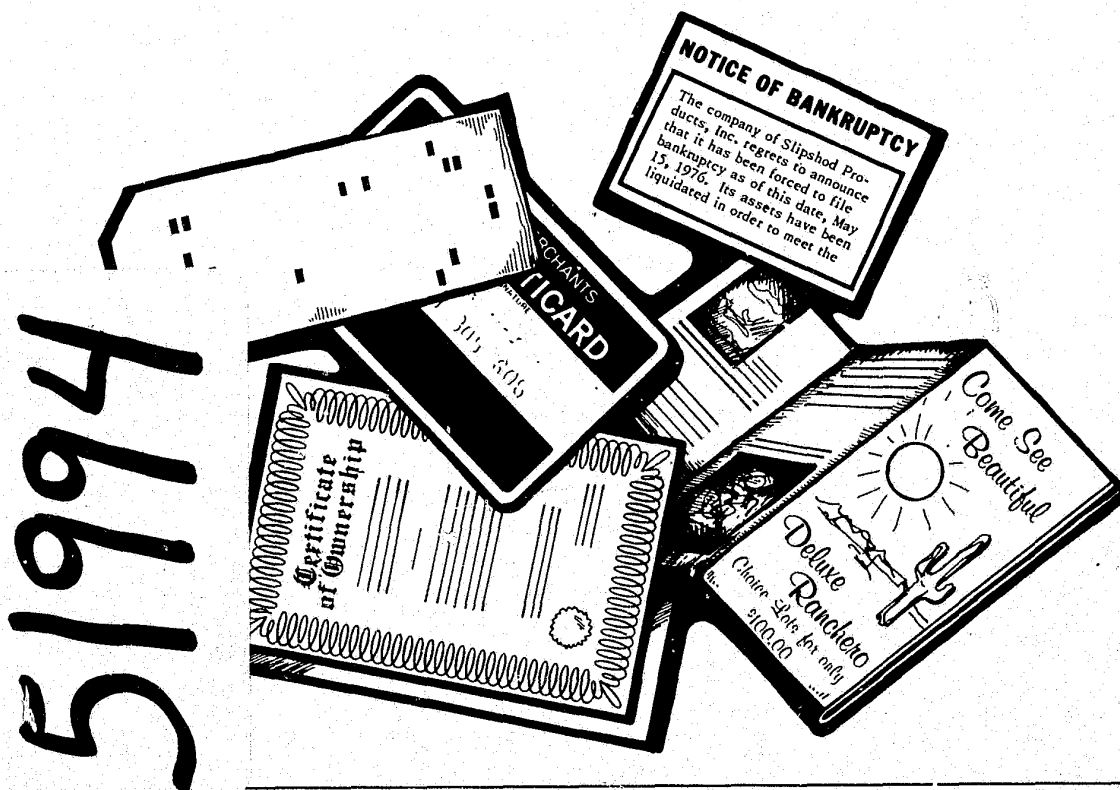


AUGUST 1979

WHITE COLLAR CRIM

# COMPENDIUM OF OPERATIONAL AND PLANNING GUIDES TO WHITE COLLAR CRIME ENFORCEMENT



A REPORT OF THE NATIONAL CENTER ON WHITE COLLAR CRIME

COMPENDIUM OF OPERATIONAL AND PLANNING GUIDES  
TO WHITE COLLAR CRIME ENFORCEMENT

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Prepared for:

Criminal Conspiracies Division  
Office of Criminal Justice Programs  
Law Enforcement Assistance Administration  
United States Department of Justice

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**COMPENDIUM OF OPERATIONAL AND PLANNING GUIDES TO**  
**WHITE-COLLAR CRIME ENFORCEMENT**

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## INTRODUCTION

This compendium consists of materials developed by personnel involved in planning and conducting white-collar crime and related enforcement operations. The publications contained in the compendium were chosen in order to assist investigators, auditors, accountants, and prosecutors in locating sources of relevant information about various issues in the investigation and prosecution of white-collar crime. Although many of the documents, monographs, and articles were produced by "in-house" personnel, often with the needs of a particular state, locality, or agency in mind, we believe that each publication holds tremendous potential for broad use in other jurisdictions and for other agencies. Since there are frequently common issues involved in the planning and execution of white-collar crime enforcement actions and those faced in organized crime and corruption cases, this compendium contains several references to publications dealing with these related problems.

The compendium contains a brief synopsis of each of the referenced publications, with a discussion of the potential application of that guide to beginning or managing a white-collar crime enforcement effort. The entries are arranged in three categories:

1. General planning and orientation materials, which discuss the broad area of white-collar crime.
2. Enforcement process guides, which deal with the various steps in white-collar crime enforcement.
3. Guides on specific fraud problems, such as land, insurance fraud, or corruption.

Each compendium entry also contains an identifying catalog or document number (where applicable), the price requested for the material (if known), and the address of the publisher of the document in case the reader wants to obtain a copy.

To provide needed training and planning materials on white-collar crime enforcement issues, six additional operational guides have been prepared by the National Center on White-Collar Crime. These publications are not otherwise covered in this compendium, and anyone who would like to obtain a copy should write to:

National Center on White-Collar Crime  
Battelle Law and Justice Study Center  
4000 N.E. 41st Street  
Seattle, WA 98105

The six new guides and their authors are:

1. Determining Undisclosed Financial Interest, by Richard Nossen, Consultant, Richmond, Virginia.
2. Expanding Enforcement Options: The Securities Fraud Approach, by Professor Joseph Long, University of Oklahoma, College of Law, Norman, Oklahoma.
3. Managing an Investigation into Public Corruption, by Richard Condon, Director of Investigations, Office of the Special Prosecutor, New York, New York.
4. The Investigation of Computer Fraud, by Jay Becker, Director, National Computer Crime Data Center, Office of the District Attorney, Los Angeles, California.
5. Investigative Planning, by Robert O'Neill, Former Chief, Fraud Division, Office of the District Attorney, San Diego, California.
6. The Intelligence Process and White-Collar Crime, by Roger Hagen, Consultant, Sacramento, California.

