



UNITED STATES ATTORNEY'S OFFICE
Southern District of New York

U.S. ATTORNEY PREET BHARARA

FOR IMMEDIATE RELEASE
Thursday, January 19, 2012
<http://www.justice.gov/usao/nys>

CONTACT: U.S. Attorney's Office
Ellen Davis, Jerika Richardson,
Carly Sullivan
(212) 637-2600

NYS Inspector General
John Milgrim
(518) 474-1010

**MANHATTAN U.S. ATTORNEY ANNOUNCES ARREST OF STATE
EMPLOYEE FOR STEALING NEARLY ONE MILLION DOLLARS
IN FEDERAL FUNDS**

Preet Bharara, the United States Attorney for the Southern District of New York, and Ellen N. Biben, the New York State Inspector General, announced today the arrest of AGNES BERNIER, an employee at New York State Homes and Community Renewal (NYHCR), for allegedly stealing more than \$944,000 in federal government funds that were intended to be used by New York State to provide rent subsidies for low-income families. BERNIER was arrested today and presented in Manhattan federal court before U.S. Magistrate Judge Andrew J. Peck. She will be arraigned on January 26, 2012, at 10:30 a.m. by U.S. District Judge John F. Keenan who has been assigned to the case.

Manhattan U.S. Attorney Preet Bharara stated: "As alleged, Agnes Bernier exploited her access to federal housing subsidies intended to benefit poor and low-income families to benefit herself. Her alleged crimes have two sets of victims – the people who rely on this money to help them secure housing, and the taxpayers whose dollars fund the program itself. We will continue to target public officials who break the law, and hold them to account for their alleged crimes."

New York State Inspector General Ellen N. Biben stated: "The Indictment alleges that for almost a decade, Ms. Bernier abused her position as a public servant to help herself to nearly \$1 million in taxpayer funds. My office will continue to vigorously root out those who violate the public trust, and I thank U.S. Attorney Preet Bharara and his office for their swift action in this case, including seeking recovery of the funds to make taxpayers whole."

According to the Indictment unsealed today in Manhattan federal court:

In her role at NYCHR, BERNIER was responsible for, among other things, processing federal "Section 8" housing subsidy refund payments to New York State's Housing Trust Fund Corporation ("HTFC"). From 2004 through 2011, BERNIER allegedly used her position at NYCHR to steal more than \$944,000 in refund payments that were payable to the HTFC. On hundreds of occasions, BERNIER allegedly stole money orders made out to the HTFC, by writing her own name over the letters "HTFC," and then depositing the money orders into her

personal bank accounts. For example, in December 2011 BERNIER deposited 17 falsified money orders, worth more than \$7,500 into her personal bank account.

* * *

BERNIER, 55, of Bronx, New York, is charged with one count of theft of U.S. government property, which carries a maximum sentence of 10 years in prison, and one count of bank fraud, which carries a maximum sentence of 30 years in prison.

In connection with today's arrest, the United States Attorney's Office froze two bank accounts controlled by BERNIER that are believed to contain proceeds from her crime.

Mr. Bharara praised the investigative work of the Office of the New York State Inspector General.

Inspector General Biben added that NYCHR was cooperative in the investigation and that her office will be working with the agency to implement reforms to ensure that funds received and handled by NYCHR are properly accounted for and protected.

This case is being prosecuted by the Office's Public Corruption Unit. Assistant United States Attorney Andrew D. Goldstein is in charge of the prosecution.

The charges contained in the Indictment are merely accusations and the defendant is presumed innocent unless and until proven guilty.

12-020

###