

State of Minnesota
County of Hennepin

District Court
4th Judicial District

Prosecutor File No.
Court File No.

18A08397
27-CR-19-4436

State of Minnesota,

Plaintiff,

vs.

CYNTHIA JAYNE WAIGHT DOB: 04/20/1964

1831 Fillmore Street NE
Minneapolis, MN 55418

Defendant.

COMPLAINT

Warrant

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: Identity Theft-Transfers/Possesses/Uses Identity of Other Person

Minnesota Statute: 609.527.2, with reference to: 609.527.3(5)

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

Offense Level: Felony

Offense Date (on or about): 10/01/2015

Control #(ICR#): 17004402

Charge Description: That on or between October 1, 2015 and January 31, 2017, in Hopkins, Hennepin County, Minnesota, Cynthia Jayne Waight, transferred, possessed, or used an identity that was not her own, with the intent to commit, aid, or abet an unlawful activity and there were eight or more direct victims or a total loss of more than \$35,000.

COUNT II

Charge: Theft-By Swindle

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

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

Offense Level: Felony

Offense Date (on or about): 10/01/2015

Control #(ICR#): 17004402

Charge Description: That on or between October 1, 2015 and January 31, 2017, in Hopkins, Hennepin County, Minnesota, Cynthia Jayne Waight obtained property or services from the Minnesota Housing Partnership and/or Vail Place, by swindling them using artifice, trick, device or other means, and the property or services had a value in excess of Thirty-Five Thousand Dollars (\$35,000.00).

STATEMENT OF PROBABLE CAUSE

Complainant, Brian Besch, is a Special Agent with the U.S. Department of Housing and Urban Development, Office of Inspector General. In that capacity, I have investigated a case involving identity theft and theft by swindle, committed by CYNTHIA JANE WAIGHT (DOB: 04/20/1964). My investigation revealed probable cause to believe that between October 1, 2015 and January 31, 2017, Defendant used dozens of identities that were not her own to defraud the Minnesota Housing Partnership out of more than \$80,000 in public funds meant to help people with serious and persistent mental illnesses.

The Minnesota Housing Partnership (“MHP”) is funded by the State of Minnesota and works with low income and vulnerable populations to promote home and community. One of MHP’s initiatives, the Crisis Housing Fund Program, was created to assist individuals with mental illness whose housing is at risk due to their disease. The program provides funds to pay rent, a mortgage, and/or utilities, so individuals can maintain their housing while they receive treatment. Funds are limited to a 90-day period and a person may only receive funds once.

The funds are provided through non-profits that work directly with the clients. One such non-profit is Vail Place, a community resource center for adults with serious mental illnesses, located in Hopkins, Hennepin County, Minnesota. As part of its work, Vail Place will help clients apply for funds through the Crisis Housing Fund. The application asks for information on the client (name, date of birth, social security number, and address), the treatment facility where the client will be receiving treatment and the dates the treatment will be provided, and details on the requested financial assistance (rent or mortgage, utility costs, etc.). The application must be signed by the client and by an agency representative, such as a case worker. The agency representative is required to certify, among other things, that the client has “been admitted to the treatment facility [listed] for inpatient or residential mental health or chemical dependency treatment” and that the funds will “only be used to retain current housing while the individual is receiving mental health treatment.” When an application is approved, the funds are sent to the agency that helped the client complete the application, which then distributes the funds to the client’s landlord, mortgage company, or utility company.

Defendant was hired by Vail Place in July 2014 as the Housing Manager. In her role, Defendant managed Vail Place’s work with the Crisis Housing Fund. Defendant was authorized to complete and submit applications to the Crisis Housing Fund and she managed the funds once they were received by Vail Place. Defendant was authorized to write checks from several Vail Place bank accounts and she had access to client files, which contained identifying information for Vail Place’s clients.

After Defendant started as the housing manager, the number of Crisis Housing Fund applications submitted by Vail Place increased significantly. Prior to 2014, there were just a handful of applications each year. By 2016, Defendant was submitting 2-3 applications per month. In addition, the way funds left the Vail Place account changed under Defendant’s tenure. In the past, the Housing Manager would write checks directly a landlord, property manager, or utility company. Indeed, in some instances, Defendant herself followed this practice and wrote checks directly to property management or utility companies. Starting in October 2015, however, Defendant began writing checks out to cash. On the checks and in discussions with other Vail Place employees, Defendant claimed that she was using this cash to pay legitimate expenses for clients – such as rent or utilities. Interviews with clients and property management companies, however, revealed that Defendant did not use the cash to pay for rent or any other housing expense for the clients. Instead, Defendant took the money for personal uses.

An analysis of Vail Place’s bank account shows that from October 2015 through January 2017 shows that \$96,270 in Crisis Housing funds were deposited into a Vail Place account. During that same time period

\$97,442 was withdraw from that account via checks signed by Defendant. Of that amount, \$81,901.02 was withdrawn via checks written out to cash.

An analysis of Defendant's personal bank accounts shows that, between October 2015 and November 2016, Defendant deposited more than \$22,000 in cash into her personal bank account. Many of these deposits line up exactly with instances when Defendant withdrew cash from the Vail Place account using checks which claimed the funds were going to support clients through the Crisis Housing Fund. Records also indicate that Defendant gambles heavily. Indeed, from 2014 through September 2017, casino records indicate that Defendant gambled over \$1.6 million, and lost nearly \$100,000 in the process.