We realize that not all relevant operational and planning guides have been included in this compendium--which we regard as an enforcement resource which will continue to grow and become more comprehensive. Therefore, we would appreciate your assistance in locating additional guides that might be included in possible future editions. If you know of one or more such guides, please help us by passing along the necessary information on the form provided at the end of this compendium.

The materials represented in this compendium can be used by operational personnel in order to solve everyday problems, to orient new personnel in white-collar crime enforcement issues, and as instructional aids in formal training programs. We hope that you find this compendium useful and relevant to your needs. We would be interested in the user's comments and suggestions.

Herbert Edelhertz  
Project Director  
National Center on  
White-Collar Crime

September, 1978.

**GENERAL PLANNING AND MANAGEMENT ISSUES**



The Investigation of White-Collar Crime: A Manual for Law Enforcement Agencies. Herbert Edelhertz, Ezra Stotland, Marilyn Walsh, and Milton Weinberg. 1977. 325 pages.

Primary audience: General

This manual focuses on issues related to the investigation of white-collar crime and the organization and operation of white-collar crime investigative units. Initially, an overview of white-collar crime is presented: a basic definition is set forth, the elements of the crime are specified, its impact is assessed, and why it is a proper area for law enforcement is discussed. These elements are then analyzed in light of their applicability to practical problems of identifying white-collar crime activities, evaluating their enforcement potential, and planning the actual investigation. The following topics are then considered: organizational efforts designed to combat white-collar crime, appropriate investigative techniques, the role of intelligence operations, and use of the computer, both as an investigative resource and as a tool of criminal elements. The main part of the manual concludes with a discussion of white-collar crime evaluation efforts. Appendices provide detailed information on training for white-collar crime enforcement personnel, sources of information for white-collar crime investigation, and financial investigative techniques. The manual has an extensive glossary of white-collar crimes. The bibliography gives reference sources related to specific forms of white-collar crime as well as general reference sources. The manual can be used to develop a total picture of white collar investigative issues and as a reference or resource document. It was designed to assist those who investigate white-collar crime, and those who supervise and interact with investigators in this field.

For further information: Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Stock No. 027-000-00507-1

Price: \$4.50

A Handbook on White-Collar Crime. Chamber of Commerce of the  
United States. 1974. 93 pages.

Primary audience: General

This handbook surveys the general problem of white-collar crime: the causes, impact, how fraud schemes are executed, and how the problem can be controlled. Nine common schemes are explored in detail: bankruptcy fraud; bribes, kickbacks, and payoffs; computer-related crime; consumer fraud, illegal competition, and deceptive practices; fraud by credit card and check; embezzlement and pilferage; insurance fraud; receiving stolen property; and securities theft and fraud. For each type of crime, methods used by the perpetrators are identified and early warning signals and sources of assistance are listed. A review of general policies and procedures to control white-collar crime is followed by a discussion of counter-measures that can be applied to combat specific offenses. The final section discusses collective action that can be taken by the business and professional community as a response to white-collar crime. By providing a comprehensive overview of the problem of white-collar crime, the manual could be used effectively as an orientation guide by all enforcement officials involved in white-collar crime investigations. Investigators, in particular, could profitably review sections detailing the common elements in fraud schemes and how to spot them.

For further information:

Robert M. Hawk, Director  
Community and Regional Development  
Section  
U.S. Chamber of Commerce  
1615 H Street, N.W.  
Washington, D.C. 20062

Publication No.: 3212

Price requested: \$2.50

The Nature, Impact, and Prosecution of White-Collar Crime.  
Herbert Edelhertz. National Institute of Law Enforcement  
and Criminal Justice, U.S. Department of Justice. 1970.  
77 pages.

Primary audience: Prosecutors  
General

Recently the public has become aware of the vast social and economic costs of white-collar crime. This monograph examines the nature and impact of white-collar crime and problems of law enforcement in this area. The piece seeks to define the term "white-collar crime" and proposes a method of classifying white-collar crime based on the general environment and motivation of the perpetrator. Five common elements basic to all white-collar crimes are presented and discussed briefly. Operational issues in the detection, investigation, evaluation, and prosecution of white-collar crime are then examined at length. Consideration is given to pleas and plea bargaining, the sentencing of white-collar criminals, and appropriate statutory provisions. Last, several specific areas in which we may expect white-collar criminal law enforcement to become increasingly important are examined. These include: election laws and corrupt practices, environmental problems, and consumer protection. A useful appendix details categories of white-collar crime. The monograph focuses primarily on issues of interest to prosecutors of white-collar crime; however, the specific examination of the processes and issues involved in making a decision whether to investigate or to prosecute will be of particular interest to all enforcement personnel.

For further information: Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Document No.: 027-000-00063-1

Price requested: \$1.10

"Establishing an Economic Crime Unit; Lessons Learned from the NDAA Economic Crime Project," in Appendix E, Prosecution of Economic Crime: Exemplary Projects. Battelle Institute Law and Justice Study Center, Human Affairs Research Centers. 1976. Pp. 121-159.

