

## **CERTIFICATIONS**

**Chartered Accountant, 1980**  
**Certified Public Accountant, 1988**  
**Certified Fraud Examiner, 1994**  
**Certified Insolvency and Restructuring Advisor, 2002**  
**Certification in Distressed Business Valuation, 2006**

## **EDUCATION**

**Bachelor of Commerce, Witwatersrand University, South Africa, 1976**  
**Bachelor of Accounting and Auditing, Witwatersrand University, South Africa, 1979**  
**Continuing Education, including AICPA, ICPAS, ACFE, AIRA, 1986 to present**  
**Certificate in Bankruptcy Mediation, DePaul University, 2000**  
**Certificate in Construction Management, DePaul University, 2007**

## **PROFESSIONAL AND BUSINESS HISTORY**

### **Gould & Pakter Associates, LLC**

*Managing Member, 2004 to present*

### **Russell Novak & Company, LLP**

*Partner, 2000 to 2004*

*Principal, 1998 to 1999*

### **Rome Associates LLP**

*Principal, 1996 to 1998*

### **Altschuler, Melvoin and Glasser**

*Manager to Senior Manager, Litigation Services, 1991 to 1996*

*Supervisor to Manager, Review and Technical Guidance, 1986 to 1991*

### **Sussman & Goddard**

*Manager, Accounting and Auditing, 1985 to 1986*

*Manager, Technical and Training Manager, 1985 to 1986*

### **Macsteel Group of Companies**

*Group Treasurer - Corporate Secretary, 1982 to 1985*

### **SADF Directorate of Internal Auditing**

*Accounting, Auditing, Financial Analysis and Fraud Detection, 1980 to 1982*

### **Schwartz Fine & Company/Arthur Andersen Worldwide**

*Accounting, Auditing and Financial Analysis, 1977 to 1980*

## **PROFESSIONAL ORGANIZATIONS**

### **American Institute of Certified Public Accountants,**

*Member, Business Valuation and Forensic & Litigation Services Section*

**Illinois CPA Society, Chair, 2006 and 2007 Fraud Conference; Past President, North Shore Chapter**

**American College of Forensic Examiners, Member**

**Association of Certified Fraud Examiners, Past President, Chicago Chapter**

**Association of Insolvency and Restructuring Advisors, Member**

**Chicago International Dispute Resolution Association, Treasurer, Working Group**

**Turnaround Management Association, Member**

## **RANGE OF EXPERIENCE**

Mr. Pakter focuses his professional practice on financial analysis, forensic accounting, financial investigations and fraud audits. He has experience in calculating lost profits, business interruption losses, other financial and economic damage analyses, investigations and reconstruction of falsified or incomplete financial information.

Mr. Pakter provides services to trial lawyers, their clients, business owners and managers and state and local government. He has experience in financial analysis of disputed financial information and transactions in commercial litigation, conducting internal investigations and investigating fraudulent financial transactions.

Mr. Pakter has 30 years experience in providing financial analysis, forensic accounting and investigative services in diverse engagements and industries. He has submitted Expert Reports in several jurisdictions, testified in State, Federal and Bankruptcy Courts and made presentations in public hearings and alternative dispute resolution forums.

Mr. Pakter has been recognized as an expert in financial analysis. For illustrative purposes only, Mr. Pakter's expertise in financial analysis is described in the following areas, industries and representative engagements:

### **Lost Profits and Damage Determination**

*Financial analysis of damages, including calculating actual or compensatory damages*

### **Forensic Accounting**

*Financial analysis of transactions and reconstruction of accounting records*

### **Fraud and Financial Investigations**

*Internal corporate investigations, employee misconduct and financial analysis of fraud*

### **Commercial Litigation**

*Discovery assistance, financial analysis, litigation support and expert testimony*

### **Bankruptcy Core Proceedings**

*Financial analysis for plan feasibility, solvency determination and preference analysis*

### **Agreed Upon Procedures**

*Special purpose financial analysis using agreed upon procedures methodology*

### **Financial and Accounting Analysis**

*Financial analysis of accounting and business processes, performance and internal controls*

### **Transportation and Distribution**

*Financial analysis of costs, charge backs and cost accounting methods*

### **Real Estate and Construction**

*Financial analysis of costs of construction and rehabilitation and landlord/tenant disputes*

### **State and Local Government**

*Vendor audits and financial analysis of program revenues and costs*

## LOST PROFITS AND DAMAGE DETERMINATION

**Mr. Pakter provides trial lawyers and their clients with consulting services and expert testimony to determine damages and estimate lost revenues, profits or earnings. He focuses on financial analysis before, after and “but for” breaches of contracts in commercial litigation and loss events.**

