



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
January 20, 2009

CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL,
JANICE OH
PUBLIC INFORMATION OFFICE
(212) 637-2600

DOI
KEITH SCHWAM, DIANE STRUZZI
PUBLIC INFORMATION OFFICE
(212) 825-5958, 5931

FORMER OFFICIAL OF NYC ADMINISTRATION FOR CHILDREN'S
SERVICES PLEADS GUILTY TO CONSPIRING TO STEAL MORE
THAN \$400,000 INTENDED TO ASSIST NEEDY CHILDREN

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced that NIGEL OSARENKHOE, 49, pleaded guilty today to conspiracy to defraud ACS via a scheme that netted a total of over \$400,000 in ACS funds that were intended to subsidize families who had adopted needy children. OSARENKHOE entered the guilty plea in Manhattan federal court before United States District Judge BARBARA S. JONES.

According to the Indictment and Complaint previously filed in this case, and statements made at OSARENKHOE's guilty plea proceeding:

ACS is the New York City agency responsible for providing services to needy children and their families. Among other things, ACS administers subsidies provided under New York State law to parents who adopt needy children. These subsidies amount to approximately \$32 million per month.

From 1998 through mid-2008, OSARENKHOE was Supervisor of Adoptions within ACS's Payment Services Department and was responsible, among other things, for internal reporting of adoption subsidy payments. OSARENKHOE was also a member of ACS's Quality Assurance Unit. In this manner OSARENKHOE had access to the ACS computer systems involved in processing adoption subsidy payments.

Commencing in approximately 2002 and continuing through July 2008, OSARENKHOE abused his position by authorizing adoption subsidy payments totaling approximately \$265,930 to be made via checks payable in the name of his wife, and by authorizing adoption subsidy payments totaling approximately \$145,845 to be made to a co-conspirator, STAY THOMPSON, a/k/a "Stay Daniels." THOMPSON shared a portion of these funds with OSARENKHOE.

OSARENKHOE faces a maximum sentence of 20 years in prison, as well as a maximum fine of the greater of \$250,000 or twice the gross gain or loss from the offense, on the charge of mail fraud to which he pleaded guilty.

Mr. DASSIN praised the investigative work of ACS.

The prosecution is being handled by the Office's Public Corruption Unit. Assistant United States Attorneys DANIEL L. STEIN and WILLIAM J. HARRINGTON are in charge of the prosecution.

The charges contained in the Indictment and Complaint as to THOMPSON are merely accusations, and she is presumed innocent unless and until proven guilty.

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