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**FLORIDA WOMAN PLEADS GUILTY TO FRAUD SCHEME IN  
CONNECTION WITH ADOPTION OF DISABLED CHILDREN**

*Woman Collected Approximately \$1.68 Million in Adoption  
Subsidies Based on Misrepresentations About Her  
Identity and the Children's Living Situation*

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), and MARK J. MERSHON, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced that JUDITH LEEKIN pleaded guilty today to defrauding New York State and New York City out of approximately \$1.68 million in adoption subsidies that were intended to provide for the care of eleven adopted children. LEEKIN, 63, of Port St. Lucie, Florida, pleaded guilty to mail and wire fraud charges before United States District Judge RICHARD M. BERMAN in Manhattan federal court. According to the felony Information filed in Manhattan federal court and statements made during LEEKIN's guilty plea proceeding:

**The New York State Adoption Subsidy Program**

There are children in the foster care systems of New York State and New York City whose age, background, or physical or mental disability make it more difficult to find an adoptive placement. In order to increase the likelihood of these children

finding permanent homes, New York State has enacted legislation which allows payments to be made for the care and maintenance of these adopted children who fit the definition of handicapped or hard-to-place as defined by New York State law and regulations. Monthly subsidy payments are available to all eligible children until the age of 21 regardless of the adoptive parent's income. These payments are discontinued only when it is determined by a social services official that the adoptive parent is no longer legally responsible for the support of the child or that the child is no longer receiving any support from the parent.

The New York City Administration for Children's Services (the "NYC ACS") requests adoptive parents who are receiving adoption subsidies from NYC ACS to submit an annual certification form (the "Certification Form"), accompanied by supporting paperwork, the purpose of which is to determine whether adoptive parents continue to be legally responsible for the support of their adopted children and whether the adoptive parents are still providing support. New York State law requires that adoptive parents notify the State in the event that they either cease to be legally responsible for the child or are no longer providing support, or if the child has died.

#### **LEEKIN's Scheme To Defraud**

Between 1988 and 1996, LEEKIN adopted eleven children ("Adopted Children 1-11") in New York City -- many of who were physically and/or mentally disabled -- and maintained custody of a twelfth adopted child ("Adopted Child 12"). LEEKIN misrepresented her identity and living situation to the New York State Office of Children & Family Services ("NYS OCFS") and the NYC ACS in order to adopt Adopted Children 1-11. She used four different, fake names in adopting the children, and misrepresented both how many other children were in her care and the extent of the physical and mental disabilities of those children. Between 1988 and July 18, 2007, based on these misrepresentations, LEEKIN collected approximately \$1.68 million in adoption subsidies, and used the money to support a lavish lifestyle for herself.

In 1997, LEEKIN lived with Adopted Children 1-12 in Queens, New York. During this time, Adopted Children 1-11 lived in the basement of LEEKIN's home and did not go to school or outside. In addition, several of Adopted Children 1-11 were restrained in order to prevent them from getting out of their beds. In 1998, LEEKIN moved with Adopted Children 1-12 from New York to Port St. Lucie, Florida, and while there, caused Adopted

Children 1-11 to live in a similar manner to which they had lived in New York. Between 2004 and July 2007, in Florida, Adopted Children 1-10 slept on the floor of a storage room abutting the garage and typically only entered the house to use the bathroom or the kitchen. In addition, Adopted Children 1-10 did not attend school, and several of the Adopted Children were restrained using plastic ties. Neither the NYS OCFS nor the NYC ACS knew about the manner in which LEEKIN treated Adopted Children 1-11. Had those agencies known how LEEKIN was treating its children, it would have -- among other things -- suspended the adoption subsidy payments.

In order to collect the adoption subsidies for Adopted Children 1-11, LEEKIN submitted Certification Forms containing false information. For example, in 2002, LEEKIN (using the aliases "Eastlyn Giraud" and "Michelle Wells") submitted to the NYC ACS copies of school report cards for seven of the Adopted Children, based on which LEEKIN received adoption subsidies on behalf of those children. The report cards, however, were fraudulent, and Adopted Children 1-11 had never attended the schools reflected on the report cards.

In addition, LEEKIN submitted multiple false Certification Forms for Adopted Child 11. Adopted Child 11 was so severely mentally and physically handicapped that s/he could neither speak nor walk. In 2000, LEEKIN removed Adopted Child 11 from her home, and LEEKIN stopped providing care for Adopted Child 11 altogether. Nevertheless, LEEKIN continued to submit Certification Forms for Adopted Child 11 in which LEEKIN falsely stated that Adopted Child 11 continued to live in LEEKIN's home. LEEKIN continued to collect adoption subsidies for Adopted Child 11 until July 18, 2007, when her scheme was discovered.

### **LEEKIN's Guilty Plea**

LEEKIN pleaded guilty today to one count of mail fraud and one count of wire fraud. Each charge carries a maximum penalty of 20 years' imprisonment and a fine of the greater of \$250,000 or twice the gross gain or loss from the offense. LEEKIN is scheduled to be sentenced by Judge BERMAN on July 23, 2008, at 2:30 p.m.

Mr. GARCIA thanked the New York City Department of Investigation for its investigative efforts and for referring the case for prosecution. He also praised the investigative work of the Federal Bureau of Investigation.

"JUDITH LEEKIN defrauded a system designed to provide for the care and well-being of New York's neediest children," said U.S. Attorney MICHAEL J. GARCIA. "She got public money by lying about her identity and the care she was providing, and used it to enrich herself rather than meeting the serious needs of her adopted children."

"What makes this case so disturbing is that an individual who held herself out as a responsible adoptive parent instead enriched herself by fraudulently acquiring more than one-and-a-half-million dollars of public money to the detriment of 11 vulnerable children," said DOI Commissioner ROSE GILL HEARN. "DOI is gratified to have worked closely with our partners in the U.S. Attorney's Office and the FBI to expose this pernicious criminal scheme and achieve a measure of justice."

"JUDITH LEEKIN's admitted financial crimes don't merely involve large sums of money gotten under false pretenses. She defrauded programs designed to provide financial support for adopted children," said FBI Assistant Director-in-Charge MARK J. MERSHON. "She took well over a million dollars intended to help her feed, clothe and care for her adopted children, and by her own admission selfishly chose not to."

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

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