



Lake County Bar Foundation Victim Impact Statement

On behalf of the Lake County Bar Foundation, I first want to express our appreciation to the Court and the Special Prosecutor's Office for allowing us to participate in these proceedings. Our Foundation, and its members, have been deeply wounded by the actions of Christopher Boadt. The multifaceted impact of Mr. Boadt's misconduct on the Foundation, an organization of limited means but lofty goals, has been profound, many significant aspects of which to this day remain unresolved or unquantifiable.

It is imperative that we stress that the primary mission of the Foundation is philanthropy. We are the philanthropic arm of the Lake County Bar Association. Through the Foundation, the Lake County Bar works to enhance justice, promote fairness, support the disadvantaged, protect at risk youth, and much more. In that regard, the Foundation seeks to assist organizations that provide Lake County residents with access to legal representation, legal information, self-help legal assistance, referrals and mediation services. Over the years, the Foundation has provided direct financial assistance to organizations such as Court Appointed Special Advocates (protecting the interests of abused and neglected children in court); Prairie State Legal Services (providing free legal services for disadvantaged and low income individuals); Nicasa Behavioral Health Services and Teen Court (helping first-time juvenile offenders obtain a fair opportunity for a fresh start and a clear record); the Family Visitation Center of Lake County (promoting the safety and well-being of families and children who have experienced trauma, violence and abuse); Words on Wheels (supporting their volunteer outreach program that brings books and enrichment activities to at-risk infants and toddlers); and Veteran's Court (helping troubled military veterans access justice and get the particularized help they need).

The Board of Trustees of the Foundation, including its Officers, are volunteers from the Lake County legal community who come together specifically to advance the Foundation's charitable goals. Our day to day operations, through an arrangement between the Foundation and the Bar Association, are handled by the Association's Executive Director and staff.

For many years, Mr. Boadt held that title and served in that capacity. Undeniably, prior to these revelations, he was well-liked, highly-respected and held the unqualified trust of Officers and Board members of the Foundation. Indeed, many of our members continue to recall Mr. Boadt personally with fond affection and express admiration for aspects of his work, particularly his efforts to guide the Association to become a much more professional and responsive organization.

Mr. Boadt, however, oversaw our operations in the same manner he did those of the Association – he gradually made himself “indispensable.” Pointing out the difficulties in automating our financial books and informing the Board that his staff was incapable of managing the Foundation's accounts, he became the sole conduit for our financial affairs. While to most this appeared to be the selfless work of a devoted servant of our organization, we now know it obscured

a more practical and nefarious end – it permitted him to manipulate and steal from us with impunity.

As he intended, we came to believe that only he could effectively manage our complex affairs. And so, like the Association, the Trustees of the Foundation were compelled to rely upon and trust him. And we praised his hard work and dedication to our cause. But, in retrospect, every task he performed for us now seems to have masked his criminal intent. His apparent dedication served only to hide the dark secret that he was actively and methodically working to deceive us. We now know that he systematically pilfered our assets, created a web of intrigue to obscure his misdeeds and, in the end, destructively attempted to cover up his crimes. Against that backdrop, all of the very positive and fond recollections of those who worked with him serve to render the deceit and betrayal that underlie these proceedings as so much more deeply hurtful to the organization and the people most closely associated with it. We were deeply shaken by the revelation of his embezzlement, but we were cut to the core to discover its scope, to learn of the years of purposeful betrayal perpetrated by this individual who we had trusted, believed in and relied upon.

The direct financial costs of Mr. Boadt's crimes are now fairly-well understood. After a costly and time-consuming forensic examination of our accounts, we understand how much money he stole from us. Other impacts of his misdeeds are less easily identified. We continue to struggle to correct the effects of numerous fraudulent statements, forged documents and missed deadlines that were integral to his theft and cover-up. And the crushing blow to our professional good name and our member's loss of trust are both hard to quantify and difficult to bear.

Mr. Boadt cleverly stole funds from Foundation accounts. Using lies, deception, forgery and destruction of evidence, moreover, he endeavored to conceal his perfidy and his broader misdeeds. For example, Mr. Boadt misused accounts administered by the Foundation as a fiduciary to hide several theft transactions. Further, systematically and over several years, Mr. Boadt covertly diverted Foundation funds into Association accounts, thereby masking his much larger thefts from the Association. All totaled, Mr. Boadt's actions, including direct and indirect theft through diversions, deprived the Foundation and its charitable beneficiaries of at least \$122,235.88.

