

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

v.

CYNTHIA FERNANDEZ-ALONSO

CASE NUMBER:
UNDER SEAL

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

From at least February 2014 continuing to at least April 2015, at Chicago, Illinois, in the Northern District of Illinois, Eastern Division, and elsewhere, the defendant violated:

Code Section

Title 18, United States Code, Section
666(a)(1)(A)

Offense Description

CYNTHIA FERNANDEZ-ALONSO, defendant herein, being an agent of the Illinois Medical District Commission (IMDC), an organization that received in excess of \$10,000 in federal funding between March 2014 and March 2015, embezzled, stole, obtained by fraud or otherwise without authority knowingly converted to her own use more than \$5,000 in funds owned by or under the care, custody or control of the IMDC, in violation of Title 18, United States Code, Section 666(a)(1)(A).

This criminal complaint is based upon these facts:

X Continued on the attached sheet.

STEVEN D. NOLDIN

Special Agent, Federal Bureau of Investigation
(FBI)

Sworn to before me and signed in my presence.

Date: July 20, 2015

Judge's signature

City and state: Chicago, Illinois

SHEILA FINNEGAN, U.S. Magistrate Judge

Printed name and Title

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

ss

AFFIDAVIT

I, STEVEN D. NOLDIN, being duly sworn, state as follows:

1. I am a Special Agent with the Federal Bureau of Investigation, and have been so employed for 7 years. My current responsibilities include the investigation of public corruption offenses.

2. This affidavit is submitted in support of a criminal complaint charging that, between at least February 2014 and continuing through at least April 2015, CYNTHIA FERNANDEZ-ALONSO, being an agent of the Illinois Medical District Commission (IMDC), an organization that received in excess of \$10,000 in federal funding between March 2014 and March 2015, embezzled, stole, obtained by fraud or otherwise without authority knowingly converted to her own use more than \$5,000 in funds owned by or under the care, custody or control of the IMDC, in violation of Title 18, United States Code, Section 666(a)(1)(A).

3. Because this affidavit is being submitted for the limited purpose of establishing probable cause in support of a criminal complaint charging FERNANDEZ-ALONSO with embezzling from an organization receiving federal funds, I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause to believe that the defendant committed the offense alleged in the complaint.

4. This affidavit is based on my personal knowledge, information provided to me by other law enforcement agents, my review of documents and records, and on information I have received from persons with knowledge regarding relevant facts.

SUMMARY OF THE SCHEME TO DEFRAUD

5. In summary, and as set forth in further detail below, from at least February 2014 through at least April 2015, Cynthia FERNANDEZ-ALONSO, a senior accountant with the Illinois Medical District Commission (IMDC), located at 2100 W. Harrison St., Chicago, IL, used her position to direct payments from the IMDC's operating bank account to her personal bank accounts by falsely representing that the payments were to Integrys Energy Services (later known as Constellation), the IMDC's electricity and natural gas supplier.

THE ILLINOIS MEDICAL DISTRICT COMMISSION

6. According to public information available electronically, as well as information provided by a member of IMDC's management, the Illinois Medical District Commission is a local government agency whose mission is to facilitate collaboration and development among the multiple medical, research, public health, and social service agencies within the Illinois Medical District, a 560-acre area on the near west side of Chicago.

7. According to Individual A, a member of IMDC's management responsible for directing medical programs, in furtherance of the IMDC's mission, it provides administrative support to the Chicago Area Patient-Centered Outcomes

Research Network (CAPRICORN), a consortium of private, local, state, and federal health systems and health centers. According to Individual A, and confirmed by review of public information available electronically, as a result of its participation in CAPRICORN, the IMDC received in excess of \$10,000 in federal funding between March 2014 and March 2015.

THE SCHEME TO DEFRAUD

8. According to Employee A, an accountant employed by the IMDC, and Individual B, a member of IMDC's management, until approximately January 2015, FERNANDEZ-ALONSO had sole access to, and responsibility to authorize payments from, the IMDC's operating bank account at BMO Harris bank. IMDC management added Employee A as an authorized signor and administrator on the IMDC bank account in approximately January 2015 in order to investigate payment activity which Employee A believed was suspicious.

9. According to Employee A, the IMDC pays the majority of its bills via BMO Harris's online ACH payment system. Through this system, the IMDC generates electronic payment authorization for funds to be paid to individual vendors and creditors, as well as expense reimbursements to IMDC employees, and transmits those authorizations electronically to BMO Harris.

