingcade withdrew these overpayments between 2006 and 2010. As a signatory on the account, Kingcade withdrew a total of at least $106,667 from the account following Floyde's death.[15] Moreover, DOI has determined that the signatures on checks written on the account match the signature that the bank has on file for Kingcade as a signatory of the account. As of March 2011, the bank account had a $0 balance.

On August 19, 2011, DOI interviewed Kingcade via telephone. Kingcade stated that she lives in St. Maarten and has lived there since 1989. Kingcade acknowledged that NYCERS had continued to deposit monthly pension checks for Floyde into their joint bank account for years after Floyde's death in September 2006. According to Kingcade, she believed that she was entitled to these payments.[16] To support this claim, Kingcade faxed to DOI copies of annual disclosure statements for the years 1989 and 1990 that Floyde had previously received from NYCERS. These annual disclosure statements list Kingcade as the beneficiary of Floyde's "ordinary death benefit."[17]

According to NYCERS, the "ordinary death benefit" mentioned in Floyde's disclosure statements is paid out to the listed beneficiaries *only in instances where the pensioner dies in active City service*. This "ordinary death benefit" benefit ceased upon Floyde's retirement, and thus the disclosure statements that Kingcade received in 1989 and 1990 do not indicate that she was a beneficiary of the pension payments upon Floyde's death. In fact, neither Kingcade nor

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[14] During a conversation with a NYCERS client service representative on December 15, 2010, Kingcade acknowledged that NYCERS had continued to deposit monthly pension checks for Floyde into their joint bank account for years after Floyde's death in September 2006. During another conversation with NYCERS, Kingcade told a NYCERS representative that she did not have the funds necessary to pay back NYCERS for the overpayments, but that she would like to establish a repayment schedule.

[15] There were other deposits made to the joint account during the time period in question, which is why this amount is greater than the total amount of NYCERS overpayments.

[16] Kingcade also claimed that she informed both the Social Security Administration and NYCERS of her mother's death in 2007, and that she sent NYCERS a copy of her mother's death certificate at that time. However, NYCERS records do not support this claim.

[17] The benefit would have paid approximately $445.09 in 1989 and $481.59 in 1990.

anyone else was entitled to continue collecting Floyde's monthly pension payments after Floyde's death in 2006.

Kingcade has expressed a desire to work out a settlement agreement with NYCERS whereby she will pay back the entire amount that she owes to the City. Kingcade and NYCERS are currently in discussions to formalize this agreement.

Cases Involving Fraud by a Family Member of a Deceased Beneficiary

These two investigations (Weaver and Ardizzone) share a similar fact pattern in that the fraud in both was committed by a family member of a deceased pension beneficiary, rather than by a family member of an actual pensioner.

Ardizzone involves a beneficiary of a deceased City retiree who received her benefits via regular mail in the form of a check, rather than via direct deposit. In the Ardizzone case, the monthly pension payments continued for several months after the beneficiary's death until NYCERS learned of the death and ceased making payments. The subject in this case took the affirmative steps of fraudulently endorsing the deceased beneficiary's benefit checks and cashing them at a check cashing location.

Similarly, the subject in Weaver failed to notify NYCERS of the beneficiary's death and continued to receive the beneficiary's monthly pension checks via regular mail for nearly two years until NYCERS learned of the death and ceased making payments.[18] The subject in this case took the affirmative steps of fraudulently endorsing the deceased beneficiary's benefit checks, depositing them into his own bank account, and withdrawing cash shortly thereafter.

Vincent Ardizzone

DOI determined that an individual named Vincent Ardizzone fraudulently endorsed the monthly pension benefit checks of NYCERS beneficiary Emily Ardizzone for several months after Emily Ardizzone's death. In total, Vincent Ardizzone collected $4,561.31 in pension benefit payments to which he was not entitled.