Primary audience: General

This report covers major issues in the planning, developing, and operating of an economic crime unit in a local prosecutor's office. Information is derived from the experiences of local prosecutors participating in the NDAA Economic Crime Project who have developed and operated such units. Discussions are presented on the following issues: policy planning, staffing a unit, financial resources, unit location and physical set-up, initial operations, liaison with other agencies, involvement in investigations, community relations, small unit operations, and performance evaluations. Other issues are briefly reviewed. Local prosecuting attorneys desiring to design or modify economic crime units would find the report beneficial.

For further information: Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Stock No.: 027-000-00375-3

Price: \$2.90

The States Combat White-Collar Crime. Prepared by the Criminal Justice and Consumer Affairs Staff of the National Conference of State Legislatures. 1976. 79 pages.

Primary audience: Prosecutors

This publication contains a state-by-state review of statutes relating to economic crime and a survey of recent state legislative activities and trends. The report is organized into three parts. The first section contains a brief explanation of several types of white-collar crime (false advertising, commercial bribery, embezzlement, anti-trust, monopolies, restraint of trade, and consumer fraud) and a summary of legislative approaches, definitions, and penalties. Newer forms of white-collar crime within each category are discussed, with an analysis of innovative legislative responses to these problems and an indication of further legislative action that may be required. The second part of the manual discusses the need for state level standards and goals for reducing white-collar crime with recommendations that should be considered in developing standards and goals. A forty-five page index of statute citations for each of the five areas, organized by category and state, constitutes the third section.

For further information:

National Conference of State  
Legislatures  
444 N. Capitol Street, N.W. #203  
Washington, D.C. 20016

Price: \$7.50

Prosecution of Economic Crime: Exemplary Projects.

Peter Finn and Alan R. Hoffman. National Institute of Law Enforcement and Criminal Justice, Law Enforcement Assistance Administration. 1976. 163 pages.

Primary audience: Prosecutors

General principles and procedures involved in developing and operating special fraud divisions designed to combat economic crime are described in this document. An estimate is set forth of the annual cost and consequences of economic crime. Two projects--Seattle's King County Fraud Division and San Diego County's Fraud Division--are incorporated as examples of successful efforts to combat economic crime activities. For each unit, information is provided on the goals, organizational structures, operations, costs, and results. Sample forms used by each project are included as appendices. Based on the experience of these two projects, suggestions are offered for implementing economic crime programs. Four specific areas are addressed: program organization; personnel (qualifications, recruitment, training); liaison with other agencies; and subsidiary unit activities (public information and legislative reform). Throughout the manual a number of alternative approaches in the establishment of fraud programs are offered. The manual provides an organizational framework for the prosecution of economic crime; investigative strategies and prosecution techniques are not considered in detail. The discussion of specific fraud divisions' efforts with regard to general implementation and organizational principles provide prosecutors with valuable information for developing their own programs to curb economic crime activity. The appendix contains an operational guide on the organization of an economic crime unit.

For further information:

Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Stock No.: 027-000-00375-3

Price: \$2.90

White-Collar Crime: A Selected Bibliography. National Criminal Justice Reference Service, National Institute of Law Enforcement and Criminal Justice. 1977. 63 pages.

Primary audience: General


This selected bibliography provides reference data on over one hundred white-collar crime publications. The references can be divided into four main categories:

1. Theoretical works and general studies (41 references).
2. Law enforcement and prosecution selections, citing material of interest to investigators and prosecutors, and describing successful efforts made by special white-collar prosecution units (40 references).
3. Case studies of specific types of white-collar crime (21 references).
4. Foreign selections, including foreign articles published in the English language and translations (14 references).

Each citation is accompanied by a one paragraph summary of the main points and scope of the material. To facilitate obtaining a copy of a publication, the article specifies the appropriate source and address to contact. In addition, a list is included identifying some of the agencies, associations, and organizations which perform research or fund programs in the white-collar crime area.

For further information:

National Criminal Justice  
Reference Service  
P.O. Box 6000  
Rockville, Md. 20850



White-Collar Crime--A Bibliography. Dorothy Campbell Tompkins,  
Institute of Governmental Studies, University of California,  
Berkeley. 1967. 85 pages.

Primary audience: General

Documents on white-collar crime and consumer fraud published during the period 1940 to 1967 are cited in this annotated bibliography. Approximately half of the document is devoted to publications on illegal schemes employed by legitimate businesses. Black market baby brokers, real estate "blockbusting," dance studios, referral sales, television advertising practices, and travel agencies are some of the areas examined for their illegal practices. References are also given for publications in the areas of embezzlement and pilferage, black market activities, and consumer protection measures. An index by author and subject is included.

For further information:

Xerox University Microfilms  
Attn: OP Book Department  
300 North Zeeb Road  
Ann Arbor, Mich. 48106

Document No.: 2002383

Price: \$11.20



## ENFORCEMENT PROCESS ISSUES

5.11.1

Real Estate and Title Research. Dade County Public Safety  
Department, Institute on Organized Crime. 1976. 44 pages.

Primary audience: Investigators

Property searches can provide valuable information when investigating economic crime. This manual covers fundamental terms and procedures in real estate and title research, utilizing property records in Florida. Four basic steps to relate street addresses to the actual legal description of property are outlined. These are: locating the property on maps; inspecting the tax roll; proving the ownership shown on the tax roll; and ascertaining the sale or purchase price of a piece of property. The functions of two of the principle departments in real estate and title research are then examined: the Dade County Courthouse and the Civil Process Bureau. For each, the major duties, available records, and operating procedures are discussed. The service of process and return and the execution of non-enforceable and enforceable writs are examined. The handbook includes sample business and residential tax roll records and suggests a background report format. It lists documents that are available at most courthouse facilities. The manual is written in a non-technical style, with information presented in a clear and orderly format.

