



BOULDER POLICE DEPARTMENT



Sample

Embezzlement Reporting Packet

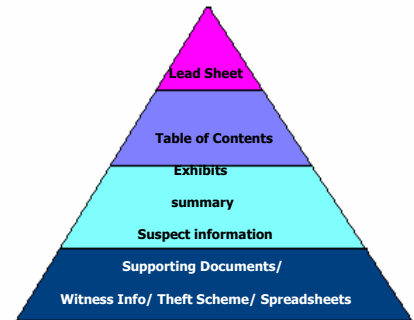
Sample

Instructions

Our goal is to conduct a complete and thorough investigation. Your case is important to us. We cannot proceed until this packet is properly completed. The format used in this packet is directly derived from the format of embezzlement cases that have been successfully adjudicated and that prosecutorial agencies have requested we use when submitting an embezzlement case.

We understand that no two embezzlement cases are the same yet there are three (3) core areas of any embezzlement that are consistent; the theft scheme(s), the suspect(s) and the evidence. Each of these three elements is equally critical for prosecution. This packet has been created to assist in the compiling of the information related to the three core areas to achieve a logical flow of information. The format is as follows:

- ✓ **Lead sheet**
- ✓ **Table of Contents**
- ✓ **List of Exhibits**
- ✓ **Summary/General Information**
- ✓ **Suspect Information**
- ✓ **Witness Information**
- ✓ **Insurance/Bank Reimbursement**
- ✓ **Theft Scheme (1) Spreadsheet**
 - **Theft Scheme (1) supporting evidence**
- ✓ **Theft Scheme (2) Spreadsheet**
 - **Theft Scheme (2) supporting evidence**
- ✓ **Theft Scheme (3) Spreadsheet**
 - **Theft Scheme (3) supporting evidence, etc....**



This packet is the sample template for the above-described outline. Each section includes instructions for that section and a sample.

Once you have completed the packet please print two (2) copies and place information into the two (2) separate binders, one with the originals, and one exact copy. The binders should have divided sections that correspond to your Table of Contents and the sections should be clearly labeled. Both binders will be turned over to the assigned investigator. In addition, it is ***critical that you make a copy of your submitted binder(s) for you own reference.***

If you have any questions regarding compiling the requested information, please do not hesitate to contact your assigned investigator, or call 303-441-3330 for assistance between the hours of 8:00 AM and 5:00 PM – Monday through Friday.

Lead Sheet**YOUR BOULDER POLICE DEPARTMENT REPORT # _____**

Use the Lead Sheet to provide a brief summary of the embezzlement. The lead sheet will have the dates of occurrence, the suspect(s) name, an overview of the embezzlement scheme(s), and the loss amount.

Often times in embezzlement cases the embezzler employs several methods/schemes to steal money from the company. For example, the embezzler forges checks, uses the company credit card for personal expenditures, and also steals cash from deposits. Therefore, it is necessary to provide a breakdown of each of the schemes and the corresponding dollar amount involved in the loss. If your case only involves one theft scheme, i.e., forged checks, then you would simply need to provide a breakdown of the forged checks.

Sample – single theft scheme – forged checks

An independent audit conducted by the accounting firm of, Jones, Blake and Smith, revealed that from 01/01/2003 through 01/31/04, in-house bookkeeper, Melinda Wells, embezzled \$56,000 from the company.

Ms. Wells embezzled the funds by writing several checks from the company's general account payable to either herself, her husband, Larry Wells, or in payment of their debts. The following table identifies the unauthorized disbursements:

Payable to	Number of Checks	Total Dollar Amount of Checks
Melinda Wells	25	\$25,000
Larry Wells	10	\$10,000
CitiBank Visa	10	\$12,500
MBNA Mastercard	8	\$8,500
TOTAL	53	\$56,000

Ms. Wells was an authorized signer on the account and signed her name on all of the checks. Ms. Wells concealed the theft by listing the payees for the unauthorized checks on the general ledger as legitimate vendors of the company i.e. Staples, Office Max, and Alpha Graphics. Ms. Wells was solely responsible for reconciling the account.

