



The City of New York
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DOI ARRESTS WOMAN ON CHARGES OF STEALING IDENTITY OF DECEASED MOTHER AND \$33,000 IN ADOPTION SUBSIDY BENEFITS INTENDED FOR HER NIECE

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (“DOI”), announced the arrest of KATRINA PERRY, 56, who is charged with opening a check cashing account in her deceased mother’s name to steal \$33,000 in adoption subsidy benefits meant for her niece who was not in her care. The defendant’s mother was the adoptive parent up until her death in August 2006 and the niece was placed in foster care two months later. The adoption subsidy benefits were administered by the City Administration for Children’s Services (“ACS”). DOI began investigating after ACS reported that it had issued adoption subsidy benefits to a deceased individual. The office of Kings County District Attorney Charles J. Hynes is prosecuting the case.

DOI Commissioner Rose Gill Hearn said, “This defendant exploited her family’s situation and illegally siphoned tens of thousands of dollars of taxpayer funds, according to the criminal complaint. But the City exposed this troubling conduct and stopped the ongoing charged theft.”

PERRY, of Brooklyn, N.Y., was charged Wednesday, February 20, 2013, with Grand Larceny in the Third Degree and Identity Theft in the First Degree, class D felonies; Grand Larceny in the Fourth Degree and Identity Theft in the Second Degree, class E felonies; and the following class A misdemeanors: 28 counts of Identity Theft in the Third Degree, and 14 counts each of Petit Larceny and Criminal Impersonation in the Second Degree. Upon conviction, a class D felony is punishable by up to seven years in prison, a class E felony is punishable by up to four years in prison, and a class A misdemeanor is punishable by up to a year’s incarceration.

According to the criminal complaint and DOI’s investigation, a minor child was in the adoptive custody of her grandmother, until the grandmother’s death in August 2006, and later was placed in foster care. ACS was not notified of the grandmother’s death until March 2012, and continued to remit adoption subsidy payments to the grandmother at her Brooklyn address, while it also issued foster care subsidies to the child’s foster care representatives who were caring for the child. The investigation also found that in January 2008, an account in the grandmother’s name was opened at a check cashing establishment in Brooklyn with the grandmother’s MTA senior citizen reduced fare card, and that checks totaling approximately \$33,007 were paid to the individual who opened the account who was later identified as the defendant. As a result of these misrepresentations, the defendant illegally obtained approximately \$33,007 in adoption subsidy benefits between January 2008 and March 2012.

In January 2009, ACS implemented a quarterly data-matching check that compares children for whom it pays adoption subsidies with those for whom it issues foster care payments to ensure that double payments are not issued where the adoptive parent’s rights has been terminated or when the adoptive parent is deceased.

Commissioner Gill Hearn thanked Kings County District Attorney Charles J. Hynes, ACS Commissioner Ronald E. Richter, and their staffs, for their cooperation and assistance in this investigation.

Assistant District Attorney Maria A. Leonardi of the Kings County District Attorney’s Office is assigned prosecution of the case under the supervision of Rackets Bureau Chief Gavin Miles.

The investigation was conducted by DOI’s Office of the Inspector General for ACS.

A criminal complaint is an accusation. A defendant is 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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