For further information:

Bruce H. Jones  
Assistant Coordinator  
Institute on Organized Crime  
Dade County Public Safety Dept.  
16400 N.W. 32nd Avenue  
Miami, Fla. 33054

Sources of Law Enforcement Information. Arthur O'Connell,  
California Department of Justice. 1977. 11 pages.

NOTE: RESTRICTED TO LAW ENFORCEMENT AGENCIES

Primary audience: Investigators

This annotated outline, geared to California enforcement personnel, but very useful for locating information sources in general, presents and discusses several of these sources. The outline stresses the value and need of each agency developing its own information resources. Types of information available from central repositories are presented. The discussion includes roughly twenty California state agencies such as the State Bureau of Criminal Investigation, Highway Patrol, Department of Correction, and the Department of Motor Vehicles. Several city and county agency information sources are presented, including the assessor, courts, coroner, and building inspector. Information available from major federal agencies such as the Federal Bureau of Investigation, State Department, and Treasury Department is also included. Finally, private agencies and individuals are discussed as sources of information. The publication concludes with ten helpful admonitions regarding the collection, evaluation, and dissemination of information.

For further information: Arthur O'Connell, Analyst  
Organized Crime and Criminal  
Intelligence Branch  
California Department of Justice  
P.O. Box 13357  
Sacramento, Calif. 95813

Price: \$.54

Visual Investigative Analysis (VIA): Instructional Workbook.  
William Petersen and Roy G. Leyrer. Prepared for the  
Western Regional Organized Crime Training Institute,  
California Department of Justice. 1977. 38 pages.

Primary audience: Investigators

Visual Investigative Analysis (VIA) is a general law enforcement tool that can be used to chart complex investigations. The technique allows investigators to manage a complicated collection of information. It assists in planning the investigation and facilitates presenting the material. At the outset, the manual offers a history of the use of VIA and explores the connection with PERT and CPM management systems. The major portion of the manual consists of a glossary of VIA terms and symbols. The section following the glossary illustrates how these techniques and symbols can be used to construct VIA charts. As practical examples, five exercises are included which require application of VIA techniques. Solutions to each problem are provided. The basic techniques and symbols of VIA are clearly defined in this instructional manual. The authors use a step-by-step format to present the material and they use numerous illustrations. The handbook could be used as a self-instructional manual for investigators. It is not geared specifically to white-collar crime enforcement.

For further information:

Western Regional Organized Crime  
Training Institute  
Advanced Training Center  
California Department of Justice  
1771 Tribute Road, Suite D  
Sacramento, Calif. 95815

"Financial Interviewing," in Financial Investigative Techniques.  
Internal Revenue Service. U.S. Department of the Treasury.  
1978. Pp. 1-35.

Primary audience: Investigators

This lesson guide presents interviewing techniques to increase the effectiveness and evidentiary value of financial interviews. The essential first step is to plan the interview. The investigator should consider: what information needs to be obtained; the time, place, and setting of the interview; and then adopt an appropriate demeanor when conducting the interview. Several procedures may be used to record information from interviews: informal notes, statements, and recordings. A sample transcript illustrates appropriate interviewing techniques. Two detailed guidelines are attached: one lists information that should be collected from the subject. In addition, a sample format for a memorandum of interview, affidavit, and question and answer statement is provided. This guide provides helpful suggestions and caveats for the financial interviewer.

For further information:

Ms. Starr Ramieh  
Internal Revenue Service  
National Training Center  
2221 Jefferson Davis Hwy.  
Arlington, Va. 22202

Investigative Report Writing. Stephen H. Keutzer and Clark E. Mears. Oregon Department of Justice, Criminal Justice Special Investigation Division. 1975. 9 pages.

Primary audience: Investigators

This is a short guide addressing the basics of investigative report writing. In a simple and direct style, it discusses the functions that investigative reports serve, how one prepares to write reports, and the appropriate format of an investigative report. The authors stress the value of the correct usage of the English language--in grammar, sentence structure, and vocabulary--in developing the report, and warn against ambiguous wordings and lack of preparation. The guide emphasizes the need for good investigative report-writing procedures for all types of investigations and stresses the value of the report for the individual investigator, the policy agency, and the public. As a major focus, the authors present and discuss a standardized sequence for reporting specific information for utilization by investigative report writers. The discussion is presented in general and elementary terms; it would be useful as an introduction for new investigators. The guide's main value is in its review of the basics of report-writing skill and its emphasis on developing professional, well-developed reports.

For further information:

Stephen Keutzer, Chief Counsel  
Criminal Justice Division  
Oregon Department of Justice  
208 State Office Building  
Salem, Oreg. 97310

Financial Investigative Techniques: Student Workbook. Internal Revenue Service. Department of the Treasury. 1978.

