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FIVE YEARS LATER FORMER BOSTON LIVING CENTER EXECUTIVE DIRECTOR VALERIE TEBBETTS HAS PAID **BACK LESS THAN 1% OF THE FUNDS SHE EMBEZZLED**

During her tenure as Executive Director of the Boston Living Center, Valerie Tebbetts skimmed \$123,500 out of agency accounts and the personal retirement accounts of her employees. As of her court hearing 12/9/2016 at Suffolk Superior Court to review the terms of her parole, one of which was complete restitution to the Boston Living Center of the money she embezzled, she has paid back exactly \$1.004.88, less than one percent of the money owed.

UPDATED January 9, 2017 – Due to insufficient documentation at the time of the initial hearing on December 9, 2016 as to Valerie Tebbetts' ability to pay her financial obligations to the Boston Living Center her hearing was postponed to January 10, 2017 at Suffolk Superior Court. Victory Programs' Vice President of Development and Communications, Marc Davino, will be attending the rescheduled hearing at Suffolk Superior Court representing Victory Programs' Boston Living Center.

Boston (December 8, 2016) – The Boston Living Center has a proud history as New England's oldest and largest community center for individuals living with HIV/AIDS. Founded in 1989, at the height of the AIDS epidemic, the center has always shone as a beacon of hope for the HIV/AIDS community here in Boston offering vital resources, peer support and more than 140 nutritious meals a day to some of Boston's most vulnerable residents. In 2010, that proud legacy nearly came to an end when then Executive Director Valerie Tebbetts was caught embezzling from the agency accounts and her employees' retirement accounts. Forensic accountants confirmed that Valerie embezzled \$123,500 over more than two years, most of which has still not been recovered. The scandal almost caused the Boston Living Center to shut down completely. The dedicated staff, supporters and volunteer board members had other plans and were determined to see the Boston Living Center and its vital services continue. They turned to Victory Programs, another Boston-based non-profit with a long history of meeting emerging community needs, for help. In July of 2011, Victory Programs took over management of the Boston Living Center. In March of 2012 the two organizations officially merged.

Timeline:

- **2000** Valerie Tebbetts joins the Boston Living Center as Director of Operations. ٠
- 2004 – Tebbetts leaves to work as a CFO in the private sector.
- **2006** Tebbetts re-joins the Boston Living Center as Director of Finance Administration. .
- 2008 Tebbetts becomes the Boston Living Center's Executive Director. •
- October 2008 First signs of misappropriations of funds. •
- December 2008 Tebbetts starts "fixing the books" to cover embezzlement.
- September 2010 Boston Living Center Controller Donald MacNeilly passes away, his position is not filled.
- November 2010 Board members of the Boston Living Center discover financial irregularities and • investigate. Tebbetts is relieved of her position and the membership is notified of her departure.
- April 2011 The Boston Living Center issues an open letter requesting community support.
- June 2011 Tebbetts is indicted for embezzling from the Boston Living Center.
- July 1, 2011 Boston Living Center enters into management agreement with Victory Programs.
- December 14, 2011 – Tebbetts pleads guilty, admits to gambling problem. She is sentenced to five years of probation and told she needs to enroll in Gamblers Anonymous and pay back the money she embezzled from the Boston Living Center.
- January 26, 2012 The Boston Living Center board votes to merge with Victory Programs.
- March 1, 2012 The Boston Living Center and Victory Programs officially merge.
- December 6, 2016 A "Restitution Notification" is mailed to Marc Davio, Victory Programs' Vice President • of Development and communications, formerly Director of Development and Communications at the Boston Living Center, regarding the upcoming end of Valerie Tebbetts' probation. Marc verifies that, to date, Valerie Tebbetts has paid Victory Programs exactly \$1,004.88 out of the \$123,500 she owes. Marc and other victims are invited to give impact statements at her court hearing on December 9, 2016

• December 14, 2016 – Projected end of Valerie Tebbetts' probation.

Text for Marc Davino's Victim Impact Statement on behalf of the Boston Living Center and Victory Programs:

Thank you, your Honorable Judge and members of the Suffolk Superior Court for giving me the opportunity to provide the Commonwealth with a victim impact statement regarding the funds Valerie Tebbetts embezzled from the Boston Living Center during her tenure as Executive Director. At the time, Valerie Tebbetts was also my boss and today I am here to speak on behalf of not only myself, but also the Boston Living Center and my current employer, Victory Programs, now the Boston Living Center's parent organization.

In November 2010, the day after Boston Living Center's annual Celebration of Life Thanksgiving Dinner for individuals living with HIV/AIDS which is the Center's largest annual event, the BLC's Board of Directors discovered that Valerie Tebbetts had been "willfully and deliberately" embezzling hundreds of dollars a month for more than two years. Not only was she "willfully and deliberately" stealing from the Boston Living Center's operating account at Wainwright Bank – which covers expenses such as staff salaries, building rent and maintenance and other every day expenses associated with keeping the lights on and doors open – she was also "willfully and deliberately" stealing from her staffs' retirement accounts, including mine.