On February 5, 2004, Ms. Wells was interviewed by Sally Dublin, Human Resources Director, and Gerald Drake, Chief Financial Officer, regarding the unauthorized checks. Ms. Wells confessed to the embezzlement and advised that she had a gambling addiction. Ms. Wells was terminated on February 5, 2004.

If you need any further information or additional records do not hesitate to contact me at 602-555-5555.

Thank You,
Jeff Doe
President/Owner
ABC Supplies

Lead Sheet

Sample – multiple theft schemes

An internal audit revealed that from 01/01/03 through 01/31/04, in-house bookkeeper, Melinda Wells, embezzled \$56,000 from the company.

Ms. Wells embezzled funds from the company by three (3) different methods; writing several checks from the company's general account payable to either herself, her husband, Larry Wells or in payment of their debts; utilizing the company credit card to purchase personal items or cash advances at casinos, and stealing cash from deposits that she was solely responsible for taking to the bank. The following is a list of theft schemes and the corresponding losses:

Theft Scheme	Loss Amount
Unauthorized Checks	\$35,000
Unauthorized Credit Card purchases/Cash advances	\$12,500
Cash theft from deposits	\$8,500
TOTAL	\$56,000

Ms. Wells wrote 20 checks payable to either herself, her husband, Larry Wells, or in payment of their debts. The unauthorized checks total \$35,000, and began in early January 2003 and continued until January of 2004.

Ms. Wells utilized the ABC Supplies Capital One Business Visa #0000-1234-5678-9000 to purchase personal items including plane tickets to St. Louis, MO for her family reunion in October of 2003 as well as cash advances at casinos. There were 22 unauthorized charges and cash advances in August of 2003 and continued through January of 2004.

On February 5, 2004, Ms. Wells was interviewed by Sally Dublin, Human Resources Director, and Gerald Drake, Chief Financial Officer, regarding the unauthorized checks. Ms. Wells confessed to the embezzlement and advised that she had a gambling addiction. Ms. Wells was terminated on February 5, 2004.

If you need any further information or additional records do not hesitate to contact me at 602-555-5555.

Thank You,
Jeff Doe
President/Owner
ABC Supplies

Table of Contents

The Table of Contents is to provide a logical flow. The Table of Contents will follow the order of; summary of the theft, identification of the suspect, identification of the witness, identification of the theft scheme(s), and the supporting evidence. The following is a sample to assist you in the making of the Table of Contents in your case.

Description	Section/Tab
Summary/General Information	1
Suspect Information Sheet Payroll Records Job Description Personnel File	2
Witness information Sheet Statement	3
Theft Scheme 1 Spreadsheet Evidence	4
Theft Scheme 2 Spreadsheet Evidence	5
Theft Scheme 3 Spreadsheet Evidence	6

List of Exhibits

The List of Exhibits is again to provide order and organization to the embezzlement case. The List of Exhibits is as it states, simply a list of the exhibits included to aid in the understanding of the theft and most importantly, to provide the evidence of the theft scheme(s). The following is a sample to assist you in the making of the List of Exhibits in your case.

Exhibit	Where it can be found
Payroll records of Melinda Wells	Section 2
Personnel file of Melinda Wells	Section 2
Job Description of Booking Position held by Melinda Wells	Section 2
Written Statement of Sally Dublin	Section 3
Wells Fargo bank statements covering the period of 01//01/03 through 01/31/04	Section 4
20 unauthorized checks payable to either Melinda Wells, Larry Wells, or to her personal creditors	Section 4
General Ledger covering the period of 01/01/03 through 01/31/04	Section 4
Copies of cancelled company checks paying the credit card balance	Section 5
Credit Card Policy signed by Melinda Wells	Section 5
Capital One Visa account credit card statements covering the period of 08/01/03 through 12/31/03	Section 5
Copies of the receipts of the 22 unauthorized credit card purchases, as obtained from capital One	Section 5
Sales Receipts that correspond to the 12 deposits in which cash was missing	Section 6
Cash Receipts Journal covering the period of 09/01/03 through 01/31/04	Section 6
Copies of the deposit slips that correspond to the 12 deposits in which case was missing	Section 6

