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Release #34-2013
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
WEDNESDAY, NOVEMBER 13, 2013

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**DOI STATEMENT ON CONVICTIONS IN \$2.6 MILLION EMBEZZLEMENT
FROM BROOKLYN PUBLIC ADMINISTRATOR'S OFFICE**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement regarding today's jury verdict convicting two defendants of first degree grand larceny in connection with the theft of \$2,617,000 from the office of the Kings County Public Administrator ("KCPA") in a forged-check scheme that targeted seven decedents' estates between 2008 and 2011. Convicted today were RICHARD PAUL, 36, of Brooklyn, the KCPA office's former bookkeeper, and his associate, TARYN MILLER, 35, of Brooklyn. PAUL was also convicted of Defrauding the Government. The Kings County Public Administrator reported to DOI he found one forged check and DOI initiated an immediate investigation. While pursuing the investigation to determine the extent of the scheme, DOI joined with the office of New York County District Attorney Cyrus R. Vance, Jr., whose office prosecuted the case. PAUL and MILLER were convicted today after a trial that commenced on October 25, 2013 before Justice Cassandra M. Mullen in the New York State Supreme Court in lower Manhattan. Sentencing is scheduled for December 5, 2013.

DOI Commissioner Rose Gill Hearn said, "DOI uncovered a cold and calculated plot to steal millions from the dead. The corrupt bookkeeper and his accomplice at the center of it now face their day of reckoning. DOI congratulates DA Vance and his team for their diligence and professionalism in prosecuting the case."

The public administrators ("PAs") are City employees, appointed not by the Mayor but by the elected Surrogate Judges in each of the City's five counties. The PAs' responsibilities are to collect and safeguard the property, settle the debts, and, as directed by the Surrogate's Court, distribute the property of residents of their respective counties who die without wills and without family members able to administer their estates.

DOI's investigation began in December 2011 when Bruce Stein, the Kings County Public Administrator, reported his discovery of a forged, counterfeit KCPA check for approximately \$650,000 drawn the previous month from the funds of a decedent's estate that the KCPA's office was managing and paid to an individual who was not entitled to the funds. DOI immediately investigated, using bank subpoenas, digital forensics, witness interviews, internet research, and other means to trace the funds, identify additional forged checks, determine how they were created, and identify the individuals involved. Ultimately, the investigation revealed that \$2,617,000 was stolen between August 2008 and November 2011. The stolen funds were supposed to be turned over to the City's Department of Finance ("DOF") to be held for heirs who might later be identified. The scheme involved diverting those funds through the substitution of forged checks payable to individuals who were not entitled to any money from the estates. In addition, several payees of the forged checks were given forged documents purporting to be Surrogate's Court orders that identified them as supposedly lawful recipients of the forged checks. DOI also examined records all five PAs' offices in the City to ascertain whether any additional funds that were stolen in this manner and determined that none had been. In May 2012, DOI issued several recommendations adopted by the five PAs' offices and DOF to prevent any recurrence of this scheme.

Commissioner Gill Hearn thanked New York County District Attorney Cyrus R. Vance, Jr., New York City Department of Finance Commissioner Beth Goldman, and Kings County Public Administrator Bruce Stein and their staffs for their assistance in this investigation. She also noted that DOI received prompt and invaluable assistance in this investigation from, among others, the Federal Reserve Bank of New York, TD Bank, Capital One, JP Morgan Chase, Citigroup, the Municipal Credit Union, the CompuTrust Software Corp., and Dega Systems.

This case was investigated by DOI.

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Assistant District Attorneys Brian P. Weinberg and Joseph Vizcarrondo, of the New York County District Attorney's Office, prosecuted the case, assisted by Senior Investigative Counsel Thomas Mooney and Trial Preparation Assistant Sara Dennis, under the supervision of Daniel D. Brownell, Chief of the Rackets Bureau, and Daniel G. Cort, Chief of the Public Integrity Unit.

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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