

Criminal Investigation,
Seventh Edition

Chapter Sixteen
Larceny Offenses

Investigative Procedure

- What time did the theft occur?
- Who had access to the item, and if the item was not readily visible, who knew its location?
- Who discovered the theft?
- Is anyone with access to the item having financial difficulties?
- Has anyone expressed a strong interest in the item lately?

Investigative Procedure

- Is the stolen item likely to have been retained by a suspect, pawned, sold, or given to someone as a gift?
- Has the victim reported similar thefts to the police in the past?
- Was the item insured?
- Do any circumstances about the case suggest that the victim is making a false or misleading report?

Credit Card Fraud

- Types of Credit Card Fraud:
 - Stolen Cards: stolen cards used to purchase goods.
- Counterfeit Credit Cards:
 - Suggestions for the identification of counterfeit cards:
 1. Check expiration date.
 2. Does the card feel like other credit cards? Too heavy, too light?

Credit Card Fraud

- Suggestions for the identification of counterfeit cards:
 3. Examine signature, does it seem to match.
 4. Make certain that the Bank Identification Number matches.
 5. Are the embossed characters even?
 6. Examine the card for crooked lines in the embossing or characters.
 7. Look for chipped or scratched printed surfaces.
 8. Examine the card for painting on the card.
 9. Examine for a painted-on or “blank” magnetic strip.

Check Fraud

- The players:
 - Leaders: provide overall direction.
 - Check Procurers: obtain the authentic checks.
 - Counterfeiters: duplicate corporate and payroll checks.
 - Information Brokers: gather information on legitimate individuals.
 - Check Passers: actually negotiate stolen and counterfeit checks.

Types of Check Fraud Schemes

- Large-Scale Counterfeiting: produce the forgeries and then sell the product.
- Identity Assumption: individuals obtain legitimate jobs in order to obtain confidential information on legitimate individuals.
- Payroll-Check Fraud: print duplicate payroll checks.

Cellular Phone Cloning

- Defined as the unauthorized and illegal programming of cellular phones with access codes of legitimate cellular customers.
- Cellular telephones can be used as a method of tracking and investigating criminal activity.

Shoplifting

- Shoplifting is the theft of goods from a retail store.
 - Commercial Shoplifting – boosters, or professional shoplifters.
 - Pilferers – taking goods for private use.
 - Investigators should be aware that businesses lose more goods to employee theft than to shoplifters.

Confidence Games

- Pigeon Drop: A lone victim is approached on the street by one of the swindlers, who strikes up a conversation. A wallet, or some item is located nearby. The second individual walks by, finds the wallet, with much money in it. The second individual says that they are willing to share the find, but that the other two must put up some funds and show good faith. The mark then produces the funds and the swindlers take off.

Confidence Games

- The Bank Examiner Scheme: The con artist calls the victim (the mark) and says that they are a bank examiner. They say that the mark may have lost some funds due to a crooked teller. The mark is asked to withdrawal funds. At the persons home the bank examiner calls back, the second individual shows up at the home and the two talk (the “examiner” and the bank employee). In time the “examiner” tells the mark to give the funds to the employee and the employee will return the funds to the mark’s account. The two then leave with the funds.

Confidence Games

- Inheritance Scam: the con calls the mark saying that they have inherited some funds. During the conversation the con asks for information that will allow the individual to withdrawal funds from the mark's accounts.

Confidence Games

- Three-Card Monte: con uses marked playing cards to take the victim for funds.
- C.O.D. Scam: neighbor asked to accept and pay for a phony C.O.D. package.
- Money-Making-Machine Scam: con artists con people involved in other illegal activity. In this case con artists tell others that they can change \$1.00 to \$100.00 through the use of secret formula that allows the bills to be altered.

Confidence Games

- Nigerian Oil Con: purchase oil at a lower price. In time the mark is told that he has to pay for the demands by the owner and the mark sends the company some funds.

White Collar Crime

- Ponzi, or Pyramid, Schemes: a program where people purchase the right to sell the rights to sell a product. There is limited concern for the actual product or retail sells, but much more concern for the selling of the rights to sell the product.
- In a pyramid scheme you add your name to a list and then send money to the person at the top of the list. The scheme works as long as people send the money, but those late entering the list do not make much money and in fact lose funds.

White Collar Crime

- Investigation of ponzi schemes:
 - Step One – since most victims make their investment by personal check or cashier's check it is possible to trace the depositing of such checks.
 - Step Two – get a search warrant (assuming probable cause is developed) and turn over all financial records to a forensic accountant who will complete the analysis.
 - The investigation of such cases is made more difficult by the fact that by the time law enforcement has developed the case the suspects may have left the area. Additionally, it is difficult to separate the victims from the suspects.