Summary

The summary section is the area wherein you provide a brief description of the company, a detailed explanation of the theft scheme(s), possible motives for the theft, any defenses that the suspect(s) will likely assert, as well as any other pertinent information. The following is a sample to assist you in the making of the Summary in your case.

Sample – Summary

General Information-

ABC Supplies is a manufacturer of paint and painting supplies. ABC Supplies is headquartered in Phoenix, Arizona and was founded in 1984, by Jeff Doe and employs 85 full-time staff.

SUMMARY-

Melinda Wells was employed as in-house bookkeeper of ABC Supplies from June 15, 2000 until February 5, 2004 when she was terminated upon learning of the embezzlement. Ms. Wells had previous experience in bookkeeping for similarly sized manufacturing companies and had positive references. Ms. Wells rapidly became a trusted member of the ABC Supplies family and displayed an exceptional work ethic, often staying late and working weekends. In early, January of 2003, Ms. Wells began a series of schemes designed to embezzle funds from ABC Supplies. The schemes are as follows.

THEFT SCHEME 1- SECTION 4

Ms. Wells wrote 20 checks payable to either herself, her husband, Larry Wells, or in payment of their debts. Ms. Wells was an authorized signer on the account and signed her name on all of the checks. The unauthorized checks total \$35,000, and began in early January 2003 and continued until January of 2004. Ms. Wells concealed the theft by listing the payees on the general ledger for unauthorized checks as legitimate vendors of the company i.e. Staples, Office Max, and Alpha Graphics. Ms. Wells was solely responsible for reconciling the account. See section 4 of this notebook for a complete breakdown of the checks and supporting evidence.

THEFT SCHEME 2 – SECTION 5

Ms. Wells utilized the ABC Supplies Capital One Business Visa #0000-1234-5678-9000 to purchase personal items including plane tickets to St. Louis, MO for her family reunion in October of 2003. In addition, Ms. Wells took cash advances from the credit card. There were 22 unauthorized charges or cash advances on the credit card, which total \$12,500. The unauthorized charges/cash advances began in August of 2003 and continued through till December of 2003. Ms. Wells had possession of a company credit card and was an authorized signer; however, per written policy, she was only allowed to use the card for the purchase of office supplies under \$50.00. Again, Ms. Wells was solely responsible for reconciling the credit card account, and concealed the theft by paying the balance of the credit card account every month with a company check. Ms. Wells also listed the unauthorized credit card purchases/cash advances on the general ledger as legitimate vendors. See Section 5 of this notebook for a complete breakdown of the credit card purchases/cash advances and supporting evidence.

THEFT SCHEME 3 – SECTION 6

Ms. Wells stole \$8,500 in cash from 12 company deposits beginning in September of 2003 and continuing through till January of 2004. Ms. Wells was solely responsible for making all deposits to the bank. The deposits included checks as well as cash. Inconsistencies between the sales receipts, cash receipts journal, and the deposits as listed on the bank statements indicated that cash was missing from the deposits. The cash received as reported on the individual sales receipts, which were completed by the sales representatives, and the cash receipts journal entries, which were completed by the accounting clerks, and the cash entries on the general ledger, which was completed by Ms. Wells, all matched. However, the amount listed as deposited cash on the actual deposit slips was either a lesser amount or missing entirely. Ms. Wells was solely responsible for imputing deposits into the general ledger, creating the deposit slips for every deposit, and making the deposits to the bank. See section 6 of this notebook for a complete breakdown of the cash theft and supporting evidence. The total loss suffered by ABD Supplies is \$56,000 based on the evidence collected as of the date of this report.

