

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
)
 v.) No.
)
 ALEESHA McDOWELL,) Violations: Title 18, United States
 also known as “Aleesha Dunn,”) Code, Sections 1343 and 1957(a)
 “Lisa Dunn,” “Aleesha Staine,”)
 and “Aleesha Humphrey,”)
 NICOLE LACEY,)
 STACY SIMS,)
 JANELLE JORDAN,)
 LAUREN COLEY,)
 SHAVON JOHNSON, and)
 SEAN BLUNT)

COUNT ONE

The SPECIAL JANUARY 2020 GRAND JURY charges:

1. At times material to this Indictment:

a. The Illinois Department of Human Services (“IDHS”) was a state agency responsible for providing Illinois residents transitioning from welfare to work and economic independence with a variety of community-based services, including affordable child care.

b. The Child Care Assistance Program (“CCAP”) was an IDHS program designed to provide low-income working families with affordable child care. The CCAP required eligible families to pay a portion of the cost of child care on a sliding scale according to family size, income, and number of children in care.

Through CCAP, the State of Illinois paid the remaining cost of child care services. The CCAP was funded by both state and federal government.

c. Illinois Action for Children (“IAC”), formerly known as the Day Care Action Council of Illinois, was a resource and referral agency, located in Cook County, Illinois, contracted by the IDHS to oversee and administer the CCAP.

d. Pursuant to CCAP guidelines, eligibility for assistance for child care services was determined based on certain factors, including family size, income of applicants, and number of children in the family. In order to receive child care assistance benefits under the CCAP, a child’s parent or guardian applicant was required to: (1) be a resident of the State of Illinois, and (2) either be employed or attending school or training; and (3) the family must have met certain income thresholds.

e. Each applicant requesting child care subsidy payments on behalf of his or her child(ren) was required to submit an IDHS Child Care Application to IAC. The application required an applicant to provide information, including the applicant’s work information (*i.e.*, his or her employer, hourly or annual wage, and work schedule), income information, school enrollment or training information, and family information, including the name of each child for whom the applicant was seeking child care payments and family size. An unemployed applicant who was not enrolled in school or training was not typically eligible to receive child care assistance.

f. In order to demonstrate employment and income level, CCAP applicants were required to submit the two most recent and consecutive paystubs. In

certain instances, if an applicant was unable to produce the two most recent and consecutive paystubs, an income verification letter signed by an official representative of the applicant's employer was required. If the applicant was paid in cash, a payment verification letter was required from each individual who paid the applicant in cash for performing a service.

g. The IDHS application also required the potential child care provider to submit "provider information," including the name of the child(ren) to be cared for by the provider and schedule of child care.

h. Once IAC determined the applicant was eligible for child care assistance, the applicant was then eligible to receive CCAP subsidy payments as an approved client.

i. Each client eligible for CCAP subsidy payments was typically required to make a co-payment for child care services directly to the child care provider. The child care provider, in turn, submitted a computer-generated billing form called a "Child Care Certificate Report" ("Certificate") to IAC seeking payment for the remaining value of the child care services provided to the client. The child care provider was responsible for completing the Certificate monthly with the names of children who attended during that month and the total number of days for each child, and submitting that Certificate to the IAC in order to receive CCAP subsidy payment. Each Certificate required a provider's signature attesting "that the information submitted above is complete and accurate" and that the provider understood that

“giving false information or failure to provide correct information can result in referral for prosecution for fraud.”

j. Child care providers also were able to submit Child Care Supplemental reports (“Supplemental Reports”) to IAC that requested reimbursement based upon updated or changed information (such as IAC’s subsequent approval for a child to attend on a full-time basis as opposed to part-time) or for periods of time for which reimbursement was not sought using a Certificate. Supplemental Reports contained the same provider attestation as contained in the Certificates.

k. Once IAC approved CCAP benefits for a client, that approval lasted for a three or six-month period. Future eligibility was then subject to a re-determination process using a Child Care Redetermination form which required the same documentation requirements as those required for initial eligibility.

l. Upon receipt of a Certificate or Supplemental Report from a child care provider, IAC processed it and, if approved, caused a check or direct deposit to be issued from the State of Illinois Comptroller to the provider’s designated bank account for the payment of child care services.

m. A&A Kiddy Kollege, Inc. (“AAKK”) and A&A Kiddy Kollege 2 (“AAKK-2”) were child care providers located in Calumet City, Illinois, and Calumet Park, Illinois, respectively, that purported to provide full-time, school-age and part-time child care services.

n. Kreative Kidz Academy, Inc. (“KKA”), Kreative Kidz Academy II, Inc. (“KKA-2”), and Kreative Kidz Academy III, Inc. (“KKA-3”) were child care providers located in Chicago, Illinois, that purported to provide full-time, school-age and part-time child care services.

o. Defendant ALEESHA McDOWELL was the licensed owner of AAKK, AAKK-2, KKA, KKA-2, and KKA-3.

p. Defendant NICOLE LACEY was the Director of AAKK and AAKK-2.

q. Defendant STACY SIMS was the Director of KKA-2.

r. Defendant JANELLE JORDAN was the Director of KKA-3.

s. Defendant LAUREN COLEY was the Director of AAKK and KKA.

