

State of Minnesota
County of Hennepin

District Court
4th Judicial District

Prosecutor File No.
Court File No.

19A00994
27-CR-19-3128

State of Minnesota,

Plaintiff,

COMPLAINT

Summons

vs.

MICHAEL JAMES MCDANIEL DOB: 06/29/1984

1013 Sibley Memorial Highway
Apt 324
Lilydale, MN 55118

Defendant.

The Complainant submits this complaint to the Court and states that there is probable cause to believe Defendant committed the following offense(s):

COUNT I

Charge: Theft-By Swindle

Minnesota Statute: 609.52.2(a)(4), with reference to: 609.52.3(2), 609.52.3(5)
Maximum Sentence: 10 YEARS AND/OR \$20,000
Offense Level: Felony

Offense Date (on or about): 09/29/2017

Control #(ICR#): 18356349

Charge Description: That on or between September 29, 2017 to February 5, 2018, in Hennepin County, Minnesota, MICHAEL JAMES MCDANIEL, date of birth 6/29/84, Defendant herein, obtained property or services from the University of Minnesota by swindling the University of Minnesota using artifice, trick, device or other means, and the property or services had an aggregate value in excess of Five Thousand Dollars (\$5,000.00).

COUNT II

Charge: Theft-By Swindle

Minnesota Statute: 609.52.2(a)(4), with reference to: 609.52.3(5), 609.52.3(1)
Maximum Sentence: 20 YEARS AND/OR \$100,000
Offense Level: Felony

Offense Date (on or about): 02/09/2018

Control #(ICR#): 18356349

Charge Description: That on or between February 9 2018 to May 2, 2018, in Hennepin County, Minnesota, MICHAEL JAMES MCDANIEL, date of birth 6/29/84, Defendant herein, obtained property or services from the University of Minnesota by swindling the University of Minnesota. using artifice, trick, device or other means, and the property or services had an aggregate value in excess of Thirty-Five

Thousand Dollars (\$35,000.00).

COUNT III

Charge: Theft-By Swindle

Minnesota Statute: 609.52.2(a)(4), with reference to: 609.52.3(5), 609.52.3(1)

Maximum Sentence: 20 YEARS AND/OR \$100,000

Offense Level: Felony

Offense Date (on or about): 05/16/2018

Control #(ICR#): 18356349

Charge Description: That on or between May 16, 2018 and July 30, 2018, in Hennepin County, Minnesota, MICHAEL JAMES MCDANIEL, date of birth 6/29/84, Defendant herein, obtained property or services from the University of Minnesota by swindling the University of Minnesota using artifice, trick, device or other means, and the property or services had an aggregate value in excess of Thirty-Five Thousand Dollars (\$35,000.00).

COUNT IV

Charge: Theft-By Swindle

Minnesota Statute: 609.52.2(a)(4), with reference to: 609.52.3(5), 609.52.3(1)

Maximum Sentence: 20 YEARS AND/OR \$100,000

Offense Level: Felony

Offense Date (on or about): 08/01/2018

Control #(ICR#): 18356349

Charge Description: That on or between August 1, 2018 and October 1, 2018, in Hennepin County, Minnesota, MICHAEL JAMES MCDANIEL, date of birth 6/29/84, Defendant herein, obtained property or services from the University of Minnesota by swindling the University of Minnesota using artifice, trick, device or other means, and the property or services had an aggregate value in excess of Thirty-Five Thousand Dollars (\$35,000.00).

STATEMENT OF PROBABLE CAUSE

Complainant has investigated the facts and circumstances of this offense and believes the following establishes probable cause:

On October 24, 2018, officers of the University of Minnesota Police Department were dispatched to the Mayo Building, Minneapolis, Hennepin County, Minnesota, in response to a report of a theft by swindle committed by an employee of the University's CMRR Department, Michael James McDaniel, date of birth, 6/29/84, Defendant herein.

The reporting party, a human resources representative of the University of Minnesota, indicated that the thefts came to light in early October 2018, when a finance representative noticed a discrepancy in departmental purchases of computers. The finance representative noted that several computers had been purchased through the University of Minnesota bookstores by Defendant for the CMRR Department. The computers had been ordered by Defendant, but were never registered through IT, which is standard university protocol, and were not on the premises. Defendant was asked about the computers and he provided documentation of the purchases.