Ms. Wells was able to conceal her theft by: Maintaining complete control of the bank and credit card statements. The statements were independently opened and reconciled by Ms. Wells; Listing legitimate payees in the general ledger to cover the unauthorized checks and credit card purchases/ cash advances; Paying the entire balance of the seldom used business credit card as to avoid any question; and, Entering the cash deposits in the general ledger the same as what was reflected on the sales receipts and the cash receipts journal. Motives – The list of possible motives for the acts of Melinda Wells would include but not limited to the following: to fund her gambling addiction; To pay off existing debt; and, to purchase additional personal assets, and otherwise increase her own lifestyle.

Suspect Information Sheet

Use the Suspect Information Sheet to identify the suspect(s). Provide their name, date of birth, social security number, address, phone number, their position/title held at the company, and any other information that you think may be helpful in our investigation. Please complete a Suspect Information Sheet for every suspect. In addition, please attach the suspect's job application, job description, payroll records, etc.

Sample – Suspect 1 of 1:

Last Name:	Wells	First Name:	Melinda	Middle:	Ann
Date of Birth:	11/02/64	Social Security #:	555-55-5555		
Home Address:	4521 E. Loma Vista Lane				
City:	Boulder	State:	CO	Zip Code:	80301
Home Phone #:	602-587-0000	Other Phone Number:	Cell 602-500-9000		
Position/Title:	Bookkeeper	Hire Date:	06/15/00		
Termination Date:	02/05/04	Salary/ Pay:	\$14.50/hour		
Other Information:	She has family that lives in St. Louis, MO. Her husband Larry Wells works at McDonalds on 5 th & Northern as a Manager.				

Attached Records:

- Job Description/ Duties***
- Job Application***
- Payroll Information – this is very important information as it is used to show that the company legitimately paid the suspect.***
- Direct Deposit form or personal bank account information***
- Any other information***

Witness Information Sheet

Use the Witness Information Sheet to identify the witness (es) provide their name, date of birth, social security number, address, phone number, their position/title held at the company, and any other information that you think may be helpful in our investigation. Please complete a Witness Information Sheet for every witness.

Sample – Witness 1 of 1:

Last Name:	Dublin	First Name:	Sally	Middle:	Jane
Date of Birth:	06-25-56	Social Security Number:	123-45-6789		
Home Address:	569 W. Val Vista Drive #456				
City:	Boulder	State:	CO	Zip Code:	85204
Home Phone #:	303-800-0000	Other Phone #:			
Position/Title:	Human Resources Director	Hire Date:	09/24/98		
Termination Date:	n/a	Willing to Testify:	Yes		
Other Info:					

Witness Testimony:

This is the section wherein you provide a detailed explanation as to what the witness can testify to as far as the embezzlement. Be sure to attach any witness statements.

SAMPLE –

Ms. Dublin will likely testify as to the discussion she had with Ms. Wells in their meeting of February 5, 2004. Ms. Dublin will testify that Ms. Wells admitted to the theft and explained that she had a gambling addiction. See Attached witness statement.

Insurance or Bank Reimbursement

In some cases you may have filed a claim with your insurance carrier or with a financial institution in order to recover on your loss. It is important that we get all the relevant information for any entity that may have reimbursed you in regards to the embezzlement loss; thus, incurring a loss themselves. These entities will need to be contacted to determine if they wish to prosecute as well as to be listed as a victim in our case. Please use the Insurance or bank Reimbursement Information Sheet to identify these entities.

Sample – Insurance or Bank Reimbursement:

Company Name:	Zurich Insurance Company of North America	Claim Number:	567009456
Contact:	Bud Smith		
Mailing Address:	55525 S. Industry Road Brownsville, MA 21555		
Phone Number:	1-800-256-0000	Other Phone #:	
Position/ Title:	Claims Adjuster	Date of Claim:	09/24/02
Date Paid:	12/06/02	Amount Paid out:	\$25,000
Other Info:			

THEFT SCHEME 1 – Unauthorized checks

This is the section wherein you provide the details of the first theft scheme.