2. Beginning no later than 2012, and continuing through on or about September 11, 2020, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY,
STACY SIMS,
JANELLE JORDAN,
LAUREN COLEY,
SHAVON JOHNSON, and
SEAN BLUNT,

defendants herein, and others known and unknown, knowingly devised, intended to devise, and participated in a scheme to defraud the State of Illinois, and to obtain

money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme is further described below.

3. It was part of the scheme that defendants McDOWELL, LACEY, SIMS, JORDAN, COLEY, JOHNSON, and BLUNT, and others, through AAKK, AAKK-2, KKA, KKA-2, and KKA-3, fraudulently obtained CCAP subsidy payments from the State of Illinois by, among other things, submitting and causing the submission of documents to IAC containing materially false and fictitious information regarding CCAP applicants' eligibility to receive CCAP subsidy payments, and, as to defendants McDOWELL and LACEY, submitting and causing the submission of documents to IAC containing materially false and fictitious information regarding the type of child care and actual services provided by AAKK, AAKK-2, KKA, KKA-2, and KKA-3.

4. It was further part of the scheme that defendant McDOWELL and her child care provider directors, including defendants LACEY, SIMS, JORDAN, and COLEY, completed and assisted child care clients in completing, fraudulent IDHS Child Care Applications to receive CCAP subsidy payments.

5. It was further part of the scheme that defendant McDOWELL and her child care provider directors, including defendants LACEY, SIMS, JORDAN, and COLEY, on behalf of parents seeking approval from IAC as an eligible client, knowingly prepared and submitted, and caused to be prepared and submitted, applications containing false information regarding a client's employment, income, and enrollment in education programs and training, so that the parents and the child care providers would be approved to receive CCAP subsidy payments.

6. It was further part of the scheme that, in order to continue to receive CCAP payments to which defendants were not entitled, defendant McDOWELL and her child care provider directors, including defendants LACEY, SIMS, JORDAN, and COLEY, prepared and submitted, and caused to be prepared and submitted, false information regarding a client's employment, income, and enrollment in education programs and training, in response to IAC's denial of CCAP benefits for claimants and IAC's requests for additional information.

7. It was further part of the scheme that, in order to receive CCAP payments to which defendants were not entitled, defendants McDOWELL and LACEY knowingly submitted, and caused to be submitted, to IAC, on behalf of certain child care providers, fraudulent Certificates and Supplemental Reports, which falsely represented the number of days and hours children attended the child care provider. Defendants McDOWELL and LACEY falsely certified, and caused others to falsely certify, that the information contained in the Certificates and Supplemental Reports was complete and accurate.

8. It was further part of the scheme that defendants JOHNSON and BLUNT, at the direction of defendant McDOWELL and her child care provider directors, including defendants LACEY, SIMS, JORDAN, and COLEY, knowingly prepared, and caused to be prepared, false and fraudulent documents, including false and fraudulent paystubs, income verification letters, college attendance records (including transcripts and course schedule records), and purported letters from

employers and college registrars, knowing that these fraudulent documents would be submitted by the child care providers to obtain child care subsidy payments.

9. It was further part of the scheme that defendant McDOWELL employed Individual A as the director for another of McDOWELL's child care providers, knowing Individual A was barred from employment due to Individual A's criminal history, and, along with defendant JORDAN, submitted, and caused to be submitted, to the State of Illinois false information regarding the employment status of Individual A.

10. It was further part of the scheme that defendants McDOWELL, LACEY, SIMS, JORDAN, COLEY, JOHNSON, and BLUNT misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hidden, the existence, purpose, and acts done in furtherance of the scheme.

11. As a result of the scheme, defendants caused IDHS to suffer a loss of at least approximately \$6,188,083.

12. On or about November 12, 2015, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as "Aleesha Dunn," "Lisa Dunn," "Aleesha Staine,"
and "Aleesha Humphrey,"
NICOLE LACEY, and
SEAN BLUNT,

defendants herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately

\$646.84 for the payment of child care services purportedly provided by KKA to Child A, from the State of Illinois' account at J.P. Morgan Chase to an account in the name of KKA at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT TWO

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about February 16, 2016, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY, and
SHAVON JOHNSON,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$2,286.40 for the payment of child care services purportedly provided by AAKK to Children B, C, and D, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT THREE

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about March 11, 2016, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY,
JANELLE JORDAN, and
SEAN BLUNT,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$2,327.40 for the payment of child care services purportedly provided by KKA to Children E, F, and G, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of KKA at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT FOUR

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about May 12, 2016, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY, and
SHAVON JOHNSON,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$289.56 for the payment of child care services purportedly provided by AAKK to Child H, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT FIVE

