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**FORMER ARCHDIOCESE OF NEW YORK EMPLOYEE SENTENCED
IN MANHATTAN FEDERAL COURT TO 51 MONTHS IN PRISON
FOR DEFRAUDING CATHOLIC ELEMENTARY SCHOOLS**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that DAVID MURPHY was sentenced today to 51 months in prison in connection with his scheme to defraud two Catholic elementary schools of nearly \$250,000. MURPHY was found guilty of knowingly converting to his own use hundreds of thousands of dollars from parishes of the Catholic Church that had received Federal program funds, and other charges. The sentence was imposed in Manhattan federal court by U.S. District Judge RICHARD J. SULLIVAN, who presided over the five-day trial.

Manhattan U.S. Attorney PREET BHARARA stated: "By using his position with the Archdiocese of the City of New York to rip off two of its elementary schools, David Murphy sunk to very low depths. Now he will be punished."

According to documents previously filed in Manhattan federal court and statements made during court proceedings:

MURPHY, a former employee of the Archdiocese of the City of New York, worked as a consultant in the Archdiocese Building Commission ("ABC"). While employed with the Archdiocese, he was responsible for assisting parishes located in the Bronx with construction projects occurring on parish property.

In June 2007, soundproofing construction projects began at two Catholic elementary schools in the Bronx. The purpose of the projects was to reduce the effect of aircraft noise in the schools, both of which were in the flight path for LaGuardia Airport. The money for the construction projects was provided by the Federal Aviation Administration and the Port Authority of New York and New Jersey.

From October 2007 through October 2008, MURPHY billed the schools for \$248,700 as compensation for time he had spent on the projects and related expenses. MURPHY reported to the

schools that he was authorized to submit the bills. Relying on those representations, the schools' principals paid him the money. In fact, MURPHY, who was a salaried employee of the Archdiocese, was not authorized to bill the schools for his time or expenses.

MURPHY later reported to Government investigators that his supervisor at the ABC had authorized his bills to the schools. In truth and in fact, however, MURPHY had received no such authorization.

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In addition to the prison term, Judge SULLIVAN sentenced MURPHY, 71, to three years of supervised release and ordered MURPHY to pay \$248,700 in restitution.

During the sentencing proceeding, Judge SULLIVAN stated that "public money has to be safeguarded and carefully conserved," and that MURPHY'S "contempt for the truth, court, and jury has consequences."

Mr. BHARARA praised the efforts of the Office of Inspector General of the Port Authority for New York and New Jersey in investigating the case.

Assistant U.S. Attorneys PETER SKINNER and EDWARD KIM are in charge of the prosecution.

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