A year later, in December 2011, Valerie Tebbetts accepted a plea bargain that included five years of probation and full restitution of the money she embezzled. Forensic accountants were able to clearly confirm a loss of \$123,500 due to her actions. Absent the oversight of a controller at the agency, Valerie was solely responsible for all of the financial decisions and accounting at the Boston Living Center. Valerie Tebbetts abused the trust that staff and members of the Boston Living Center placed in her. She ransacked every account in the agency including lease payments, vendors, supply budgets and she manipulated her staffs' personal retirement accounts by diverting their savings into her own account. The criminal actions she engaged in are now well documented. Her choice to divert funds from the Boston Living Center for personal use had clear, long-term ramifications beyond the significant lost funding for services and agency costs on staff and members of the Center. These include the psychological impact of her actions on the Boston Living Center's vulnerable membership, many of whom are homeless, living in poverty or struggling with chronic health issues beyond the HIV/AIDS diagnosis that initially brought them through our doors, and the eroded trust and sense of violation felt by her staff, all of whom were direct victims of her criminal actions.

The Boston Living Center was founded at the height of the AIDS epidemic to serve and support the vulnerable individuals struggling with the life and death issues associated with the disease. Throughout its nearly 30-year history, the Boston Living Center has been a touchstone for members of the HIV/AIDS community, serving approximately 140 meals daily and providing a sense of community and belonging to members, many of whom have few other resources or support. Today, the Center costs just over \$1.5 million dollars annually to run. The funding Valerie Tebbetts' embezzled from the Center during her tenure as its Executive Director practically decimated the center's finances. She very nearly destroyed its reputation and she crippled its direct care services. Her callous disregard for the struggling lives of its vulnerable members and the staff who took such care and providing them with services and support nearly closed the Center for good. It was only through urgent interventions on the part of the Boston Living Center's volunteer Board of Directors with the aid of public funders, thoughtful vendors, and – ultimately – Victory Programs, that the Boston Living Center was able to survive Valerie's heinous misconduct and criminal actions. Because Valerie Tebbetts destroyed the financial viability and infrastructure of the Boston Living Center, and chose not to secure a liability policy to cover employee dishonesty at the Center to alleviate any immediate or long-term financial impact, Valerie Tebbetts was directly responsible for forcing the Boston Living Center into the position where it could no longer operate as a stable independent non-profit. Her manipulative actions left the Boston Living Center staff and board no alternative but to give up its independence, permanently, and enter into a management agreement with Victory Programs on July 1, 2011. Without financial resources to stabilize and resume independent status, the Boston Living Center officially merged with Victory Programs on March 1.2012.

We stand here today, five years after Valerie Tebbetts' probation period began, to confirm that she has not met the

term of her probation requiring for full restitution of the \$123,500 we know she embezzled. She has shown neither remorse nor has she demonstrated meaningful efforts to make good on the terms of her probation. Specifically, in five years, Valerie Tebbetts has contributed less than 1% of the \$123,500 the records show she embezzled. In fact, she has paid back exactly \$1,004.88 of the total loss. The Board of Directors of Victory Programs, the membership of the Boston Living Center, and the staff of our now combined organizations considers Ms. Tebbetts lack of any attempt at good faith effort towards restitution to be evidence that she continues to neglect responsibility for her criminal behavior.

Victory Programs respectfully requests an extension of the probation period until such time as full restitution is made. Ms. Tebbetts' negative impact on the Boston Living Center was devastating to the organization. What little restitution she has provided per the terms of her probation has been woefully inadequate.

Marc Davino

Vice President of Development and Communications, Victory Programs Former Director of Development and Communications, Boston Living Center

About Victory Programs

Victory Programs has more than 40 years of experience opening doors to hope, health and housing for individuals and families in need. Since its inception in 1975, the agency has expanded to 17 health, housing and prevention programs providing shelter and recovery services to more than 2,300 people annually. Victory Programs has a storied history of responding to emerging needs in the community – from being one of the first agencies in Massachusetts to allow HIV positive clients into its addiction recovery programs in 1981 to launching a mobile prevention unit in 2015 to reach individuals and families in the community and better serve their needs. Throughout its organizational growth, Victory Programs' commitment to those struggling with homelessness, drug and alcohol addiction and chronic illnesses like HIV/AIDS always remains its top priority.

About the Boston Living Center

The Boston Living Center strives to foster the wellness of all HIV+ individuals and respond to the changing needs of the HIV/AIDS community. Through peer leadership and support, we endeavor to enhance and enrich the lives of our members by providing education, treatment information and support services with the goal of empowering members to lead productive lives and participate in family and community activities. The Boston Living Center merged with Victory Programs in 2012.