



## **William D. Brown, CPA, CCEP, CFF**

### **Forensic Team Lead**

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William Brown has over 40 years of forensic accounting/investigative experience which includes the FBI, a national law firm, a Big 4 accounting firm and a state agency. Mr. Brown's Forensic and Litigation practice specializes in forensic accounting, investigations, litigation support, and compliance and ethics program design and implementation.

Mr. Brown provides forensic accounting, litigation and investigative services to attorneys and their clients. Forensic accounting services include analysis of complex financial transactions or relationships and developing and providing evidentiary support for conclusions. Often times fraud is alleged which complicates the analysis with possible intentional concealment. In-depth witness interviews are required to develop evidence of intentional conduct. Litigation related services include acting as both consulting and testifying expert in matters involving financial controversies, breaches of contract and fiduciary duties and allegations of fraud. Assistance to counsel includes developing effective discovery requests, analysis of complex financial information, providing findings to be used in deposing opponent's principals or experts and providing expert testimony. Mr. Brown also assists corporate clients in developing and monitoring their corporate compliance programs by evaluating internal controls, crafting effective procedures and evaluating compliance. Clients include oil and gas industry, healthcare providers, the insurance industry, corporate security and governmental entities. His investigative reports are routinely provided to law enforcement and prosecutors in support of law enforcement actions.

As a former Special Agent for the Federal Bureau of Investigation, he has extensive experience investigating complex white-collar crime matters, including healthcare fraud, and providing expert testimony. He has lectured for FBI Agents and at various State Insurance Departments on the subjects of forensic accounting and white-collar crime investigations and has also lectured nationally on the subject of healthcare fraud and abuse. Over the course of his 40 year career, he has investigated allegations of fraud or misconduct in a number of governmental and private entities within the financial services, healthcare, energy, public education and construction industries.

Mr. Brown was the court appointed receiver in SEC v. Amerifirst Funding. As receiver, Mr. Brown identified and seized over \$49 million in assets diverted from investor funds by defendants. These assets included real estate in Texas and Honduras, bank and brokerage accounts, auto sales and finance operations, aircraft and exotic cars. Mr. Brown provided expert forensic accounting testimony in the successful criminal prosecution of the two main subjects. Over 60% of the invested funds were returned to the 545 elderly investors. He also provided forensic accounting services in support of the court appointed receiver in SEC v. Gemstar which involved a group of 23 investors with over \$23 million invested. Mr. Brown oversaw the investor claims process and the plan of distribution.

Mr. Brown previously oversaw Medicaid reimbursement and fraud investigations for a state Medicaid Agency, as a licensed attorney in a national law firm, he lead the Investigations Practice Group, working on cases involving insurance company insolvency for state regulators. He also practiced in the Healthcare Regulatory Group with a Big 4 Accounting firm overseeing a number of regulatory and enforcement investigations on behalf of the firm's clients. As a forensic accounting expert, he was engaged by one of the world's largest retailers as the testifying expert in litigation where the client was accused of committing widespread fraud and violations of the civil RICO statute. The client received a directed verdict in its favor on all fraud related claims.



## **EDUCATION**

Bachelor Degree in Accounting, 1976  
**Arizona State University**

Juris Doctor Degree (with Distinction), 1990  
**University of Oklahoma**

## **PROFESSIONAL MEMBERSHIPS**

Texas City Attorneys Association  
Certified Public Accountant – Texas  
Licensed Attorney, State of Texas  
American Institute of Certified Public Accountants  
Texas Society of CPAs  
Texas Bar Association  
Dallas Bar Association  
National Association of Federal Equity Receivers (Full Member)  
Society of Former Special Agents of the FBI

## **PROFESSIONAL EXPERIENCE**

**W. D. Brown & Associates, Dallas, Texas** **July 2017 – Present**  
Provides forensic accounting/litigation support services regarding a variety of matters, including healthcare providers, false claims act, bankruptcy related Ponzi scheme, residential contractors and food wholesalers. Provide expert testimony regarding forensic/investigative matters.

