

NR:MHW
F. #2017R01273

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

18M 470

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UNITED STATES OF AMERICA

TO BE FILED UNDER SEAL

- against -

COMPLAINT AND AFFIDAVIT IN
SUPPORT OF APPLICATION FOR
AN ARREST WARRANT

MICHAEL POYIN CHANG,

(T. 18, U.S.C., § 666(a)(1)(A)(i))

Defendant

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EASTERN DISTRICT OF NEW YORK, SS:

SARA A. LEVINSON, an Assistant Inspector General (AIG) with the New York City Department of Investigation (DOI), being duly sworn, deposes and states that:

Upon information and belief, in or about and between January 3, 2011 and December 16, 2016, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant MICHAEL POYIN CHANG, being an agent of the New York City Fire Department (FDNY), which agency received in excess of \$10,000 in any one year period under a Federal program involving a grant, subsidy or other forms of Federal assistance, did corruptly, knowingly and intentionally embezzle, steal, obtain by fraud and otherwise without authority, knowingly convert to his use property that was valued in excess of \$5,000.

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

The source of your deponent's information and the grounds for her belief are as follows:

1. I am an AIG with the NYC DOI where I have been employed for three and one-half years. My duties as an AIG include investigating financial frauds, corruption, waste and abuse by NYC employees. Prior to my service with DOI, I was employed as a United States Postal Inspector with the United States Postal Inspection Service (USPIS) where I ultimately rose to a supervisory position.

2. During my tenure with DOI and the USPIS, I have participated in investigations, during the course of which I have: (a) conducted physical and wire surveillance; (b) executed search warrants; (c) reviewed and analyzed bank and other financial records; (d) debriefed cooperating witnesses and confidential sources; (e) monitored wiretapped conversations of a criminal nature and reviewed line sheets prepared by wiretap monitors (f) conducted surveillance of individuals engaged in criminal activity; and (g) conducted complex fraud investigations.

3. I have personally participated in the investigation described herein. From my participation in the investigation and from my review of: (i) records and reports made by federal and local law enforcement personnel; and (ii) NYC employee records described herein, I am familiar with the facts and circumstances set forth in this Affidavit. Because this Affidavit is being submitted for the limited purpose of establishing probable cause to arrest the defendant, I have not set forth each and every fact learned during the course of this investigation, but simply those facts which I believe are necessary to establish probable cause to arrest.

A. THE DEFENDANT

4. The defendant MICHAEL POYIN CHANG is a 1988 graduate of the Far Eastern University School of Medicine located in Manila, Philippines. From June 2010, through December 16, 2016, the defendant was a part-time employee of the FDNY. As a part-time employee the defendant was paid on an hourly basis.

5. The defendant's duties with the FDNY included performing annual physical examinations of active FDNY members and retirees. The defendant also provided follow up treatments, including the prescribing of medication for health conditions discovered during those examinations.

6. The defendant's primary office location during his tenure with the FDNY was the World Trade Center (WTC) Monitoring Clinic Orange County Annex ("the WTC Orange County Annex") located in Middletown, New York. The defendant also worked for the FDNY at the WTC Monitoring Clinic at Fort Totten, in Queens, NY.

7. The WTC Monitoring Clinic and its annexes were partially funded by the federal Center for Disease Control (CDC). In each of the years the defendant was employed by the FDNY the WTC Monitoring Program received in excess of \$10,000 in federal funding. Further, the FDNY was reimbursed by the CDC for salary payments made by the FDNY to CHANG.

B. THE DEFENDANT'S FRAUD

8. MICHAEL POYIN CHANG's work schedule was based on the needs of the WTC Monitoring Clinics in Orange County and Fort Totten and in connection with annual medical examinations and ongoing monitoring of current and retired firefighters. The

defendant's monthly work assignment schedule was prepared by the FDNY Deputy Chief Medical Officer.

9. The clinics to which the defendant was assigned did not accept walk-in patients. The defendant's prearranged schedule listed the patients he was scheduled to see on a particular date and the nature of the monitoring, examination or treatment to be received by the FDNY patient. The defendant's pre-assigned work schedule also included any administrative assignments such as attending meetings necessary for the performance of his duties.

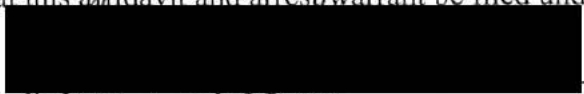
10. Salary payments to the defendant were based upon entries of his work hours in CityTime, an electronic database used to record hours worked by FDNY and other city employees. The defendant's hours were recorded from a computer terminal located at the WTC Orange County Annex. The defendant was issued a CityTime password that was unique to him. The defendant was solely responsible for documenting his hours, which were not independently verified by his superiors. Based on the hours of work logged in CityTime, the defendant received electronic salary deposits to a JPMorgan Chase bank account held in his name.

11. An audit of the defendant's days and hours logged in CityTime as days the defendant worked showed significant discrepancies when compared with his work schedules as prepared by the FDNY Deputy Chief Medical Officer. CityTime records showed that CHANG reported that he had worked on 81 days from January 2011 to October 2016, when he was scheduled to be on vacation and the WTC Orange County Annex was closed. Additionally, travel records of the defendant that I have obtained from the United States Customs and Border Protection Service show that CHANG was travelling internationally on at least 34 of those 81 days.

12. In addition to the aforesaid 81 vacation days when his primary work site was closed (and when at least 34 of which CHANG was travelling outside the United States), CHANG reported via CityTime that he had worked on an additional 220 days when his prearranged work schedules maintained by the FDNY reflect that he was neither scheduled to work nor to see patients.

13. FDNY records reflect that CHANG received approximately \$42,536 for the 81 vacation days he falsely certified he had worked. Furthermore, CHANG was paid \$114,221 for the 220 days in which he claimed in CityTime records that he was working but, where FDNY work schedule records indicate that he was not listed on any work schedule, did not treat or monitor any patients and did not otherwise perform administrative assignments. In total, from January 3, 2011 to December 16, 2016, the defendant received \$156,757 for work he did not perform.

WHEREFORE your affiant respectfully requests that an arrest warrant be issued for the defendant MICHAEL POYIN CHANG, so that he may be dealt with according to law. Your affiant also respectfully requests that this affidavit and arrest warrant be filed under seal.


SARA A. LEVINSON
Assistant Inspector General
New York City Department of Investigation

Subscribed and sworn to before me,
this 24th day of May, 2018

UNITED STATES MAGISTRATE JUDGE
EASTERN DISTRICT OF NEW YORK