On October 18, 2018, Defendant sent a letter to human resources, saying that a year earlier, in September of 2017, he was assaulted outside of CMRR and held at gunpoint by three robbers in an SUV. Defendant said that within five minutes, the robbers told him that they knew where he lived, where he worked and what he did. Defendant claimed that the robbers told him that they knew where his son went to school and where his wife worked and how she got there. The robbers gave him a phone and told him they would be in touch and to do what they said and no one would be killed.

Defendant said that they contacted him the following Monday and told him that they didn't want money, they wanted merchandise. Defendant said that at first he bought computers with his own money. Defendant said that he knew what he did was wrong and said "I am truly sorry for somehow being in the wrong place at the wrong time and I want to do whatever I can to remedy this if possible."

Officers learned that Defendant had used CMRR funds to purchase 78 computers worth \$134,544.00, between September of 2017 and October of 2018. Defendant returned two other computers after being contacted by human resources.

On October 31, 2018, Defendant was interviewed by Complainant. Defendant admitted to fraudulently purchasing computers using departmental authority/funds, but claimed that he did so at the direction of three unidentified men. Defendant claimed that on September 27, 2017, he had left work and walked to his car, parked in a parking lot on campus when he was pulled into a dark SUV and told that "they" knew who he was and that he had access to purchase things from his job. After the initial meeting, Defendant said that he met with the men 8 to 10 times and gave them computers as directed.

Defendant then said that the first thing the men asked him to do was to buy iPads from Target and return empty boxes. Defendant claimed that he had to do that to "prove" himself to them. Defendant said that he got in trouble for that and that the police searched his house while he and his wife were on vacation in Italy. Complainant confronted Defendant with the fact that pawn records showed that he had pawned several Macbook computers. Defendant then changed his story and said that he was ordered by the men to sometimes pawn the items and give them the money. Defendant also claimed the he was contacted by the three men through a phone whose only functionality was Snapchat-like messaging that would disappear. He claimed to have thrown the phone away and that he also no longer had his personal cell phone and had also changed his bank account.

Complainant obtained search warrants for Apple, Craigslist, financial records for the Defendant, as well as other sources of information. Based upon the information received, Defendant's claim that he stole the computers and gave them or the cash to the "robbers," is not consistent with the evidence.

Your complainant obtained information from Apple on the location of the stolen computers. Using serial numbers for the computers, Apple was able to provide information about many of the 78 computers, which had been disbursed around the world. Six computers were registered in Minnesota. Your complainant

contacted the owners of those computers and obtained information about how they came to purchase the devices.

On January 17, 2019, an investigator assisted complainant in administering a double-blind sequential photographic lineup to one of the purchasers, known adult female E.S. and her boyfriend, B.R., who accompanied her when she met the seller at a local coffee shop. E.S. said that she found the computer, an Apple 21.5 iMac for sale on Craigslist and agreed to purchase it for \$800. E.S. provided a copy of the email documenting the Craigslist exchange and the subsequent meeting on February 6, 2018. Information received from a search warrant for Craigslist for the posting that E.S. responded to listed the contact information for the seller as andrewoliverumn@gmail.com and a user phone as the known phone number for Defendant McDaniel.

Both E.S. and B.R. identified photograph #5, a photograph of the Defendant, as the individual who sold E.S. the laptop. An examination of Defendant's bank records indicates that Defendant deposited \$800 cash in his Wells Fargo account on that same date. The Craigslist information obtained by Complainant showed more postings for the sale of laptops with Defendant's phone number as the listed contact. Complainant also obtained pawn history information for Defendant and obtained records showing Defendant pawned several items from 2014 to 2017. Five computers listed as pawned in 2017 were purchased using CMRR funds.

