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Governor

Sean Courtney  
Welfare Inspector General

For release on: March 29, 2010

**Career Criminal sentenced under Brooklyn indictment charging him with illegal possession of more than 300 stolen food stamp benefit accounts of Brooklyn residents**

- Confidential personal information of hundreds of clients stolen
- Hidden books with names and Social Security numbers
- Food stamp benefits for crack cocaine

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The New York State Welfare Inspector General and the District Attorney of Kings County announced today the sentencing of Kenley Stanislas, age forty-five and a resident of Brooklyn, for the crime of Criminal Possession of a Forged Instrument in the Second Degree, in violation of New York Penal Law section 170.25, a class “D” felony. Stanislas, a career criminal, was sentenced by Justice Michael P. Murphy, in King County Supreme Court, Part 40, to a prison sentence of as much as four years, under indictment number 12362 of 2008.

The criminal case originated from an investigation conducted by the Office of the Welfare Inspector General, the New York City Human Resources Administration (“HRA”), the New York State Office of Temporary and Disability Assistance, the Kings County District Attorney’s Office, and the New York City Police Department, among other agencies, into the systematic theft between 2006 and 2008 of hundreds of food stamp benefit accounts from residents of central Brooklyn. The account-holders

reported that their food stamp accounts had been frozen and that hundreds of dollars in each of their accounts wiped out.

Stanislas was arrested on December 3, 2008, after investigators observed him inside two Brooklyn grocery stores, where he made purchases using a stolen food stamp benefit account. Upon being arrested, detectives recovered from his underpants two soft-bound booklets containing the handwritten names, food stamp account numbers, passwords and other personal identifying information of more than three hundred HRA clients. A slip of paper with additional food stamp account numbers and other personal information was recovered from one of Stanislas's socks. The information in the booklets and the slip of paper was sufficient for him to access all those accounts through an HRA-provided toll-free telephone number. The total cash value of the accounts was in excess of \$100,000.

The primary victims in this case were the hundreds of poor and disadvantaged families and individuals whose stolen identities were in Stanislas's possession.

Evidence from the investigation pointed to Stanislas as the person who fraudulently obtained the account-holders' confidential personal information. Each of the food stamp clients reported that they received a telephone call from a male who identified himself as an investigator or caseworker with the New York City Department of Social Services. The caller reprimanded the client for missing a purported appointment with social services or for not being home when the caller said that he had attempted to make an official visit. The caller said that the client would have his/her public benefits terminated unless the client immediately made arrangements for an appointment. The appointment could only be made, the caller insisted, if the client confirmed with the caller the client's food stamp account number, Social Security number, and date of birth. (Most of the clients balked at providing this information over the telephone, but the caller, identifying himself with a fictitious name and badge number, insisted that their cases would immediately be closed if they did not cooperate.) A day or so after the call, the clients, attempting to make purchases with their HRA-issued debit cards, discovered that the cards could not be used because the passwords on the accounts were changed. By the time the clients visited HRA to resolve the problem, credits in the account—typically hundreds of dollars for each victim—had been removed. No one at HRA knew about or authorized the calls that the clients received.

The oldest victim in the scam was 103 years of age; the youngest a mother in her late twenties. Most had children. All had little or no income. They described the caller as bullying, threatening, authoritative--and believable. While recognizing, with the wisdom of hindsight, that they should not have released their personal information over the telephone, all of them at the time, threatened with the immediate loss of the food assistance on which they relied, believed they had no choice.

Since the Defendant's arrest on December 3, 2008, complaints of this type have stopped.

According to information obtained by investigators, Stanislas and his accomplices stole hundreds, if not thousands, of dollars in a single day. Much of the money was used by the Stanislas to buy and consume narcotics, including crack cocaine.

Stanislas has a criminal history, going back to 1988, with three prior felony convictions and nineteen misdemeanor convictions.

Welfare Inspector General Sean Courtney expressed his gratitude for the results achieved:

“The success of this investigation and prosecution was made possible by the strong commitment and cooperation of all the participating agencies. In particular, I thank District Attorney Charles J. Hynes, along with Chief Assistant Amy Feinstein and Executive ADA Lauren Mack, for giving us their invaluable resources for this important case. Executive Deputy Commissioner Peter Jenik at HRA dedicated a large number of able investigators to uncover critical evidence. Our partners in State government in the Office of Temporary and Disability Assistance supported the investigation and prosecution at every stage. Food stamp recipients should know that we will act to protect benefits from being stolen. And we hope that a few years in prison garb will cure Mr. Stanislas of his interest in dressing with stolen food stamp accounts.”

District Attorney Charles J. Hynes said:

“In a period of government budget shortfalls and economic recession, the people of New York can ill afford crimes against public relief agencies, which provide critical assistance to the neediest citizens. I would like to thank Inspector General Courtney for his office’s assistance in this prosecution.”

OTDA Executive Deputy Commissioner Elizabeth Berlin said:

“We are grateful to the Office of the Welfare Inspector General and our other local partners for their efforts to successfully prosecute this case. Our agency is committed to ensuring that those eligible for assistance get the help they need to make ends meet in these difficult economic times. And we will continue doing all we can to make sure those we serve are not victimized by unscrupulous individuals looking to take advantage of some of our most vulnerable residents.”

HRA Commissioner Robert Doar stated:

“I am proud of our team at HRA and our dedicated efforts to protecting the integrity of the Food Stamps program. HRA is committed to making sure that food stamps are available to eligible families and catching those who attempt to defraud the system.”

The investigation was conducted under the supervision of the Welfare IG’s chief investigator, Anthony Jacaruso, and by Investigator Gabriel Camacho. At HRA, the

investigation was conducted through the Bureau of Fraud Investigation (“BFI”), with the participation of investigators Steven Maloney, Jessica Villanueva, Nyah Paul and Mary Caban, among others. BFI is supervised by Assistant Deputy Commissioner Alida Mattos and Executive Director Zivko Pulisic; it is under the general supervision of Executive Deputy Commissioner Peter Jenik. At the New York State Office of Temporary and Disability Assistance, support was provided by the Office’s Bureau of Audit and Quality Improvement, including Director of Program Integrity Richard Nawrot, and by Director of WMS Program Implementation Al Rios. The court case was conducted by the Office of the Kings County District Attorney, in the District Attorney’s Public Assistance Fraud Unit, which is headed by Executive Assistant District Attorney Lauren Mack. The arresting officer was Detective Investigator Dave O’Neil. The case was prosecuted by Welfare Inspector General Sean Courtney, serving as a special assistant district attorney.

Additional information about the case may be found in the Welfare IG’s sentencing memorandum, which is posted on the Welfare IG’s website: <http://owig.state.ny.us>.

The Defendant was represented by Leon Schrage, Esq. Mr. Schrage’s office is located at 26 Court St., Su. 810, Brooklyn, New York 11242.

*The Office of the Welfare Inspector General is a New York State agency, in the administration of Governor David A. Paterson, that investigates and prosecutes fraud in social services programs of state and local government. Please visit our website for more information about our agency or to make a report about social services fraud or abuse.*