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DISTRICT ATTORNEY

DISTRICT ATTORNEY – NEW YORK COUNTY

FOR IMMEDIATE RELEASE
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**ANOTHER CONSTRUCTION COMPANY INDICTED FOR WAGE THEFT,
INSURANCE FRAUD**

Defendants Misclassified and Underpaid Workers, Including Site Fatality Victim Elizandro Ramos

Manhattan District Attorney Cyrus R. Vance, Jr., and New York City Department of Investigation (“DOI”) Commissioner Mark G. Peters today announced the indictment of CRV PRECAST CONSTRUCTION, LLC (“CRV”) and six of its employees for misclassifying workers as lesser-skilled, underpaying them, and falsifying information about payroll and employees, including a worker who was killed at a company job site. The defendants are charged in a New York State Supreme Court indictment with Insurance Fraud in the Second and Third Degrees, Grand Larceny in the Third Degree, and Scheme to Defraud in the First Degree, among other charges.^[1]

“Time and again, we’ve seen how wage theft is [symptomatic of an overall disregard for workers’ wellbeing](#): On worksites where companies regularly defraud their employees, we have also seen them playing fast and loose with their workers’ lives and safety,” said District Attorney Vance. “As alleged in this case, the defendants devalued their workers’ livelihoods, underpaying them and insuring them for lower-risk work while simultaneously sending them to carry out complicated construction projects. Misclassifying workers as lesser-skilled is a common way that employers steal from their employees, and I thank our [Construction Fraud Task Force](#) partners for [their continued commitment to protecting the workers](#) who put their lives on the line every day.”

DOI Commissioner Mark G. Peters said: “These defendants stole from their workers on City construction projects, failing to pay the legally required prevailing wage and underpaying more than \$400,000 in insurance premiums, according to the charges. In trying to skirt these laws for their own benefit, the defendants’ alleged conduct has instead landed them in

^[1] The charges contained in the indictment are merely allegations, and the defendants are presumed innocent unless and until proven guilty. All factual recitations are derived from documents filed in court and statements made on the record in court.

handcuffs and facing prosecution. DOI thanks the Manhattan District Attorney's Office for its partnership in this case and our many joint Construction Fraud Task Force investigations."

The indictment follows a joint investigation led by the Manhattan District Attorney's Office's Construction Fraud Task Force and DOI, with additional assistance by the New York State Insurance Fund ("NYSIF").

Wage Theft Scheme

Under federal prevailing wage law, contractors and subcontractors on federally funded construction projects are required to pay the prevailing rate of wage and benefits to workers. The classification of these workers and the wage paid must correspond to the actual work performed so that workers are not purposely misclassified and, thereby, underpaid.

In 2016, CRV was hired as a subcontractor on a federally-funded project involving the renovation of Draper Hall, a former medical dormitory located at 1918 First Avenue, which was being remodeled as an affordable housing complex for seniors. CRV was contracted to erect a steel framework, which requires ironworkers, and install precast concrete planks, which requires ironworkers or concrete laborers, depending on the specific task.

According to the indictment and documents filed in court, CRV and multiple individuals who operated the company misclassified workers in order to pay them less than the prevailing wage rate.

These individuals include: LUIS E. RIVERA, 51, the registered owner of CRV; THOMAS J. CARROLL, 75, the operating manager; his son, TIMOTHY CARROLL, 52, a field superintendent; DONNA L. MORRIS, 63, a payroll administrator; LINDA J. DOPPLER, 56, the company's comptroller; and FRANK P. VALENTINO, 76, who acted as CRV's comptroller between 2009 and 2016. By misclassifying workers on certified payroll reports as lesser-skilled concrete laborers instead of ironworkers, the defendants were able to underpay and steal approximately \$40,000 from at least four workers. When workers complained about the lower wages, they were informed that they could quit.

Insurance Fraud Scheme

The defendants also filed false payroll information with NYSIF in order to lower CRV's workers' compensation insurance premiums. By underreporting the company's expected aggregate payroll for 2015-16, CRV underpaid NYSIF approximately \$380,000 for the insurance coverage it received. In addition, by misclassifying ironworkers as concrete laborers—who are insured by NYSIF at a lower risk factor—CRV fraudulently lowered the company's premium for the insurance year 2016-17. In total, CRV underpaid NYSIF by approximately \$410,000 by underreporting payroll and misclassifying workers.

In one instance, the defendants provided NYSIF with false information about an ironworker, Elizandro Ramos, who died at a CRV job site in Queens. In a payroll summary, the victim was falsely listed as a concrete laborer, even though he was performing iron work for CRV at the time of his death.

