

December 6, 2017: Former Los Angeles Nonprofit CEO, Two Others Sentenced For Embezzling Public Funds

Contact:

Greg Risling, Assistant Chief

(213) 257-2000

GRisling@da.lacounty.gov

Two former executives and an employee for a Los Angeles nonprofit that provided counseling and job training for underserved and disadvantaged clients were sentenced today for embezzling and misappropriating millions of dollars in public funds, the Los Angeles County District Attorney's Office announced.

The three defendants worked for the Chicana Service Action Center and either pleaded guilty or no contest in August for their role in the scheme.

Sophia Esparza, the organization's one-time chief executive officer, was sentenced to six years in state prison.

Thomas Baiz, former vice president of corporate and government affairs, was sentenced to a three-year suspended prison term, one year in county jail and placed on probation for five years. He also must perform 500 hours of community service.

Michael Lorenzo Tompkins, a former CSAC employee, was sentenced to three years in state prison.

Along with former chief financial officer Silvia Gutierrez, all four defendants will pay \$9 million to the Los Angeles County Department of Public Social Services and Community and Senior Services and \$1.4 million to the City of Los Angeles Economic and Workforce Development Department. Esparza also will have to pay an additional \$103,000 to the California State Franchise Tax Board.

Deputy District Attorney Marian Thompson of the Public Integrity Division prosecuted the case.

Esparza, Gutierrez and Baiz misappropriated and stole from the nonprofit, which provided services for domestic violence victims, the homeless and the unemployed, as far back as 2003.

Esparza, 65, took control over the now-defunct, nonprofit organization with the help of Gutierrez and Baiz and operated it with a sham board of directors, prosecutors said. She also created fictitious lists of board of directors to conceal her control over the nonprofit.

Together, the defendants fraudulently billed for services that were never performed and pilfered some of the county and city funding for their own personal gain.

Esparza used public money to rent luxury apartments in downtown Los Angeles and a home in San Marino. She also purchased sports cars and season tickets to the Los Angeles Dodgers and the Los Angeles Clippers, chartered a \$35,000 yacht cruise and funded multiple retirement accounts to support her lavish lifestyle.

Gutierrez, 71, used public money for bonuses, life insurance and other personal expenditures. Baiz, 62, used public money for bonuses, loans, vehicles and to buy expensive meals.

Esparza pleaded guilty to five counts of misappropriation of public funds, four counts of embezzlement, two counts of preparing false documentary evidence and one count of filing a false tax return.

Gutierrez also pleaded guilty to 12 counts: six counts of embezzlement, four counts of misappropriation of public funds and two counts of preparing false documentary evidence.

Baiz pleaded guilty to three counts of embezzlement, two counts of misappropriation of public funds and one count of conspiracy to misappropriate public funds.

Tompkins pleaded no contest to one count of embezzlement.

Gutierrez is scheduled to be sentenced Dec. 15 when she is expected to receive a four-year suspended prison sentence, placed under house arrest for a year and probation for five years.

Case BA437059 was investigated by the District Attorney's Bureau of Investigation with the assistance of the Office of County Investigations, a division of the Department of the Auditor-Controller's Office, the Inspector General's Office for the U.S. Department of Labor and the state Franchise Tax Board.

The county's Departments of Public Social Services and Community and Senior Services, now known as Workforce Development, Aging and Community Services, cooperated with the investigation.