**Managing Director, FTI Consulting, Inc., Dallas, Texas** **December 2015 – June 2017**  
Provided forensic accounting/investigative services to a variety of clients, including public university, healthcare provider and a wholesale grocery company. Provided expert sworn testimony regarding damages and causation.

**Partner-Weaver LLP, Dallas, Texas** **September 2005–December 2015**  
Partner-in-Charge of the Forensic/litigation practice for the largest regional CPA firm in the southwest. Was appointed receiver by United States District Court for the Northern District of Texas in SEC v. Amerifirst Funding, Inc., et al, July 2, 2007. The receivership involved over 540 investors primarily from Florida and Texas who had invested in excess of \$60 million. As Receiver was involved in the identification and marshalling of over \$58 million in assets, including used car dealerships, sub-prime auto finance operations and real estate. Managed four major investigations involving public school districts in Texas resulting in referrals to law enforcement. Investigated the embezzlement of over \$6 million in repatriated funds, tracing the funds through a maze of 16 bank accounts. Over \$770,000 was traced to would be hit men hired to murder culprit's wife.



**Shareholder-Brown & Nelson, P.C., Dallas Texas  
August 2005**

**November 1996–**

Provided forensic accounting services including litigation related services and internal investigations. Testifying expert on behalf of major retailer which was sued by a supplier for breach of contract, fraud, conversion, and usury. A directed verdict was granted by the U.S. District Court on the fraud, conversion and usury claims while the contract claim was settled prior to jury deliberation. Testified on behalf of plaintiff against the third-party administrator of its health and benefit plan. Claims included ERISA, breach of contract and fiduciary duty. The case settled during trial. Testifying expert on behalf of County Government in breach of contract action against regional healthcare system in regard to providing indigent health care to county residents. On behalf of corporate clients, conducted internal investigations regarding alleged fraud, malfeasance and non-compliance. Clients include healthcare providers.

**Director, Fraud Investigations Practice, Coopers & Lybrand, Dallas, Texas  
February 1994–October 1996**

Concentrated in fraud and financial related investigations for a variety of clients. Investigations included allegations of vendor fraud, land procurement irregularities and embezzlements. Also worked with the Healthcare Regulatory Group in the area of healthcare fraud and abuse and compliance programs. Engagements included the defense of allegations involving the False Claims Act, Stark Act (Anti-kickback Act) and compliance reviews stemming from national audit initiatives by the DHHS Office of Inspector General. Provided training to other professionals in the area of fraud investigations.

**Principal, Hankin & Co., Dallas, Texas**

**February 1993–January 1994**

Provided forensic accounting and litigation support services to attorneys and their clients. Worked on behalf of the Receiver for Blue Cross & Blue Shield of West Virginia in pursuit of a professional malpractice claim against its independent auditors.

**Associate-Arter & Hadden, Dallas, Texas**

**September 1990–January 1993**

Headed the Investigations Practice Group of this nationally based law firm. Engagements dealt with allegations of fraud and misconduct, and corporate compliance, and included several on behalf of the California Department of Insurance. Other cases involved healthcare fraud and abuse and compliance. Due to work in the area of insurance insolvency fraud, was asked to provide related investigation training to the FBI and various State Insurance Departments.

**Law Student and Medicaid Reimbursement Consultant, Oklahoma City  
August 1987-May 1990**

While attending law school at the University of Oklahoma provided consulting services regarding Medicaid reimbursement to the Oklahoma Department of Human Services and the Oklahoma Nursing Home Association.

**Senior Manager, Audit and Review Division, Oklahoma Department of Human Services  
January 1986-July 1987**

Managed the auditors and investigators assigned to monitor all programs administered by a state agency with a billion-dollar budget. Responsible for Medicaid fraud investigations and provider audits used to establish negotiated Medicaid reimbursement rates.