We have been told that Mr. Boadt has made the Association and Foundation "whole" through restitution. This is not true. The bulk of the recovery of direct theft loss (the amount that he actually embezzled) has come not from him, but from an insurance carrier. This type of claim is one no organization ever enjoys making and is one with significant, and potentially long-term negative impacts. At this point, even after payments received, the Foundation still carries a residual loss of \$5,003.10 on our books for unreimbursed theft loss.

The theft of our money, while significant, still pales compared to the cumulative toll that his betrayal has worked upon our organization and its members. In the aftermath of his departure it quickly became apparent that Mr. Boadt had spent years creating a web of disinformation, falsifying records and reports, and systematically deceiving our Board.

The Foundation's Officers and Trustees have since spent literally hundreds of hours in an effort to investigate, mitigate, and ultimately rectify the multi-faceted damage inflicted by his treachery. That task was rendered exponentially more daunting by Mr. Boadt's comprehensive and calculated effort to obscure his misdeeds by creating fraudulent documents, erasing computer files, and destroying paper records which were essential to understanding the financial position of the organization and thereby unravel the extent of his manipulations. So pervasive were Mr. Boadt's efforts to obscure his actions that we were forced to undertake a long, painstaking, forensic analysis and, in the end, to re-create from scratch several years' of books, records and financial statements for the Foundation. This process required significant professional assistance and the Foundation was compelled to retain a forensic accounting team which thereafter spent months examining the records we had, distinguishing the real from the fraudulent and recreating the records he had destroyed. Through the end of August 2018, the Foundation has paid \$46,953.04 for those accounting services (a figure which does not include the time of one of the accounting firm's senior partners as he generously served *pro bono*).

The Foundation Officers and Trustees whose assistance was essential to unraveling Mr. Boadt's deception are all attorneys and most are senior members of their firms or offices. While it is possible to say that the time and effort they devoted to righting his wrongs is "intangible," that fails to capture the impact of their hours and days away from their work, their clients, their homes and their families. In professional time alone and using relatively conservative estimates for both amount of time and the value of those hours, one could easily estimate the impact value of that time as reaching at least \$80,000.00.

Essential to his embezzlement was Mr. Boadt's ability to keep Foundation Officers and Trustees in the dark. A not-for-profit charity such as our Foundation is required to file an annual income tax return with the IRS. But even the most abbreviated version of this return (a Form 990) would have required significant financial disclosure. And so, in 2014 Mr. Boadt submitted an inaccurate return and in 2015 and 2016 he filed no return at all (and all the while assuring the Officers and Trustees that those tasks had been properly completed). His actions and omissions in that regard jeopardized the Foundation's tax-exempt status and potentially subjected the organization to substantial civil liability. As part of the forensic process those omissions were discovered, and proper, albeit tardy filings have now been submitted to the IRS. Unsurprisingly, the Foundation is now being assessed substantial penalties by the IRS for the late filings. The penalty notice received recently for the 2016 late filing totals \$8,700.00, and the 2017 penalty has been assessed at \$5,020.00. The third year's notice has not yet been received, but the total amount of penalties for the three years in the aggregate can be expected ultimately to approach or even exceed \$20,000.00 and will carry with it threats of liens and seizure. As a result, the Foundation is now faced with a potentially costly and daunting process to seek relief from those significant penalties. The ultimate outcome of that process, moreover, is far from certain.

Following the filing of the tardy Form 990's and analogue state filings, the State of Illinois, on September 24, 2018, issued a deficiency notice based on the failure to file timely, complete reports. Those proceedings jeopardize the Foundation's tax-exempt status and further portend the

need to incur more costs, fees and penalties to remedy these problems arising exclusively from Mr. Boadt's criminal efforts to hide his thefts from the Foundation.

In addition, in the aftermath of his departure, it came to light that Mr. Boadt falsified one of the Form 990's and included the forged form as part of a Foundation loan submission to Lake Forest Bank, effectively committing fraud on the lender in the name of our organization. We have worked with the bank to address the issue and have provided copies of the properly prepared and now-filed returns to them. They have been generously understanding to date. But, the relationship between the Foundation and the Bank has been damaged, even if the extent is unknown. And, there is no doubting that at least a potential claim exists. At this time, therefore, the full, long-term impact of Mr. Boadt's actions on the Foundation in this regard cannot be ascertained.