- Calculated damages claimed by a “B2C” e-commerce retailer as a result of the alleged wrongful acts of a computer software provider. The damages model integrated functional elements to have been included in multiple high-volume websites and determined the “but-for” lost profits from lost sales, higher cost of sales and additional fixed costs over several years and products.
- Computed damages claimed by printing company due to alleged malfunction of company’s sole printing press. Investigated the impact on profits from economic, industry, customer and factors other than the alleged malfunction and evaluated damages determined by opposing expert.
- Determined present value of lost income from customer contracts allegedly lost due to a corporation’s misconduct providing residential and commercial solid waste collection, hauling, disposal and recycling.
- Reconstructed and determined the actual losses sustained by several car wash purchasers/licenses due to the alleged fraudulent misrepresentations made by the seller/licensor regarding the financial performance, licensee involvement and maintenance required to own and operate the car washes.
- Evaluated damages suffered by manufacturer as a result of a distributor’s breach of an exclusive private-label food production contract. Identified flaws in opposing expert’s methodology and calculations creating specific significant and quantifiable overstatements of damages.
- Rebuted expert report on present value of lost profits associated with alleged failure to renew franchise agreements, proving the damages claim was unsubstantiated and unsupported, the claim was speculative and that there were no damages.
- Calculated property damages in local plant producing raw materials and business interruption losses in a foreign plant producing finished goods alleged as a result of an acid spill. Reconciled damages with financial analysis of insurance company claim report and witness depositions.
- Prepared and validated property damage and business interruption claims arising from nursing home roof collapse and enabled corporation counsel to rebut fraud allegations. Presented financial analysis at mediation with retired judge.
- Calculated lost profits suffered by an online professional service company as a result of breach of consultant outsourcing contracts. Reconstructed accounting periods with incomplete or misstated financial information.
- Estimated lost revenues a service provider would sustain to comply with Americans with Disabilities Act. Performed financial analysis based on surveys of marketplace to determine the financial impact on the service provider.
- Determined damages in international breach of contract arbitration regarding Fortune 500 Company’s determination of damages sustained by its supplier. Calculated lost profits and analyzed opposing expert’s damage calculation and testimony.

## FORENSIC ACCOUNTING

***Mr. Pakter provides trial lawyers and their clients with forensic accounting services and follow-up testimony to enable financial analysis and court-ordered accountings in commercial litigation. He focuses on complex multiple-entity business disputes and evaluating the substance as opposed to the form of significant business transactions.***

- Determined nature and extent of manufacturer's post-closing purchase-price adjustments after acquisition by a public company. The adjustments related to plant and equipment depreciation under GAAP versus accelerated tax-basis accounting.
- Investigated, on behalf of SEC Division of Enforcement, the propriety of related-party transactions between hotel operating subsidiaries and parent. Issues included proper accounting for acquisitions generating significant revenues at year-end date.
- Engaged by counsel for family-held businesses to perform a financial analysis of related corporate defendants over six years to render expert opinion whether financial and business considerations dictated that personal defendants should be liable for the corporations' debts by plaintiffs' attempt to "pierce the corporate veil."
- Reconstructed all annual financial statements and financial accounting books and records of rental property, including all cash received from and/or disbursed to partners, and testified as to the net amount due from one partner in the real estate venture to the other.
- Assisted counsel in their representation of investors in failed limited partnerships with significant damage claims, analyzed material financial transactions, developed financial analysis and investigated accounting malpractice.
- Investigated significant and/or unusual changes in the methods and patterns of cash disbursements in months prior to and weeks following the sudden and as yet unresolved disappearance of the company's sole owner-manager/physician.
- Traced and segregated cash flows, profits and resulting net assets between legal and illegal activities to enable the Court to determine the extent of illegal activities. Engaged on behalf of Defendant seeking to reduce sentence under Federal Sentencing Guidelines.
- Performed accounting procedures to analyze and support an expert opinion in marital dissolution proceedings regarding the marital or non-marital character of assets. Traced currently owned assets back to assets acquired before marriage or acquired during the marriage by gift, inheritance or descent.
- Managed, for counsel for cellular communications company, voluminous financial and non-financial data regarding cellular sites and the pattern and rate at which sites were established. Designed and implemented data management systems to cost-effectively organize, manage, analyze and present complex data to the Court.
- Demonstrated that a company's business started to decline before a specific transaction and that its business continued to decline while related companies prospered. Issues included a pattern of transactions transferring to related companies, the liquidity of assets and the value of the use of related company assets.