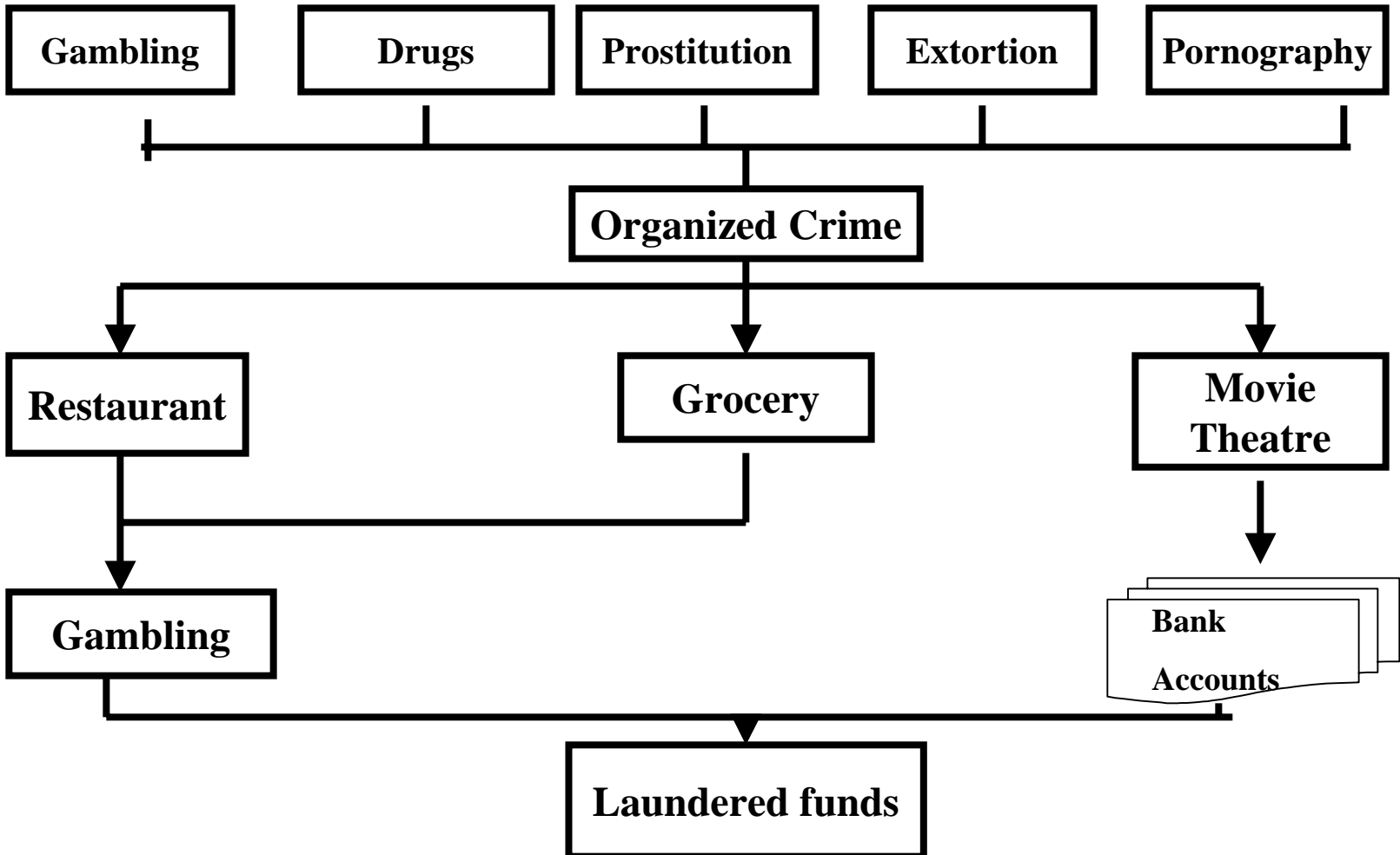
White Collar Crime

- Money Laundering:
 - Money laundering is taking funds that have been illegally obtained and legitimize the funds by making it seem that the funds were legally obtained by business proceeds.
 - Law enforcement investigators may make use of standard accounting practices to evaluate the business income and practices. Standard approaches would include:
 1. Liquidity ratios – which indicates the ability of an enterprise to satisfy its immediate (short-term) financial obligations.

White Collar Crime

- Money Laundering:
 2. Operating ratios – which indicate the efficiency of the business.
 3. Profitability ratios, which indicate the effective use of assets and the return of the owner's investment in the business.
 4. Leverage ratios, which indicate the extent to which the enterprise is financed by debt.

Laundering



Social Security Numbers

- The theft of social security numbers has become more prevalent.
- The stolen numbers are used to take control of legitimate individual's credit history and to obtain fraudulent control of the person's financial records. Investigators should have access to information about the interpretation of the numbers in order to interview individuals who they suspect of fraudulent use of the numbers.

Looting of Archaeological Sites

- One type of larceny includes the looting of archaeological sites. Included are: Anasazi artifacts from the southwest, and other similar sites.

The End