**Partner, Fine & Brown, CPAs, Edmond, Oklahoma**

**May 1984-December 1985**

Conducted Medicaid Provider cost reimbursement audits and consulted with the Oklahoma Department of Human Services on Medicaid reimbursement rates for hospitals and nursing homes. Provided consulting services to the U.S. Department of Justice on a major Medicaid fraud investigation involving a skilled nursing home in Oklahoma.

**Special Projects, Finance Office for the Oklahoma Teaching Hospitals, Oklahoma City  
December 1981– April 1984**



Medicare Cost Report preparation, billing and collection, and conversion to case mix for reimbursement rates. Reviewed the reasonableness of expenses for the named plaintiffs in their suit to overturn Oklahoma's prospective Medicaid reimbursement rates in 1983.

### **Federal Bureau of Investigation**

**May 1972 – December 1981**

Starting in 1974 provided forensic accounting support on major land fraud investigations in the Phoenix Division. Promoted to Special Agent in November 1977 and assigned to the Oklahoma City Division and focused on Medicaid fraud cases. Transferred to the Detroit Division December 1980 and worked on various white-collar crime cases.

### **RECENT SIGNIFICANT CASES**

- **United States v. Michael Herman, et al**  
Performed forensic examination of schedules prepared by Internal Revenue Service and supporting bank and other financial records. Testified regarding amounts improperly included in Total gross Receipts by the IRS and Defendant's CPA/Tax Preparer.
- **City of Fairfield, Texas**  
Conducted a comprehensive examination of major accounting functions and systems in order to identify weaknesses or problems. Reported on issues identified and recommended appropriate corrective actions.
- **State Bar of Texas**  
Performed a forensic examination of previously reported theft of over \$500,000 by former employee. The examination involved identifying how the theft occurred and was successfully concealed for several years. I further analyzed the effectiveness of procedural changes taken by the Bar in the aftermath of the theft. I reported my findings to the Bar's Board of Directors.
- **Securities and Exchange Commission v. 4D Circle LLC, et al.**  
Provided forensic accounting services to Court appointed receiver. Analyzed financial information relating to the business and prepared quarterly status reports for the Court, including profit and loss, balance sheet and equity. Services are ongoing.
- **Siragusa v. Rajpal, et al**  
Acted as Court appointed receiver in a state court action. Took control of an online retail business during the pendency of a lawsuit. Managed the daily operations, including online sales, receiving product and shipping purchases. During the 6 months acting as receiver, turned monthly net losses into net profits.
- **Estate of Brian Loncar**  
Hired by the executor of the estate to identify over \$15 million in assets diverted by family members and employees. Analyzed computerized financial records covering a 5-year period, many of the files were corrupted and had to be reconstructed. Assisted the executor in recovering estate assets.
- **Beaumont Independent School District**  
Investigated allegations of fraud involving the proceeds of a \$388 million bond program by an independent school district in southeast Texas. The investigation involved the detailed analysis of over 40 construction projects, focusing on procurement practices and performance of the contractors and subcontractors. As a result of the investigation, referrals were made to the joint local and federal task force investigating the school district.