## FRAUD AND FINANCIAL INVESTIGATIONS

***Mr. Pakter conducts internal investigations working with trial lawyers and their clients to investigate and report on employee/officer misconduct and fraudulent financial transactions and activities. He focuses on financial analysis, examining documents, interviewing personnel, gathering evidence and performing risk-based procedures to determine specific findings as to the nature, timing and extent of fraud perpetrated.***

- Conducted a financial investigation of accounting for certain receivables, loans and advances, suspense accounts and related transactions. Interviewed directors, officers and senior personnel, including the whistle-blower, and examined more than 1,000 accounting entries contained in accounting schedules, general ledger accounts, account analyses and a handwritten "second set of books." Performed several financial analyses, forensic accounting and investigation analyses, including tracings, reconciliations and examinations and gathered, reviewed and controlled more than 3,000 documents for trial. Concluded that the former CFO had created, directed and controlled a financial reporting system that systematically and fraudulently manipulated and concealed the true financial condition from the Board of Directors, shareholders, auditors, lenders and revenue authorities for more than ten years.
- Identified on behalf of counsel for minority shareholders, selected classes of transactions for in-depth investigation to ensure properly accounted for in a manufacturing and distribution company's financial books and records to establish the business' true financial condition for settlement negotiations and business valuation purposes.
- Conducted an internal corporate investigation for new management to determine the nature, timing and extent of fraud perpetrated by the former general manager and controller. Conducted forensic procedures to detect fraud and quantify the extent of fraudulent financial reporting and misconduct.
- Conducted an investigation into the falsified expense reports of a foreign national senior director of a large steel company. Uncovered and proved that the director had submitted expenses for reimbursement for travel to cities that he had not been in on dates presented. Uncovered the pattern of alleged fraud and the officer's motives through an analysis of telephone bills submitted for reimbursement.
- Investigated thefts of unclaimed cash wages and other elements of payroll fraud. Designed and implemented internal accounting controls to prevent the reoccurrence of such fraud. Presented findings during an investigation by a governmental accounting oversight review board.
- Employed by a Chapter 7 Trustee to investigate allegedly unsubstantiated and/or fraudulent reporting by a consolidated health care provider. Provided the Trustee and its counsel with forensic accounting and litigation accounting support, including reconstruction of incomplete and/or falsified financial records.
- Compare and contrast the valuation of year-end retail inventory (and the methods used to value it) performed by a public company's officers and its outside auditors. Issues included concealment of internal control deficiencies, inappropriate "roll-forward" procedures, cost-accounting discrepancies, sampling errors and fraudulent physical counting problems.

## COMMERCIAL LITIGATION

***Mr. Pakter provides trial lawyers and their clients with financial analysis in all phases of the commercial litigation process to assist with discovery and preparation for deposition and trial. He focuses on financial analysis and evaluating material financial transactions and the conduct of directors, offices, employees and professional advisors.***

- Performed a financial analysis and testified regarding the nature, form and substance of a merger and other transactions. Rendered opinions as to the form and substance of the merger and that the transaction resulted in a wrongful dividend. The dispute centered on the entity's assets, conditions precedent in the merger agreement and funds no longer available in the entity's treasury after the merger.
- Supported SEC enforcement counsel and its expert witness in administrative proceedings under SEC Rules of Practice to determine violations of Federal securities laws. Analyzed CPA's professional conduct regarding improper revenue recognition of material "bill and hold" transactions and resultant improper public filings.
- Provided counsel with discovery, financial analysis and document requests relating to their client's termination of a merger agreement in reliance on a material adverse change clause. Analyzed acquired company's earnings, revenue recognition methodology, "earn out" calculations under GAAP and causes of business failure.
- Reviewed transactions acquiring and managing skilled nursing facilities and related businesses and calculated management fees, "earn out" calculations and profits earned on charges exceeding the fair market value of goods and services.
- Evaluated company documents, SEC reports, accountant's work product and analysts' files in a Section 10(b) 5 securities litigation. Provided counsel with financial analysis and discovery concerning the directors' and officers' knowledge of material misrepresentations to the market during the class period.
- Assisted a national accountants' malpractice insurance carrier, and its counsel and claims specialists, to assess the merits of claims brought against accountants. Evaluated and reported on the work product of over 50 public accounting firms and assisted the insurance carrier to reduce professional liability risks through educational programming.
- Named as expert to investigate and analyze a Debtor's pending claims and adversary proceedings against shareholders, lenders and professional advisors to the Debtor concerning a LBO transaction involving fraudulent conveyance issues. The Court ruled in the Debtor's favor during Motion for Summary Judgment.
- Investigated complex international real estate transactions in a matrimonial dispute and integrated the work of U.S. and international experts. Prepared pre-trial summary and analysis of marital assets and assisted counsel to gain an understanding of complex transactions by demonstrating the true substance of the transactions.
- Analyze one company's domination and control of another, disregard of corporate formalities and the financial effects of assets distributions. Issues included cash management systems, intercompany financial reporting, "division stripping" and the impact of the treatment of existential liabilities.

