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WESTERN DISTRICT OF WASHINGTON
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UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,
Plaintiff

v.

SARAH ELIZABETH COFFELT,
Defendant.

CASE NO. **CR17-102TSZ**
INFORMATION
(Felony)

The United States Attorney charges that:

COUNT ONE
Wire Fraud

Introduction

At all times material to this Information:

1. SARAH ELIZABETH COFFELT was employed as a bookkeeper for a retired married couple, W. and V. A., and their businesses, including Apogee Flight Incorporated, L.L.C. (Apogee), the non-profit Heritage Flight Museum (HFM), and other limited liability corporations they formed.

2. The victims had their retirement and investment income directly deposited into the two personal bank accounts, Key Bank Account 0559 and Islander Bank Account 2953. In addition to these accounts, the victims maintained banks accounts for their business and charitable entities, including Apogee and HFM.

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2 3. SARAH ELIZABETH COFFELT lived and worked in Eastsound, on Orcas
3 Island, Washington, where she owned and operated a retail store, Moon Glow Arts and
4 Crafts, in addition to her employment with the victims.

5 4. The victims authorized SARAH ELIZABETH COFFELT to pay Apogee's
6 expenses, including payroll, from a designated Apogee checking account, Island Bank
7 Account 2957. They also authorized SARAH ELIZABETH COFFELT to use certain
8 credit cards: a Key Bank Business Mastercard Account 9772 and a Key Bank Mastercard
9 Account 9780, for Apogee expenses. They authorized her to give a gas credit card, Inter-
10 Island Fuel Account ending in 1093, to a handy man for his use while working for
11 Apogee and HFM, and to pay the bills incurred on these accounts.

12 5. To facilitate the performance of her duties and to insure against inadvertent
13 overdrafts, SARAH ELIZABETH COFFELT was granted viewing rights to the victims'
14 personal Key Bank Account 0559. Moreover, for her use in paying Apogee bills and
15 payroll, she was able to transfer funds from the victims' personal Islander Bank Account
16 2953 to the Apogee Bank Account 2957, and could cause funds to be transferred from the
17 victims' personal Key Bank Account 0559 to the Apogee Bank Account 2957.

18 **The Scheme and Artifice to Defraud**

19 6. Beginning at a time unknown but sometime after 2003 and continuing
20 through April 30, 2016, at Eastsound, within the Western District of Washington, and
21 elsewhere, SARAH ELIZABETH COFFELT knowingly devised a scheme and artifice to
22 defraud her employers and to obtain money and property by means of materially false
23 and fraudulent pretenses, representations and promises.

24 7. The essence of the scheme and artifice to defraud was that SARAH
25 ELIZABETH COFFELT would transfer or cause to be transferred funds from the
26 victims' personal bank accounts into the Apogee Bank Account and, thereafter, use those
27 funds for her purposes. SARAH ELIZABETH COFFELT would pay Apogee bills and
28 payroll but would appropriate most of the funds for her personal expenses, for gifts for
and expenses of her family and friends, and for stock and operating expenses of her

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2 business, Moon Glow Arts and Crafts. Although she initially stole money from the
3 victims' accounts by electronically transferring their funds into Apogee accounts and
4 writing checks on the Apogee accounts for her own use, over the years, she advanced to
5 electronically transferring funds from the victims' accounts directly into her personal and
6 business accounts, using Apogee credit cards for her personal and store expenses,
7 electronically paying her several credit cards (at least one of which was in victim W.A.'s
8 name) directly from W.A.'s accounts, and forging checks on W.A.'s personal account.

9 **Manner and Means of the Scheme and Artifice to Defraud**

10 8. It was part of the scheme and artifice to defraud that SARAH ELIZABETH
11 COFFELT handled all of the mail for Apogee and HFM, initially using a Post Office Box
12 as the mailing address but later changing the business and bank account mailing
13 addresses to her home. By doing so, COFFELT hid the account balances, interest and
14 fees, and expenditures from the victims.

