

CN: 201801022372

SN: 1

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FILED
 MAY 22 2018
 Timothy W. Fitzgerald
 SPOKANE COUNTY CLERK

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
 IN AND FOR THE COUNTY OF SPOKANE

STATE OF WASHINGTON

Plaintiff,

v.

NKECHI A. DIALLO
 also known as RACHEL A. DOLEZAL
 WF [REDACTED]

Defendant(s).

INFORMATION
 (INFO)
 No. 18102237-2

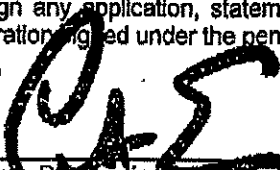
CASEY A. EVANS
 Deputy Prosecuting Attorney

PA# 18-9-69911-0
 RPT# CT I, II: 2018-00900278
 RCW CT I: 74.08.331-F (#28311)
 CT II: 74.08.055-F (#28903)

Comes now the Prosecuting Attorney in and for Spokane County, Washington, and charges the defendant(s) with the following crime(s):

COUNT I: FIRST DEGREE THEFT, committed as follows: That the defendant, NKECHI A. DIALLO, in the State of Washington, on or about between August 01, 2015 and November 30, 2017, did obtain public assistance to which NKECHI A. DIALLO not entitled or greater public assistance than that to which NKECHI A. DIALLO justly entitled by means of a willfully false statement or representation or impersonation, or a willful failure to reveal any material fact, condition or circumstance affecting eligibility or need for assistance, or a willful failure to promptly notify the county office of public assistance in writing of a change in status or circumstance affecting eligibility or need for public assistance, or other fraudulent device,

COUNT II: MAKING FALSE VERIFICATION, committed as follows: That the defendant, NKECHI A. DIALLO, in the State of Washington, on or about between August 01, 2015 and November 30, 2017, being an applicant for or recipient of public assistance, did willfully make and sign any application, statement, other paper, or electronic record which contained or was verified by a written declaration signed under the penalties of perjury and which s/he did not believe to be true and correct as to every material,



Deputy Prosecuting Attorney
 WSBA #0046334

DEFENDANT INFORMATION:

NKECHI A. DIALLO

Address: [REDACTED]

Height: [REDACTED]

Weight: [REDACTED]

Hair: [REDACTED]

Eyes: [REDACTED]

DOL #: [REDACTED]

State: WA

SID #: [REDACTED]

DOC #: [REDACTED]

FBI NO.

INFORMATION

OFA #:
 CL ID #



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STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
OFFICE OF FRAUD AND ACCOUNTABILITY
INVESTIGATIVE REPORT

18102237-2

CRIME/CHARGES:

1st Degree Theft by Welfare Fraud, per
RCW 74.08.331 and 9A.56.030

Perjury in the 2nd degree, per RCW 9A.72.030

False Verification for Public Assistance, per
RCW 74.08.055

DATES OF OFFENSE:

08/01/2015 to 11/30/2017

VICTIM:

STATE OF WASHINGTON
Department of Social and Health Services

SUSPECT:

NKECHI A. DIALLO

FOOD ASSISTANCE ILLEGALLY RECEIVED:

\$8,747.00

CHILDCARE ASSISTANCE ILLEGALLY RECEIVED:

\$100.00

TOTAL RESTITUTION:

\$8,847.00

INVESTIGATOR: Kyle Bunge, Criminal Investigator

SUMMARY:

Rachel A. Dolezal changed her name to Nkechi A. DIALLO on 10/07/2016 through the Spokane County District Court. For this report she will be referred to as Nkechi A. DIALLO.

This investigation was initiated as a result of information reported to OFA/DSHS on 03/23/2017 by OFA Criminal Investigator Brad Borden. He discovered DIALLO had written a book which had been published. He was aware from previous news articles DIALLO had made public statements she had obtained public assistance. He conducted a review of DIALLO'S DSHS records and found she had been reporting her only source of income was \$300.00 per month in gifts from friends. He researched the publisher of DIALLO'S book and found a typical contract would include payments of \$10,000 to \$20,000 as advances against later royalties.

