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**U.S. CHARGES EX-DIRECTOR OF HOME HEALTH CARE SERVICE
WITH EMBEZZLING \$665,000 IN PUBLIC FUNDS**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced the arrest today of ALLAN J. FINE, former Executive Director of Etna Home Attendant Service Corporation, on charges that he embezzled approximately \$665,780 from the organization from approximately 1997 through November 2001.

FINE is charged in an Indictment unsealed today in Manhattan federal court. He was expected to be arraigned later today before United State Magistrate Judge MICHAEL H. DOLINGER.

Etna was a private, not-for-profit organization located in the Bronx that provided home health care services to elderly and disabled members of the community who were eligible for Medicaid, under a contract with the New York City Human Resources Administration ("HRA"). All of Etna's funding was provided by federal, state, and local governments. FINE was Executive

Director of Etna from approximately 1997 until November 2001.

As Executive Director, the Indictment charges, FINE had full supervisory authority over Etna. Among other things, FINE: (a) oversaw the disbursement of public funds for Etna's operation and administration; (b) entered into contracts on behalf of Etna for supplies, services and employment; (c) supervised staff who oversaw Etna's home health care attendants; and (d) supervised bookkeepers who maintained Etna's financial records, the Indictment charges.

FINE was authorized to sign and issue checks drawn on bank accounts maintained by Etna, the Indictment charges, provided these checks were also signed by the Chairman of Etna's Board of Directors. According to the Indictment, among the checks FINE wrote were approximately \$665,780 in unauthorized checks. These included approximately \$485,500 in checks payable to FINE himself above and beyond his authorized salary, which FINE either cashed or deposited into his personal checking account and used to pay his personal expenses; and approximately \$180,280 in checks payable to All City Corporate Transportation Inc. ("All City"), a car service, in return for All City's services for the personal benefit of FINE's former wife.

According to the Indictment, FINE used a stamp bearing both his signature and that of the Chairman of Etna's Board of Directors to sign the unauthorized checks. He is alleged to have concealed his fraudulent activities by writing the checks payable to

himself on an Etna bank account over which he maintained sole control, and by directing All City Corporate Transportation to send all bills for services to his former wife directly to him.

FINE, 62, lives in Nanuet, New York.

If convicted, the defendant faces a maximum sentence of 10 years in prison and a fine of \$250,000, or twice the gross gain or loss resulting from the crime.

Assistant United States Attorney JENNIFER M. MOORE is in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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