Primary audience: Accountants/Auditors  
Investigators

The use of financial investigative techniques is explored in this series of training materials. The first part consists of a series of lessons designed to develop a working knowledge of financial investigative techniques. Lessons are devoted to: financial interviewing, information sources, accounting principles for the investigator, federal rules of law and evidence, questioned documents, indirect means of tracing funds, and the organization of evidence. Samples of documents to be examined in the financial investigations area are included and the coursebook explores their use and interpretation. This part concludes with a glossary presenting terms that were mentioned in the text and ones which may be brought out in discussions. In Part II, basic details about a sample investigation are presented. The case develops through application of investigative techniques to the exhibits provided. A series of discussion questions is listed and seven possible investigative approaches to the exercises are outlined. For each approach, appropriate procedures, records to be used, and the format of the workpapers are suggested. Part III presents the solutions to the approaches, including sample work papers. These manuals and guides are clearly written, well-organized, and contain a wealth of information. By incorporating sample documents into the examples and exercises, the investigator is provided with realistic experience. The manuals could be profitably used as self-help guides by all investigative personnel or as a training guide in financial investigative workshops.

Contents:

- 4124-04 Instructor Guide - 193 pages
- 4124-05 Coursebook - 286 pages
- 4124-06 Practical Exercise - 136 pages

- 4124-07 Solution to Practical Exercise - 32 pages
- 4124-08 Handout--Discussion Problem - 1 page
- 4124-09 Handout--Solution to Discussion Problem - 1 page
- 4124-10 Handout--Checklist of Handwriting Specimens - 2 pages
- 4124-11 Handout--Solution to Net Worth Problem - 1 page
- 4124-12 Handout--Solution to Source and Application  
Problem - 1 page
- 4124-13 Handout--Solution to Bank Deposits Problem - 1 page

For further information:

Starr Ramieh  
Compliance-EP/EO Training Branch  
Criminal Investigation Training  
Center  
Crystal Plaza #6  
2221 Jefferson Davis Highway  
Arlington, Va. 22202

Price: No charge  
(for individual copies)



Introduction to Books and Records, Federal Bureau of Investigation, 1975. 134 pages.

Primary audience:   Investigators  
                          Prosecutors

The premise of this publication is that white-collar crime investigators and prosecutors need to have a basic understanding of accounting. This training material provides a good introduction for individuals inexperienced in this area. Basic accounting techniques are discussed and bookkeeping methods are demonstrated. Definitions of accounting terms are given, usually in the context of those financial statements typically produced by a business entity. Other topics included in this presentation are descriptions of different business organizations, a glossary, and two sample fraud problems for use as practical exercises.

For further information:   Economic and Financial Crimes  
                                  Training Unit  
                                  F.B.I. Academy  
                                  Quantico, VA   22135

Sample Company, Inc. By Loretta Campbell, Accountant, Fraud Division, Office of the District Attorney, San Diego, California, 1978.

Primary audience: Investigators  
Prosecutors

Financial statements can be an important source of information in the detection of white-collar crime. This exercise outlines the basic features of a financial balance sheet of a hypothetical business. The author provides an analysis of each entry on the balance sheet. The analysis includes an explanation of why each entry may be suspicious and the fraudulent schemes in which the business may be involved. Examples include check kiting, tax fraud, and creditor fraud schemes. This guide offers a general overview of the use of balance sheets in white-collar crime investigations. Its primary audience is individuals with limited accounting background or preservice law enforcement personnel.

For further information:

Ms. Loretta Campbell  
Fraud Division  
Office of the District Attorney  
County Court House  
San Diego, Calif. 92101

Techniques and Procedures Utilized in the Investigation of  
Economic Crimes and Official Corruption. Albert Sohn.  
New York State Commission of Investigation, Revised Edition.  
1978. 18 pages.

Primary audience: Investigators  
Accountants/Auditors

This guide contains a discussion of procedures to detect and investigate financial crimes. Banks are the major focus as sources of information on the finances of firms or individuals. The discussion includes lists of information sources within banks and agencies where credit card information can be obtained. Financial information can also be obtained from various city and county offices, other government agencies, and miscellaneous sources. The major portion of the article is devoted to the analysis of checks, with this section incorporating several tables which can be used to interpret transit numbers on checks. Methods to determine income from a business are specified, along with appropriate investigative procedures for bankruptcy fraud, instances of bribery, kickbacks, and other illegal payments. The guide would be useful for accountants and regulatory personnel, and provides a source of leads for investigators of financial crimes. The succinct listing of information sources and applicable methods of investigation makes the article valuable in financial investigations.

For further information: Albert Sohn, C.P.A.  
New York State Commission of  
Investigation  
270 Broadway  
New York, N. Y. 10007  
Price: \$1.25

"The Role of the Accountant as an Expert Witness," by Jules Cayson. Guest lecture given at The Investigation of Criminal Financial Transactions course, New Jersey State Division of Criminal Justice, at Seton Hall University, South Orange, New Jersey. 1978. 21 pages.

Primary audience: Accountants

The author discusses procedures used to examine books and records in a specific investigation conducted into the building maintenance business in New Jersey in 1967. The case study contains a brief discussion of the accountant's work papers and the question of accountant-client privilege; the accountant as an expert witness in grand jury testimony (including such topics as the scope of testimony, use of visual aids, cross-examination, and discovery and inspection); and the role of the accountant in the trial of the defendant. The author has included a table indicating documentary records subject to the Fifth Amendment privilege. Written in a clear and non-technical style, the study provides a useful overview of the accountant's involvement in the investigative process.

For further information:

Jules Cayson  
New Jersey State Commission of  
Investigation  
28 W. State Street  
Trenton, N.J. 08608

Swiss Bank Accounts and White Collar Crime: An Overview of  
Recent Developments and Available Procedures for Obtaining  
Information. Alan M. Malott. 1977. 44 pages.