## BANKRUPTCY CORE PROCEEDINGS

***Mr. Pakter provides trustees and trial lawyers and the debtors or creditors they represent with bankruptcy and reorganization services, primarily in core proceedings. He focuses on performing analysis of material transactions, fraudulent conveyances, solvency and preference analyses, cash flow projections and the forensic reconstruction of accounting books and records.***

- Testified as to the Debtors' financial condition after assuming certain liabilities, that Debtors did not receive quantifiable benefit from assuming liabilities and that Debtors issued checks to each other that did not result in issuing checks to third parties.
- Provided consulting services in an LBO failure involving fraudulent conveyance issues, determination of solvency and review of business combinations. Performed an analysis of the material transactions that combined business entities and the work of all professional advisors.
- Testified that the Debtor's Cash Flow Projections were a well-prepared forecast of future operations, based on reasonable assumptions that took into consideration the changes expected as a result of the Plan Confirmation and would enable the Debtor to fund the Plan's cash flow requirements.
- Assisted counsel in the U.S. Bankruptcy Court with the presentation of objections of creditors. Developed support for the Debtor's request for the Court's denial of post petition financing and reconstructed incomplete financial records.
- Provided litigation services in an action filed in U.S. Bankruptcy Court on behalf of unsecured creditors seeking recovery of pre-petition fraudulent conveyances. Performed a financial analysis of the form of business combination transactions to ascertain the economic substance thereof.
- Reviewed Debtor's Amended Disclosure Statement and Plan of Recognition, compared projections to pre- and post-petition actual results and evaluated the key assumptions included in the Debtor's projections of sales revenues and royalty income.
- Completed solvency, preference and liquidation analyses to support counsel's actions against lenders, management and professional advisors resulting from a diversified corporation's default on its bank loans.
- Supported expert witness challenging a merger transaction as a fraudulent conveyance and developed evidence that the entity received reasonably equivalent value in exchange for payments made in connection with the merger transaction.
- Performed preference analysis relating to vendors and insiders of privately held business and provided Trustee with litigation support. Proved the foundation for preference actions and secured original checks, invoices and wire transfers as evidence. Completed debtors' amended income tax returns for the Plan Trustee.
- Assisted the owner of a manufacturing company and legal counsel with post-bankruptcy reorganization and restoration of operations. Issues included transfer and resumption of business operations, preserving government contracts, ensuring the ongoing economic viability of new company, restructuring real estate entities and other administrative aspects of accounting records and income tax compliance.

## AGREED UPON PROCEDURES

***Mr. Pakter provides owners and managers of business and investors and lenders with special purpose financial analysis, accounting, auditing and due diligence procedures. He focuses on completing independent "agreed upon procedure" engagements required by business, state and local entities and/or the directors, officers, managers or legal counsel that represents them.***

- Investigated, on behalf of U.S. governmental insurer, claims filed by energy company for losses incurred by foreign gas pipeline operators. Verified investor's interests, unraveled complex corporate structures and analyzed extent to which investment was impaired by foreign government's currency devaluation and emergency regulations.
- Performed agreed upon procedures, on behalf of Special Counsel to the Board of Commissioners of a large, developing Illinois county, to assist the elected officials to analyze the financial condition of the provider of a Guaranty relative to the current and future financial performance obligations of the provider's corporations developing and operating a waste disposal facility located in the county.
- Investigated a landlord/tenant dispute as to the amount of rent and common area maintenance costs charged to the tenant and other issues alleged in the Complaint. Traced all available invoices, summaries of costs, general ledgers, trial balances and check registers and computed the annual allocations of common area maintenance costs by reference to the terms and conditions stated in the original lease, subsequent lease amendments, a reclamation agreement and correspondence between the parties.
- Performed financial analysis and specific agreed upon procedures for a large, privately held holding-entity that operated a manufacturing division and managed a corporate office. Determined and attested to the sufficiency of assets to meet liabilities, including additional worker's compensation judgment liability and issued an independent report detailing work performed and findings reached.
- Determined the completeness of revenues due by a manufacturer and distributor of electronic equipment under a royalty and licensing agreement. Investigated and reconstructed the manner in which the royalty revenues were calculated.
- Performed specific procedures on behalf of industrial property company in support of substantive lease restructuring discussions. The company had built and leased a state-of-the-art corporate headquarters and national distribution warehouse. The tenant entered into a series of ill-fated acquisitions culminating in financial difficulties likely to result in a potential bankruptcy filing. The analyses of the tenant's financial condition were an integral part of the property owner's strategic responses.
- Performed special-purpose vendor compliance examinations on behalf of a city's department of operations and audited vendors' charges to ensure billings were in accordance with tariffs and contractual conditions. Determined vendor overcharges and contractual violations and assisted in recovering significant refunds due the city.

