



# NEWS RELEASE

Office of the New York State Welfare Inspector General  
**Catherine Leahy Scott – Acting Welfare Inspector General**

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## **LONG ISLAND CPA PLEADS GUILTY IN UNEMPLOYMENT INSURANCE, WELFARE AND SOCIAL SECURITY FRAUD SCHEME USING FAKE IDENTITY AND FALSE EMPLOYMENT RECORDS**

*Defendant Fraudulently Obtained Home Heating Aid and Food Stamps While Earning Income As a Certified Public Accountant and Maintaining a Suffolk County Home And Beachfront Condo in Florida*

LONG ISLAND – New York State Inspector General Catherine Leahy Scott announced the federal guilty plea of a Long Island certified public accountant (“CPA”) with a Florida vacation home who created a fake identity and a bogus employment record as part of a \$124,275 Social Security, unemployment insurance and welfare fraud scheme. He also stole a \$440,000 check that belonged to a client of his.

Abraham Grossman (a/k/a Alan Grossman), 76, of Chase Commons, Yaphank, pleaded guilty today to the federal charge of Possession of a Forged Security (18 USC §513(a)) which carries a maximum potential penalty of 10 years in prison. Under his plea agreement, Grossman is expected to pay full restitution for his thefts from the welfare, unemployment and social security systems as well as to the client whose check he stole and forged. As part of his guilty plea, Grossman also agreed to forfeit \$110,000 to the government.

An investigation by Inspector General Leahy Scott and the New York State Department of Labor found that Grossman, while working as a CPA and collecting Social Security Retirement benefits, created a false identity by obtaining a second Social Security number and New York State driver’s license under an assumed name. He used those documents, as well as his fictitious former employment at four different businesses, to fraudulently obtain additional Social Security Retirement, unemployment insurance and public assistance benefits to which he was not entitled. The New Jersey Department of Labor and Workforce Development, as well as federal investigators, assisted in the investigation. Subsequent to that investigation, Grossman was also found to have stolen a \$440,000 check from an accounting client, and deposited it into his own bank account.

“In a brazenly greedy scheme, this defendant manipulated and defrauded seemingly every public benefit program he could find to supplement his comfortable lifestyle,” said **Inspector General Leahy Scott**. “Along with my state and federal law enforcement partners, I remain committed to using all of my powers and resources to pursue anyone who steals public funds.”

From February 2012 through February 2015, Grossman applied for and received unemployment insurance in both New York and New Jersey under his real and fake identities. Under both identities, Grossman’s eligibility for benefits was premised upon his loss of employment from businesses that no longer existed and that had never declared wages for Grossman. He also failed to report the income he received as a CPA and altogether

fraudulently obtained approximately \$48,775 worth of federally-funded unemployment insurance benefits.

Through his schemes, Grossman also improperly obtained welfare benefits, including food stamps and home energy assistance program (“HEAP”) benefits worth \$12,500. Grossman received these welfare benefits fraudulently by failing to report income he obtained in the form of unemployment insurance benefits received from fabricated jobs in New York and New Jersey, income he received as a CPA, and Social Security Retirement benefits he received under a false identity during the same time period. The investigation further found that Grossman also received about \$63,000 in Social Security Retirement benefits to which he was not entitled.

The welfare benefits he received are meant to assist New Yorkers most in need of financial assistance. Throughout his alleged scheme, Grossman was earning income as a CPA and owned a second home in Hallandale Beach, Florida, just south of Fort Lauderdale.

Grossman pleaded guilty today in United States District Court for the Eastern District of New York in Central Islip. He is due to reappear in court for sentencing on Feb. 28, 2017.

Inspector General Leahy Scott thanked the United States Department of Labor Office of Inspector General, the New York State Department of Labor’s Office of Special Investigations, the New Jersey Department of Labor, and the Social Security Administration’s Office of the Inspector General for their partnership in this investigation. The Inspector General also thanked the United States Attorney for the Eastern District of New York Robert L. Capers and his office for handling the criminal prosecution.

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*The New York State Office of the Welfare Inspector General investigates fraud, abuse or illegal acts committed against public assistance programs designed to help those in need. Our office also investigates complaints about the agencies and local social services districts who administer social services programs. Complaints and referrals are kept confidential. We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form: <http://www.ig.ny.gov> or sending an email to: [inspector.general@ig.ny.gov](mailto:inspector.general@ig.ny.gov). You also can write to our office at: Office of the Welfare Inspector General, Empire State Plaza, Agency Building 2, 16th Floor Albany, New York 12223*