



The City of New York  
Department of Investigation

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**FOR IMMEDIATE RELEASE**  
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**DOI ARRESTS MAN FOR DEFRAUDING HOUSING, WELFARE, AND EDUCATION OF \$125,000**  
*U.S. Veterans Affairs Employee hid his income to get housing subsidies, welfare and educational grants*

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (DOI), announced today the arrest of United States Department of Veterans Affairs employee MUHAMMAD MUSHEER BAAITH, aka William Henry Poulson Jr., for defrauding the New York City Housing Authority (NYCHA) \$54,471.60 in Section 8 housing subsidies, the New York City Human Resources Administration (HRA) of \$50,627 in Public Assistance benefits, and the United States Department of Education of \$20,924.50 in Federal Student Aid.

BAAITH, 52, has been charged with Grand Larceny in the 2<sup>nd</sup> and 3<sup>rd</sup> Degrees, and Offering a False Instrument for Filing in the First Degree. If convicted, he faces up to 15 years in prison.

DOI Commissioner Rose Gill Hearn said, "Applying his knowledge of government benefit programs, this public servant deliberately concealed his income so he could receive \$125,000 in benefits that he didn't deserve. These benefits should have gone to those truly eligible and in need. DOI will seek to have this public servant repay all that was stolen."

Today's arrest followed a computer match which identified NYCHA tenants who had not properly reported their private employment. DOI investigators determined that BAAITH, a Section 8 tenant residing at 1314 Virginia Avenue, Apt. 1-C, Bronx, since October 1996, had been employed as a Housekeeping Aid at the Veterans Affairs Medical Center in Brooklyn since July 20, 1997, but had never reported any of his VA employment income to NYCHA. Instead, BAAITH continued to report only "welfare" as his income on all affidavits that he filed with NYCHA, so that he would appear to be still eligible to qualify for, and receive, Section 8 rent subsidies. These Section 8 rent subsidies, often \$817/month, allowed BAAITH to pay as little as \$59/month of his own money towards his rent. BAAITH's failure to report his VA income caused NYCHA to be defrauded of \$54,471.60 in rent subsidies between November 1998 and April 2005.

DOI further determined that BAAITH had never notified HRA, which had been providing him with Public Assistance and Medicaid benefits since June 1988, of his VA employment. The investigation determined that BAAITH concealed his VA income on recertification and other documents filed with HRA, and that he continued to receive monthly cash grants, food stamp, and Medicaid benefits as a result of his concealment of income. The HRA Bureau of Fraud Investigation determined that BAAITH would have been ineligible to receive such public assistance benefits had his VA income been reported, and that from July 1997 to the present, BAAITH defrauded HRA of \$50,627.

The investigation further found that while attending CUNY Borough of Manhattan Community College and CUNY LaGuardia Community College between July 2000 and July 2005, BAAITH had applied to the United States Department of Education for Federal Student Aid, consisting of grant money and student loans, for college tuition. Eligibility for these financial aid programs is determined by the defendant's representations as to his annual income. The

U.S. Dept. of Education, Office of Inspector General found that BAAITH failed to list his VA income on his federal student aid application documents. BAAITH received \$20,924.50 in educational grants and benefits.

This investigation was jointly conducted by NYCHA Inspector General Judith F. Abruzzo and members of her staff, including Deputy Inspector General Kevin Smith, Acting Assistant Inspector General Rosemary Caruso, and Confidential Investigator Alexandra D. Hampton; the U.S. Department of Veterans Affairs OIG including Special Agent-in-Charge Jeffrey G. Hughes and Agent Gregg McLaughlin; and the U.S. Department of Education OIG including Inspector General John P. Higgins and Special Agent John Carlo. The HRA Bureau of Fraud Investigation, including Investigator Morgan Neuwirth, provided assistance in the investigation of the Public Assistance fraud.

The Office of Bronx County District Attorney Robert T. Johnson is prosecuting the cases. Assistant District Attorney Kathryn Mellusi of the Investigations Division is handling the prosecution.

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.*

***Get the worms out of the Big Apple.  
To report someone ripping off the city, call DOI at (212) 825-5959.***