## FINANCIAL AND ACCOUNTING ANALYSIS

***Mr. Pakter provides owners and managers of businesses with financial analysis and consulting services to operate accounting and businesses more effectively and efficiently. He focuses on profits and cash flows, expense reduction, business processes, business performance measurement, internal controls and special-purpose financial analysis and business studies.***

- Analyzed multi-year, multi-million dollar construction program to modernize a city's physical school facilities. Investigated and performed financial analysis of capital improvement program on behalf of inspector general. Developed benchmarks for fixed cost bids and change orders by school, contractor and project type and selected contracts with significant variances for additional review and checking.
- Developed and implemented, in close cooperation with owners and senior management, monthly executive committee meetings to address the primary business needs of a specialty distributor. Developed action plans and implemented corrective action and business solutions, including restoring several divisions to profitability and advising on corporate restructuring.
- Performed financial analysis of all program revenues and expenditures for a large city services department. Established internal control systems and financial reporting systems to provide program managers with early warning of significant over/under utilization of program revenues. Attested to examinations of program revenues and costs, including financial compliance with federal programs.
- Developed a business plan for a specialized distributor. Developed threshold rates of returns for individual business segments and identified target companies for merger or acquisition. Assisted directors and officers structure acquisitions of target companies.
- Reviewed functions, duties and responsibilities of president and senior management of a multi-division food processing company. Analyzed nature of acquisitions and divestitures. Identified and implemented organizational changes, established working committees of middle management and implemented recommendations of organizational psychologists.
- Evaluated the reasonableness of management's assumptions included in an architect's forecasted and projected financial statements. Issues included analysis of direct and indirect costs, operating expenses and profits in contemplation of significant increases in interest rates.
- Prepared an internal control study to document current procedures and internal controls relating to specific activities and locations to determine if any control objectives were not being adequately met to reduce internal control risk to acceptable levels.
- Developed a comparative financial analysis of a privately held company's current and prior five years' financial performance, including trends in key financial ratios, comparisons to peer company benchmarks and "normalizing" adjustments.
- Enabled large coffee distributor to reduce the costs of doing business using an expense reduction approach that integrated non-payroll overhead audits, payroll reviews, information technology teams, reengineering of operational procedures and establishing and monitoring budgets.

## TRANSPORTATION AND DISTRIBUTION

**Mr. Pakter provides manufacturing and distribution companies with financial analysis regarding costs of transportation, damages and related issues. He focus on issues related to disclosures, adequacy of documentation, cost charge-backs, costing systems, special purpose examinations, purpose of business expenditures and related issues.**

- Assisted counsel for truck drivers' association to determine damages, including excessive charge-backs for fuel, suffered by a class of independent owner-operators as a result of actions by a regulated motor carrier. Damage analysis necessitated reconstructing an accounting of all fuel purchases and sales during the class period.
- Performed, on behalf of Inspector General, an in-depth investigation, evaluation and management study of a school transportation program. Evaluated program manager's performance and vendors' contract compliance. Performed unannounced inspections of school busses for driver and bus safety requirements and compliance. Provided numerous efficiency initiatives and management recommendations.
- Testified as to damages sustained by an Illinois distributor as a result of the alleged breach of contract and violation of the Illinois Consumer Fraud and Deceptive Business Practices Act by national developer and marketer of educational materials.
- Conducted an investigation of the activities of the chief financial officer of a distribution company, interviewed senior members of management and reviewed documentation. Took possession of and supervised forensic examinations of computers using predetermined criteria for searches of electronic media. Conducted interviews of the target and selected employees and memorialized these for counsel. Integrated additional searches for company documentation including online public records database searches. Determined the entity's losses by type of fraud scheme and presented the fraudulent activities to senior management and legal counsel.
- Engaged by insurance company to investigate contractor's claim for increased transportation and material handling costs of performance of environmental remediation during conversion of a military base to residential redevelopment. Prepared analysis of construction claims and liens.
- Investigated diversion of assets by principal stockholders and senior management from a refrigerated truckload carrier using related party leases and other financial schemes. Evaluated the audits performed by a national CPA firm prior to discovery of the wrongdoing and the investigative work performed by the same CPA firm after the fraud was uncovered.
- Evaluated contracts to outsource operations to outside vendors, reviewed bid results and assessed the performance of vendors under contracts, including inspections to determine vendors' compliance with specific elements of contracts. Determined damages, identified operational efficiencies and reported findings to management.
- Engaged by legal counsel to investigate and evaluate vendors' claim for amounts owed and increased costs of performance incurred in performing a transit project. Reviewed other experts' reports, all contracts, correspondence, financial and accounting records, deposition transcripts and pleadings relating to the project.