According to NYCERS, in June 2009 the agency learned that it had sent seven pension checks to Emily Ardizzone, the widow of a retired NYCERS pensioner, after Emily Ardizzone had died. NYCERS obtained copies of the seven checks and found that all had been fraudulently endorsed and cashed at David's Money Center, a check cashing location in Bensonhurst, Brooklyn.

On June 29, 2009, NYCERS sent a letter to Vincent Savino, Emily Ardizzone's grandson, whose contact information was in Emily Ardizzone's file with NYCERS. The letter requested repayment of the total amount of money cashed after Emily Ardizzone's death. NYCERS received no reply. On August 24, 2009, NYCERS sent a second letter in which it again requested repayment, after which a NYCERS employee successfully contacted Savino by telephone. During this conversation, NYCERS gave Savino an opportunity to review copies of the seven checks that had been sent to Emily Ardizzone and negotiated after her death. Upon reviewing them, Savino indicated that one of the seven checks was double-endorsed; specifically, he noted that the check contained both a false version of Emily Ardizzone's

[18] As with the prior four cases, NYCERS discovered the overpayments in this case as a result of the agency's comparisons between its active pension rolls and the Death Master File.

signature and a signature that Savino identified as belonging to Vincent Ardizzone, Emily Ardizzone's son.

On May 7, 2010, NYCERS referred the matter to DOI. On May 21, 2010, DOI interviewed Scott Blustein, a manager at David's Money Center. Blustein provided DOI with copies of the aforementioned seven checks that had been negotiated at David's Money Center. Blustein also provided DOI with regiscope photographs of the person who cashed each of the seven checks. DOI compared the photographs provided by Bluestein with a driver's license photograph of Vincent Ardizzone. The photographs appeared to match.

DOI attempted to interview Vincent Ardizzone on June 21, 2010, but he refused to be interviewed. He later left a voice message with a DOI investigator saying that if DOI wanted to speak with him, DOI would have to "come get [him]."

On July 27, 2010, DOI arrested Vincent Ardizzone. The Kings County District Attorney's Office charged him with seven counts each of the following crimes: (i) Grand larceny in the third degree (P.L. §155.35); (ii) Forgery in the second degree (P.L. §170.10); (iii) Criminal possession of a forged instrument in the second degree (P.L. §170.25); (iv) Forgery in the third degree (P.L. §170.05); and (v) Criminal possession of a forged instrument in the third degree (P.L. §170.20).

Ardizzone subsequently pled guilty to the felony of Forgery in the second degree (P.L. §170.10) and was sentenced to a one-year conditional discharge. He was also ordered to pay the entire $4,561.31 in restitution.

Christopher Weaver

DOI determined that an individual named Christopher Weaver, a non-City employee who is the son of a NYCERS beneficiary named Victoria Weaver, fraudulently endorsed the monthly pension benefit checks of Victoria Weaver for nearly two years after her death. In total, Christopher Weaver collected $44,165.61 in pension benefit payments to which he was not entitled.

At the outset of its investigation, DOI confirmed that Charles Weaver, a onetime Department of Sanitation employee, retired on April 22, 2007. Prior to his retirement, Charles Weaver selected to receive a "Ten-Year Certain" benefit option under which he would receive a reduced monthly lifetime benefit. As a result of this selection, if Charles Weaver died within ten years from the date of his retirement, his monthly retirement benefit would continue to be paid to his surviving designated primary beneficiary for the unexpired balance of the ten year period. If the primary beneficiary subsequently died, the remaining balance would then be paid in a lump sum to the designated contingent beneficiary. Charles Weaver listed his mother, Victoria Weaver, as his primary beneficiary and his daughter, Lawanda Wright, as his contingent beneficiary. DOI confirmed that Charles Weaver died on December 11, 2007, and that Victoria Weaver died on February 9, 2008. Both deaths occurred prior to the first pension check being issued in this matter. Therefore, as the contingent beneficiary, Lawanda Wright should have received a lump sum check from NYCERS upon Victoria Weaver's death.

