

# Jackie Lacey

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NEWS RELEASE

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## Trio of Executives for Los Angeles Nonprofit Charged With Conspiracy, Embezzlement

Three executives of a Los Angeles nonprofit were charged today in a 61-count criminal complaint for an alleged fraudulent billing scam that bilked more than \$8.5 million in public funds, the Los Angeles County District Attorney's Office announced.

Sophia Esparza (dob 2/15/52), Silvia Gutierrez (dob 6/20/46) and Thomas Baiz (12/18/54) were charged in case BA437059 with various counts, including conspiracy, embezzlement and misappropriation of public funds. They are scheduled to be arraigned this afternoon in Department 30 of the Foltz Criminal Justice Center.

Esparza, Gutierrez and Baiz are accused of being part of a conspiracy that misappropriated and stole from the nonprofit, which provides services for domestic violence victims, the homeless and the unemployed, as far back as 2003.

Esparza is chief executive officer of Chicana Service Action Center, while Gutierrez serves as its chief financial officer and Baiz as vice president of corporate and government affairs.

According to the criminal complaint, Esparza took control over the nonprofit organization with the help of Gutierrez and Baiz and operated it with a sham board of directors. She also is accused of creating fictitious lists of board of directors to conceal her control over the nonprofit.

Prosecutors allege that roughly \$1.8 million of the stolen public funds supported Esparza's lavish lifestyle to fund bonuses and personal loans and life and annuity accounts. She also allegedly used the money to buy a home in San Marino, luxury sports cars and season tickets to the Los Angeles Dodgers and the Los Angeles Clippers.

Gutierrez and Baiz are accused of using public funds to buy expensive meals and vehicles and make child support payments.

Estimated losses from the fraudulent billing practices are more than \$8.5 million.

Chicana Service Action Center lost its public funding from Los Angeles County in 2013.

“These individuals tainted the reputation of a long-standing, well-established organization and betrayed the people they were supposed to help,” said Deputy District Attorney Marian Thompson of the Public Integrity Division, who is prosecuting the case.

Prosecutors are recommending bail be set at \$3.6 million for each defendant. If convicted as charged, Esparza faces more than 40 years in state prison. Gutierrez faces more than 30 years in prison, while Baiz faces more than a 20-year term.

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

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### **About the Los Angeles County District Attorney’s Office**

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to seeking justice for victims of crime and enhancing public safety. Last year, the [Los Angeles County District Attorney's Office](#) prosecuted more than 71,000 felony defendants and nearly 112,000 misdemeanor defendants.