



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
September 8, 2011

CONTACT: U.S. ATTORNEY'S OFFICE
HERBERT HADAD, ELLEN DAVIS,
CARLY SULLIVAN,
JERIKA RICHARDSON
PUBLIC INFORMATION OFFICE
(914) 993-1900
(212) 637-2600

FORMER CEO OF ROCKLAND COUNTY CREDIT UNION
SENTENCED IN MANHATTAN FEDERAL COURT
TO 18 MONTHS IN PRISON FOR BANK FRAUD

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that CYNTHIA VAUGHAN was sentenced today in Manhattan federal court to 18 months in prison for defrauding the Rockland County credit union that she led out of approximately \$150,000. VAUGHAN, 54, pled guilty to one count of bank fraud on May 12, 2011, and was sentenced this morning by United States District Judge PAUL G. GARDEPHE.

According to the Complaint and Indictment, on January 1, 1997, VAUGHAN became the manager, and later CEO, of a Rockland County credit union. From at least October 2000 through July 2006, VAUGHAN used her access to the credit union's computer system to transfer money from the credit union's operating accounts into her own account as well as accounts under her control. In addition, Vaughan used her corporate credit cards to purchase airline tickets, hotel stays, and a cruise as well as to buy substantial amounts of clothing and beauty items for herself. Finally, Vaughan forged the signature of the credit union's treasurer on two letters purporting to grant her a raise and used one of those letters to increase her salary by thousands of dollars. During the plea proceeding, VAUGHAN admitted that she used that money for her own personal purposes.

In sentencing VAUGHAN, Judge GARDEPHE characterized her actions as an abuse of trust, power and responsibility.

Mr. BHARARA thanked the United States Secret Service for its work in this investigation.

This case is being handled by the Office's White Plains Division. Assistant United States Attorney DOUGLAS B. BLOOM is in charge of the prosecution.