On 09/01/2017 OFA Investigator Jennie Stephens was assigned the case. She found DIALLO had been issued a business license under multiple trade names. She conducted internet searches which found DIALLO was promoting the sale of her book "In Full Color," along with the sale of her art, soaps, and handmade dolls.

On 09/14/2017 DIALLO was issued a subpoena for her self-employment records which included copies of her bank statements from 09/01/2015 to present. DIALLO complied with the subpoena and provided the documents to OFA. The records showed DIALLO had self-employment income which had not been reported to the Department. Investigator Stephens notified the Department of her findings and forwarded the case for criminal investigation.

On 02/05/2018 I was assigned the case for investigation. I conducted a review of Investigator Stephens' findings, DIALLO'S bank statements, and DIALLO'S DSHS records. The records confirmed DIALLO had self-employment income which had not been reported to the Department as required.

DIALLO'S bank statements showed approximately \$83,924.96 had been deposited into her US Bank account between 8/2015 and 9/2017.

DIALLO was sent an interview appointment letter informing her an interview had been scheduled for 04/26/2018. DIALLO appeared for her scheduled interview however invoked her rights which ended the interview.

DIALLO was informed on numerous occasions of the reporting requirements through advisements on applications, reviews, and DSHS letters. DIALLO had also been advised on numerous occasions she could be criminally prosecuted if she willfully provided false information or failed to accurately report her circumstances.

DIALLO'S failure to accurately report her self-employment income resulted in a Food and Childcare Assistance overpayment of \$8,847.00.

Investigation:

In 07/2013 DIALLO applied for and began receiving Food Assistance through DSHS. At the time she provided a copy of her Idaho Driver License Issued 07/26/2007. (EX 1)

On 03/31/2015 DIALLO'S Food Assistance ended after she failed to submit an Eligibility Review.

On 08/27/2015 DSHS received an Online Application for Benefits for DIALLO dated 08/26/2015. She reported an address of [REDACTED] with rent of \$795.00. She requested Food Assistance for herself and her son. She reported her expected monthly income was zero. She indicated she was receiving \$480.00 per month in child support and had \$54.00 in cash or bank accounts. DIALLO electronically signed the application under the following advisement: I know I can be criminally prosecuted if I willfully make a false statement or fail to report something I should report. (EX 2)

Note: On the day DIALLO signed the application (08/26/2015) her bank records showed a checking account balance of \$1,989.45. In 08/2015 DIALLO'S bank records showed deposits totaling \$1,980.00. (EX 3)

On 09/03/2015 FSS Misty Miacolo conducted a telephone interview with DIALLO regarding her application. DIALLO indicated she was residing with only her son [REDACTED]. She stated she was currently behind on her rent due to not having enough income. On the same day FSS Miacolo sent DIALLO a letter advising her she needed to report by the tenth of the following month if her gross income (money from all sources before deductions) exceeded \$1,726.00. (EX 4)

Note: In 09/2015 DIALLO'S bank records showed deposits totaling \$2,905.00. (EX 3)

Note: In 10/2015 DIALLO'S bank records showed deposits totaling \$2,980.00. (EX 3)

Note: In 11/2015 DIALLO'S bank records showed deposits totaling \$11,057.95. (EX 3)

Note: In 12/2015 DIALLO'S bank records showed deposits totaling \$1,846.60. (EX 3)

On 01/05/2016 DSHS received a Mid-Certification Review for DIALLO dated 12/31/2015. She reported no changes to her monthly income. (EX 5)

On 01/09/2016 former FSS Lynsi Tabarez reviewed DIALLO'S Mid-Certification Review. She documented checking available databases including, GUIDE, and did not find any earned or unearned income for DIALLO.

Note: The GUIDE database contains information related to Unemployment Compensation (UC). This database is not updated in real time and benefit history may not be available for viewing the same day.

