

FILED
05-09-2025
Anna Maria Hodges
Clerk of Circuit Court
2025CV004089
Honorable Brittany C.
Grayson-16
Branch 16

STATE OF WISCONSIN : CIRCUIT COURT : MILWAUKEE COUNTY
CIVIL DIVISION

CATHOLIC CHARITIES OF THE
ARCHDIOCESE OF MILWAUKEE, INC.,
3501 South Lake Drive
Milwaukee, WI 53235,

Plaintiff,

v.

BAKER TILLY US, LLP
A foreign limited liability partnership
c/o Corporation Service Company, Registered Agent
33 East Main Street, Suite 610
Madison, WI 53703,

BRANDI ELLIS
5729 West Philip Place
Milwaukee, WI 53216,

Defendants.

Case No.

SUMMONS

Intentional Tort: 30106

THE STATE OF WISCONSIN

TO EACH PERSON NAMED ABOVE:

You are hereby notified that the plaintiff named above has filed a lawsuit or other legal action against you. The Complaint, which is attached, states the nature and basis of the legal action.

Within forty-five (45) days of receiving this Summons, you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the Complaint. The Court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the Court, whose address is Milwaukee County Courthouse, 901 North 9th Street, Milwaukee, WI 53233 and to CANNON & DUNPHY, S.C.,

plaintiff's attorneys, whose address is 595 North Barker Road, P.O. Box 1750, Brookfield, WI 53008-1750. You may have an attorney help or represent you.

If you do not provide a proper answer within forty-five (45) days, the Court may grant judgment against you for the award of money or other legal action requested in the Complaint, and you may lose your right to object to anything that is or may be incorrect in the Complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated at Brookfield, Wisconsin this 9th day of May, 2025.

CANNON & DUNPHY, S.C.

Attorneys for Plaintiffs

By: Electronically signed by Attorney Brett A. Eckstein
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COMPLAINT

Intentional Tort: 30106

NOW COMES the above-named plaintiff, by CANNON & DUNPHY, S.C., its attorneys, and as and for its claims for relief, alleges and shows to the Court as follows:

PARTIES

1. That at the present time, the plaintiff, Catholic Charities of the Archdiocese of Milwaukee, Inc., (hereinafter, "the plaintiff"), is a non-stock corporation, duly organized and existing under and by virtue of the laws of the State of Wisconsin, with its principal office located at 3501 S. Lake Drive, Milwaukee, WI 53235.

2. That at the present time, the defendant Baker Tilly US LLP (hereinafter "Baker Tilly"), is a foreign limited liability partnership, duly licensed to do business in the

State of Wisconsin, with offices of its Registered Agent, Corporation Service Company, located at 33 East Main St., Suite 610, Madison, WI 53703.

3. That at the present time, the defendant, Brandi Ellis, is an adult citizen and resident of the State of Wisconsin, presently residing at 5729 W. Philip Place, Milwaukee, WI, 53216.

GENERAL ALLEGATIONS

4. The plaintiff is a local charity that, among other things, provides services to the greater Milwaukee area to those in need in order to help reduce poverty, improve the lives of those in need, and empower the most vulnerable.

5. Between February 24, 2014, and approximately May 20, 2024, the defendant Brandi Ellis was employed by the plaintiff in various roles. She initially worked as an accountant until the end of 2019, at which point she was elevated to an Accounting Manager. In mid-2022, she was elevated to the role of Finance Manager. In both of these latter roles, she had access to, and responsibility for, paying and booking the plaintiff's financial transactions. Functionally, she operated as a Director of Finance.

6. In all of her positions with the plaintiff, the defendant Brandi Ellis abused her authority and misappropriated millions of dollars belonging to the plaintiff using two primary schemes.

7. The first scheme involved paying false invoices ostensibly reflecting work and/or services completed or provided by vendors for the plaintiff. These invoices were not, in fact, for any work completed for and/or services provided to the plaintiff. Rather, the payments made pursuant to the false invoices were to vendors with personal or

professional connections to the defendant Brandi Ellis. Hundreds of thousands of dollars of the plaintiff's funds were stolen under this scheme.

