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Feb. 15, 2013

Rita Crundwell, the former comptroller for the small city of Dixon, Illinois, has received a prison sentence of 19 years and 7 months for embezzling millions from the city. The sentence was handed down by U.S. District Judge Philip G. Reinhard.

In January, Crundwell pleaded guilty to the theft of \$54 million of city funds over nearly 20 years. Her sentence was almost the maximum allowable of 20 years, and she was immediately taken into custody.

A theft of that size from a city of under 16,000 should have been detected, says the city's attorney, who is pursuing a civil lawsuit against the accounting firm hired to perform audits during that time.

One of the firm's partners, Ron Blaine, had also prepared the comptroller's individual tax returns and under deposition, stated he'd asked about her how she had built a new barn for her quarterhorse business. According to Blaine, she said she had received funding from an investor.

The city's legal case suggests that this "outside" financing and other lavish spending by Crundell was not properly investigated by the accounting firm.

According to the Sterling Daily Gazette newspaper, which serves the area and has seen some of the city's audits, the accounting firm had "identified control problems with the city's finances," and a firm partner had informed the city that "there was not enough segregation of duties." The firm had told the city that for more than 10 years.

The city's former mayor, Beverly Beams, was in the courtroom for Crundwell's

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