Sample – Theft Scheme 1 Spreadsheet:

Theft Scheme 1 – Unauthorized checks

Evidence #	Date	Check Number	Check Amount	Payee- as listed on check	Payee and type as listed on the General Ledger	
4.1	01/05/2003	2561	\$550.00	Melinda Wells	Cell Phone City	Cell Phone
4.2	01/15/2003	2694	\$1,982.00	Melinda Wells	Rent USA	Office Rent
4.3	02/04/2003	2756	\$1,675.00	Larry Wells	AZ Department of Revenue	Payroll Tax
4.4	02/22/2003	2782	\$2,369.00	CitiBank Visa	CG Industries	Materials
4.5	03/09/2003	2806	\$2,195.00	Melinda Wells	Office Max	Supplies
4.6	03/15/2003	2856	\$1,892.00	MBNA MasterCard	Alpha Graphics	Advertising
4.7	04/06/2003	2901	\$1,752.00	Melinda Wells	Paint Boys	Materials
4.8	04/21/2003	2933	\$865.00	Melinda Wells	US West	Utilities
4.9	05/05/2003	3002	\$1,004.00	Larry Wells	Truck City	Vehicle Service
4.10	05/26/2003	3112	\$569.00	CitiBank Visa	City of Phoenix	Utilities
4.11	06/02/2003	3215	\$1,342.00	Melinda Wells	Rent USA	Office Rent
4.12	06/19/2003	3331	\$687.00	Melinda Wells	Quick Copy	Advertising
4.13	07/06/2003	3596	\$352.00	Salt River Project	Paint Systems	Materials
4.14	07/22/2003	3984	\$1,452.00	MBNA MasterCard	Texaco Card	Gas
4.15	08/06/2003	4203	\$321.00	Bank of America –car loan	Office Max	Supplies
4.16	08/29/2003	4469	\$458.00	Melinda Wells	Uniforms Plus	Uniforms
4.17	09/03/2003	4483	\$2,201.00	Washington Mutual Home Loan	CG Industries	Materials
4.18	10/25/2003	5058	\$328.00	Melinda Wells	Staples	Supplies
4.19	12/15/2003	5943	\$2,005.00	Larry Wells	HG Aluminum	Materials
4.20	01/26/2004	6372	\$1,001.00	MBNA MasterCard	Alpha Graphics	Advertising
		TOTAL	\$25,000.00			

Theft Scheme 1 – Unauthorized checks:

This is the section wherein you provide the actual evidence of the first theft scheme, i.e. cancelled checks, bank statements, and accounting records.

Sample – Theft Scheme 1 – Evidence

- √ Cancelled checks – Listed as evidence numbers 4.1 – 4.20 on Theft Scheme 1 Spreadsheet.
- √ Wells Fargo Bank Statements – 01/01/03 through 01/31/04. Listed as evidence numbers 4.21 – 4.44.
- √ General Ledger – 01/01/03 through 01/31/04. Listed as evidence 4.45 – 4.90.

Theft Scheme 2 – Unauthorized credit card charges

This is the section wherein you provide the details of the second theft scheme.