## REAL ESTATE AND CONSTRUCTION

***Mr. Pakter provides developers, owners and tenants/users of property and equipment with financial analysis and consulting services to resolve disputes. He focuses on landlord/tenant issues and environmental remediation and works with architects, engineers and legal counsel to examine, analyze and prove up costs.***

- Performed a financial analysis of a lump sum engineering, procurement and construction contract for a high-tech steel production plant to determine amounts owed to vendors. Categorized, traced and verified internal and third party charges, pass-through costs and change orders to support drawdowns on letters of credit.
- Performed a court-ordered accounting of six years of profits and losses of ten real estate developments in different stages of construction with varying partnership interests. Reported profits, losses and extent of partners' compliance with partnership agreements to the Court and prepared amended financial statements and tax returns.
- Reviewed documentation and interviewed contractors regarding the rehabilitation of homeless shelters and developed strategic responses to resolve outstanding issues. Performed analysis of contractor and subcontractor invoices and worked with architects and engineers to establish the scope of work for binding arbitration.
- Analyzed Landlord's calculation of Additional Rent defined in the Building Lease and rendered expert opinion that Landlord failed to provide Tenant with sufficient complete and supportable information and documentation to verify expenses included in the calculation. Computed, to the extent Landlord's limited information and documentation was reliable, annual aggregate overcharges of Additional Rent.
- Determined lost profits, sunk costs and other damages in a dispute between a real estate developer and its client over air rights. Damages included real estate development costs incurred and direct and indirect overhead of land parcels.
- Prepared financial analysis of asbestos abatement expenditures in accordance with regulatory requirements, verified expenditures and reimbursement requests, reconciled costs to contracts and change orders, responded to adverse EPA findings and segregated costs between original scope of work and unforeseen site conditions.
- Assisted counsel for a major law firm in recovering significant revenue in a case involving operating expenses on a lease. Discovered and developed a proof of the lessor's pattern of overcharging on common area expenses.
- Analyzed key processes in a city's ongoing capital improvement program, especially construction management policies and procedures. Conducted construction document reviews of a sample of new construction and major renovation projects with emphasis on the nature, extent and pattern of change orders.

## STATE AND LOCAL GOVERNMENT

***Mr. Pakter provides managers of state and local governmental units with financial analysis and consulting to create efficient and effective operations and accountability. He focuses on investigating and analyzing vendors' contracts with governmental units to establish allowability, allocability and reasonableness of program or project revenues and costs.***

- Examined city hall renovation programs to determine construction and other costs incurred by the city since inception. Evaluated allocations of project costs for reasonableness in accordance with accounting, allocation and cost principles/criteria.
- Engaged by United States Attorney for Northern District of Illinois to review financial records of defendants violating Clean Water Act to determine ability to pay damages under Consent Decree. Identified material inconsistencies in defendants' financial, tax and loan documents and representations to U.S. Department of Justice.
- Conducted fraud investigation on behalf of chief operating officer of city government into financial activities of delegate agency. Found the delegate agency filed false and misleading financial reports, breached federal, state and city mandates and was insolvent. Provided inspector general with support for termination.
- Investigated and identified suspicious cash and credit card disbursements of a park district using specific investigative criteria and integrated findings into spreadsheets, calendars and other demonstrative presentations. Supported special counsel's investigation into executive director's activities and its interviews of commissioners and senior management and implemented additional internal control procedures.
- Analyzed a real estate developer's financing and other carrying costs associated with acquiring, holding and developing property awaiting annexation by a village. Determined these costs arose primarily because of the way in which the property was originally acquired and transactions were originally structured. Concluded that the costs were not primarily related to alleged delays in the village's processes and that claims for damages were speculative, insufficiently detailed and overreaching.
- Analyzed and evaluated the contractors' labor, overhead and capital expenditures for allowability, allocability and reasonableness in accordance with a city's multi-million contract to upgrade its emergency communications system and assembled evidential matter supporting the city's legal counsel claims for recovery of overcharges.
- Performed investigation to determine if a board of commissioners properly expended funds in the best interests of taxpayers in accordance with prescribed requirements. Evaluated internal controls to ensure adequate safeguarding of funds and performed additional specific procedures to report findings covering a four-year period.
- Performed utility rate structure audits on behalf of a city's energy department to analyze and review propriety of charges levied by utility vendors. Verified the use of the contractual tariff structure, summarized and examined invoices for potential billing inaccuracies and cost savings, quantified annual billings under alternative tariff rates and negotiated credits with vendors under a revised tariff structure.