10. Payment records maintained in the IMDC's computer system for the period of June 2013 through May 2015, show that thousands of dollars in payments listed as paid to IMDC vendors and creditors, including Integrys, were directed through BMO Harris' online ACH payment system to be deposited into a Bank of

America account ending in X7872 and into a JP Morgan Chase account ending in X3896. As described further below, both of these bank accounts are jointly held by FERNANDEZ-ALONSO and her husband.

Bank of America Account Ending in X7872

11. Records obtained from Bank of America for the account ending in in X7872 show that the account is jointly held by FERNANDEZ-ALONSO and her husband. Bank of America records, along with IMDC internal payment records, show that the account ending in X7872 received regular direct-deposits representing a portion of FERNANDEZ-ALONSO's regular paycheck from the IMDC from at least September 2011 through at least April 2015.

12. Records for the Bank of America account ending in X7872 show that between February 24, 2014, and March 15, 2015, approximately \$88,065 was deposited in 22 separate deposits bearing the memo line "Illinois Medical Des: Payments Id: Integrys E." These deposits correspond to IMDC internal accounting records indicating that the payments were directed to be made to account X7872 but were attributed as having been made to Integrys.

13. For example, according to Bank of America records for the account ending in X7872, on December 4, 2014, two deposits, one for \$5,232, and the other for \$2,243, bearing the memo line "Illinois Medical Des: Payments Id: Integrys E" were made to the account. The date and the amounts of these deposits match IMDC internal accounting records indicating that the payments were made to Integrys.

That same day, bank records for account X7872 show that \$6,000 was transferred to another checking account held jointly by FERNANDEZ-ALONSO and her husband.

Chase Bank Account Ending in X3896

14. Records obtained from Chase Bank for the account ending in X3896 show that the account is jointly held by Cynthia Alonso and her husband..

15. Although the account is held in the name of Cynthia Alonso, rather than FERNANDEZ-ALONSO, multiple characteristics of the account indicate that FERNANDEZ-ALONSO and Cynthia Alonso are the same person:

a. The social security number and address for Cynthia Alonso contained in the Chase bank account records for account X3896 match those contained in the IMDC's personnel records for Cynthia FERNANDEZ-ALONSO. The account records also show a drivers' license number presented by Cynthia Alonso. According to Illinois Secretary of State drivers' license records, that license is issued to Cynthia FERNANDEZ-ALONSO at the address listed as FERNANDEZ-ALONSO's home address in both the IMDC's personnel records and the records maintained by the bank.

b. The Chase bank account ending in X3896 was opened in 2011 with a \$100 transfer from a Bank of America account ending in X7872. As discussed above, FERNANDEZ-ALONSO is a joint account holder on that Bank of America account.

c. Further, the account shows regular direct-deposits of a portion of FERNANDEZ-ALONSO's paycheck from IMDC to the account with the memo

line of "Illinois ME Dir Dep" from the account opening through May 2015. These deposits correspond to payroll records maintained by the IMDC for FERNANDEZ-ALONSO.

16. Records from the Chase account ending in X3896 show that between December 5, 2014, and April 1, 2015, a total of \$41,422 was electronically deposited in 10 separate deposits bearing the memo line "Illinois Medical Payments Integrys E." The dates and the amounts of these deposits match internal accounting records indicating that the payments were attributed as having been made to Integrys.

17. For example, on December 10, 2014, Chase bank records for the account ending in X3896 show that approximately \$4,852 was deposited into FERNANDEZ-ALONSO's account from "Illinois Medical Payment Integrys E." Internal accounting records from IMDC indicate that the payment was directed to be made to the account but was attributed as having been made to Integrys. On that same day, December 10, 2014, Chase bank records show that a purchase was made from Kay Jewelers for \$2,847 using a debit card registered to the Chase account ending in X3896.

CONCLUSION

18. Based on the above information, I respectfully submit that there is probable cause to believe that, between at least February 2014 and continuing through at least April 2015, in the Northern District of Illinois, CYNTHIA FERNANDEZ-ALONSO, being an agent of the Illinois Medical District Commission (IMDC), an organization that received in excess of \$10,000 in federal funding

between March 2014 and March 2015, embezzled, stole, obtained by fraud or otherwise without authority knowingly converted to her own use more than \$5,000 in funds owned by or under the care, custody or control of the IMDC, in violation of Title 18, United States Code, Section 666(a)(1)(A).

FURTHER AFFIANT SAYETH NOT.

STEVEN D. NOLDIN
Special Agent, Federal Bureau of
Investigation

SUBSCRIBED AND SWORN to before me on July 20, 2015.

SHEILA FINNEGAN
United States Magistrate Judge