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FOR IMMEDIATE RELEASE

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PRESS RELEASE

**NEW YORK CITY EMPLOYEE CHARGED IN THEFT OF
\$2.5 MILLION FROM ASSIGNED COUNSEL FUND**

ROSLYNN R. MAUSKOPF, United States Attorney for the Eastern District of New York, **ROSE GILL HEARN**, Commissioner, New York City Department of Investigation, and **GLENDIA PAPPILLION**, Acting Special Agent-in-Charge, Internal Revenue Service-Criminal Investigation, New York, announced today the arrests on money laundering charges of **RAIMMA TAGIEV**, also known as "Rachel Tagiev," and her husband, **YAN BLINDER**, in connection with the theft of \$2.5 million from the Criminal Justice Coordinator's Office, Assigned Counsel Plan.

The investigation revealed that between February 2000 and August 12, 2003,

more than four hundred fraudulent checks, totaling more than \$2.5 million, were issued by the City of New York, Criminal Justice Coordinator's Office, Assigned Counsel Plan, to 17 fictitious payees, purportedly for legal services, expert witnesses or other services provided to Family Court clients. In fact, no services were provided to Family Court clients, the payees were fictitious, and the checks were mailed to mail drops and recovered by the defendants.

The Assigned Counsel Plan is responsible for processing invoices for attorneys, experts and service providers assigned for indigent litigants in Criminal Court and Family Court proceedings. In Family Court, assigned counsel represent clients in custody, guardianship, visitation, support, child neglect and abuse, foster care, termination of parental rights, adoption, delinquency and PINS (persons in need of supervision) proceedings.

According to the complaint, since 1997, RAIMMA TAGIEV has been employed as a Mayoral Office Assistant in the Assigned Counsel Plan Office located at 253 Broadway in Manhattan, where she was responsible for entering information into the New York City Financial Management System ("FMS") concerning payees and the amounts to be paid under a particular voucher submitted by assigned counsel or another service provider. A search of the computer and office records of the Assigned Counsel Plan in May 2003 for 14 of the 17 fictitious payees revealed that TAGIEV created records contained in the files of each of them.

The complaint further alleges that the fraudulent checks were mailed to seven different commercial mail drops in Manhattan. On two occasions in August 2003, law enforcement officers observed the defendant YAN BLINDER pick up fraudulently issued checks at one of the mail drops, and on one occasion pay the rental fee for the box, which was held in the name of one of the fictitious payees. Many of the fraudulent checks involved in the

defendants' scheme were cashed by a check casher who frequently operated from a location on Avenue O in Brooklyn, New York.

According to the complaint, TAGIEV took a leave of absence from work between April 2003 and July 21, 2003, during which period of time, with the exception of checks that had previously been processed for payment, not a single check was issued to a fictitious payee. Following TAGIEV's return to work, on August 4 and 11, 2003, fifteen additional fraudulent checks, totaling more than \$100,000, were issued to fictitious payees by the Assigned Counsel Plan.

Finally, the investigation revealed that since 2000, BLINDER made several large cash expenditures, including reported "buy-ins" (cash payments for chips or to gamble) at casinos in Atlantic City, New Jersey, totaling more than \$200,000. In addition, during 2001, BLINDER deposited \$37,000 in cash into an Apple Bank account in his name in Brooklyn, New York.

Yesterday, agents executed a search warrant at the defendants' lavishly furnished residence in Marlboro, New Jersey, and discovered two safes; one safe contained trays of jewelry valued at \$100,000, and in the second safe agents recovered \$23,000 in currency. Beneath the mattress of a baby's crib, agents seized a list containing the names of the 17 fictitious payees.

In announcing the filing of the charges and the defendants' arrests, United States Attorney **ROSLYNN R. MAUSKOPF** thanked the United States Postal Inspection Service for its assistance in the investigation and stated, "The defendants are charged with a scheme that deprived New York City of sorely needed funds for the indigent. The impact of their crime is particularly acute during a period of difficult budgetary constraints. This office is committed to

rooting out fraud which corrupts our system of government and in the process deprives our City of funds needed to provide essential services to its residents.”

ROSE GILL HEARN, Commissioner, New York City Department of Investigation, stated “As the complaint states, this is an extremely serious case that involves a corrupt City employee who is responsible for the brazen theft of \$2.5 million of taxpayers’ money. This kind of case is of the highest priority at DOI because the City cannot afford to lose any money, let alone \$2.5 million, from its coffers to this kind of criminal activity. We will seek to have Ms. Tagiev and Mr. Blinder prosecuted to the fullest extent possible and we hope to get back in restitution every nickel they stole from the City.”

The defendants’ preliminary appearances will be held this afternoon before United States Magistrate Judge Marilyn D. Go at the U. S. Courthouse, 225 Cadman Plaza East, Brooklyn, New York.

If convicted, the defendants face a maximum sentence of 20 years imprisonment, forfeiture, and fines of \$500,000 or twice the amount of the losses resulting from the offense.¹

The government’s case is being prosecuted by Assistant United States Attorneys Burton Ryan, Patricia Pileggi, and Charles Kelly.

¹ The charges contained in the complaint are merely allegations, and the defendants are presumed innocent unless and until proven guilty.

The Defendants:

Name: RAIMA TAGIEV

DOB: 1/18/75

Residence: 139 Ryan Road, Marlboro, NJ

Name: YAN BLINDER

DOB: 7/8/60

Residence: 139 Ryan Road, Marlboro, NJ