This investigation revealed that beginning around in October 2015, Defendant stole Crisis Housing Fund money using a complicated scheme. The thefts started with Defendant arranging for the Crisis Housing Fund to send money to Vail Place. She did this by submitting fraudulent applications claiming that client's needed housing support. She used real Vail Place clients, putting their name, dates of birth, social security number, addresses and other personal information on the applications. She then forged their signature and submitted the application to the Crisis Housing Fund. Once the funds were obtained by Vail Place, Defendant would write checks to cash and place false memo line entries on the check, claiming the money went to support a client's housing needs. Then, when another Vail Place employee would ask Defendant about the checks written to cash, Defendant would make false statements to that employee about where the funds went. From October 2015 through January 2017, Defendant obtained some \$81,901.02 by writing checks out to cash.

In order to accomplish her thefts, Defendant used the identifies of more than eight Vail Place clients, including: V.K., J.B., J.M., V.F., R.A., W.C., J.M., R.K., and B.M. Defendant used these client's names, dates of birth, social security numbers, addresses, and other personal information on applications to the Crisis Housing Fund. Defendant had access to this information from the files that Vail Place maintains in regard to their clients. Defendant's false applications tricked and enticed the Crisis Housing Fund into sending funds to Vail Place. Defendant then made more false statements on Vail Place checks and to Vail Place employees to obtain the funds from the Vail Place account.

Defendant also used the identity of at least one social workers to accomplish her thefts. On 10 applications submitted to the Crisis Housing Fund, Defendant claimed the applications were submitted by W.B. W.B. confirmed that she did not submit the applications and did not work with Crisis Housing Fund issues. Defendant knows W.B. personally and professionally and she used W.B.'s identity as part of her thefts. The applications on which Defendant used W.B.'s name also contained the names, dates of birth, social security numbers and other personal information of Vail Place clients. Namely, J.M., S.E., V.F., R.A., L.M., C.C., R.K., F.S., B.I., and T.L.

The fraudulent crisis housing fund applications and fraudulent "cash" checks, were all interrelated with one another and part of a larger scheme. In some instances, Defendant submitted fraudulent Crisis Housing Fund applications, but then never withdrew money using that person's identity. In other instances, Defendant would use a person's identity to withdraw far more from Vail Place's accounts than was requested on the Crisis Housing Fund application for that same client. In some cases, she would use a person's identity to withdraw funds from Vail Place before she ever submitted a Crisis Housing Fund Application for that person. In other instances, she would withdraw the funds using the person's identity months after the funds had arrived from the Crisis Housing Fund. Indeed, an analysis of the way in which the applications were submitted versus how money was withdraw shows that Defendant would routinely submit Crisis Housing Fund applications as a way of getting money into the Vail Place account. Then she would take money from that account whenever she could. In this way, Defendant's fraudulent statements to the Minnesota Housing Partnership Crisis Housing Fund and her fraudulent statements to Vail Place were interrelated to one another and part of a continuing offence that spanned October 2015 through January

2017.

At the time that Defendant was committing the thefts at issue in this case, she was also facing prosecution for a similar set of thefts from a prior employer. On May 25, 2016, Defendant was charged with two counts of theft by swindle in connection with her employment at Resource Inc., a non-profit that helps underserved populations. The complaint alleged that she used clients from the Homeless Outreach project to embezzle more than \$25,000 from the non-profit. On August 30, 2016, Defendant pled guilty and on November 1, 2016, she received a stayed sentence. She is currently on probation for this offense, which will be completed on November 1, 2019. As this complaint details, Defendant's crimes in this matter occurred between October 23, 2015 and January 26, 2017. Meaning that even as Defendant was under prosecution for stealing from one non-profit, she was actively engaged in stealing from a second non-profit.

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

Brian S. Besch
Special Agent
920 Second Avenue S
Suite 1300
Minneapolis, MN 55402
Badge: 098

Electronically Signed:
02/19/2019 12:05 PM
Hennepin County, Minnesota

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

Prosecuting Attorney

Morgan D Kunz
Assistant Hennepin County
Attorney
300 S 6th St
Minneapolis, MN 55487
(612) 348-5550

Electronically Signed:
02/15/2019 01:55 PM

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: \$70,000.00
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 19, 2019.

Judicial Officer Bruce Peterson Electronically Signed: 02/19/2019 12:15 PM
District Court Judge

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

**COUNTY OF HENNEPIN
STATE OF MINNESOTA**

State of Minnesota

Plaintiff
vs.

Cynthia Jayne Waight

Defendant

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

Signature of Authorized Service Agent:

DEFENDANT FACT SHEET

Name: Cynthia Jayne Waight
DOB: 04/20/1964
Address: 1831 Fillmore Street NE
Minneapolis, MN 55418

Alias Names/DOB:

SID:

Height:

Weight:

Eye Color:

Hair Color:

Gender: FEMALE

Race: White

Fingerprints Required per Statute: Yes

Fingerprint match to Criminal History Record: No

Driver's License #:

SILS Person ID #: 140647

SILS Tracking No. 3023602

Case Scheduling Information: This case is a Complex Crime Team case and should be assigned to the Felony A - Serious Person Felony Block.

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	10/1/2015	609.527.2 Identity Theft-Transfers/Possesses/Uses Identity of Other Person	Felony	U1739		MN027017Y	17004402
	Penalty	10/1/2015	609.527.3(5) Identity Theft-Eight or More Direct Victims/Combined Loss Greater Than \$35,000 or Child Porn Related	Felony	U1739		MN027017Y	17004402
2	Charge	10/1/2015	609.52.2(a)(4) Theft-By Swindle	Felony	U1069		MN027017Y	17004402
	Penalty	10/1/2015	609.52.3(1) Theft-Firearm or Property Value Over \$35,000	Felony	U1069		MN027017Y	17004402