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FORMER EMPLOYEE OF NEW YORK CITY MEDICAL EXAMINER
PLEADS GUILTY TO CHARGES RELATING TO THEFT
OF FEDERAL 9/11 FUNDS

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that NATARAJAN R. VENKATARAM, a former high-ranking employee of the Office of the Chief Medical Examiner for the City of New York ("OCME"), pleaded guilty today to embezzlement, money laundering, and conspiracy charges in connection with a scheme to steal millions of dollars, including funds provided to the OCME by the Federal Emergency Management Agency ("FEMA") to assist in responding to the terrorist attacks on the World Trade Center on September 11, 2001. VENKATARAM, 42, of Queens, New York, pleaded guilty in Manhattan federal court before United States District Judge ROBERT P. PATTERSON. According to the Indictment and statements made during VENKATARAM's guilty plea:

For approximately 13 years, VENKATARAM was the OCME's Director of Management Information Systems ("MIS"). In that capacity, he supervised the day-to-day operation of the OCME's computer network and was responsible for the support of the OCME's computer hardware and software applications, including systems used to track and identify forensic evidence (including DNA evidence) from crime scenes. His duties also included the supervision of outside consultants who provided day-to-day support services for the OCME computer network. VENKATARAM's co-defendant ROSA ABREU, was the OCME's Director of Records and was VENKATARAM'S primary assistant.

The OCME developed an acute need for computer services following the September 11th attacks, when it was assigned the task of identifying victims through the forensic analysis of body parts and other evidence collected at Ground Zero. Many of the OCME's September 11th-related expenses were reimbursed by FEMA, which provided more than \$46 million to OCME in 2002 and 2003.

Between 1999 and 2005, VENKATARAM steered more than \$13 million in OCME contracts and purchase orders to three companies run by a co-conspirator ("CC-1") by advising CC-1 how much to bid on OCME contracts and arranging for CC-1's three companies to submit purportedly independent "competing" bids. In the vast majority of cases, CC-1's companies were paid in full under the OCME contracts but did little or no work. Instead, CC-1's companies would transfer funds to other companies, as directed by VENKATARAM, in exchange for a fee. In other cases, CC-1 wrote checks according to VENKATARAM's directions, or provided VENKATARAM with signed but otherwise blank checks from the CC-1 companies to use as VENKATARAM saw fit.

VENKATARAM directed millions of dollars in funds paid by OCME to CC-1's companies for his and ABREU's personal benefit. For example, VENKATARAM directed CC-1's companies to make more than one million dollars in payments to three shell companies created by VENKATARAM and ABREU -- A & D Marketing Corp., Trade A2Z Inc., and Infodata Associates -- none of which had any employees or conducted any legitimate business. VENKATARAM and ABREU then used the funds in the shell company accounts to withdraw cash, make payments to personal accounts, and transfer money overseas. VENKATARAM also directed checks from the CC-1 companies, totaling more than one million dollars, to various companies run by his acquaintances, which, in all but one case, did no work for the CC-1 companies or OCME. The companies run by VENKATARAM's acquaintances, in turn, made cash payments to VENKATARAM or issued checks to VENKATARAM or two companies controlled by him.

VENKATARAM also directed more than \$6 million, paid by OCME to a CC-1 company, to a company named Visualsoft Technologies, Ltd. in Hyderabad, India for VANKATARAM's own benefit. Visualsoft Technologies Ltd. provided minimal goods and services to OCME and the CC-1 company. VENKATARAM also incorporated a United States-based company called Visualsoft Corporation and arranged for OCME to pay funds to Visualsoft Corporation for work that was never done. The funds paid to VENKATARAM's Visualsoft Corporation were then transferred at VENKATARAM's direction to one of VENKATARAM's and ABREU's shell companies.

VENKATARAM pleaded guilty to one count of conspiracy, one count of embezzlement and misapplication of funds from the OCME, and fourteen counts of money laundering. VENKATARAM's sentencing is scheduled for January 30, 2008. He faces a maximum sentence of 295 years' imprisonment.

ABREU pleaded guilty on October 23, 2007 to one count of conspiracy, one count of embezzlement and misapplication of funds from OCME, and three counts of money laundering. ABREU's sentencing is scheduled for January 23, 2008. She faces a

maximum sentence of 75 years' imprisonment.

Mr. GARCIA praised the investigative work of the New York City Department of Investigation.

Assistant United States Attorneys ANDREW S. DEMBER and ARLO DEVLIN-BROWN are in charge of the prosecution.

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