



The City of New York
Department of Investigation

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Release #90-2008
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
TUESDAY, SEPTEMBER 30, 2008

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**DOI INVESTIGATION LEADS TO ARREST OF A CITY DEPARTMENT OF EDUCATION TEACHER
ON A FEDERAL CHARGE OF STEALING THOUSANDS OF DOLLARS IN SECTION 8 SUBSIDIES**
--Today's arrest is the third this year of a City teacher for fraudulently obtaining Section 8 subsidies--

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced today the arrest of ANTONIA PEARSON, a teacher with the City Department of Education ("DOE"), who was charged with concealing her City income to collect approximately \$16,986 in Section 8 housing subsidies that she was not entitled to receive. The office of Michael J. Garcia, the United States Attorney for the Southern District of New York, is prosecuting the case.

PEARSON, 53, of Manhattan, has been charged with violating 18 § U.S.C. 641 by fraudulently obtaining approximately \$16,986 from the U.S. Department of Housing and Urban Development ("HUD") between 2004 and 2008. If convicted, she faces up to ten years in federal prison. PEARSON has been employed with DOE since 1997, is currently a per diem teacher earning \$110.29 per day and is assigned to the Jane Addams High School for Academic Careers in the Bronx. In 2007, she earned \$37,885.78.

DOI Commissioner Rose Gill Hearn said, "Today's arrest demonstrates DOI's continued commitment to protect precious housing subsidies for those who are entitled to them. DOI's record in uncovering Section 8 fraud sends the clear message that anyone who deliberately conceals income to illegally collect rental subsidies will face arrest and criminal prosecution."

Today's arrest stems from DOI investigators' comparing the income City employees reported to the New York City Housing Development Corporation ("HDC") to collect Section 8 subsidies with the employees' actual income listed in the City's payroll records.

DOI investigations have led to three arrests of City teachers on charges of defrauding the Section 8 program so far this year. In June 2008, WENDY APONTE was arrested, has pleaded guilty in federal court to a reduced charge of fraudulently obtaining approximately \$27,000 in Section 8 benefits between 2004 and 2007 and is scheduled for sentencing in November. DOI's release on the arrest can be found at: <http://www.nyc.gov/html/doi/pdf/54aponte06-20-2008.pdf>. Earlier this month, as a result of a joint investigation with the Office of Inspector General for HUD, MONIQUE ELLIS was charged with fraudulently obtaining more than \$39,000 in Section 8 benefits. That release can be found at: http://www.nyc.gov/html/doi/pdf/pr81ellis_90408.pdf.

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The Section 8 Rental Assistance Program is a federal government program for helping low-income individuals to afford housing in the private market. A housing subsidy is paid each month directly to the landlord on behalf of the participating individual, and that individual pays the difference between the actual rent and the amount subsidized by the Section 8 program. The Section 8 housing subsidies in this investigation were administered by HDC and funded by HUD.

According to the criminal complaint, PEARSON resided in a Section 8 subsidized apartment in Manhattan from before 2004 to the present and, although she reported non-City income, she failed to report her income from DOE for 2004, 2005 and 2006 during her annual income re-certifications. The investigation also found that in 2007 and 2008 she only reported a portion of her income from her DOE employment. Between 2004 and 2007, PEARSON signed re-certification forms that said she expected to receive income of between approximately \$5,000 and \$6,965. DOI's investigation found that during those years, she actually received income from DOE of between \$2,426 and \$37,885. The investigation found that from 2004 to the present, as a result of these misrepresentations, PEARSON collected approximately \$16,986 in Section 8 subsidies that she was not entitled to receive.

Commissioner Gill Hearn thanked HDC President Marc Jahr and members of his staff for their assistance and cooperation during the investigation. Commissioner Gill Hearn also thanked Michael J. Garcia, United States Attorney for the Southern District of New York, whose office is prosecuting the case, which has been assigned to Assistant U.S. Attorney Daniel P. Chung.

The investigation was conducted by HDC Inspector General Joseph P. Piazza, Special Counsel Catherine Riccards and Chief Investigator Belarminia Ortiz, with the assistance of investigators from the HUD Inspector General's Office, including Special Agent Vicky Vasquez.

Criminal complaints are merely 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.**