

Acting U.S. Attorney O'Shea: Former Executive Director of Madison daycare center pleads guilty to wire fraud

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MADISON, WIS. – Timothy M. O'Shea, Acting United States Attorney for the Western District of Wisconsin announced that on Friday, December 3, Nichole Genz, 41, Evansville, Wisconsin, pleaded guilty to wire fraud in U.S. District Court in Madison.

At the plea hearing, Genz pleaded guilty to an indictment that charged her with wire fraud against her employer Park Towne Development Corporation (PTD). According to the indictment, PTD was a Madison-based real estate development and management company that focused its real estate efforts on commercial buildings and land development. PTD also had various subsidiary entities, including Learning Gardens Child Development Center. Genz worked as the Executive Director at Learning Gardens from September 3, 2013 to October 2, 2018. She was responsible for all Learning Gardens functions including hiring and firing of staff, compliance with all state licensing regulations, and maintaining the petty cash account which encompassed issuing petty cash checks for expense reimbursements and coding the payments for entry into the general ledger.

According to the indictment, Genz and the PTD accounting manager participated in a scheme to defraud PTD through various methods of embezzlement, which included: (1) diverting Learning Gardens tuition checks into the Learning Gardens petty cash account and cashing them; (2) cashing voided and altered PTD checks by diverting them to the Learning Gardens petty cash account and cashing them; (3) creating false bank statements for the Learning Gardens petty cash bank statement that hid the check diversions; and (4) misuse of the US Bank VISA company credit

card for personal purchases. In particular, Genz submitted monthly expense reports that falsely coded her personal expenses on the VISA credit card statement as Learning Gardens business expenses. Genz attached receipts to the expense reports with handwritten notations falsely indicating the purchases were Learning Gardens business expenses.

As part of her plea agreement to Count 5 of the indictment, Genz admitted that she charged personal expenses on her company credit card and falsely claimed they were for meal service for children at Learning Gardens. She further admitted that many of these claimed business expenses were for a separate personally-owned ice cream shop business.

The maximum penalty for the wire fraud charge is 20 years in prison, 3 years of supervised release, and a \$250,000 fine. Sentencing for Genz is set for February 10, 2021, at 2:30 p.m., before U.S. District Judge James D. Peterson at the U.S. Courthouse in Madison, Wisconsin.

The charges against Genz are the result of an investigation conducted by the Madison Police Department. Assistant U.S. Attorney Daniel J. Graber is handling the prosecution.