During its review of documents located in Victoria Weaver's NYCERS personnel file, DOI discovered an affidavit, completed and signed by Christopher Weaver, who is Charles Weaver's son, and notarized on February 8, 2010.[19] Christopher Weaver submitted a copy of his driver's license along with this affidavit as verification of his identity. The affidavit, which makes no mention of Victoria Weaver's death, affirms that "Christopher Weaver [...] is eligible to continue receiving monthly payments" from NYCERS. This is a false statement; Christopher Weaver is not a beneficiary of Charles Weaver and was not eligible to receive payments. Moreover, although Victoria Weaver had supposedly granted power of attorney to Christopher Weaver when she was alive – and Christopher Weaver therefore may have been able to lawfully accept payments on her behalf *while she was alive* – Victoria Weaver had been deceased for nearly two years by the time Christopher Weaver signed and filed this affidavit of eligibility.[20]

Victoria Weaver's NYCERS file also contained a Change of Address form, signed by Christopher Weaver (as "POA") and notarized on March 15, 2010. This form requested that NYCERS send Victoria Weaver's monthly pension checks to 923 Saw Mill River Road, Ardsley, New York. At the time Christopher Weaver filed this, Victoria Weaver had been deceased for more than two years. The Saw Mill River Road address is Christopher Weaver's home address, as confirmed by his driver's license. This change of address form makes no mention of Victoria Weaver's death.

DOI's review of the actual monthly pension checks revealed that they were all negotiated by Christopher Weaver subsequent to Victoria Weaver's death.[21] DOI also reviewed the monthly statements of Christopher Weaver's personal bank account. This review revealed that from April 2008 through January 2010, there were monthly deposits for the exact same amounts as those listed on the monthly pension checks that NYCERS had been sending to Victoria Weaver.[22]

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[19] NYCERS had sent this affidavit to "Victoria Weaver c/o Christopher Weaver" in order to verify Christopher Weaver's eligibility (as Victoria Weaver's power of attorney) to continue receiving the monthly pension benefit payments on behalf of Victoria Weaver.

[20] On March 12, 2010, Christopher Weaver also personally visited the NYCERS customer service office in Brooklyn, New York and provided NYCERS with a "Durable General Power of Attorney," dated January 12, 2008, granting power of attorney to Christopher Weaver for Victoria Weaver. Christopher Weaver was advised that since the "Durable General Power of Attorney" form was more than one year old, NYCERS would require a notarized affidavit from Weaver that the power of attorney was still in effect. Christopher Weaver did not mention the death of Victoria Weaver during this exchange, nor did he subsequently provide NYCERS with a notarized affidavit that addressed the power of attorney issue.

[21] Each pension check, beginning with the first check dated April 30, 2008, was made payable by NYCERS to "Victoria Weaver, c/o Christopher Weaver" and was mailed to the address on file for Victoria Weaver. NYCERS proceeded this way after having earlier received a Claimant Statement, dated January 19, 2008, naming Christopher Weaver as the "In Care of or Power of Attorney" for Victoria Weaver.

[22] In many instances, while the full amount was initially deposited, a portion of the amount was withdrawn in cash shortly thereafter.

On June 2, 2011, DOI interviewed Christopher Weaver under oath. During the interview, Christopher Weaver admitted to having completed and signed the aforementioned forms, and to having submitted the forms to NYCERS. He also admitted to having deposited all of Victoria Weaver's checks into his bank account after Victoria Weaver was deceased. According to Christopher Weaver, he thought this was appropriate because: (i) prior to Victoria Weaver's death, he had power of attorney over her affairs; and (ii) the NYCERS checks were made payable to "Victoria Weaver c/o Christopher Weaver." When asked why he believed he was entitled to Charles Weaver's pension benefit payments even though he was not a named beneficiary, he explained that, according to an "oral agreement" reached by all parties, he gave a portion of the monthly NYCERS checks to both Wright, the lawful beneficiary after Victoria Weaver's death, and Wright's brother, Charles Weaver Jr. Christopher Weaver further informed DOI that in 2008 he told Wright that she was listed as the contingent beneficiary of the NYCERS funds.

