



The City of New York
Department of Investigation

ROSE GILL HEARN
COMMISSIONER

80 MAIDEN LANE
NEW YORK, NY 10038
212-825-5900

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CONTACT: CAROL STRICKLAND
(212) 825-5931

**STATEMENT FROM DOI REGARDING ARRESTS OF NYC EMPLOYEE AND ACCOMPLICE
CHARGED WITH STEALING FUNDS INTENDED FOR FOSTER CHILDREN**

EVELYN MCCOY, an Administration for Children's Services (ACS) supervisor and MARVIN K. DUNLAP, her accomplice, have been arrested on federal charges resulting from their participation in a scheme to create and steal ACS foster care checks totaling \$66,357.98.

MCCOY, 62, of Manhattan, has been charged with theft from a program receiving federal funds and mail fraud. DUNLAP, 72, of Winston Salem, North Carolina has been charged with mail fraud. Conviction carries a maximum sentence of 30 years imprisonment and \$1,000,000 fine on the mail fraud charge and 10 years imprisonment on the theft charge.

DOI Commissioner Rose Gill Hearn said, "Any scheme to fraudulently obtain ACS payments, whether for a sham foster care parent or for sham benefits, will be vigorously prosecuted. Such actions victimize the children ACS is there to help."

U.S Postal Inspection Service Inspector-in-charge Ron Walker said, "This much needed program is funded by honest, hard-working taxpayers. The fact that someone entrusted to help administer it would use their knowledge of the system to line their pockets with cash makes this crime that much more despicable. Postal inspectors will not tolerate the misuse of the U.S. mail to help facilitate any crime. I am proud of the work our postal inspectors did with the Department of Investigation on this case."

DOI began its investigation after receiving a complaint from ACS concerning a foster care payment for \$27,208.08 made to DUNLAP in January 2004 that lacked the requisite documentation justifying the issuance of the payment.

The joint investigation with the United States Postal Inspection Service determined that MCCOY used her position as a supervisor in the ACS Payment Services Unit to improperly create and process "Foster Care Payment Check Request" forms falsely listing DUNLAP as the "Payee/Foster Parent" for three foster children. As a result, two separate foster care checks were issued to DUNLAP.

In July 2003, the first check for \$39,149.90 was mailed by ACS to DUNLAP at a Post Office Box registered to him in Winston Salem, North Carolina. DUNLAP, a retired Director of Admissions for John C. Smith University in North Carolina, deposited the ACS check into an account he maintained at the North Carolina State Employee's Credit Union (SECU.) DUNLAP then purchased a \$14,000 money order from the SECU, payable to MCCOY. MCCOY subsequently deposited the money order into her Municipal Credit Union account in New York City.

In April 2004, DUNLAP deposited a second ACS check, dated January 27, 2004 and in the amount of \$27,208.08, into his SECU savings account.

The investigation determined that DUNLAP was never an ACS-registered foster parent, nor was there a relationship between him and the three foster children on whose behalf he received foster care payments.

MCCOY, who has been employed by the City of New York since 1970 and as an ACS Supervisor Level II since June 1996, has been suspended from her position at ACS.

Commissioner Gill Hearn thanked United States Attorney Michael J. Garcia for his office's cooperation with DOI on this case, as well as the United States Postal Inspection Service and ACS Commissioner John Mattingly and his staff for their assistance in the investigation.

The investigation was conducted by DOI Assistant Commissioner Benjamin Defibaugh, DOI's Inspector General for ACS Rebecca Holland and members of their staff, including Deputy Inspector General Joseph Caputo and Confidential Investigator Martin Lintner. Postal Inspector Bryan Masmela also participated in the investigation.

This office of the United States Attorney for the Southern District of New York Michael J. Garcia is prosecuting the case, which has been assigned to Assistant United States John T. Zach.

Criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

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