**PUBLICATIONS AND PRESENTATIONS**

**Various dates 1986 – 1991**

Implementing new firm-wide audit methodology/Generally Accepted Auditing Standards ("GAAS")  
*Altschuler, Melvoin & Glasser ("AM&G")*

**Various dates 1996 – 2007**

Understanding Financial Statements,  
*Chicago Bar Association ("CBA"), Continuing Legal Education Forum*

Presentations included "Financial Statements - What They Can and Can't Tell You",  
"Understanding Financial Statements", "A Financial (Mis)Statements Case Study", "Understanding  
Financial Statements, Uses and Application, Principles and Practices and Terminology and  
Fundamentals", and "Using and Misusing Financial Statements - Can You Trust the Financial  
Information you are Given?"

**July 1989**

Consideration of the Internal Control Structure in a Financial Statement Audit  
*Illinois CPA Society ("ICPAS") News Journal*

**August 1989**

Communications of Internal Control Structure Related Matters Noted in an Audit (SAS No. 60 Audit  
Procedures)  
*ICPAS News Journal*

**September 1989**

Effective Audits and the Detection of Fraud  
*AM&G Ledger*

**February/March 1991**

Accounting & Auditing: The Effect of Incorporating  
*ICPAS Insight*

**February/March 1991**

Avoid Being Sued! Your Pockets Aren't Deep Enough  
*ICPAS Insight*

**April 1991**

Closing the Gap: Beyond SAS No. 55  
*ICPAS Insight*

**May 1991**

Effects of Expectation Gap Standards on Quality Control  
*ICPAS Insight*

**Spring 1991**

New Audit Standards on Internal Control: Should Lenders Care?  
*Commercial Loan Monitor*

**PUBLICATIONS AND PRESENTATIONS**

**Summer 1992**

White Collar Crime: Could it Happen to You?  
*AM&G Ledger*

**February 6, 1995**

Does the Balance Sheet Reflect Net Worth?  
*Law Firm, Chicago, Illinois*

**February 15, 1996**

Does the Balance Sheet Reflect Net Worth?  
*Law Firm, Chicago, Illinois*

**August 27, 1996**

Four Phases of a Fraud Audit  
*ICPAS Midwest Accounting and Business Management Show*

**Other 1996**

Fraud Auditing and Forensic Accounting  
*Philippine Certified Public Accountants of Greater Chicago Chapter*

**April 23, 1997**

Determining Vendor Compliance and Detecting Procurement Fraud  
*ICPAS Government Conference*

**May 1, 1997**

Management Financial Statements – Can You Trust the Financial Information You Are Given?  
*Law Firm, Chicago, Illinois*

**July 1997**

Expense Reduction Services – Problems Invite Solutions  
*Law Firm, Chicago, Illinois*

**August 28, 1997**

Achieving Efficiency, A Study in Cost Reduction,  
*ICPAS Business & Technology Solutions Show*

**September 18, 1997**

A Look at SAS No. 82, Considering Fraud in a Financial Statement Audit  
*Chicago Chapter of Association of Certified Fraud Examiners*

**November 17, 1997**

Internal Control and COSO; Framework, Evaluation and Reporting  
*ICPAS*

**December 16, 1997**

Accounting and Auditing, GAAP and GAAS Update  
*ICPAS, North Shore Chapter*

**Michael D. Pakter, CA, CPA, CFE, CIRA, CDBV**



**Other 1997**

How Expense Reduction Services Can Bring Value to Your Clients  
*National Council of Philippine American Canadian Accountants Annual Convention*