8. The second scheme involved the defendant Brandi Ellis' use of the plaintiff's corporate credit cards to make personal purchases of goods and services. Some of these corporate credit cards were in the name of the defendant Brandi Ellis. Other corporate credit cards were in the name of others, including a prior employee and CFO of the plaintiff, who was terminated on January 19, 2019. Upon the prior employee's termination, the defendant Brandi Ellis assumed control over those cards and continued making purchases on them for her own personal use. Hundreds of thousands of dollars of the plaintiff's funds were stolen under this scheme as well.

9. As a non-profit charity, the plaintiff conveys information to the public about its mission, activities, decision-making processes, and finances by making its strategic plans, annual reports, governmental reporting, and financial reporting publicly accessible. Part of those publicly available financial reports are annual audits of the plaintiff's financial statements showing the plaintiff's expenditures.

10. The plaintiff is not legally required to undergo audits but chooses to do so, as it depends on corporate, foundation, and individual donations to carry out its mission. The plaintiff's objective in having annual audits, then, is to obtain a high level of assurance that the plaintiff's financial statements are free of material misstatements, whether caused by fraud or error. Donors and potential donors routinely rely on the plaintiff's audited financial statements when determining whether and how much to donate to the plaintiff to support its charitable mission.

11. Over the years, and at all times material hereto, the defendant Baker Tilly provided annual auditing services to the plaintiff and, in providing such services, was required to exercise reasonable care. Reasonable care requires maintaining professional skepticism and exercising professional judgment throughout the planning and performance of the audit. Professional skepticism refers to an attitude that includes a questioning mind, being alert to conditions that may indicate possible misstatement due to fraud or error, and a critical assessment of audit evidence. The end result of an audit conducted according to reasonable care is to obtain an opinion that the auditor has reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error.

12. The auditing process includes examining, on a test basis, evidence supporting amounts and disclosures on an entity's financial statements. This includes obtaining sufficient and appropriate evidence to review whether material misstatements exist, while maintaining professional skepticism throughout the entire audit. Audit evidence refers to information that corroborates or contradicts assertions in the financial statements. When evaluating information to be used as audit evidence, auditors take into account the relevance and reliability of the information, including its source, whether such information corroborates or contradicts assertions in the financial statements, whether the information is sufficiently precise and detailed, and the accuracy and completeness of the information. The reliability of audit evidence depends on the nature and source of the audit evidence and the circumstances under which it is obtained. Auditors know that evidence obtained from external parties is more reliable than evidence generated internally by the entity.

13. Upon information and belief, when the defendant Baker Tilly conducted its audit of the plaintiff's financial statements, although it made selections from the plaintiff's financial statements to test whether the expenditures were legitimate, it did not receive or review source evidence from a third party showing the precise and complete details for the underlying expenditures at issue. Rather, upon information and belief, the defendant Baker Tilly relied on internal documents generated by the defendant Brandi Ellis showing generally that the expenditures were made and allocating the expenditures to various internal programs.

14. Upon information and belief, when the defendant Baker Tilly conducted its audit of the plaintiff's financial statements, even when reviewing only the internal documents generated by the defendant Brandi Ellis, the defendant Baker Tilly failed to recognize increases in credit card expenditures by the plaintiff and frequency of payments towards credit card bills by the plaintiff, either of which evinces significant transactions that are outside the normal course of business for the plaintiff and are otherwise unusual due to their timing, size or nature.

15. Upon information and belief, when the defendant Baker Tilly conducted its audit of the plaintiff's financial statements, even if the defendant Baker Tilly received and reviewed source evidence from a third party showing the precise and complete details for the underlying expenditures at issue, the defendant Baker Tilly failed to recognize clearly fraudulent purchasing activity as these purchases were made on the plaintiff's corporate credit cards issued in the name of a person who was no longer an employee of the plaintiff and were for goods and services that could not reasonably be in support of the plaintiff's

charitable mission, including, but not limited to, Amazon Prime video rentals, Uber rides, Ticketmaster purchases, casino purchases from MGM Grand, etc.