In December of 2017, Defendant was charged with Theft by Swindle in Hennepin County District Court, for making "empty box" returns of iPads to 6 different Target stores on October 2, 3, 10, 12 and 13, 2017. On January 17, 2018, he was offered and accepted participation in a diversion program. Defendant never mentioned to diversion staff that he had been forced to commit the crimes by the three men he described to complainant. In fact, an examination of Defendant's bank records shows that he deposited \$2,343.00 cash into his bank account on October 3, \$940.00 in cash on October 4, \$1,900.00 on October 10 and \$920.00 on October 13, 2017.

Defendant's financial records also reveal that he was making payments to more than 12 loan companies and multiple credit cards. Those documents also show substantial cash withdrawals at Running Aces, Canterbury Downs, Mystic Lake and near Treasure Island Casino in Welch, Minnesota. The records also reveal travel-related expenses. In 2017, transactions occurred in California, the Brainerd lakes area, Tennessee, and Italy. In 2018, travel-related expenses occurred in Arizona, Iowa, the Brainerd lakes area, Colorado, and Oregon.

The analysis of Defendant's financial records also show that Defendant had a continuing pattern of making large cash deposits that were on or near the same day as he would pick up computers that he had ordered using University of Minnesota funds. An examination of the computer order and pick up records indicate that Defendant swindled his employer as follows:

Count 1: Between the dates of September 29, 2017 and February 5, 2018, Defendant ordered and picked up thirteen (13) computers with a total value of \$20,831.00.

During that same time period, Defendant deposited over \$20,000 cash into his Wells Fargo Account ending in #0684.

Count 2: Between the dates of February 9, 2018 and May 2, 2018, Defendant ordered and picked up twenty-two (22) computers, valued at \$36,630.00.

During that same time period, Defendant deposited over \$30,000 cash into his Wells Fargo Account ending in #0684.

Count 3: Between the dates of May 16, 2018 and July 30, 2018, Defendant ordered and picked up twenty-three (23) computers, valued at \$40,451.00.

During that same time period, Defendant deposited more than \$40,000 into his Wells Fargo account

ending in #0684.

Count 4: Between the dates of August 1, 2018 and October 1, 2018, Defendant ordered and picked up twenty (20) computers, valued at \$36,632.00.

During that same time period, Defendant deposited over \$35,000 in cash into his Wells Fargo account ending in #0684.

Defendant is not in custody.

SIGNATURES AND APPROVALS

Complainant requests that Defendant, subject to bail or conditions of release, be:
(1) arrested or that other lawful steps be taken to obtain Defendant's appearance in court; or
(2) detained, if already in custody, pending further proceedings; and that said Defendant otherwise be dealt with according to law.

Complainant declares under penalty of perjury that everything stated in this document is true and correct. Minn. Stat. § 358.116; Minn. R. Crim. P. 2.01, subds. 1, 2.

Complainant

Jessica Lapp
Police Officer
511 Washington Ave SE
Minneapolis, MN 55455
Badge: 2097

Electronically Signed:
02/04/2019 10:09 AM
Hennepin County, MN

Being authorized to prosecute the offenses charged, I approve this complaint.

Prosecuting Attorney

Susan Crumb
300 S 6th St
Minneapolis, MN 55487
(612) 348-5550

Electronically Signed:
02/04/2019 09:27 AM

FINDING OF PROBABLE CAUSE

From the above sworn facts, and any supporting affidavits or supplemental sworn testimony, I, the Issuing Officer, have determined that probable cause exists to support, subject to bail or conditions of release where applicable, Defendant's arrest or other lawful steps be taken to obtain Defendant's appearance in court, or Defendant's detention, if already in custody, pending further proceedings. Defendant is therefore charged with the above-stated offense(s).

SUMMONS

THEREFORE YOU, THE DEFENDANT, ARE SUMMONED to appear on _____, _____ at _____ AM/PM before the above-named court at 300 S Sixth Street, Minneapolis, MN 55487 to answer this complaint.

IF YOU FAIL TO APPEAR in response to this SUMMONS, a WARRANT FOR YOUR ARREST shall be issued.

