



Department of Investigation

Press Release

Release # 012-2002

THURSDAY, MARCH 7, 2002

DOI ARRESTS 3 IN THEFT OF \$17,456 IN WELFARE/PRIVATE MONIES ***--Former Welfare Client, His Wife, And Private Check Cashier Arrested In Scam--***

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), today announced the felony arrest of ERIC WATSON, a former welfare recipient, for the theft of 82 blank City welfare checks, together with 1 check from a private company. Of the 82 welfare checks stolen, 32 were subsequently forged and cashed by WATSON, in amounts totaling \$16,769. The private sector check, also blank, was stolen from the New York Blood Center, and was subsequently cashed by WATSON in the amount of \$687.43.

Also arrested today as participants in the welfare check theft were JULIA BONILLA (WATSON's wife), and ANGELA LYNCH, a former employee of the SDM Check Cashing Corporation in the Bronx.

According to Commissioner Gill Hearn, DOI began an investigation after receiving a complaint from the City's Human Resources Administration (HRA) alleging that a series of blank "Emergency" welfare checks had been stolen from the Bergen Job Center, located at 434 East 147th Street in the Bronx. Emergency welfare checks are maintained at each of HRA's Job Centers throughout the City, and are distributed only to those clients who face an immediate and serious financial need, such as a need for food money.

The investigation disclosed that in May 2000, WATSON, a welfare client in HRA's Work Experience Program (WEP), was assigned to work as a custodian in the Bergen Job Center. While working at Bergen, WATSON stole two packets of blank Emergency checks (45 checks in one packet, 37 checks in the other) by sweeping them into the trash and retrieving them once he emptied the trash for the day.

Between the period of June 13, 2000 and December 26, 2000, WATSON was able to successfully cash 32 of these welfare checks, resulting in a theft of \$16,769 in welfare monies. DOI's investigation has determined that the remaining 50 checks were never cashed. In order to cash the checks, WATSON completed each by typing in as payee either his own name, the names of individuals that he knew, or those of welfare clients he had met through his assignment in the WEP program. None of these individuals were aware that their names had been used in this fashion.

WATSON then filled in an amount on the checks, ranging anywhere from \$69 to \$900, forged the signatures of the payees and the purported authorizing HRA personnel, and cashed the checks using two separate schemes:

In the first scheme, WATSON was assisted by ANGELA LYNCH, an employee of the SDM Check Cashing

Corporation located at 36 West Kingsbridge Road in the Bronx. WATSON cashed 12 of the stolen checks (totaling \$5,560) at this location by typing in payee names other than his own, forging all of the signatures, and presenting them to LYNCH, who was employed as a Window Teller. LYNCH cashed the checks knowing that they were fraudulent. In return, WATSON provided LYNCH with payments ranging from approximately \$50 to \$200 for each check that she cashed.

WATSON cashed 3 additional fraudulent checks (totaling \$1,040) at SDM without the assistance of LYNCH, by typing in his own name as a payee and using his welfare identification card as proof of identity. In all, WATSON cashed 15 fraudulent checks at SDM, totaling \$6,600 in fraudulent welfare payments.

In the second scheme, WATSON traveled to different locations throughout Brooklyn, Queens, Manhattan and the Bronx, in search of businesses that would cash the checks. In total, WATSON was able to cash 17 additional fraudulent welfare checks, totaling \$10,169.00, at 11 separate locations. These locations included check cashing establishments, bodegas, food wholesalers and supermarkets. In this scheme, WATSON used his own name as payee, and used his welfare benefit card as proof of identification.

On one separate occasion, WATSON prepared a fraudulent welfare check in the amount of \$740, listing his wife JULIA BONILLA and himself as payees. Accompanied by WATSON, BONILLA attempted to cash this check at the All American Check Cashing Company located at 47-12 Broadway in Astoria, Queens. However, when All American became suspicious and refused to cash the welfare check, both WATSON and BONILLA fled, leaving behind the check and their identification, including BONILLA's drivers license and WATSON's welfare ID card.

All American provided this information to DOI, and also advised DOI that they had become suspicious because they had recognized WATSON from a fraudulent check he had cashed at their location in May 1999. That check was provided to DOI, which determined that it had been stolen from a private company, the New York Blood Center, located at 150 Amsterdam Avenue in Manhattan. It had been forged and cashed by WATSON, listing himself as the payee, in the amount of \$687.43. The New York Blood Center is cooperating with DOI in this investigation.

WATSON, 40, resides at 1330 Webster Avenue, in the Morrisania section of the Bronx. His welfare case was closed in September, 2001, when he became employed as a Utility Worker at a café in Manhattan. He has been charged with Forgery in the First Degree and Criminal Possession of a Forged Instrument in the First Degree, both class C felonies, and Grand Larceny in the Third Degree, a class D felony. If convicted, he faces a maximum sentence of up to 15 years in prison.

LYNCH, 28, is a resident of 165 West 197th Street in the Bronx. She has been charged with Grand Larceny in the Third Degree, a class D felony. If convicted, she faces a maximum sentence of up to 7 years in prison.

BONILLA, 40, is also a resident of 1330 Webster Avenue in the Bronx. She has been charged with Attempted Petit Larceny, a class B misdemeanor. If convicted, she faces a maximum penalty of up to three months in jail.

The investigation was conducted by Gerard Hoey, DOI's Inspector General for HRA, and members of his staff including Deputy Inspector General Benjamin Defibaugh, Chief Investigator Emanuel Lane, and Confidential Investigator Mauricio Kasianko.

The Office of the Bronx District Attorney's Arson and Economic Crimes Unit, under the direction of Bureau Chief Richard Baker, is prosecuting the case. Assistant District Attorney Jose A. Arrocho is handling the matter.