16. In none of its annual audits of the plaintiff's financial statements for years ending December 31, 2019, through 2023 did the defendant Baker Tilly identify any significant transactions that were outside the normal course of business for the plaintiff or that otherwise appeared to be unusual due to its timing, size or nature, or any known or suspected fraud. The defendant Baker Tilly presented its last audit findings of the plaintiff's financial statements for the year ending December 31, 2023, in May 2024.

17. Shortly after that presentation, concerns of possible fraud were first raised when the plaintiff's Executive Director was internally informed of substantial vendor payments to individuals associated with the defendant Brandi Ellis. On or about May 20, 2024, the Executive Director confronted the defendant Brandi Ellis about the payments and placed her on suspension. The defendant Brandi Ellis' employment was later terminated.

**FIRST CAUSE OF ACTION: CIVIL THEFT AS AGAINST THE DEFENDANT
BRANDI ELLIS**

18. Realleges and incorporates herein by reference the allegations of the preceding paragraphs to the extent not inconsistent with the allegations made here.

19. Upon information and belief, between at least January 19, 2019, and May 20, 2024, the defendant Brandi Ellis committed civil theft of the plaintiff's property pursuant to Wis. Stat. § 895.446.

20. Upon information and belief, the defendant Brandi Ellis intentionally took the plaintiff's property and used an unknown total amount of money that was owned by the

plaintiff.

21. The plaintiff did not consent to the defendant Brandi Ellis taking the money that was owned by the plaintiff

22. Upon information and belief, the defendant Brandi Ellis knew that the plaintiff did not consent to her taking and using the plaintiff's money.

23. Upon information and belief, the defendant Brandi Ellis intended to deprive the plaintiff permanently of the plaintiff's money in that she spent the money.

24. The civil theft by the defendant Brandi Ellis, as alleged, was a cause of injuries and damages sustained by the plaintiff.

**SECOND CAUSE OF ACTION: CONVERSION AS AGAINST THE
DEFENDANT BRANDI ELLIS**

25. Realleges and incorporates herein by reference the allegations of the preceding paragraphs to the extent not inconsistent with the allegations made here.

26. Upon information and belief, between at least January 19, 2019, and May 20, 2024, the defendant Brandi Ellis committed conversion of the plaintiff's property.

27. The defendant Brandi Ellis intentionally took property belonging to the plaintiff.

28. The defendant Brandi Ellis took this property without the consent of the plaintiff.

29. The defendant Brandi Ellis seriously interfered with the right of the plaintiff to possess its property.

30. The conversion by the defendant Brandi Ellis, as alleged, was a cause of injuries and damages sustained by the plaintiff.

**THIRD CAUSE OF ACTION: NEGLIGENCE AS AGAINST THE DEFENDANT
BAKER TILLY**

31. Realleges and incorporates herein by reference the allegations of the preceding paragraphs to the extent not inconsistent with the allegations made here.

32. The defendant Baker Tilly had a duty to provide auditing services to the plaintiff at all times material hereto, which duty required that the defendant Baker Tilly use the degree of care, skill and judgment which reasonable auditors would exercise in the same or similar circumstances.

33. Upon information and belief, the defendant Baker Tilly did not exercise reasonable care by failing to maintain professional skepticism, exercise professional judgment, obtain reasonable assurance about whether the plaintiff's financial statements as a whole were free from material misstatement, whether due to fraud or error, obtain sufficient appropriate audit evidence about whether material misstatements existed in the plaintiff's financial statements, obtain and otherwise review adequately relevant and reliable audit evidence, obtain and otherwise review audit evidence that adequately corroborated or contradicted assertions in the plaintiff's financial statements, obtain and otherwise review sufficiently precise and detailed audit evidence, and obtain and otherwise review sufficiently accurate and complete audit evidence throughout the planning and performance of its annual audits of the plaintiff's financial statements, and was otherwise negligent.

34. The negligence of the defendant Baker Tilly, as alleged, was a cause of damages sustained by the plaintiff.

**FOURTH CAUSE OF ACTION: STATUTORY MISREPRESENTATION AS
AGAINST THE DEFENDANT BAKER TILLY**

35. Realleges and incorporates herein by reference the allegations of the preceding paragraphs to the extent not inconsistent with the allegations made here.