On 01/09/2016 DSHS sent DIALLO a letter regarding her Food Assistance. The letter advised DIALLO she needed to report if her gross income exceeded \$1,726.00. (EX 6)

Note: On 01/09/2016 DIALLO began receiving weekly unemployment benefits in the amount of \$431.00. (EX 7)

Note: In 01/2016 DIALLO'S bank records showed deposits totaling \$1,923.00. (EX 3)

Note: In 02/2016 DIALLO'S bank records showed deposits totaling \$6,607.00. Of that total \$5,765.00 was from an IRS Tax Refund. (EX 3)

Note: In 03/2016 DIALLO'S bank records showed deposits totaling \$1,701.88. (EX 3)

Note: In 04/2016 DIALLO'S bank records showed deposits totaling \$6,634.75. (EX 3)

Note: In 05/2016 DIALLO'S bank records showed deposits totaling \$6,427.72. (EX 3)

On 06/23/2016 DSHS received an Eligibility Review for DIALLO dated 06/20/2016. She reported an address of [REDACTED] with rent of \$795.00. She requested Food Assistance for herself and her two sons. She reported her expected monthly income was \$480.00 from child support. She reported having no money in cash or bank accounts. (EX 8)

Note: On the day DIALLO signed the review (06/20/2016) her bank records showed a checking account balance of \$3,295.11. (EX 3)

Note: On her review DIALLO reported her only income was from child support payments. However she had been receiving unemployment benefits since 01/09/2016. (EX 7)

Note: In 06/2016 DIALLO'S bank records showed deposits totaling \$1,512.00. (EX 3)

Note: In 07/2016 DIALLO'S bank records showed deposits totaling \$2,131.00. (EX 3)

On 08/23/2016 FSS Angela Thomas conducted a telephone interview with DIALLO to complete an Eligibility Review. FSS Thomas found DIALLO had unearned income from unemployment benefits. She updated DIALLO'S case information adding her unemployment benefits. The change resulted in DIALLO being eligible for the program however her monthly food issuance decreased to zero. On the same day DSHS sent DIALLO a letter regarding her Food Assistance. The letter advised DIALLO she needed to report if her gross income exceeded \$3,360.00. (EX 9)

Note: In 08/2016 DIALLO'S bank records showed deposits totaling \$6,642.19. (EX 3)

Note: On 08/30/2016 DIALLO'S unemployment benefits ended. (EX 7)

On 09/21/2016 DSHS received an Online Application for Benefits for DIALLO dated 09/21/2016. She reported an address of [REDACTED] with rent of \$845.00. She requested Food, Cash, and Childcare Assistance for herself and her two sons. She reported her expected monthly income was \$480.00 from child support. She reported having no money in cash or bank accounts. (EX 10)

Note: On the date DIALLO signed the application (09/21/2016) her bank records showed a checking account balance of \$2,044.38

On 09/22/2016 FSS Robyn Proctor reviewed DIALLO'S application. Based on the information DIALLO provided her food benefits increased from zero to \$511.00 per month. On the same day DSHS sent DIALLO a letter regarding her Food Assistance. The letter advised DIALLO she needed to report by the tenth of the following month if her gross income before deductions exceeded \$2,184.00. (EX 11)

Note: In 09/2016 DIALLO'S bank records showed deposits totaling \$1,362.00. (EX 3)

On 10/06/2016 FSS Katherine Conway received a telephone call from DIALLO regarding applying for Cash Assistance. She was informed due to her receiving \$480.00 per month in child support, she would only be eligible for an additional \$41.00 in Cash Assistance. DIALLO stated she wanted to think about it over night before she completed the intake. She stated she would call the following day with a decision.