Sample – Theft Scheme 2 Spreadsheet

Evidence #	Date	Charge Amount	Store	Payee and type of disbursement as listed on general ledger	
5.1	08/05/2003	450.00	Best Buy	Cell Phone City	Cell Phone
5.2	08/15/2003	662.00	Comp USA	Rent USA	Office Rent
5.3	8/22/2003	301.00	Target	AZ Department of Revenue	Payroll Tax
5.4	08/24/2003	357.00	Wal-Mart	CG Industries	Materials
5.5	9/2/2003	769.00	Casio AZ	Office Max	Supplies
5.6	09/05/2003	554.00	Best buy	Alpha Graphics	Advertising
5.7	09/6/2003	986.00	American Airlines	Paint Boys	Materials
5.8	09/11/2003	547.00	Casino Town	US West	Utilities
5.9	09/15/2003	554.00	Casino City	Truck City	Vehicle Service
5.10	09/15/2003	561.00	Target	City of Phoenix	Utilities
5.11	09/26/2003	685.00	Casino USA	Rent USA	Office Rent
5.12	10/02/2003	536.00	Macy's	Quick Copy	Advertising
5.13	10/09/2003	452.00	Dillard's	Paint Systems	Materials
5.14	10/16/2003	926.00	Westin Downtown	Texaco Card	Gas
5.15	10/22/2003	436.00	Casino City	Office Max	Supplies
5.16	10/25/2003	663.00	Robinson's May	Uniforms Plus	Uniforms
5.17	10/26/2003	358.00	Casino Land	CG Industries	Materials
5.18	10/27/2003	228.00	Target	Staples	Supplies
5.19	10/28/2003	962.00	Ford Store	HG Aluminum	Materials
5.20	11/05/2003	667.00	Casino City	Alpha Graphics	Advertising
5.21	11/11/2003	498.00	Casino AZ	Office Max	Supplies
5.22	11/30/2003	366.00	Best Buy	Alpha Graphics	Materials
5.23	12/03/2003	285.00	Target	Paint Boys	Materials
	TOTAL	\$12500.00			

Theft Scheme 2 – Unauthorized credit card charges

This is the section wherein you provide the actual evidence of the second theft scheme, i.e. cancelled checks, bank statements, and accounting records.

Sample – Theft Scheme 2 – Evidence

Copies of the receipts of the 22 unauthorized credit card purchases/cash advances, as obtained from Capital One. Listed as evidence numbers 5.1-5.22 on Theft Scheme 2 Spreadsheet. Capital One Visa account credit card statements covering the period of 08-01-03 through 12-31-03. Listed as evidence numbers 5.23- 5.33.

Credit Card Policy signed by Melinda Wells. Listed as evidence 5.40.

Theft Scheme 3 – Cash theft from deposits

This is the section wherein you provide the details of the third theft scheme.

Theft Scheme 3 – Cash theft from deposits

Theft Scheme 3 – Cash Theft from Deposits

Deposit Date	Cash reflected on Sales Receipts, Cash Receipts Journal and General Ledger for the same date	Cash reflected on deposit slip for the same date	Total difference between sales receipts, CRJ, GL, and deposit slip and bank statement
9/5/2003	950.00	0	950.00
9/15/2003	662.00	2.00	660.00
9/22/2003	877.00	60.00	817.00
10/4/2003	357.00	57.00	300
10/12/2003	769.00	9.00	760
11/05/2003	854.00	4.00	850
11/06/2003	968.00	68.00	900
12/11/2003	547.00	0	547
12/15/2003	554.00	4.00	550
12/26/2003	561.00	0	561
01/02/2003	985.00	80.00	905
01/09/2003	736.00	36.00	700
		Total Difference	\$8500.00

Theft Scheme 3 – Cash theft from deposits

This is the section wherein you provide the details of the third theft scheme, i.e. cancelled checks, bank statements, and accounting records.

Sample – Theft Scheme 3 Evidence

Sales Receipts that correspond to the 12 deposits in which cash was missing. Listed as Evidence number s6.1- 6.12.

Cash receipts Journal covering the period of 09/01/03 – 01/31/04. Listed as Evidence numbers 6.13 – 6.25.

- √ General Ledger- 01/01/03 through 01/31/04. Listed as evidence 4.45-4.90
- √ Copies of the deposit slips that correspond to the 12 deposits in which cash was missing. Listed as evidence numbers 6.26 – 6.38