

**Department of Justice**  
U.S. Attorney's Office  
Northern District of Illinois

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FOR IMMEDIATE RELEASE  
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## **Former Lincoln-Way School Superintendent Indicted on Fraud Charges for Allegedly Misappropriating School Funds for His Own Benefit**

CHICAGO — The former superintendent of Lincoln-Way Community High School District 210 has been indicted on federal fraud charges for allegedly misappropriating school funds for his own benefit and concealing the district's true financial deficit from the public.

LAWRENCE WYLLIE fraudulently used at least \$50,000 in school district funds to build and operate Superdog, a dog obedience training school that provided no benefit to the four high schools in the southwest suburban district, according to the indictment. Wyllie also misappropriated at least \$16,500 of school district funds by paying himself a retirement stipend that was not in his employment contract, the indictment states. Wyllie fraudulently pocketed another \$14,000 of school district funds by falsely describing it as compensation for unused vacation days – another benefit that was not in his contract, the charges state.

Wyllie also fraudulently inflated the district's financial health by using bond funds to pay the district's general operating expenses, causing the district to assume at least \$7 million in additional debt.

The indictment was returned Wednesday in federal court in Chicago. It charges Wyllie, 79, of Naperville, with five counts of wire fraud and one count of embezzlement. Arraignment in U.S. District Court has not yet been scheduled.

The indictment was announced by Joel R. Levin, Acting United States Attorney for the Northern District of Illinois; Michael J. Anderson, Special Agent-in-Charge of the Chicago office of the Federal Bureau of Investigation; and Kathleen S. Tighe, Inspector General of the U.S. Department of Education.

District 210 operated four high schools that drew students from New Lenox, Frankfort, Mokena, Manhattan, Tinley Park and Orland Park. According to the indictment, one of the factors the district's seven-member school board considered in renewing Wyllie's employment contract was the financial performance of the district. In 2009, at the request of Wyllie and with approval of the school board, the district issued \$29 million in bonds. Wyllie represented to the school board and bond purchasers that \$10 million of the bond proceeds would be used for capital expenditures, including construction or renovation of the high schools, when in fact Wyllie knew that he would spend the money on the district's general operating expenses and payroll, the charges allege. Wyllie transferred millions of dollars from a bank account where the district maintained its bond funds to a separate account that the district used for paying general operating expenses.

As a result, the district's net operating expenditures and cost-per-pupil calculation appeared lower than they actually were, thus fraudulently inflating the district's financial health, the charges state. Wyllie's fraud scheme caused the district to assume at least \$7 million in additional debt from the bond issuance, on which Lincoln-Way continues to pay interest, the indictment states.

Wyllie retired as district superintendent in June 2013.

The public is reminded that an indictment is not evidence of guilt. The defendant is presumed innocent and entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

Each count of wire fraud is punishable by up to 20 years in prison, while embezzlement carries a maximum sentence of ten years. If convicted, the Court must impose a reasonable sentence under federal statutes and the advisory U.S. Sentencing Guidelines.

The government is represented by Assistant U.S. Attorney Sunil Harjani.