On 10/24/2016 FSS Teresa Hoseth closed DIALLO'S pending request for Cash Assistance after she did not call back to complete the process. On the same day DSHS sent DIALLO a letter informing her there was no change to her Food Assistance. The letter advised DIALLO she needed to report by the tenth of the following month if her gross income before deductions exceeded \$2,184.00. (EX 12)

Note: In 10/2016 DIALLO'S bank records showed deposits totaling \$6,100.00. (EX 3)

Note: In 11/2016 DIALLO'S bank records showed deposits totaling \$365.01. (EX 3)

Note: In 12/2016 DIALLO'S bank records showed deposits totaling \$2,450.54. (EX 3)

On 01/06/2017 DSHS received a court document dated 10/07/2016 regarding DIALLO'S name change. (EX 13)

On 01/06/2017 DSHS received a Mid-Certification Review for DIALLO dated 01/01/2017. She reported no changes to her income. (EX 14)

On 01/12/2017 DSHS sent DIALLO a letter requesting information. She was asked to verify her monthly rent and utilities costs and how she was able to pay these expenses with \$480.00 in

child support. She was also asked to provide verification her social security card had been updated. (EX 15)

On 01/23/2017 DSHS received a response letter dated 01/12/2017. DIALLO calculated her total monthly shelter expenses were \$1,094.00. In response to the question as to how she was paying the expenses she reported "Barely! With help from friends and gifts." (EX 16)

On the same day DSHS received a copy of DIALLO'S new social security card. (EX 17)

On 01/23/2017 DSHS sent DIALLO a letter regarding her Food Assistance. The letter advised DIALLO she needed to report by the tenth of the following month if her gross income exceeded \$2,184.00. (EX 18)

On 01/23/2017 DSHS sent DIALLO a letter requesting information. DIALLO was asked to provide statements from the people she reported were giving or loaning her money. She was asked to provide details of amounts, frequency, and repayment agreements (if any). She was also asked to provide verification of how she was providing shelter, utilities, transportation, clothing, and personal items. (EX 19)

On 01/25/2017 FSS Berna Borja received a telephone call from DIALLO to report the amount of cash gifts she received from friends. DIALLO reported receiving a total of approximately \$300.00 a month from different friends. She stated she receives the cash and then uses it to pay her landlord. On the same day DSHS sent DIALLO a letter regarding her Food Assistance. The letter advised DIALLO she needed to report if her gross income exceeded \$2,184.00. (EX 20)

Note: In 01/2017 DIALLO'S bank records showed deposits totaling \$2,175.00. (EX 3)

Note: In 02/2017 DIALLO'S bank records showed deposits totaling \$969.91. (EX 3)

On 03/23/2017 OFA Criminal Investigator Bradford Borden submitted a request for investigation. He reported observing a LinkedIn posting for DIALLO which indicated she was the author of a book which had just been published. He indicated he was aware of previous news articles which indicated DIALLO had made statements about obtaining public assistance. He conducted a search in the DSHS Barcode database and found she was a DSHS client and was active on Food Assistance. He found the only income she reported was gifts from friends in the amount of \$300.00 per month. He accessed the website of the publisher and found their normal publishing contract included advances ranging from \$10,000.00 to \$20,000.00. (EX 21)

Note: In 03/2017 DIALLO'S bank records showed deposits totaling \$6,449.20. (EX 3)

Note: In 04/2017 DIALLO'S bank records showed deposits totaling \$643.02. (EX 3)

Note: In 05/2017 DIALLO'S bank records showed deposits totaling \$3,737.17. (EX 3)

On 06/21/2017 WorkFirst Program Specialist (WPS) Clarence Wright indicated the request for investigation from Investigator Borden had aged out. WPS Wright resubmitted the request for investigation.

On 06/22/2017 DSHS received an Eligibility Review for DIALLO dated 06/19/2017. She reported an address of [REDACTED] with rent of \$845.00. She requested Food Assistance for herself and her two sons. She reported her expected monthly income was \$480.00 from child support. She reported having no money in cash or bank accounts. (EX 22)

Note: On the day DIALLO signed the application (06/19/2017) her bank records showed her checking account was overdrawn by \$183.02. (EX 3)

Note: In 06/2017 DIALLO'S bank records showed deposits totaling \$1,899.97. (EX 3)

On 07/28/2017 FSS Jazzman Hilliard conducted a telephone interview with DIALLO regarding her Eligibility Review. DIALLO reported she was no longer receiving cash gifts. DIALLO indicated after she lost her job money was deposited into her PayPal account from people she did not know. She indicated she did not have contact information for the people who had been giving her money. FSS Hilliard requested DIALLO provide statements from her PayPal account to verify she was no longer receiving cash gifts.