Primary audience: Prosecutors

Secret Swiss bank accounts are a source of white-collar criminal activity. This research paper explores the background of the problem and provides an overview of recent legislative efforts to control the problem. Three specific white-collar criminal activities are considered: circumvention and violation of securities laws, income tax evasion, and the financing of new criminal enterprises. A detailed discussion of the 1973 Treaty between the United States and the Swiss Confederation of Mutual Assistance in Criminal Matters is included. The admissibility of evidence procured abroad in American judicial proceedings is discussed and legal procedures for obtaining information from foreign banks are presented. Specifically, the uses of the subpoena duces tecum and dispositions, the letter rogatory, and commissions are explored. The appendix includes a schedule of offenses for which compulsory measures are available and which the author feels are especially important in dealing with white-collar crime. This inquiry into the links between white-collar crime and secret foreign bank accounts would be of particular interest to prosecutors. Frequent case citations are included for reference.

For further information:

Alan M. Malott, Esq.  
Melvyn D. Baron & Assoc. P.C.  
6020 Constitution N.E.  
Albuquerque, N. M. 87110

Price: \$4.00

"Self-Incrimination in White-Collar Fraud Investigations: A Practical Approach for Lawyers," Edward Brodsky. Criminal Law Bulletin. Vol. 12, No. 2. 1976. 14 pages.

Primary audience: Prosecutors

The journal article focuses on a complex prosecutorial problem: the use of the Fifth Amendment privilege with respect to third-party documents in a white-collar crime investigation. Topics addressed include: the importance of the privilege against self-incrimination; the various strategies employed by defense attorneys in dealing with third party documents; and a review of judicial decisions relating to the self-incrimination privilege. The latter review reveals conflict among the circuit courts, and the article examines the reasoning of the courts which has led to the divergent results. As a conclusion, the author presents the viewpoint that the best way to take advantage of the self-incrimination privilege regarding third-party documents is on a bare record, with no explanation of possession offered to the court. The examination of the self-incrimination privilege and review of relevant court decisions make the article particularly valuable for review and as a reference source for prosecutors who want to prepare for this kind of defense strategy.

For further information:

Editor  
Criminal Law Bulletin  
Warren, Gorham, and Lamont, Inc.  
210 South Street  
Boston, Mass. 02111

Price: \$3.00

"A Reconsideration of the Admissibility of Computer-Generated Evidence," University of Pennsylvania Law Review. Vol. 126: 425. 1977. Pp. 425-451.

Primary audience:     Computer programmers  
                         Attorneys

This article examines the issues of routinely prepared computerized records in civil and criminal litigation. The comment focuses on hearsay and best evidence rules and exceptions to each, then outlines contemporary judicial approaches to traditionally maintained records and computer-generated evidence. Five major classifications of electronic data processing (EDP) errors are explored in the article: environmentally induced errors, hardware failures, systems design and programming errors, operating procedures errors, and input errors. Appropriate data processing and administrative controls are incorporated into the discussions. Due to the existence of these errors, the author concludes that courts should alter their treatment of computer-generated evidence: judges should require proponents of such evidence to demonstrate its reliability with greater certainty than is currently demanded. The article is fairly sophisticated, with frequent case citations. Prosecutors and computer programmers could benefit particularly from the comprehensive review of this specialized area.

For further information:

Executive Editor  
University of Pennsylvania Law  
Review  
University of Pennsylvania  
3400 Chestnut St. - I-4  
Philadelphia, Pa. 19104

Price: \$2.00

The Prosecutor's Manual on Economic Crime. Economic Crime  
Project Staff of the National District Attorneys  
Association. 1977. 209 pages.

Primary audience: Prosecutors

This manual provides a guide for prosecutors seeking technical advice and assistance in economic crime prosecution. Common economic crime schemes are described, with numerous guideline cases incorporated. Succeeding chapters are devoted to: an explication and review of laws and statutes traditionally utilized in economic crime prosecution; a comprehensive list of model statutes for combatting the economic crime offender; key elements, considerations and tactics in economic crime trials, and sentencing arguments including a model sentencing memorandum; and organization and management principles of economic crime units. In addition, three useful reference sources are included: (1) an extensive resource directory of local and federal agencies engaged in the investigation and/or prosecution of economic crime offenses, (2) a bibliography containing 133 selected references to books, periodicals, and articles written on various aspects of white-collar crime, and (3) a roster of chiefs of white-collar crime units at the state and local levels and pertinent federal agencies.

For further information:

Arthur Del Negro  
Project Director  
Economic Crime Project  
National District Attorney's  
Association  
666 N. Lakeshore Dr., Suite 1432  
Chicago, Ill. 60611



"Enjoining Illegality: Use of Civil Actions Against Organized Crime," Appendix D. In Rackets Bureaus: Investigation and Prosecution of Organized Crime. NILECJ, LEAA. 1978.

Primary audience: Prosecutors

This chapter, in an overall evaluation of selected state and local rackets bureaus, covers the advantages of civil action over criminal prosecution, notably litigation. Five requirements for equity jurisdiction are presented and briefly discussed. The possible uses of equitable and administrative actions against criminal conduct, in general, and organized crime in particular, are then suggested. Emphasis is placed on constricting the means of production of illicit goods, the outlets for investment of illicitly gained wealth, and the enterprises into which organized crime expands through monopolistic and coercive actions. The use of statutory grants of injunctive power as a legal tool of prosecutors to seek civil relief from crime is also addressed. The conclusion is a discussion of the practical and legal limitations on the use of civil actions to combat organized crime. As the article addresses a specialized prosecutorial problem and contains numerous case law citings, it would be of primary interest and benefit to prosecutors, particularly those concerned with organized crime involvement in white-collar crime and corruption.