On June 7, 2011, DOI interviewed Wright. During the interview, she initially corroborated some parts of Christopher Weaver's story. Later in the interview, Wright broke down and admitted to DOI that she had only recently learned from Christopher Weaver (i.e. after his interview with DOI) that she was listed as the contingent beneficiary for her father's NYCERS pension benefit payments. Wright said that, contrary to what Christopher Weaver told DOI, she was not aware that she was the intended beneficiary of more than $44,000 in NYCERS benefit payments until after DOI's investigation had begun. She did not know these benefit payments had been negotiated by Christopher Weaver and deposited into his own personal bank account. Wright said that she never received any money from Christopher Weaver as a result of his having negotiated and deposited the NYCERS checks; she further stated there was no such agreement between Christopher Weaver, Charles Weaver, Jr. and herself to share the money from NYCERS. According to Wright, several days before her interview with DOI, Christopher Weaver had specifically instructed her to tell DOI that: (i) she knew all along that she was listed as the contingent beneficiary and was entitled to more than $44,000; and (ii) she knew that Christopher Weaver was depositing the checks and there was an agreement amongst the three of them to split the money.

In March, May, and June 2010, NYCERS sent three separate letters to Christopher Weaver requesting full repayment. On June 28, 2010, Christopher Weaver personally visited the NYCERS customer service office, at which time he informed NYCERS of Victoria Weaver's death and provided her death certificate.

On July 26, 2011, DOI arrested Christopher Weaver. The Kings County District Attorney's Office charged him with the following crimes: (i) Falsifying business records in the first degree (P.L. §175.10); (ii) Offering a false instrument for filing in the first degree (P.L. §175.35); (iii) Making an apparently sworn false statement in the first degree (P.L. §210.40); (iv) Falsifying business records in the second degree (P.L. §175.05); (v) Offering a false instrument for filing in the second degree (P.L. §175.30); (vi) Perjury in the third degree (P.L. §210.05); (vii) Perjury in the second degree (P.L. §210.10); and (viii) Making an apparently sworn false statement in the second degree (P.L. §210.35).

Christopher Weaver subsequently pled guilty to the felony of Offering a false instrument for filing in the first degree (P.L. §175.35). He received five years' probation and agreed to pay back the entire $44,165.61 in restitution.

Case Involving Fraud by a Legitimate Beneficiary

Pension fraud is not limited to those who unlawfully capitalize on the pension benefits of others. As the next investigation (Wyche) illustrates, there are pensioners and beneficiaries who attempt to defraud the very system from which they themselves have otherwise lawfully benefited.

Reginald Wyche

DOI determined that an individual named Reginald Wyche, a non-City employee who is the beneficiary of a NYCERS pensioner named Gloria Wyche,[23] submitted an affidavit to NYCERS falsely claiming that he did not receive a NYCERS benefit check. In fact, Wyche had received the check and cashed it at a check cashing location.

At the outset of its investigation, DOI confirmed that on April 4, 2011, NYCERS received a notarized affidavit from Reginald Wyche. In this affidavit, Wyche claimed that he did not receive a NYCERS check, dated August 27, 2010 and made payable to himself.[24] Wyche requested that a replacement check be deposited directly into a Pee Dee Federal Credit Union Account located in Florence, South Carolina. Approximately one week later, NYCERS received a handwritten letter from Wyche in which he claimed he did not cash the missing check; in this letter Wyche again requested that a replacement check be directly deposited into the Pee Dee Federal Credit Union Account. Wyche provided the account number and routing number for the Pee Dee Federal Credit Union Account in both the affidavit and the letter.

DOI reviewed the original negotiated check, which Wyche claimed went missing, for identifying information. The check, in the amount of $17,218.70, bore Wyche's signature and indicated it was cashed on August 26, 2010 at a Pay-O-Matic check cashing location at 1640 Broadway, Brooklyn, NY.