On 07/28/2017 FSS Dan Joy spoke to DIALLO who was in the local office. He documented receiving verification from DIALLO which indicated she was no longer receiving cash gifts. FSS Joy did not specify what type of verification DIALLO submitted. FSS Joy indicated he sent the verification to be imaged through the Document Management System (DMS). FSS Joy indicated he provided DIALLO a letter regarding her Food Assistance. The letter advised DIALLO to report if her gross income exceeded \$2,184.00. (EX 23)

Note: I was unable to locate a copy of the verification document in DMS which FSS Joy reported DIALLO submitted on 07/28/2017.

Note: In 07/2017 DIALLO'S bank records showed deposits totaling \$2,959.00. (EX 3)

Note: In 08/2017 DIALLO'S bank records showed deposits totaling \$4,561.80. (EX 3)

On 09/01/2017 OFA Investigator Jennie Stephens was assigned the case. On 09/14/2017 DIALLO was sent a subpoena instructing her to provide her self-employment and bank record for the period of 09/01/2015 to current.

On 09/01/2017 DSHS sent DIALLO a letter regarding her Food Assistance. The letter advised DIALLO she needed to report if her gross income exceeded \$2,213.00. (EX 24)

On or about 09/22/2017 OFA headquarters received the subpoenaed items from DIALLO. The records were subsequently sent to Investigator Stephens. (EX 3)

Note: In 09/2017 DIALLO'S bank records showed deposits totaling \$1,988.25. (EX 3)

On 10/27/2017 the Department of Licensing issued DIALLO a general business license. The business showed the following registered trade names: Gimme Some Sugar, Living Spectrum Studios, Melanin Spectrum, Rachel Dolezal, Royal Soaps, and Shine On. The business was operating under UBI# [REDACTED] (EX 25)

On 11/02/2017 FSS Olivera Guadalupe received a call from DIALLO who reported a change of circumstance. DIALLO reported she did a one-time job in 10/2017 and earned \$20,000.00. She indicated the contract was for \$5,000.00 and she received a bonus of \$15,000.00. On the same day DSHS sent DIALLO a letter requesting she provide verification of her earnings. (EX 26)

On 11/03/2017 Investigator Stephens submitted her investigative findings to the Department. She determined DIALLO had unreported income from authoring a book, speaking engagements, soap making, doll making, and the sale of her art. A review of DIALLO'S bank records showed several months where her monthly income would have made her ineligible for Food Assistance. (EX 27)

On 11/09/2017 DSHS sent DIALLO a letter regarding her Food Assistance. The letter indicated her Food Assistance issuance had been decreased from \$486.00 per month to \$15.00. The letter advised DIALLO she needed to report if her gross income exceeded \$2,213.00. (EX 28)

On the same day DSHS sent DIALLO a letter requesting information. The letter requested DIALLO provide verification of her earnings from book deals, speaking engagements, the sale of art, the sale of Royal Soaps, and the sale of Melanin Spectrum Dolls. (EX 29)

On 11/13/2017 DSHS received a Monthly Sales and Expense Worksheet form for DIALLO dated 11/07/2017. DIALLO reported she received \$20,000.00 on 10/24/2017 under her trade name for speaking and voice overs. (EX 30)

On 03/07/2018 Social and Health Program Consultant Renee Pelletier provided an overpayment summary letter for DIALLO. She calculated a total Food Assistance overpayment for DIALLO in the amount of \$7,456.00. (EX 31)

On 03/21/2018 I received a Department of Licensing photo for DIALLO. (EX 32)

On 04/16/2018 I sent DIALLO an interview appointment letter. The letter informed her an interview had been scheduled for 04/26/2018 at 10:00 hours at the Spokane Valley Community Service Office located 8517 E. Trent Avenue, Spokane, WA. (EX 33)