36. That upon information and belief, the defendant Baker Tilly made representations to the public, with intent to sell auditing services, concerning auditing of financial statements that were untrue, deceptive, or misleading, including, but not limited to, how the defendant Baker Tilly would perform an audit with professional skepticism and with sufficient audit evidence that would allow the defendant Baker Tilly to obtain and provide an opinion to a high degree of confidence that the plaintiff's financial statements were free from material misstatements, either due to error or fraud, which caused listeners to believe something other than what is in fact true and/or lead to a wrong belief.

37. That the representations caused the plaintiff to believe something other than what was in fact true or otherwise lead to a wrong belief.

38. The plaintiff suffered monetary loss as a result of the representations, as the plaintiff would have acted differently had the defendant Baker Tilly represented truthfully that it would not utilize professional skepticism or sufficient audit evidence that would allow the defendant Baker Tilly to obtain and provide an opinion to a high degree of confidence that the plaintiff's financial statements were free from material misstatements, either due to error or fraud.

**FIFTH CAUSE OF ACTION: STRICT LIABILITY MISREPRESENTATION AS
AGAINST THE DEFENDANT BAKER TILLY**

39. Realleges and incorporates herein by reference the allegations of the preceding paragraphs to the extent not inconsistent with the allegations made here.

40. Upon information and belief, the defendant Baker Tilly made untrue representations of fact regarding its audit services based on its own personal knowledge and/or under circumstances in which it necessarily should have known the truth or falsity of the misrepresentations, including, but not limited to, that the defendant Baker Tilly would perform an audit with professional skepticism and with sufficient audit evidence that would allow the defendant Baker Tilly to obtain and provide an opinion to a high degree of confidence that the plaintiff's financial statements were free from material misstatements, either due to error or fraud.

41. Upon information and belief, the defendant Baker Tilly made untrue representations of fact regarding its annual audits of plaintiff's financial statements, including, but not limited to, that the defendant Baker Tilly did not identify any significant transactions that were outside the normal course of business for the plaintiff or that otherwise appeared to be unusual due to its timing, size, or nature, and that the defendant Baker Tilly did not identify any known or suspected fraud after planning and performing the audit to obtain reasonable assurances about whether the plaintiff's consolidated financial statements were free from material misstatement, and assessing the risk of material misstatement of the plaintiff's consolidated financial statements, based on its own personal knowledge and/or under circumstances in which it necessarily should have known the truth

or falsity of the misrepresentations.

42. Upon information and belief, the defendant Baker Tilly had an economic interest in in transacting with the plaintiff to provide the plaintiff with annual auditing services, or otherwise stood to make a financial gain if the plaintiff entered into the transaction.

43. As a result of the defendant Baker Tilly's misrepresentations of fact regarding its auditing of the plaintiff's financial statements and the plaintiff's reasonable belief and material reliance upon those misrepresentations described above, the plaintiff suffered damages.

WHEREFORE, the plaintiff demands judgment as follows:

- a. For compensatory damages on behalf of the plaintiff against the defendants, in an amount to be determined at a trial of this matter;
- b. For punitive damages on behalf of the plaintiff against the defendants, in an amount to be determined at a trial of this matter;
- c. For all costs of investigation and litigation against the defendant Brandi Ellis, pursuant to sec. 895.446(3)(a), Wis. Stat.;
- d. For treble exemplary damages against the defendant Brandi Ellis, pursuant to sec. 895.446(3)(a), Wis. Stat.;
- e. For all costs, disbursements and actual attorney's fees against the defendant Baker Tilly, pursuant to sec. 100.18(11)(b)2., Wis. Stat.;
- f. For all costs and such other and further relief as the Court deems just and equitable.

**PLEASE TAKE NOTICE THAT THE PLAINTIFF DEMANDS A TRIAL
IN THE ABOVE-ENTITLED ACTION.**

Dated at Brookfield, Wisconsin this 9th day of May, 2025.

CANNON & DUNPHY, S.C.

Attorneys for Plaintiffs

By: Electronically signed by Attorney Brett A. Eckstein
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