For further information:

Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Stock Number: 027-000-00592-6

Price: \$3.50

The Use of Civil Remedies in Organized Crime Control. Committee on the Office of Attorney General. National Association of Attorneys General. Revised Edition. 1977. 50 pages.

Primary audience: Prosecutors

Civil remedies have been successfully used by prosecutors to combat various organized crime activities. This handbook analyzes some of the legal and practical issues involved in the use of such remedies. As prosecutors are presumed to be familiar with the advantages of criminal prosecutions, the initial chapter focuses solely on the advantages of civil sanctions. This chapter includes a discussion of the applicability of constitutional protections and explores the civil/criminal distinction. Special federal and state legislative approaches designed to attack the criminal organization are presented, together with numerous case law citations. State regulatory activities involving licensing, administrative procedures, and actions of attorneys general are presented. In addition, the handbook explores state regulatory authority residing in anti-trust, consumer protection, tax and common law powers. The conclusion provides a discussion of the resources required for civil remedy efforts and an organizational plan that will encourage consultation and the regular exchange of information between civil and criminal enforcement agencies.

For further information:

Committee on the Office of Attorney  
General  
National Association of Attorneys  
General  
3901 Barrett Drive  
Raleigh, N. C. 27609

Price: \$2.50

The Use of State Regulatory Action Against Criminal Infiltration of Legitimate Business. Stephen H. Keutzer, James A. Sanderson and Clark E. Mears. Criminal Justice Special Investigation Division, Oregon Department of Justice. 1975. 20 pages.

Primary audience: Prosecutors

The use of state regulatory power is explored as an alternative and supplemental approach to more conventional methods of combatting organized criminal activity. The nature of administrative hearings is outlined, several cases are cited, and some of the features that distinguish civil proceedings from criminal prosecutions are presented. A case study of an illegitimate business enterprise operating in Oregon is presented to illustrate the use of state regulatory powers. The detailed analysis of the investigation includes a synopsis of the case in which the enterprise's link to an organized crime syndicate is uncovered, and a discussion of the evidence utilized in the administrative hearing and the resulting convictions and license revocation is presented. In its conclusion, the author points out several issues that should be reviewed by state or local government units desiring to use administrative hearings against organized crime activities. The article could serve to acquaint prosecutors with the nature and value of this legal tool.

For further information: Stephen H. Keutzer, Chief Counsel  
Criminal Justice Division  
Oregon Department of Justice  
208 State Office Building  
Salem, Oreg. 97310

## **SUBSTANTIVE CRIME PROBLEMS**

A Treatise on State Antitrust Law and Enforcement: With Models and Forms. By Robert C. Fellmeth and Thomas A. Papageorge. The Criminal Law Reporter, copyright 1978, Bureau of National Affairs, Inc. Supplement to Vol. 24, No. 11. 1978.

Primary audience: Investigators  
Prosecutors

State antitrust laws can be a valuable tool for the local prosecutor. This manual provides detailed legal guidance in the prosecution of criminal antitrust violations and pertinent information on the jurisdictional and administrative issues of enforcement. The author outlines those areas of enforcement where there is exclusive federal jurisdiction and concurrent federal/state jurisdiction. The manual then reviews the administrative options available to the prosecutor in applying federal or state law. Subsequent sections of the manual describe particular offenses in this area and enforcement powers available to the local or state prosecutor. Impediments to enforcement and ambiguities in the law are also reviewed. The text ends with information on three different aspects of antitrust enforcement: (1) investigating the antitrust case, (2) prosecuting the criminal case, and (3) prosecuting the civil case. The authors reserve a major portion of the manual for appendices. Included are a detailed bibliography and summary of state and federal antitrust laws. Detailed models of affidavits, forms, orders, motions, and interrogative reports offer useful guidance for the prosecutor and investigator.

For further information: Arthur Del Negro  
Project Director  
Economic Crime Project  
National District Attorneys  
Association  
666 Lake Shore Drive, Suite 1432  
Chicago, Ill. 60611

"Manual on Anti-trust Law for Public Purchasing Agents,"  
Robert C. Fellmeth. In Economic Crime Digest. Vol. IV,  
No. 1. 1977. Pp. 13-19.

Primary audience:     Investigators  
                         Prosecutors

Public agencies are prime targets for anti-trust violators. This article explores the role of government purchasing agents in identifying anti-trust violators. The basic elements of the anti-trust laws are outlined, and federal and state anti-trust violations are briefly covered. Six of the most common kinds of violations are discussed: (1) price fixing, (2) group boycotts and refusals to deal, (3) tie-ins, (4) predatory practices and attempts to monopolize, (5) price discrimination, and (6) unfair practices. For each violation, common indicators of fraudulent activity are presented, and illustrative examples from past cases are included. The author emphasizes the need for local government purchasing agents to work closely with local law enforcement in combatting anti-trust abuses. This non-technical manual is short and readable.

For further information:     Arthur Del Negro, Director  
                                 Economic Crime Project  
                                 National District Attorney's  
                                 Association  
                                 666 Lake Shore Drive, Suite 1432  
                                 Chicago, Ill. 60611

"Public Prosecution of Local Anti-trust Violators: A Survey of State Laws." Robert C. Fellmeth. In Class Action Reports. Vol. 4. 1975. Pp. 365-374.

