



U.S. Department of Justice

Joseph Nocella, Jr.
United States Attorney
Eastern District of New York

271 Cadman Plaza East
Brooklyn, New York 11201

FOR IMMEDIATE RELEASE

February 3, 2026

Contact:

John Marzulli
Denise Taylor
United States Attorney's Office
(718) 254-6323

PRESS RELEASE

FORMER EXECUTIVE DIRECTOR OF LEGAL SERVICES NON-PROFIT
IN QUEENS PLEADS GUILTY TO FRAUD

Lori Zeno Admits Embezzling Over \$100,000 for Personal Vacations, Luxury Shopping, and
Penthouse Apartment

Earlier today, in federal court in Brooklyn, Lori Zeno, the former executive director of a legal services non-profit organization (the Organization), pleaded guilty to conspiracy to commit wire fraud for her role in a scheme to embezzle money from the Organization. The proceeding was held before United States Chief Magistrate Judge Vera M. Scanlon. When sentenced, Zeno faces a maximum sentence of 20 years' imprisonment as well as restitution and monetary penalties.

Joseph Nocella, Jr., United States Attorney for the Eastern District of New York, James C. Barnacle, Jr., Assistant Director in Charge, Federal Bureau of Investigation, New York Field Office (FBI), and Christopher Ryan, Acting Commissioner, New York City Department of Investigation (DOI), announced the guilty plea.

"The defendant brazenly betrayed and abused her position of trust as the director of a non-profit, stealing funds that were meant for legal services for disadvantaged clients and members of the community and then spending those funds on luxury goods and expensive vacations," stated United States Attorney Nocella. "Our Office will vigorously prosecute those who steal public funds and deprive members of our community of crucial resources."

"Lori Zeno diverted hundreds of thousands of dollars in funding intended for indigent residents to finance her lavish lifestyle. Zeno's abuse of authority deprived vulnerable New Yorkers of critical legal and community services. The FBI is committed to holding accountable anyone who exploits their position for selfish greed, especially those entrusted with supporting the public," stated FBI Assistant Director in Charge Barnacle.

“This defendant—the founder and leader of a legal services nonprofit—spent hundreds of thousands of dollars intended to provide legal representation for indigent New Yorkers on personal luxuries, including foreign travel, expensive meals, and rent for a penthouse apartment. The City’s nonprofits provide vital public services and today’s guilty plea acknowledges the defendant’s misuse of those precious funds. I thank our law enforcement partners in the United States Attorney’s Office for the Eastern District of New York and the Federal Bureau of Investigation for their commitment to protecting these organizations and their scarce resources from exploitation and fraud. DOI previously has made recommendations to the City to improve compliance and to strengthen oversight of spending at City-funded nonprofits and we urge the City to accept and implement those reforms,” stated DOI Acting Commissioner Ryan.

As set forth in court filings, Zeno co-founded and served as the executive director of the Organization, which provided legal services and community support services to indigent residents of Queens, New York. Zeno hired her co-defendant, Rashad Ruhani, to work for the Organization in October 2023 and later married him in a religious ceremony.

Between June 2024 and January 2025, Zeno and Ruhani engaged in a corrupt scheme to embezzle funds from the Organization, diverting hundreds of thousands of dollars for their own personal benefit, including spending these stolen funds on foreign travel, expensive meals, luxury shopping, and rent for a penthouse apartment (the Penthouse Apartment). Zeno and Ruhani made extravagant purchases with the Organization’s credit cards, spending over \$10,000 on a vacation to Bali; \$1,700 at a luxury resort in Santa Monica, California; \$3,300 for an 85-inch smart television to be installed at the Penthouse Apartment; thousands of dollars in food deliveries to the Penthouse Apartment; and thousands of dollars at luxury retailers such as Ralph Lauren and Neiman Marcus. In one instance, Zeno and Ruhani charged over \$4,000 to an Organization credit card to buy a Louis Vuitton designer handbag. As part of the conspiracy, Zeno repeatedly lied to the Organization, falsely characterizing personal expenses as business expenses to obtain the Organization’s approval. To pay for the Penthouse Apartment, Zeno and Ruhani fraudulently obtained reimbursements from the Organization for over \$39,000 in rent by submitting lease documents that were altered to conceal Zeno’s involvement. Zeno also secured lucrative positions at the Organization for relatives and associates of Ruhani who did little or no substantive work, including hiring another woman married to Ruhani as the director of a non-existent “health and wellness” program with a salary of \$60,000. As a result of Zeno’s misuse of its funds, the Organization lost its contract to provide criminal defense services to low-income New Yorkers.

Ruhani is scheduled to stand trial on June 1, 2026. He is presumed innocent unless and until proven guilty.

The government’s case is being handled by the Office’s Public Integrity Section. Assistant United States Attorneys Russell Noble and Sean M. Sherman are in charge of the prosecution, with assistance from Paralegal Specialists Johnson Peow and Daniel Arakawa.

The Defendant:

LORI ZENO

Age: 65

Garden City, New York

E.D.N.Y. Docket No. 25-CR-182 (S-1) (RPK)