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about May 25, 2016, at Chicago, in the Northern District of

Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,” and
NICOLE LACEY,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$232.92 for the payment of child care services purportedly provided by AAKK to Child I, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT SIX

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about August 17, 2016, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY,
JANELLE JORDAN, and
SHAVON JOHNSON,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of \$2,196.60 for the payment of child care services purportedly provided by AAKK to Children J, K, and L from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK (doing business as AAKK-2) at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT SEVEN

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about November 14, 2016, at Chicago, in the Northern District of

Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,” and
NICOLE LACEY,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$581.12 for the payment of child care services purportedly provided by AAKK to Child I, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT EIGHT

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about May 8, 2017, at Chicago, in the Northern District of Illinois,

Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
STACY SIMS, and
SHAVON JOHNSON,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$1,231.62 for the payment of child care services purportedly provided by KKA-2 to Children M and N, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of KKA-2 at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT NINE

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about May 8, 2017, at Chicago, in the Northern District of Illinois,

Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY, and
STACY SIMS,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$2,109.67 for the payment of child care services purportedly provided by KKA-2 to Children O, P, and Q, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of KKA-2 at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT TEN

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about April 6, 2018, at Chicago, in the Northern District of Illinois,

Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,” and
JANELLE JORDAN,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$869.78 for the payment of child care services purportedly provided by KKA-3 to Child R, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of KKA-3 at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT ELEVEN

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about August 20, 2018, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY, and
LAUREN COLEY,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$2,044.36 for the payment of child care services purportedly provided by AAKK to Children S, T, and U from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT TWELVE

The SPECIAL JANUARY 2020 GRAND JURY further charges:

1. Paragraphs 1 through 11 of Count One are incorporated here.
2. On or about August 20, 2018, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”
NICOLE LACEY, and
LAUREN COLEY,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer in the amount of approximately \$1,339.24 for the payment of child care services purportedly provided by AAKK to Children V and W, from the State of Illinois’ account at J.P. Morgan Chase to an account in the name of AAKK at Fifth Third Bank;

In violation of Title 18, United States Code, Section 1343.

COUNT THIRTEEN

The SPECIAL JANUARY 2020 GRAND JURY further charges:

On or about September 2, 2016, at Chicago, Illinois, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”

defendant herein, knowingly engaged in a monetary transaction occurring in the United States and involving criminally derived property of a value greater than \$10,000, namely, the purchase of a white 2017 Bentley Bentayga, bearing VIN SJAAC2ZV5HC013909, with a down payment in the amount of approximately \$85,243 by cashier’s check from a Fifth Third Bank account ending in 5625 and made payable to Putnam Leasing Co I, LLC, which property was derived from specified unlawful activity, namely, wire fraud, in violation of Title 18, United States Code, Section 1343;

In violation of Title 18, United States Code, Section 1957(a).

COUNT FOURTEEN

The SPECIAL JANUARY 2020 GRAND JURY further charges:

On or about July 27, 2017, at Mokena, Illinois, in the Northern District of Illinois, Eastern Division, and elsewhere,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”

defendant herein, knowingly engaged in a monetary transaction occurring in the United States and involving criminally derived property of a value greater than \$10,000, namely, the purchase of the real property located at 21336 Saddle Lane, Mokena, Illinois, with a down payment in the amount of approximately \$257,000 by wire transfer from a Fifth Third Bank account ending in 2017 to Chicago Title and Trust Company, which property was derived from specified unlawful activity, namely, wire fraud, in violation of Title 18, United States Code, Section 1343;

In violation of Title 18, United States Code, Section 1957(a).

FORFEITURE ALLEGATION ONE

The SPECIAL JANUARY 2020 GRAND JURY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Section 1343, as set forth in Counts One through Twelve of this Indictment,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”

defendant herein, shall forfeit to the United States of America any property which constitutes and is derived from proceeds traceable to the offense, as provided in Title 18, United States Code, Section 981(a)(1)(C).

2. The property to be forfeited includes, but is not limited to, a personal money judgment in the amount of approximately \$6,188,083.

3. If any of the property described above, as a result of any act or omission by a defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, the United States of America shall be entitled to forfeiture of substitute property, as provided in Title 21, United States Code, Section 853(p).

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

FORFEITURE ALLEGATION TWO

The SPECIAL JANUARY 2020 GRAND JURY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Section 1957(a), as set forth in Counts Thirteen and Fourteen of this Indictment,

ALEESHA McDOWELL,
also known as “Aleesha Dunn,” “Lisa Dunn,” “Aleesha Staine,”
and “Aleesha Humphrey,”

defendant herein, shall forfeit to the United States of America any property involved in the offense and any property traceable to such property, as provided in Title 18, United States Code, Section 982(a)(1).

2. If any of the property described above, as a result of any act or omission by a defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, the United States of America shall be entitled to forfeiture of substitute property, as provided in Title 21, United States Code, Section 853(p).

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(a)(1).

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY