



**U.S. Department of Justice**

*United States Attorney  
Eastern District of California*

*501 I Street, Suite 10-100  
Sacramento, California 95814*

*916/554-2700  
Fax 916/554-2900*

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FOR IMMEDIATE RELEASE

**FORMER CEO AND BOARD MEMBER OF NON-PROFIT HEALTH CARE CLINIC  
PLEADS GUILTY TO EMBEZZLEMENT AND TAX EVASION CHARGES**

**Woman Embezzled More Than \$120,000 from Vallejo Clinic By Using Clinic Funds  
for Personal Ski Vacations, Home Remodeling, and Clothes**

SACRAMENTO – United States Attorney McGregor W. Scott announced today that LISA JO BAIRD, 42, of San Francisco, California, the former CEO and a former board member of a Vallejo-based health care clinic, plead guilty to one count of embezzlement from a health care benefit program and one count of filing a false tax return. Special Agents from the IRS had arrested BAIRD in September 2002 at the San Francisco International Airport as she arrived on a plane from Vancouver.

According to Assistant U.S. Attorney Douglas Sprague, who is prosecuting the case, from 1993 to 1999 BAIRD was the CEO and Treasurer of the Redwood Family Clinic, a non-profit provider of health care services for uninsured patients in Solano County. During that time, BAIRD controlled the Clinic's financial records and was the sole signer on Clinic checks.

In pleading guilty today, BAIRD admitted that from January 1996 through December 1998 she used her position to write more than 100 unauthorized Clinic checks to herself or for her personal gain, including payments for clothing, travel, entertainment, ski vacations, a health club membership, the remodeling of her kitchen in her personal residence, overdue parking tickets, and expenses associated with an unrelated business she owned. BAIRD then concealed her embezzlement by booking the embezzled checks as Clinic expenses, listing false or fictitious payees in the Clinic's financial records she controlled. Under the terms of the Plea Agreement, BAIRD will be required to pay the Clinic at least \$120,000 to reimburse the funds she embezzled. BAIRD also admitted that she filed a false tax return for the year 1998 that failed to report all of the income she received from the Clinic.

United States District Court Judge Lawrence K. Karlton scheduled BAIRD's sentencing for September 16, 2003. Under the Plea Agreement, the maximum sentence BAIRD may receive is 7 years in federal prison and a fine of \$350,000 in addition to paying at least \$120,000 of restitution to the Clinic.

The case was investigated by the Internal Revenue Service, Criminal Investigation Division.

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