WARRANT

To the Sheriff of the above-named county; or other person authorized to execute this warrant: I order, in the name of the State of Minnesota, that the Defendant be apprehended and arrested without delay and brought promptly before the court (if in session), and if not, before a Judge or Judicial Officer of such court without unnecessary delay, and in any event not later than 36 hours after the arrest or as soon as such Judge or Judicial Officer is available to be dealt with according to law.

Execute in MN Only

Execute Nationwide

Execute in Border States

ORDER OF DETENTION

Since the Defendant is already in custody, I order, subject to bail or conditions of release, that the Defendant continue to be detained pending further proceedings.

Bail: \$100,000.00

Conditions of Release:

This complaint, duly subscribed and sworn to or signed under penalty of perjury, is issued by the undersigned Judicial Officer as of the following date: February 4, 2019.

Judicial Officer

Marta M. Chou
District Court Judge

Electronically Signed: 02/04/2019 10:16 AM

Sworn testimony has been given before the Judicial Officer by the following witnesses:

**COUNTY OF HENNEPIN
STATE OF MINNESOTA**

State of Minnesota

Plaintiff

vs.

MICHAEL JAMES MCDANIEL

Defendant

*LAW ENFORCEMENT OFFICER RETURN OF SERVICE
I hereby Certify and Return that I have served a copy of this
Summons upon the Defendant herein named.*

Signature of Authorized Service Agent:

DEFENDANT FACT SHEET

Name: MICHAEL JAMES MCDANIEL
DOB: 06/29/1984
Address: 1013 Sibley Memorial Highway
Apt 324
Lilydale, MN 55118

Alias Names/DOB:
SID:
Height:
Weight:
Eye Color:
Hair Color:
Gender: MALE
Race: Unknown
Fingerprints Required per Statute: Yes
Fingerprint match to Criminal History Record: No
Driver's License #:
SILS Person ID #: 528923
SILS Tracking No. 3079707
Case Scheduling Information: This is a Complex Crimes Team case and should be scheduled on the Serious Felony Block calendar.
Alcohol Concentration:

STATUTE AND OFFENSE GRID

Cnt Nbr	Statute Type	Offense Date(s)	Statute Nbrs and Descriptions	Offense Level	MOC	GOC	Controlling Agencies	Case Numbers
1	Charge	9/29/2017	609.52.2(a)(4) Theft-By Swindle	Felony	U1062		MN0272400	18356349
	Modifier	9/29/2017	609.52.3(5) Theft-Aggregated within 6-months and in violation of subd. 2, clauses (1), (2), (3), (4), or (13)	No-Level	U1062		MN0272400	18356349
	Penalty	9/29/2017	609.52.3(2) Theft-Value over \$5,000 or Trade Secret, Explosive, Controlled Substance I or II	Felony	U1062		MN0272400	18356349
2	Charge	2/9/2018	609.52.2(a)(4) Theft-By Swindle	Felony	U1069		MN0272400	18356349
	Penalty	2/9/2018	609.52.3(1) Theft-Firearm or Property Value Over \$35,000	Felony	U1069		MN0272400	18356349
	Modifier	2/9/2018	609.52.3(5) Theft-Aggregated within 6-months and in violation of subd. 2, clauses (1), (2), (3), (4), or (13)	No-Level	U1069		MN0272400	18356349
3	Charge	5/16/2018	609.52.2(a)(4) Theft-By Swindle	Felony	U1069		MN0272400	18356349
	Penalty	5/16/2018	609.52.3(1) Theft-Firearm or Property Value Over \$35,000	Felony	U1069		MN0272400	18356349
	Modifier	5/16/2018	609.52.3(5) Theft-Aggregated within 6-months and in violation of subd. 2, clauses (1), (2), (3), (4), or (13)	No-Level	U1069		MN0272400	18356349
4	Charge	8/1/2018	609.52.2(a)(4) Theft-By Swindle	Felony	U1069		MN0272400	18356349
	Penalty	8/1/2018	609.52.3(1) Theft-Firearm or Property Value Over \$35,000	Felony	U1069		MN0272400	18356349
	Modifier	8/1/2018	609.52.3(5) Theft-Aggregated within 6-months and in violation of subd. 2, clauses (1), (2), (3), (4), or (13)	No-Level	U1069		MN0272400	18356349