DOI also obtained documents from Pay-O-Matic that pertained to this transaction. These documents revealed that the account on file for the customer who cashed the check on August 26, 2010 belonged to Reginald Wyche. The account in question had multiple forms of identification on file, including a New York State identification card and a New York City Benefit card,[25] both of which were issued to Reginald Wyche. The Social Security Number and date of birth on file for Wyche's Pay-O-Matic account match the Social Security Number and date of birth that he provided to NYCERS on the aforementioned affidavit.

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[23] The pensioner, Gloria Wyche, is Reginald Wyche's mother. Gloria Wyche retired from the Department of Transportation on November 2, 2009 and subsequently passed away.

[24] The affidavit was notarized on April 1, 2011. In the affidavit, Wyche indicated that the amount of the check was $19,855.70. While NYCERS records indicate that the August 27, 2010 check was actually issued in the amount of $17,218.70, the $19,855.70 figure represents the gross amount that was due to Wyche prior to the removal of the Federal Withholding Tax. (This pre-tax amount of $19,855.70 is listed on a separate NYCERS document entitled, "Certification For Survivor Benefit," which breaks down the payout.)

[25] This New York City Benefit card on file for Wyche at the Pay-O-Matic location is the same card that the subject provided to NYCERS when he was filling out paperwork to establish the death of his mother.

On May 26, 2011, DOI interviewed Yvonne Harris, the manager of the Pay-O-Matic where the check was cashed. Harris recalled the transaction about which DOI was inquiring. Harris confirmed that the subject, Reginald Wyche, cashed the check on the date in question. Harris explained that she knows Wyche by both name and face, as Wyche had cashed a check at that location on a prior occasion. Harris also informed DOI that, per Pay-O-Matic policy, Wyche was required to provide identification and his Social Security Number at the time of the transaction. Moreover, due to the monetary amount of the check, Harris was required to call the phone number of the check issuer in order to verify the legitimacy of the transaction. Harris said she followed this procedure with this check, after which she cashed it for Wyche.[26]

On June 24, 2011, Wyche visited the NYCERS office in Brooklyn, NY, and met with Craig Thornton, the NYCERS Directory of Security. Undercover DOI investigators were present for this meeting, during which Wyche: (i) confirmed his identity; (ii) confirmed he was the person who signed and mailed the affidavit and handwritten letter to NYCERS; and (iii) clarified that he was referring to the $17,218.70 check in question when he filed the affidavit.

After the aforementioned meeting, DOI arrested Wyche. The Kings County District Attorney's Office charged him with the following crimes: (i) Attempted Grand larceny in the third degree (P.L. §110/155.35); (ii) Attempted Criminal possession of stolen property in the third degree (P.L. §110/165.50); (iii) Falsifying business records in the first degree (P.L. §175.10); (iv) Offering a false instrument for filing in the first degree (P.L. §175.35); (v) Falsifying business records in the second degree (P.L. §175.05); (vi) Offering a false instrument for filing in the second degree (P.L. §175.30); (vii) Attempted Petit larceny (P.L. §110/155.25); and (viii) Attempted Criminal possession of stolen property in the fifth degree (P.L. §110/165.40).

Lastly, following his arrest, Wyche admitted in the presence of DOI investigators that he had, in fact, received and cashed the original $17,218.70 check in question.

Wyche failed to appear for his first scheduled court appearance following his arraignment, and a bench warrant was issued. In his absence, the Kings County District Attorney's Office indicted Wyche on all of the aforementioned counts. On April 16, 2012, with assistance from the United States Marshals Fugitive Task Force, DOI traveled to South Carolina, arrested Wyche on the open warrant, and returned him to court in Kings County to face the outstanding charges against him. After being held on bail in the amount of $750,000 cash ($500,000 bond), Wyche subsequently pled guilty to the misdemeanor of Offering a false instrument for filing in the second degree (P.L. §175.30) and was sentenced to sixty days in jail.

