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Southern District of New York*

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**FORMER DIRECTOR OF NEW YORK CITY NON-PROFIT PROGRAMS  
PLEADS GUILTY IN MANHATTAN FEDERAL COURT  
TO FRAUD CHARGES**

PREET BHARARA, the 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 DEBBY DENISE MATTHEW CAMPBELL, the former director of two New York City non-profits, pleaded guilty today before United States District Judge ROBERT P. PATTERSON to two counts of bank fraud arising out of CAMPBELL's work for a summer youth employment program funded by New York City and a federally funded after-school educational program.

According to the criminal Complaint, the Information to which CAMPBELL pleaded guilty, and statements at her plea:

**The Summer Youth Employment Program Fraud**

The Caribbean and American Family Services, Inc. ("CAFS"), is a non-profit organization based in the Bronx, New York, that operates a number of programs for the benefit of New York City residents. Among the programs that CAFS has administered is a Summer Youth Employment Program ("SYEP"), a program funded by the New York City Department of Youth and Community Development ("DYCD") that is intended to provide New York City youth between the ages of 14 and 21 with summer employment and educational opportunities. For the summers of 2004 and 2005, DYCD paid youth who participated in the SYEP program approximately \$6 per hour via debit cards that were issued by federally-insured banks.

CAMPBELL was responsible for overseeing all aspects of the SYEP program for CAFS during the summers of 2004 and 2005. For the summer of 2005, the program was supposed to place students in sites outside of New York City. CAMPBELL used her position to prepare fraudulent documentation related to the program, including documents purporting to verify that a number of program participants resided in a group home for youth that did not in fact exist, asserting that a program site was located at an address in Yonkers that in fact was CAMPBELL's home residence, and authorizing funds to be placed into the bank-issued debit card accounts issued with CAMPBELL's authorization to nonexistent or ineligible youth. CAMPBELL was fired from her position with CAFS.

### **The 21st Century Learning Centers Fraud**

While CAMPBELL was still employed by CAFS she commenced a second fraudulent scheme involving federally-insured banks at her new place of employment, another non-profit organization called the Mid-Bronx Senior Citizens Council, Inc. ("Mid-Bronx"), which operated a number of programs for the benefit of residents of New York City. CAMPBELL was responsible for the operation of Mid-Bronx's 21st Century Community Learning Centers Program (the "21st Century Program"), an after-school enrichment program that was funded by a contract issued by the United States Department of Education.

DOI investigators discovered that over \$15,000 in payroll checks issued by the 21<sup>st</sup> Century Learning Centers Program had been double-endorsed, purportedly by CAMPBELL and teachers to whom the payroll checks had been issued, and deposited into CAMPBELL's bank account. DOI investigators showed the double-endorsed checks to several teachers to whom the checks were issued -- all reported that their signatures were forgeries. DOI investigators could not find proof of the existence of another purported teacher whose checks were double-endorsed and deposited into CAMPBELL's account, but the purported teacher's application materials contained information identical to the information in one of the purported SYEP youth's applications.

CAMPBELL, 46, of Walden, New York, pleaded guilty to two counts of bank fraud. The bank fraud counts each carry a maximum sentence of 30 years in prison and a maximum fine of \$1 million, or twice the gross gain or loss from the offense. CAMPBELL is scheduled to be sentenced by Judge PATTERSON on September 22, 2010.

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United States Attorney PREET BHARARA said, "Debby Campbell stole from the disadvantaged youth she was supposed to help. After being fired by the Summer Youth Employment Program, Campbell continued to abuse her position of trust to steal money from a second nonprofit. We will continue to work with our partners at the Department of Investigation to stop those who corrupt New York City's essential social service programs."

DOI Commissioner ROSE GILL HEARN said, "This defendant took advantage of her high-level position at two publicly-funded nonprofits, stealing tens of thousands of dollars from the young people the groups were supposed to help. With today's guilty plea, she rightly stands convicted of exploiting these community organizations for personal gain. DOI and the U.S. Attorney's Office for the Southern District of New York will continue its joint efforts to root out and stop fraud at publicly-funded nonprofits."

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

The case is being prosecuted by the Office's Public Corruption Unit. Assistant United States Attorney HOWARD S. MASTER is in charge of the prosecution.

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