15 9. It was part of the scheme and artifice to defraud that SARAH ELIZABETH
16 COFFELT used the Apogee Key Bank Business Mastercard Account 9772 to pay for
17 more than 1500 orders she placed with Amazon, Petersen-Arne, Darice, and Melissa and
18 Doug, businesses which supplied merchandise and products for her personal use and the
19 use of Moon Glow Arts and Crafts.

20 10. It was part of the scheme and artifice to defraud that SARAH ELIZABETH
21 COFFELT regularly transferred large sums of money from the Apogee business accounts
22 into her own Island Bank personal and business accounts, using the money for personal
23 bills and the costs of her business, Moon Glow Arts and Crafts.

24 11. It was part of the scheme and artifice to defraud that SARAH ELIZABETH
25 COFFELT regularly transferred money in \$2,000, \$5,000 and \$8,000 increments from
26 W.A.'s personal account to her various Island Bank business accounts, using the money
27 to cover significant bills incurred by her personally and through her business, Moon
28 Glow Arts and Crafts.

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12. It was part of the scheme and artifice to defraud that SARAH ELIZABETH COFFELT subsequently transferred money directly from victims' personal accounts to her creditors.

13. It was part of the scheme and artifice to defraud that SARAH ELIZABETH COFFELT and her husband used an Apogee Inter-Island Fuel Account credit card, which the victims intended to be used solely for unusual fuel expenses incurred by Apogee employees during the performance of Apogee duties, for their own use and the use of others.

14. As a result of the scheme and artifice to defraud, SARAH ELIZABETH COFFELT caused the loss of approximately \$755,378.26 to the victims.

Execution of the Scheme to Defraud

15. On or about January 19, 2016, for the purpose of executing the scheme and artifice to defraud, SARAH ELIZABETH COFFELT did knowingly transmit and cause to be transmitted by wire communication in interstate and foreign commerce, signs, signals, pictures and sounds, in that SARAH ELIZABETH COFFELT caused an interstate wire transmission from Washington State from the Apogee Key Bank Business Mastercard Account 9772 to Oregon to effect the payment of a Petersen-Arne bill owed by Moon Glow Arts and Crafts.

All in violation of Title 18, United States Code, Section 1343.

ALLEGATION OF FORFEITURE

16. The allegations contained in Count 1 of this Information are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture of property pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2)(A), and Title 28, United States Code, Section 2461.

17. Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2)(A), and Title 28, United States Code, Section 2461, upon conviction of an offense in violation of Title 18, United States Code, Section 1343, SARAH ELIZABETH COFFELT shall forfeit to the United States of America any property constituting, or

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derived from, any proceeds obtained, directly or indirectly, as the result of such offense.

The property to be forfeited includes, but is not limited to, the following:

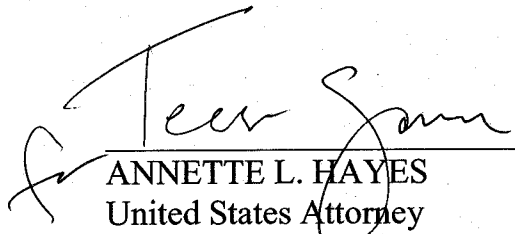
A sum of money representing the proceeds obtained as a result of the Wire Fraud offense in Count 1, above.

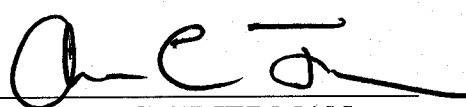
18. If any of the property described above, as a result of any act or omission of the Defendant:

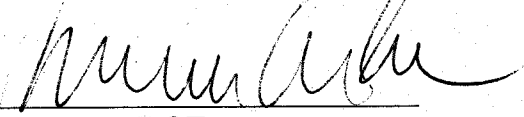
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be divided without difficulty,

the United States shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p).

DATED this 3rd day of April, 2017.


 ANNETTE L. HAYES
 United States Attorney


 ANDREW G. FRIEDMAN
 Assistant United States Attorney


 SUSAN M. ROE
 Assistant United States Attorney