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[26] As a result of this investigation, DOI sent a policy and procedure recommendation ("PPR") to Pay-O-Matic recommending that it ensure that its cameras are regularly capturing clear images of people who negotiate checks at the company's check cashing locations. DOI sent this PPR because in this particular instance, despite the presence of working cameras, Pay-O-Matic was unable to provide DOI with a clear image of Wyche's face due to: (i) the poor condition of the glass partition separating Wyche from the employee who cashed his check; and (ii) the poor positioning of the relevant camera. Pay-O-Matic agreed to implement the PPR.

Cases Involving Stolen Pension Checks

As discussed herein, NYCERS members who meet certain qualifications regarding length of membership and pension account balance are permitted to take out loans from NYCERS against their pensions. These loans are paid out in the form of checks, which NYCERS sends to pensioners via regular mail. The final two investigations (Diallo and Escobar) involve the compromise and theft of such legitimate pension loan checks.[27]

Deirdre Harris Diallo

DOI determined that an individual named Deirdre Harris Diallo, a non-City employee, negotiated a NYCERS loan check, valued at $4,960, that was previously intercepted and altered by an unknown person.

At the outset of its investigation, DOI confirmed that Clarence Smith, an employee of the Metropolitan Transportation Authority, filed a lost check affidavit regarding his $4,960 pension loan check. Upon reviewing its banking records, however, NYCERS established that the check had, in fact, been negotiated at a check cashing facility on December 16, 2011. DOI's ensuing investigation revealed that: (i) the check in question was intercepted and altered by an unknown person; and (ii) an individual named Dierdre Harris Diallo negotiated the altered check in question at Har Joe Check Cashing, a check cashing facility in Queens, NY.

DOI confirmed that NYCERS received Smith's affidavit on December 22, 2011. The affidavit claimed that Smith had neither received nor cashed the check in question. DOI also interviewed Smith, and during the interview Smith reiterated his claims from the lost check affidavit. DOI subsequently obtained records from Har Joe Check Cashing, the check cashing location at which the check was negotiated. These records included a copy of Smith's altered loan check and supporting documentation submitted by the person who cashed the altered check. Upon review of these records, DOI determined that the check had been altered to indicate that it was issued to an individual named "Dierdre Harris Diallo," rather than to Smith, and that Diallo had, in fact, cashed the check on December 16, 2011. DOI based the latter determination on the following three facts: (i) a digital photo image obtained from Har Joe Check Cashing depicts Diallo presenting the check to the cashier for payment;[28] (ii) when cashing the check, Diallo

[27] In addition, this past week DOI arrested an individual named Carlos Fresneda who, like Diallo and Escobar, stole NYCERS checks. Fresneda worked as a security guard in a residential building, and he stole NYCERS loan checks (among numerous other checks) from three of the building's residents. DOI's investigation substantiated that Fresneda intercepted, endorsed, and deposited all three NYCERS loan checks (totaling more than $6,000) into his bank account. Working together with the Kings County District Attorney's Office and the United States Postal Inspection Service, DOI developed evidence (including bank records and security footage) to establish that Fresneda committed these thefts, which Fresneda ultimately admitted in a statement to law enforcement agents. Fresneda has been charged with numerous crimes including, but not limited to, the following: (i) Criminal possession of a forged instrument in the second degree (P.L. §170.25); (ii) Grand larceny in the third degree (P.L. §155.35); and (iii) Criminal possession of stolen property in the third degree (P.L. §165.50).

[28] The image of Diallo on this digital photo image matches the image of Diallo on two verified photographs of her: (i) the digital photo image on Diallo's New York State Benefit identification card; and (ii) the digital photo image of Diallo taken when Diallo negotiated a check at the same check cashing facility in an entirely separate transaction.

presented her New York State Benefit identification card as proof of identification; and (iii) Diallo's signature appears on the back of the check in question.