On 04/25/2018 I reviewed the overpayment letter previously provided by Pelletier. I noticed an error regarding the start date of the overpayment. I contacted Pelletier and she corrected the date and updated the overpayment summary letter. (EX 34)

On 04/26/2018 approximately five minutes before her scheduled interview I received call from DIALLO. She explained she had gone to the wrong CSO and was on her way. On the same day at approximately 10:15 I contacted DIALLO in the lobby of the Spokane Valley CSO and escorted her to an interview room. I introduced myself and informed her I was a Criminal Investigator with DSHS/OFA. I showed her my Washington State Investigator Credentials. I introduced Investigator Jennie Stephens and informed DIALLO Investigator Stephens would be present during the interview. I advised DIALLO the interview was voluntary, she was not being detained, and was free to leave at any time. I advised her of her Constitutional Rights by reading aloud the Advisement of Rights Waiver Certificate. I asked if she understood her rights and she stated yes. I asked if she was willing to waive her rights talk about the investigation. She indicated she did not want to waive her rights.

She asked what the investigation was about. I told her it was regarding discrepancies in reporting. She stated she fully disclosed her information and asked what discrepancies. I informed her it was related to the reporting of her income.

She stated I could explain what was going on and she did not have to answer. I told her because she did not want to waive her rights I would not be able to continue with the interview. She asked what would happen next. I informed her I would be completing a report which would be forwarded to supervisors. The report would be reviewed and the case may be forwarded for possible criminal charges. I thanked DIALLO for being willing to come and meet with us today. I informed her at this point we would be ending the interview. At approximately 1024 hours I escorted DIALLO back to the lobby where she exited the building.

On 05/14/2018 I spoke with FSS Dan Joy by phone regarding his contact with DIALLO on 07/28/2017. He indicated he did not recall what specific type of verification DIALLO provided and was unsure why the document was not recorded in DMS.

On 05/14/2018 I conducted an additional review of DIALLO'S bank statements and compared them to the monthly deposit spreadsheet created during Investigator Stephens investigation. I discovered some discrepancies between the spread sheet and the bank statements.

On 05/15/2018 I printed copies of DIALLO'S Food Assistance Issuances. (EX 35)

05/15/2018 I contacted Pelletier and advised of her of the discrepancies. She indicated she had already identified the discrepancies, except for two, and indicated she had accounted for them in her previous overpayment calculations. She indicated she would review the new information and revise the overpayment if needed.

On 05/16/2018 Pelletier provided an amended overpayment summary letter for DIALLO. Pelletier calculated a total Food Assistance overpayment for DIALLO in the amount of \$8,747.00 and a Childcare overpayment in the amount of \$100.00. (EX 36)

Note: Pelletier indicated the increase in the Food Assistance overpayment was primarily a result of averaging DIALLO'S self-employment income over a nine month period instead of a full year.

On 05/16/2018 I printed copies of DIALLO'S Childcare payment history. (EX 37)

On 05/16/2018 I printed a copy of the amended spreadsheet showing DIALLO'S monthly deposits into her US Bank account for the period 08/2015 to 09/2017. (EX 38)

The state of Washington seeks prosecution and restitution in this matter. In addition, the Department requests NKECHI A. DIALLO be disqualified from receiving Food Assistance for at least a 12 month period for breaking a Food Assistance rule on purpose. This is known as an Intentional Program Violation (IPV) under WAC 388-446-0015.

A criminal history check for NKECHI A. DIALLO on 05/15/2018 resulted in no criminal history found.

These acts occurred in Spokane County, Washington.

Regarding OFA case number
NKECHI A. DIALLO

OFA #: [REDACTED]
DOB [REDACTED]

I certify under penalty of perjury under the law of the state of Washington that the foregoing is true and correct to the best of my knowledge.

Signed and dated May 18th 2018, at Spokane, Washington.

Kyle Bunge
Kyle Bunge, Criminal Investigator