The amount of loss suffered by the Foundation directly – the money he stole from us – combined with the direct losses suffered by the Association – the money he stole from them – far exceeds the amount that he has returned. When the additional costs detailed herein are added in – the accounting fees, penalties and fines, the nearly countless professional hours donated by our Officers and Trustees – it is painfully clear that amount repaid by Mr. Boadt does not even come close to rectifying the financial losses we suffered. There simply can be no rational argument that Mr. Boadt has made us “whole.”

Beyond our financial losses, the most insidious impact of Mr. Boadt's actions may be that while he lined his pockets with pilfered assets, he was preventing the Foundation from fulfilling its philanthropic mission. The impacts of his misdeeds thus extend far beyond our Foundation, affecting some extraordinary organizations and ultimately some of the most vulnerable and needy members of our communities. When Mr. Boadt manipulated the accounts of the Foundation he falsely represented to the Officers and Trustees that our financial condition was substantially worse than it should have been. This compelled the Board to pursue an extremely cautious financial path, refraining from making grants we otherwise would have conferred upon worthy organizations whose missions coincide with our own philanthropic goals. In a very real sense, Mr. Boadt stole from the poor, the helpless, the infirm and the most disadvantaged people of our County. And he did so solely to personally enrich himself. Because of the several steps of attenuation between the Foundation and the ultimate beneficiaries of our largess, it is not possible to determine just how many people were prevented from receiving needed help or denied access to justice because Mr. Boadt concluded he was entitled to help himself to those funds. But considering just how many there may be continues to give us many sleepless nights. Add to this the time, money and effort we continue to spend not on charitable endeavors but instead to correct his malfeasance, and the true scope of the ongoing damage he has done to our philanthropic organization (and to the people we are meant to serve) becomes all too obvious.

Service on the Board of our Foundation is a privilege. Our Officers and Trustees donate their time and often their money because they believe it to be the right thing to do. People who choose to support a charitable organization are often charitable themselves. And so our members struggle to make sense of the avarice and duplicity of Mr. Boadt's crimes against us. Some individuals feel a lingering sense of empathy, wish to be magnanimous and hope to forgive. Some

have said over and over – “if he had only come to us, we could have helped.” But this presupposes some financial desperation or other unusual motivating factor drove him to choose the path he took.

We can never fully understand the motivations that led him to lie to us and steal from us, and to commit fraud and forgery to cover it up. Why he chose to betray us in that manner will always remain beyond us. But we continue to live in the aftermath of his deception and his greed. Most of us are hurt by his actions, and many are angry. We are angry and hurt that we have devoted so much of our time, money and energy to clearing the wreckage of his crimes. We are angry and hurt when we think of the deserving recipients who have been deprived of that same time, money and effort. We are angry and hurt that we fell victim to his deceptions and his lies, that we chose to trust him and that in return he coldly betrayed us and stole all that he could.


He didn't merely steal all he could in one fell swoop, moreover, but rather he systematically exploited our trust over a period of years. He didn't deceive one of us, but rather he lied over and over to as many of us as was necessary to further his scheme. What he did was calculated, sustained and demonstrated a commitment to enrich himself for as long as possible at our expense. And, just as importantly, there's one thing he has never done – not individually, not to a group, not at all. Since his crimes have been discovered, he has never once expressed to us even the slightest hint of remorse or desire for forgiveness.

Mr. Boadt made choices, bad ones, and choices have consequences. The impacts of those choices, what he has done to us, to the Bar and to the broader community we serve, are profound and long-lasting. It bears repeating, in a very real sense, Mr. Boadt stole from the poor, the helpless, the infirm and the most disadvantaged people of our County. That requires an appropriate measure of justice. For that, we rely on this Court. Meanwhile, our Foundation will continue to move forward. We must do so. We will strive to remain open minded and charitable despite what Mr. Boadt has done to us. We will endeavor to be trusting even though he has taught us that trust can be so horribly abused. We will struggle to do these things, moreover, because we must fight against the pernicious and negative effects of having been abused by Christopher Boadt. This is the true impact of what he has done. This is his true legacy and our lasting burden.

Respectfully submitted,

Lake County Bar Foundation

By: _____



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