On April 5, 2012, DOI arrested Diallo. The Queens County District Attorney's Office charged her with the following crimes: (i) Criminal possession of a forged instrument in the second degree (P.L. §170.25); (ii) Criminal possession of stolen property in the third degree (P.L. §165.50); and (iii) Grand larceny in the third degree (P.L. §155.35).

Idalia Escobar

DOI determined that an individual named Idalia Escobar, a non-City employee, stole and subsequently received the proceeds from a NYCERS loan check valued at $1,980.

At the outset of its investigation, DOI confirmed that Herbert Mulligan, an employee of the New York City Housing Authority, filed a lost check affidavit regarding his $1,980 pension loan check. Upon review of its banking records, NYCERS confirmed that the check was previously negotiated and deposited into a Chase bank account. DOI's subsequent investigation revealed that: (i) the check was intercepted by Escobar from the apartment building in which she and Mulligan live; (ii) Escobar gave the check to her acquaintance, Anthony Bodero; (iii) Bodero subsequently deposited the check into a Chase bank account; and (iv) several days later, Escobar spent approximately $1,000 of the check's proceeds.

DOI confirmed that NYCERS received Mulligan's affidavit on June 16, 2011. The affidavit claimed that he neither received nor cashed the check in question. DOI subsequently obtained records from the Chase bank account into which NYCERS indicated the check had been deposited. Upon reviewing the bank records, DOI determined that the bank account was held in the name of Lateek Purvis (the "Purvis account"). The NYCERS check was deposited into the Purvis account on June 3, 2011. The bank records further reflected that on June 13, 2011, the check's proceeds were used to purchase $1,000.97 in postal money orders (made payable to Escobar) and stamps.[29]

When DOI interviewed Mulligan, he stated that he did not know who might have intercepted his check or deposited it. Mulligan denied knowing Purvis or Escobar. DOI subsequently attempted to interview Purvis, but he could not be located.[30]

When DOI interviewed Escobar, she admitted to having stolen the check in question. Escobar stated that upon seeing the check sitting on top of Mulligan's mailbox in their apartment building, she took the check and gave it to Bodero.[31] Escobar stated that her understanding is

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[29] Specifically, Escobar purchased two money orders for $500.00 and $481.17, respectively. She also purchased stamps, which cost $19.80.

[30] On several occasions, DOI succeeded in making contact by telephone with Purvis, who agreed to appear at DOI for an interview. However, Purvis failed to appear at the scheduled time in both instances, and additional efforts to locate him have been unsuccessful.

[31] According to Escobar, Bodero is currently incarcerated in Pennsylvania.

that Bodero then deposited the check into the Purvis account, which Bodero created in Purvis's name without Purvis's knowledge.[32] According to Escobar, sometime thereafter, Bodero provided Escobar with a bank card associated with the Purvis account. Escobar then went to a post office and used the bank card to make the aforementioned purchases in excess of $1,000.[33] Escobar said that she later cashed the money orders at a different location, although she did not recall where.

On April 19, 2012, DOI arrested Escobar. The Bronx County District Attorney's Office charged her with the following crimes: (i) Grand larceny in the fourth degree (P.L. §155.30); and (ii) Criminal possession of stolen property in the fourth degree (P.L. §165.45).

[32] Escobar said that she knows Purvis through a mutual acquaintance. Escobar was unable to provide information regarding Purvis's whereabouts.

[33] The bank records reflect that Escobar purchased the money orders on June 13, 2011. When DOI investigators showed Escobar the two money orders in question, she confirmed that these were the money orders she purchased. She identified her signature on the back of the money orders.

IV. Conclusion

These cases give rise to the question about how people think they can get away with this type of conduct. While certain people appear to believe the pension system is so vast that the theft of a check or series of payments will go undetected, the investigations discussed herein send a distinct message to the contrary.