Construction Fraud Task Force

In 2015, the Manhattan District Attorney's Office formed the [Construction Fraud Task Force](#) with partners in law enforcement, including DOI, the Metropolitan Transportation Authority ("MTA") Inspector General's Office, and the Port Authority of New York and New Jersey ("PANYNJ") Office of the Inspector General, to investigate and pursue criminal cases against individuals and companies who endanger the safety of others and undermine the integrity of the construction industry. Following a series of [successful trial convictions](#) related to the death of worker Carlos Moncayo, District Attorney Vance created the Construction Safety Community Project to train workers to recognize workplace safety hazards and signs of fraud, and proactively report them to law enforcement. To date, the Construction Fraud Task Force has conducted more than 60 presentations across the city for more than 2,200 construction workers.

How to Report Worksite Safety Violations, Wage Theft

Workers are encouraged to send tips related to wage theft and dangerous work sites directly and anonymously to the Manhattan District Attorney's Office through WhatsApp at (646) 712-0298. These reports may be investigated by members of the Construction Fraud Task Force, which has secured a number of notable convictions and has previously [returned](#) approximately [\\$1.4 million in stolen wages](#) to workers.

WhatsApp Manhattan DA: (646) 712-0298

NYS Department of Labor: 1 (888) 4-NYS-DOL

Assistant D.A. Leah Keith is handling the prosecution of the case under the supervision of Assistant D.A. Diana Florence, Attorney-in-Charge of the Construction Fraud Task Force, Assistant D.A. Michael Ohm, Deputy Chief of the Rackets Bureau, Assistant D.A. Judy Salwen, Principal Deputy Chief of the Rackets Bureau, Assistant D.A. Jodie Kane, Chief of the Rackets Bureau, and Executive Assistant D.A. Michael Sachs, Chief of the Investigation Division. Task Force Coordinator Hildalyn Colon Hernandez, Paralegal Sophia Inkeles, Special Investigator Angela Jenkins, and Task Force's Research Analyst Damaye Williams provided additional assistance with the investigation.

District Attorney Vance thanked the following agencies and individuals for their assistance with the investigation: DOI, and in particular, Commissioner Mark G. Peters, First Deputy Commissioner Lesley Brovner, Deputy Commissioner and Chief of Investigations Susan Lambiase, Associate Commissioner James Flaherty, Inspector General Greg Cho, Chief Investigator James McElligott, Investigator Ross Hoffman, Special Investigators Janaina Siguencia, Gina Manzi, and Christina Clyburn, and Assistant Inspector General Dan Taylor; NYSIF, and in particular, the Division of Confidential Investigations; Frank King, Chief Labor Investigator for the New York State Department of Labor; and New York City Housing Preservation and Development, and in particular, Executive Director for Regulatory Compliance Lucy Joffe and Director of Labor Monitoring Unit Rashid Allen.

Defendant Information:

CRV PRECAST CONSTRUCTION, LLC
Eastampton, NJ

Charged:

- Insurance Fraud in the Second Degree, a class C felony, 1 count
- Insurance Fraud in the Third Degree, a class D felony, 1 count
- Grand Larceny in the Third Degree, a class D felony, 4 counts
- Scheme to Defraud in the First Degree, a class E felony, 1 count
- Offering a False Instrument for Filing in the First Degree, a class E felony, 6 counts

THOMAS J. CARROLL, D.O.B. 10/13/1942
Cherry Hill, NJ

Charged:

- Insurance Fraud in the Second Degree, a class C felony, 1 count
- Grand Larceny in the Third Degree, a class D felony, 4 counts
- Scheme to Defraud in the First Degree, a class E felony, 1 count
- Offering a False Instrument for Filing in the First Degree, a class E felony, 5 counts

TIMOTHY M. CARROLL, D.O.B. 12/6/1965
Mount Laurel, NJ

Charged:

- Grand Larceny in the Third Degree, a class D felony, 4 counts
- Scheme to Defraud in the First Degree, a class E felony, 1 count
- Offering a False Instrument for Filing in the First Degree, a class E felony, 4 counts

LINDA J. DOPPLER, D.O.B. 1/28/1962
Delran, NJ

Charged:

- Insurance Fraud in the Third Degree, a class D felony, 1 count
- Offering a False Instrument for Filing in the First Degree, a class E felony, 1 count

DONNA L. MORRIS, D.O.B. 3/7/1955
New Egypt, NJ

Charged:

- Offering a False Instrument for Filing in the First Degree, a class E felony, 4 counts

LUIS E. RIVERA, D.O.B. 9/12/1966
Wenonah, NJ

Charged:

- Insurance Fraud in the Second Degree, a class C felony, 1 count
- Grand Larceny in the Third Degree, a class D felony, 4 counts
- Scheme to Defraud in the First Degree, a class E felony, 1 count
- Offering a False Instrument for Filing in the First Degree, a class E felony, 5 counts

FRANK P. VALENTINO, D.O.B. 4/27/1942
Collingswood, NJ

Charged:

- Insurance Fraud in the Second Degree, a class C felony, 1 count
- Offering a False Instrument for Filing in the First Degree, a class E felony, 1 count

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