



The City of New York
Department of Investigation

ROSE GILL HEARN
COMMISSIONER

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

Release #95-2008
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
FRIDAY, OCTOBER 24, 2008

DOI CONTACT: DIANE STRUZZI
(212) 825-5931

**DOI STATEMENT ON PRISON SENTENCE OF FORMER RECORDS DIRECTOR
OF CHIEF MEDICAL EXAMINER'S OFFICE IN THEFT OF SEPTEMBER 11TH FUNDS**

ROSA ABREU, the former Director of Records at the City Office of the Chief Medical Examiner ("OCME"), was sentenced today in the United States District Court in Manhattan to over 5 ½ years in prison, more than \$1 million in restitution and forfeiture for her admitted role in the theft of more than \$9 million from OCME. Much of that money was stolen from federal funds allocated for a computer system to track forensic evidence and identify victims of the September 11th terrorist attacks at the World Trade Center.

The New York City Department of Investigation ("DOI") uncovered the complex embezzlement scheme, which included fraudulent computer-service expenditures and the movement of money overseas, as far as India. ABREU'S codefendant, NATARAJAN "RAJU" VENKATARAM, the former Director of Management Information Systems ("MIS") at OCME, was sentenced in July 2008 to 15 years in prison and was fined \$50,000 and ordered to pay \$2.9 million in restitution and forfeiture. To date, the City has recovered \$6.12 million in the matter.

The case was prosecuted by the office of the U.S. Attorney for the Southern District of New York, Michael J. Garcia. U.S. District Judge Robert P. Patterson, Jr. sentenced ABREU this morning.

DOI Commissioner Rose Gill Hearn said, "As New Yorkers struggled to recover from the unspeakable wrong committed by terrorists, two City employees breached our trust and stole an enormous sum of money intended to help the authorities identify and seek justice for those who were killed. Fortunately, DOI investigators tenaciously unraveled the defendants' web of sham transactions, and our colleagues in the U.S. Attorney's Office successfully prosecuted the case. The sentencing of both defendants allows this disturbing chapter of our City's story to end with a measure of justice and deterrence."

ABREU'S sentencing caps an extensive and far-reaching investigation by DOI. Both VENKATARAM and ABREU resigned from OCME in September 2005, were arrested in December 2005, and pleaded guilty in October 2007. VENKATARAM pleaded guilty to one count of Conspiracy, one count of Embezzlement and 14 counts of Money Laundering. ABREU pleaded guilty to one count of Conspiracy, one count of Embezzlement and three counts of Money Laundering.

DOI began the investigation in 2004 after it was alerted to suspicions about VENKATARAM's procurement practices at OCME. DOI investigators traced the defendants' fraudulent financial

transactions to India and elsewhere and found that VENKATARAM and ABREU steered numerous OCME computer contracts and payments to companies that performed little or no work for OCME. Those companies, in turn, forwarded some of the unearned funds to three shell companies created by VENKATARAM and ABREU and laundered other payments through a dozen other companies and individuals at VENKATARAM's direction. The stolen funds came from the Federal Emergency Management Agency and the City. VENKATARAM and ABREU were charged with submitting invoices for goods and services that were never provided and with padding invoices for computer services and software purchases following the September 11, 2001 terrorist attacks.

Commissioner Gill Hearn thanked Michael J. Garcia, U.S. Attorney for the Southern District of New York, and his staff, including Assistant U.S. Attorneys Andrew Dember and Arlo Devlin-Brown, who prosecuted the case.

Commissioner Gill Hearn also thanked Dr. Charles S. Hirsch, the City's Chief Medical Examiner, for his office's assistance and cooperation.

The investigation was conducted by DOI's Inspector General for the Department of Health and Mental Hygiene, Christopher Staackmann, Deputy Inspector General Stephan Zander, Counsel to the Inspector General Andrea Hecht, Assistant Inspector General Bradley Howard, Special Investigators Byron Biggerstaff and John Eleftheriades, Confidential Investigator Danielle Caruso, Associate Commissioner Yuval Hibshoosh, Investigative Auditors Laila Jane Yu, Helen Gromadsky, Lana Wong and Maggie Xu.

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.**