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PRESS RELEASE

**Government Official Charged With
Embezzling Over \$3 Million From Township**

The Chester County District Attorney's Office announced the arrest of Kennett Township Manager Lisa M. Moore for embezzling over \$3 million from the Township. The defendant was a trusted and long-time employee, working for the township for over 20 years. She stole money intended for employee benefits, the police department, land preservation, and other township operations. She used the stolen money for extravagant personal expenses such as clothes from Gucci and Chanel, jewelry, and travel to places like Italy and France. Part of her scheme even involved pretending to be married. The defendant was terminated when the fraud was discovered.

Chester County District Attorney Tom Hogan stated, "This case is all about greed. The defendant was well-compensated, with an annual salary of over \$100,000. But she decided to live the high life, funded by the taxpayers of Kennett Township. There is no excuse for such a blatant abuse of a position of trust."

The defendant is 46 years old. She resides at 540 McFarlan Road, Kennett Square, Pennsylvania.

The facts alleged in the criminal complaint are as follows:¹

¹ A criminal defendant is presumed innocent until proven guilty in court.

The defendant was hired in 1997 by Kennett Township, Chester County, Pennsylvania. By 2010, she had been promoted to the position of Township Manager. As Township Manager, the defendant had oversight and access to virtually all of the township's financial operations.

A Township Manager has a significant amount of authority and discretion. The Township Manager runs most of the day-to-day operations of any township. Township Supervisors are elected officials who oversee the work of the Township Manager and overall operations of the township, generally during two public meetings per month.

In April of 2019, the Kennett Township Police Department received a report from the Capital One Fraud Department related to money transfers by the defendant. After an initial review, the investigation was turned over to the Chester County Detectives, the investigative arm of the Chester County District Attorney's Office. When the Chester County Detectives began their investigation, the defendant was on vacation in France.

The investigation in this case revealed that the defendant engaged in a long-running, multi-pronged scheme to steal money from the township. Some of the highlights of her activities are listed below.

The defendant engaged in some very simple schemes to steal money. For instance, she sometimes had money paid directly to herself, but never recorded the disbursements in the township's records. On other occasions, she would have the money paid to herself, but would record the payments as being made to known and normal vendors of the township.

Like many white collar criminals, the defendant's theft accelerated over time. In 2012, she merely stole \$141,000 from the township. By 2018, her last full year of employment, she stole \$410,000.

The defendant had an annual salary of approximately \$120,000 - \$130,000 while working for Kennett Township. However, she unilaterally managed to raise her salary regularly to over \$200,000 by claiming that she worked over 3,000 hours per year. For instance, in 2017, she booked herself as working 3,612 hours, which equates to working roughly 10 hours per day for every single day of a 365 day year. The defendant then awarded herself a salary of \$295,000 for these faked work hours.

The township required two signatures for certain checks: the Township Manager and a Township Supervisor. The defendant solved this problem by using a stamp with the signature of one of the Township Supervisors. When she needed checks paid to herself or her credit card accounts, she would simply write the check, sign the check herself, then use the stamp to forge the signature of the Supervisor.

The defendant also had a township credit card issued in her name. She used that credit card to rack up unauthorized purchases of approximately \$696,000.

The defendant sometimes engaged in the equivalent of money laundering. She would transfer money from one Township account to another Township account, giving the appearance of a normal transaction. However, she then would make another transfer, secretly moving the money from the second Township account to one of her own accounts.

The defendant even created a phony marriage to defraud the township. An employee's spouse was eligible for medical benefits under township policy. The defendant pretended to be married to Brian Gore, resulting in the township paying over \$50,000 in benefits for Gore, all of it taxpayer money.

The defendant also manipulated the township's retirement savings plan to steal money. A savings plan was created through E*Trade. Between 2014 and 2019, the defendant was entitled to \$33,000 in payments for retirement savings. Instead, she directed over \$945,000 to her E*Trade account. For instance, in 2018, she was entitled to a payment of \$5,000 from the township to this savings account. However, the defendant awarded herself over \$353,000 in payments, costing the Kennett taxpayers over \$347,000 in lost funds just for 2018.

The defendant also took steps to conceal her fraudulent activities. As an example, investigators discovered a document purportedly from the township's auditor dated December 31, 2012, stating that the defendant was owed 10,025 hours of sick/vacation time and 3,052 hours of comp time. However, a review of the defendant's computer revealed that she had created that document on April 5, 2019, after the initial fraud report from Capital One. In fact, the defendant created two separate such fraudulent documents on April 5, 2019, simply varying the amount of owed sick/vacation time and comp time, in an attempt to cover up her theft. The auditors confirmed that they had issued no such document. The

defendant similarly manipulated other documents in an attempt to conceal her fraudulent activities.

The money that the defendant was stealing was taxpayer funds. The money was intended for use for employee benefits, preservation of land, police activities, and other normal aspects of the township’s day-to-day operations.

The defendant spent the stolen money in a variety of ways. She used it to travel to Las Vegas, Italy, and France. She was travelling in France when the fraud was discovered. She spent money at clothing boutiques, such as Michael Kors, Gucci, and Chanel. She bought expensive jewelry. She spent Township money on friends and family members.

A summary of the defendant’s thefts are described in the chart below:

Schedule of Losses Sustained by Kennett Township due to Moore’s Fraudulent Acts						
Year	Unauthorized Payroll	Payments to Personal Credit Card	Unauthorized Payments to E*Trade less Retirement contribution	Personal Use of KENNETT TOWNSHIP Credit Card (Est)	Other Unauthorized Disbursements	Total
2013	\$15,243					\$15,243
2014	\$24,295		\$5,508	\$126	\$6,508	\$36,437
2015	\$34,892		\$17,812	\$628	\$8,812	\$62,144
2016	\$211,235	\$34,260	\$124,257	\$24,090	\$91,860	\$485,702
2017	\$354,500	\$205,167	\$321,567	\$88,985	\$131,427	\$1,101,646
2018	\$353,868	\$241,184	\$347,443	\$89,533	\$133,739	\$1,165,767
2019	\$173,488	\$67,086	\$95,950	\$10,670	\$35,320	\$382,514
Totals	\$1,167,521	\$547,697	\$912,537	\$214,032	\$407,666	\$3,249,453

All told, the defendant stole \$3,249,453 from Kennett Township over a six-year span. She has been charged with felony theft, forgery, computer crimes, and related offenses.

When the fraud was discovered, the Township immediately terminated the defendant. The Township also retained the accounting firm Marcum, LLP to assist the Chester County Detectives in the investigation. Ricardo Zayas of Marcum, a former IRS investigator who had previously worked with District Attorney Hogan on large fraud cases, was instrumental in discovering the extent of the defendant’s complex fraud schemes.

“This case is a reminder that a determined insider can always find a way to steal, using their knowledge of internal procedures and policies,” added District Attorney Hogan. “Because of their inside information, these white collar criminals are more difficult to stop than burglars or armed robbers. However, this case is also a reminder that public officials who steal from taxpayers eventually will be exposed, arrested, and punished. The District Attorney’s Office appreciates the cooperation and work of the Kennett Township Supervisors in this investigation.”

Anybody with any further information should contact Chester County Detective Robert Balchunis at (610) 344-6866.

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Approved for release:

Thomas P. Hogan
District Attorney