**Other 1997**

Four Phases of a Fraud Audit  
*National Council of Philippine American Canadian Accountants Annual Convention*

**Other 1997**

Intermediate Financial Analysis  
*CNA Insurance Systems and Financial Training Forum*

**Other 1997**

Introduction to Financial Analysis  
*CNA Insurance Systems and Financial Training Forum*

**Other 1997**

Non-Traditional Services - Consulting, Litigation and Assurance Services  
*Rome Associates LLP, Audit Department Training*

**November 4, 1998**

How Do You Really Comply with Fraud Detection Standards  
*ICPAS*

**Other 1998**

Review of Expert Reports of Lost Profits in Commercial Litigation  
*Law Firm, Chicago, Illinois*

**Other 1998**

Review of Expert Reports in Labor Litigation  
*Law Firm, Chicago, Illinois*

**Other 1998**

Fraud and the Audit Process  
*Rome Associates LLP Audit Department*

**Other 1998**

The Financial Shenanigans of Confree Manufacturing  
*LaSalle Bank N.A.*

**Other 1998**

Introduction to Financial Analysis  
*CNA Insurance Systems and Financial Training Forum*

**October 31, 2000**

A Financial (Mis)Statements Case Study  
*Business Law Center, School of Law, Loyola University, Chicago, Illinois*

**PUBLICATIONS AND PRESENTATIONS**

**Other 2000**

Financial Statements: What They Can and Cannot Tell You About Your Vendors  
*Chicago Public Schools Office of the Inspector General*

**September 14, 2001**

A Forensic Examination of Financial Statements  
*Illinois Chapter of the Association of Inspectors General*

**March 12, 2002**

Understanding Financial Statements  
*Business Law Center, School of Law, Loyola University, Chicago, Illinois*

**October 21, 2002**

Four Topics CPE  
*Russell Novak & Company, LLP*

**February 25, 2003**

Composite Manufacturing – A Financial (Mis)Statements Case Study  
*Business Law Center, School of Law, Loyola University, Chicago, Illinois*

**November 6, 2003**

Vendor Audits, How to Recover Money  
*ICPAS, Annual Fraud Conference*

**October 19, 2004**

Due Diligence Considerations, Preparing to Buy or Sell a Closely Held Business  
*Lorman Educational Services, Oak Brook, Illinois*

**December 3, 2004**

ACFE Report to the Nation  
*Law Firm, Chicago, Illinois*

**April 19, 2005**

Forensic Accounting  
*Business Law Center, School of Law, Loyola University, Chicago, Illinois*

**May 10, 2005**

Financial Statements, Finding the Red Flags  
*CBA Young Lawyer's Section, Family Law Committee*

**November 7, 2005**

Price Fixing, Bid Rigging and Customer Allocation  
*ICPAS Construction Conference*

**January 18, 2006**

ACFE Report to the Nation on Occupational Fraud and Abuse  
*Professional Networking Group, Inc.*

**PUBLICATIONS AND PRESENTATIONS**

**February 20, 2006**

Some Thoughts on Vendor Fraud  
*Law Firm, Chicago, Illinois*

**February 21, 2006**

Fraud and Forensic Accounting  
*ICPAS*

**August 3, 2006**

Fraud & Forensic Accounting  
*Independent Accountants Association of Illinois, Northwest Suburban Chapter 18*

**November 2, 2006**

Forensic Accounting and Construction Claims/Damages  
*ICPAS, Construction Conference, Oak Brook, Illinois*

**December 15, 2006**

The Red Flags of Fraud  
Finding and Preventing Financial Fraud in the Real Estate Industry  
*ICPAS, Chicago, Illinois*

**Other 2006**

Forensic Accounting Update  
*Professional Networking Group*

**April 10, 2007**

Financial Statements  
*Business Law Center, School of Law, Loyola University, Chicago, Illinois*

**May 22, 2007**

**July 27, 2007**

Forensic Accounting Conference  
Special Applications in Business Litigation  
*Half-Day Conference*  
*ICPAS, Chicago, Illinois and Springfield, Illinois*

**June 25, 2007**

2006 ACFE Report to the Nation on Occupational Fraud and Abuse  
*Graduate School of Business, Loyola University, Chicago, Illinois*

**June 28, 2007**

Top Five Issues to Look For In Financial Statements  
*Law Firm, Chicago, Illinois*

**October 2, 2007**

Forensic Procedures and Specialists  
*Graduate School of Business, Loyola University, Chicago, Illinois*

**May 13, 2008**

Forensic Accounting With Michael Pakter  
*ICPAS, Chicago, Illinois*