- **Plano Independent School District**  
Investigated a scheme between an outside vendor and District personnel to defraud the District by submitting over \$2.7 million in bogus invoices for repairs and maintenance of the District's fire safety system. Our investigative results were provided the FBI which prosecuted the individuals involved.
- **El Paso Independent School District**  
Investigated allegations of a widespread scheme by top administrators to avoid federal and state accountability standards. The investigation involved the interview of over 150 administrators and teachers and the analysis of over 30,000 District records. As a result, the Texas Education Agency instituted procedures to revoke the teaching certifications of 55 teachers. Our investigation provided the basis for the criminal prosecution of at least 7 former District Administrators and employees. I provided expert testimony for the U.S. Department of Justice in its trial of 5 defendants.
- **Securities and Exchange Commission v. Gemstar, et al.**  
Provided forensic accounting services to Court appointed receiver regarding a \$23 million estate. Identified assets belonging to the estate and traced investor funds through a series of bank accounts. Analyzed investor claims which included a number of investor groups each with its own set of investors. Assisted receiver with the Plan of Distribution and determined the amount owed each investor.
- **State of Texas v. John Franklin Howard**  
Identified a \$6 million theft from an international import company by its former CFO. Traced the stolen funds through a maze of 16 bank accounts and identified real estate, charitable contributions, payments to related parties and the payment of over \$775,000 the former CFO paid to individuals to have his wife murdered. Provided testimony at the trial of former CFO for the criminal solicitation of capital murder for which he was convicted and sentenced to life in prison.
- **Securities and Exchange Commission v. AmeriFirst Funding, Inc., et al.**  
Appointed Receiver by the U.S. District Court for the Northern District of Texas. Managed a \$40,000,000 estate which included four car dealerships, a portfolio of sub-prime auto loans and real estate in Texas and Honduras. The case involves over 540 investors who purchased over \$60,000,000 worth of investments from the defendants.
- **Range Resources**  
Led a team of 10 investigating allegations of bribery and kickbacks paid to drilling supervisors working on \$1B drilling program in the Marsalis Shale in Pennsylvania, New York, West Virginia and Ohio. Investigation lasted 10 weeks. Confirmed allegations and reported to Company.
- **Berkley Risk Administrators of Texas v. Texas Political Subdivisions**  
This was a breach of contract case involving a third-party administrator. In support of the defendant's counter-claim, we analyzed the financial reporting requirements under the administrative services agreements and the plaintiff's performance. We opined regarding the malfeasance in the performance of plaintiff. The case resulted in a multi-million dollar settlement for the defendant.
- **Guild Manufacturing, Inc. v. J. C. Penney Co**  
This case was a breach of contract case involving the Electronic Trading Partner agreement between the plaintiff supplier and J. C. Penney. The plaintiff also alleged fraud, conversion, usury and included a RICO claim. We testified regarding the contract damages and the other claims. At trial, the Judge directed a verdict in favor of J. C. Penney on the RICO, fraud, conversion and usury claims. The contract claim was settled.



- **Guardsmark, Inc. v. Blue Cross & Blue Shield of Tennessee**  
This was a breach of contract case involving a third-party administrator for a self-funded health and benefit plan. On behalf of the plaintiff, we analyzed the performance of the defendant under the administrative services agreement and the fees charged. The case was settled.
- **Johnson County v. Harris Methodist Affiliated Hospitals, et al**  
This case involved the contract between Johnson County and Walls Regional Hospital for the provision of indigent healthcare to county residents. On behalf of the Johnson County we analyzed defendant's performance under the contract, including the eligibility determinations for over 9,000 patients. We testified as to damages and the case was settled.
- **United States v. Loes Highport, Inc. et al**  
On a consulting basis, we provided an analysis the lease agreement between the United States Army Corps of Engineers and defendant. Our damage model incorporated the lease requirements with the operating information from the defendant.

## **LECTURES - FRAUD AND FORENSIC ACCOUNTING**

- FBI Academy (Five lectures on Insurance Insolvency Fraud, 250+ FBI agents) - September 1992 to December 1994
- Florida Insurance Department - 1994
- National Association of Insurance Commissioners - August 1993
- Oklahoma Insurance Department - 1992
- Pennsylvania Insurance Department - May 1995
- Tennessee Insurance Department - 1993, 1994
- Texas Insurance Department - April 1995
- Numerous lectures at state universities on forensic accounting and fraud detection.
- Numerous lectures to independent school districts on forensic accounting and fraud detection.

## **ARTICLES**

- "Fraud vs. The Auditor: No Contest", Spring 2006 (Weaver Insights)
- "War on Health Care Fraud Spreads to North Texas," *Dallas Business Journal*, May 12, 1995.
- "Healthcare Fraud: The Saga Continues," *Interlocutor - A Publication of the Dallas-Fort Worth Hospital Council*, May/June, 1995.
- "Insurance Fraud Surge Challenges the Justice System," *Business Insurance*, February 21, 1994.
- "Investigation and Prosecution of Insurance Fraud," *Insurance Fraud Manual*. 1992.