



The City of New York
Department of Investigation

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**DOI STATEMENT ON PRISON SENTENCES FOR CITY-FUNDED NONPROFIT EXECUTIVE
AND SPOUSE IN CONNECTION WITH MORE THAN HALF-MILLION-DOLLAR THEFT**

Mark G. Peters, Commissioner of the New York City Department of Investigation (“DOI”) issued the following statement today on the prison sentences of two defendants charged with more than \$500,000 in fraud involving a City-funded not-for-profit that served senior citizens in Upper Manhattan. KWAME INSAIDOO, the former executive director of the United Block Association (“UBA”), was sentenced to 48 months in prison, and ROXANNA INSAIDOO, to 30 months in prison for their roles in the scheme, stealing funds intended to provide services to seniors, including providing meals, and using them to pay for personal expenses, including a mortgage on a home and payments for a luxury sedan. U.S. District Judge Valerie Caproni imposed the sentence this afternoon in the U.S. District Court for the Southern District of New York. The office of Joon H. Kim, Acting United States Attorney for the Southern District of New York, prosecuted the case.

At the time of their arrest last year, DOI issued a report on vulnerabilities and breakdowns in the City Department for the Aging’s (“DFTA”) oversight of fiscal practices at not-for-profit organizations, and recommended specific ways to improve fraud detection at the agency. At the time, DFTA agreed to implement all of the recommended reforms. A copy of DOI’s Report can be found at the following link: <http://www1.nyc.gov/site/doi/newsroom/public-reports.page>

Commissioner Mark G. Peters said, “The defendants’ greedy and callous actions of stealing from seniors and City taxpayers will now be repaid with prison time. DOI thanks the Acting U.S. Attorney in the Southern District of New York and his team for their partnership in this investigation.”

On May 2, 2017, after a one-week jury trial, KWAME INSAIDOO and ROXANNA INSAIDOO were convicted of embezzlement, money laundering, and defrauding their mortgage lender. KWAME INSAIDOO was also convicted of an additional count of wire fraud.

According to the investigation, INSAIDOO authorized transfers of thousands of dollars of City funds from UBA’s accounts to himself, ROXANNA INSAIDOO, the couple’s son, and a shell corporation named Allied Home Care, which was controlled by KWAME and ROXANNA INSAIDOO. The funds were used to pay for personal items, including a mortgage for a Long Island home, a vehicle, and personal utilities.

DOI Commissioner Peters thanked Acting U.S. Attorney for the Southern District of New York Joon H. Kim, and DFTA Commissioner Donna M. Corrado, and their staffs, for their cooperation and assistance in this investigation.

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The investigation was conducted by DOI's Office of the Inspector General for City-funded nonprofits, under the supervision of First Deputy Inspector General/Chief Forensic Auditor Ivette Morales, Inspector General Andrew Sein, Special Associate Commissioner Susan Lambiase, Deputy Commissioner/Chief of Investigations Michael Carroll and First Deputy Commissioner Lesley Brovner. Senior Investigative Auditors Hannah Golden and Nicole Clyne assisted in the case.

Assistant United State Attorneys Eli J. Mark, David Zhou, and Tatiana Martins from the U.S. Attorney's Office for the Southern District of New York prosecuted the case.

DOI is one of the oldest law-enforcement agencies in the country and New York City's corruption watchdog. 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. DOI's strategy attacks corruption comprehensively through systemic investigations that lead to high-impact arrests, preventive internal controls and operational reforms that improve the way the City runs.

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