

2022R00543/MJM

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon. Madeline Cox Arleo
v. : Criminal No. 25-808(MCA)
ELAINE BENANTI : 18 U.S.C. § 666(a)(1)(A) and § 2

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney's Office for the District of New Jersey charges:

**(Scheme to Embezzle from the Maywood Senior
Citizens Housing Corporation)**

1. At all times relevant to this Information:
 - a. The Maywood Senior Citizens Housing Corporation ("MSCHC") owned and operated an age-restricted rental property known as Lydecker Manor located at 150 East Passaic Street, Maywood, New Jersey. Lydecker Manor marketed itself to those who were at least 62 years of age or who had disabilities. Lydecker Manor featured approximately 136 rental units including units subsidized by the United States Department of Housing and Urban Development ("HUD"), Section 8 program. HUD delegated its authority as the contract administrator for the disbursement of funds to MSCHC via the New Jersey Housing & Mortgage Finance Agency, a public housing agency to which HUD assigned its renewal contracts for the

administration of HUD funds to Lydecker Manor. MSCHC received in excess of \$10,000 annually in Federal assistance.

b. Lydecker Manor was governed by a Board of Trustees who conducted regular meetings. At these meetings, the Board of Trustees (“Board”) would, among other things, approve salaries and bonus payments for employees of Lydecker Manor.

c. Defendant ELAINE BENANTI (“BENANTI”), was employed as the Managing Director for Lydecker Manor for at least two decades through early 2022. As Managing Director, BENANTI oversaw all management responsibilities including reporting all financial and other relevant information to HUD, paying Lydecker Manor’s bills, documenting and retaining the Board’s minutes, and maintaining the Lydecker Manor tenant wait list.

d. As Managing Director, BENANTI had numerous employees who reported to her, including Employees 1, 2, 3 and 4 (collectively “the Employees”). BENANTI was in charge of payroll, and was responsible for writing weekly salary checks made payable to the Employees in accordance with the salaries approved by the Board. She was further responsible for distributing bonus payments to the Employees as approved by the Board. Further, as Managing Director, BENANTI had signatory authority over several Lydecker Manor bank accounts (“Lydecker accounts”), including Lydecker Manor’s main operating account, which would receive deposits of

funds from HUD on an ongoing basis. BENANTI would write payroll, bonus, and other checks off of the funds held in the Lydecker accounts.

d. As Managing Director, BENANTI also had signatory control over retirement accounts maintained on behalf of Lydecker Manor employees and was responsible for depositing checks drawn upon the Lydecker accounts into the retirement accounts on the Employees behalf.

The Scheme

2. From in or about early 2017 through in or about December 2021, BENANTI used her position as Managing Director with signatory control over payroll and bonus checks to inflate salary and bonus payments made payable to BENANTI and the Employees beyond the amounts authorized by the Board by hundreds of thousands of dollars

3. For example, for calendar year 2021, the Board approved an annual salary of approximately \$132,613 for BENANTI. Nevertheless, as reflected on her W-2 form, BENANTI issued herself payroll checks totaling \$174,123.25 for that year. Similarly, the Board authorized a \$5,000 bonus for BENANTI for calendar year 2020, but BENANTI issued herself a bonus payment of \$7,512.31 for that year.

4. Pursuant to the scheme, BENANTI also authorized retirement account payments that exceeded the amounts approved by the Board. BENANTI made these overpayments by, in part, issuing pension payments to both the authorized retirement accounts that were maintained on behalf of BENANTI and the Employees while also simultaneously issuing direct payments to herself and the

Employees in contravention to the regulations she was required to uphold. In addition, BENANTI improperly reimbursed herself for unused vacation time while also improperly paying for supplemental insurance payments for an individual who was not employed by Lydecker Manor. In total, BENANTI's illegal actions caused Lydecker Manor to incur a loss of approximately \$544,289.95.

5. From in or about January 2017 to in or about December 2021, in Bergen County, in the District of New Jersey, and elsewhere, defendant

ELAINE BENANTI,

being an agent of an organization, and of a State and local government, and any agency thereof, namely, the MSCHC, embezzled, stole, obtained by fraud, and otherwise without authority knowingly converted to the use of persons other than the rightful owner, and intentionally misapplied property valued at \$5,000 or more that was owned by, and was under the care, custody, and control of the MSCHC.

In violation of Title 18, United States Code, Section 666(a)(1)(A) and Section 2.

FORFEITURE ALLEGATION

1. Upon conviction of the violation 18 U.S.C. § 666(a)(1)(A) charged in this Information, BENANTI shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, any property, real or personal, which constitutes or was derived from proceeds traceable to such violation.

Substitute Assets Provision

2. If by any act or omission of the defendant, any of the property subject to forfeiture described above:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461, to seek forfeiture of any other property of the defendant

up to the value of the forfeitable property described above.

TODD BLANCHE
U.S. Deputy Attorney General

PHILIP LAMPARELLO
Senior Counsel

/s/ Mark J. McCarren
Mark J. McCarren
Assistant U.S. Attorney

Approved:

/s/ Ronnell L. Wilson
Ronnell L. Wilson
Chief, Special Prosecutions Division