Based on DOI's ongoing discussions with NYCERS, it is clear that NYCERS has enhanced its internal control procedures. Specifically, NYCERS is working to detect payments to deceased pensioners in a more timely manner. To that end, NYCERS has implemented a program in which it conducts *weekly* comparisons between the death reports that are compiled by NTIS on a weekly basis and the agency's own pension rolls in order to identify deceased pensioners. These weekly comparisons allow NYCERS to quickly identify instances in which NYCERS had not been informed of a pensioner's death, permitting NYCERS to "withhold pension payments, stop checks, or reverse electronic funds transfer payments as needed."[34] The NTIS reports used by NYCERS in the data-matching have an annual subscription fee of $8,500, and NYCERS has stated that this cost "is justified in terms of enhanced loss prevention and collection success."[35]

Since the agency's implementation of these weekly comparisons, the Office of the New York City Comptroller, which has examined these issues, has concluded that NYCERS "maintains adequate controls over the identification of deceased individuals collecting pension payments."[36] Five of the eight cases (Smith, Gonzalez, Kingcade, Ardizzone, and Weaver) featured in this report illustrate just how effective these types of data comparisons can be in detecting pension fraud. It stands to reason that the agency's more recent shift to a weekly comparison schedule should have the effect of detecting and apprehending pension fraudsters before they have the opportunity to defraud the City of nearly as much money as was stolen in each of these five instances.

NYCERS has also begun to more regularly employ its substantial power to recover overpaid funds, namely via its ability to reverse electronic funds transfer ("EFT") money from individual bank accounts. For example, in the recent case of Mary Ann Petti, a deceased pensioner, NYCERS used the reverse EFT process to recover approximately $120,000 in pension

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[34] Letter from Michael A. Goldson, Director of Finance, NYCERS, to H. Tina Kim, Deputy Comptroller for Audit, Office of the New York City Comptroller (Aug. 8, 2011). Re: Preliminary Letter Report on the New York City Employees' Retirement System Controls over the Identification of Deceased Individuals Collection Pension Payments.

[35] *Ibid.*

[36] Letter from Tina Kim, Deputy Comptroller for Audit, Office of the New York City Comptroller, to Dianne D'Alessandro, Executive Director, NYCERS (October 28, 2011). Re: Letter Report on the New York City Employees' Retirement System Controls over the Identification of Deceased Individuals Collection Pension Payments.

funds that were mistakenly deposited into Petti's bank account after her death.[37] Clearly, swift and proactive use of its reverse EFT powers will allow NYCERS to help protect itself from pension fraud in many instances going forward.

These enhanced internal controls at NYCERS, coupled with the strong working relationship that DOI has fostered with the agency, have helped to establish more viable criminal cases and to return precious dollars to the City's coffers. DOI will continue to work effectively with NYCERS in hopes of further advancing the City's ongoing effort to combat pension fraud.

Given the dire financial situations that government budgets across the nation have been facing, it is critical that law enforcement agencies such as DOI work vigorously to protect public money. The recent economic crises have had an adverse impact on municipal pension funds, and New York City's pension funds have not been spared. In holding those who commit pension fraud accountable and clawing back every dollar that was unlawfully taken, DOI has succeeded in providing a welcome boost to the City's financial coffers while at the same time sending a clear message that pension fraud of all types simply will not be tolerated.

DOI thanked NYCERS Executive Director Diane D'Alessandro, NYCERS Director of Security Craig Thornton, and NYCERS General Counsel Karen Mazza, and their staffs, for their assistance and cooperation in these investigations.

In addition, DOI also thanked United States Attorney for the Southern District of New York Preet Bharara; New York County District Attorney Cyrus R. Vance, Jr.; Kings County District Attorney Charles J. Hynes; Bronx County District Attorney Robert T. Johnson; Queens County District Attorney Richard A. Brown, and their staffs, as well as the United States Marshals Fugitive Task Force, and the United States Postal Inspection Service, and their staffs, for their partnership and assistance in these investigations.

[37] Although NYCERS deposited these funds after Petti's death, no one had withdrawn the overpayments from the account at issue. DOI's investigation revealed no wrongdoing by any party involved with Petti's case.