Primary audience: Prosecutors

The criminal prosecution of local anti-trust violators under state anti-trust statutes is the central topic of this article. To illuminate the nature and variety of local anti-trust violations, several examples are drawn from cases investigated and prosecuted by the San Diego County District Attorney's anti-trust unit. After a review of the role of various law enforcement officials in the prosecution of anti-trust violators, the issues of deterrence and victim compensation are briefly addressed. The author reviews the restraints of federal anti-trust enforcement efforts and, as a conclusion, supports the need for and discusses the advantages of prosecution of local anti-trust violators by the district attorney. The text of the article is followed by a six-page table which summarizes the enforcement powers available to district attorneys in each of the fifty states. The table also includes information concerning civil and criminal sanctions, substantive areas of prosecution and available remedies, and the power of state attorneys general in the enforcement of anti-trust laws for each state. The concise and comprehensive review of each state's laws provided in the table makes an excellent reference source for local prosecutors.

For further information:

Editor  
Class Action Reports  
4914 Belt Road, N.W.  
Washington, D.C. 20016

Doc. No. 4 Class Action Reports  
365-374 (1975)

Price: Xerox copy of article,  
\$3.50

Government Purchasing and the Anti-trust Laws. Prepared by  
Committee on the Office of Attorney General, National  
Association of Attorneys General. 1977. 52 pages.

Primary audience:     Regulatory personnel  
                         Prosecutors

This manual provides a comprehensive review of federal and state anti-trust laws which affect the public procurement process. The major portion of the manual explores illegal practices which restrain trade. Examples include: exclusive dealing arrangements, group boycotts, price fixing, resale price maintenance, and refusals to deal. Methods of monitoring the bidding process and detecting restraints of trade through price fixing, bid rotation, customer allocation, and territorial allocation are discussed. Non-collusive causes of identical bidding are also noted, and methods that are commonly employed to maximize competition in the bidding process are presented. To aid in the detection of trade violations, the authors propose a coordination of anti-trust laws. The appendix contains a table of major court cases listed by subject area and a state-by-state listing of anti-trust statutes. Sample forms to be used in the investigative process are included. Case citations appear throughout the manual.

For further information:

Committee on the Office of  
Attorney General  
National Association of Attorneys  
General  
3901 Barrett Drive  
Raleigh, N. C. 27609

Price: \$2.50



Auto Repair Fraud Manual. National District Attorneys  
Association, Chicago, Illinois. 1979. 93 pages.

Primary audience: Prosecutors  
Investigators

This manual is the result of work done by the Auto Repair Fraud Task Force established by the NDAA Economic Crime Project. It offers an informative discussion of methods used in criminal prosecution of auto repair fraud, as well as alternatives to criminal prosecution. Emphasis is placed on the establishment of government and auto repair industry rapport to deal with the problem. The manual suggests that many fraud complaints can be dealt with through mediation by a technical assistance panel made up of impartial members. If mediation is unsuccessful, civil remedies are offered and sample court documents are presented. Guidelines for the actual detection, investigation, and prosecution of auto repair fraud are outlined. The manual includes a special section on the investigation of automobile insurance fraud schemes. Appendices to the manual include summaries of state statutes, sample forms used in litigation, and a report on odometer rollback fraud.

Note: Available only to law enforcement agencies.

For further information: Arthur Del Negro, Director  
Economic Crime Project  
National District Attorneys  
Association  
666 North Lake Shore Drive  
Chicago, Ill. 60611

Auto Repair Frauds Investigation: A Syllabus. Prepared by  
Sergeant Ken Carpenter, Los Angeles Police Department.  
62 pages.

Primary audience:     Training personnel  
                         Investigators  
                         Prosecutors

This lecture syllabus, mainly geared to California, provides investigators with a knowledge of auto repair fraud. It explores the general nature of the problem and appropriate investigative techniques, from the taking of a complaint to prosecution. Topics discussed at length include: the selection and use of undercover vehicles, undercover operations, evidence standards, relevant criminal law, and the California Automotive Repair Act. The guide reviews in detail the prosecution of three California auto repair cases. In addition, the syllabus contains a sample request form for an inspection and indemnity agreement. The publication uses a lecture outline format in which investigative techniques are mentioned without elaboration.

For further information:

Sgt. Ken Carpenter  
Bunco Section--Forgery Division  
Los Angeles Police Department  
150 N. Los Angeles Blvd.  
Los Angeles, Calif. 90012

A Study of Internal Frauds in Banks. Prepared by the Audio  
Commission, Bank Administration Institute. 1972. 42 pages.

Primary audience: Auditors/Accountants  
Investigators

This study presents the results from one of the largest surveys of bank frauds ever conducted. Information on 1,932 internal frauds in 35 different bank departments or general ledger accounts was analyzed. The specific objectives of the study were to determine where internal bank frauds occur and which departments are particularly vulnerable. Data is presented on: (1) amount ranges (with specific emphasis on frauds over \$10,000), (2) concealment periods, (3) the methods used, (4) persons involved, and (5) the incidence of collusion. In the discussion of each of these areas a table is included summarizing the data. The appendix presents the raw data received in the survey. The manual is written in a clear and concise manner. Bank auditors, accountants, and investigators would find the results of the study most helpful. The information can be used to re-evaluate present auditing and investigative techniques and provide direction for future auditing and control programs.

For further information:

Order Department  
Bank Administration Institute  
P. O. Box 500  
Park Ridge, Ill. 60068

Document No. 208

Price: \$3.00

"The Internal Auditor's Role in Questioning Fraud Suspects."  
James Binns. In The Magazine of Bank Administration.  
Vol. 53, No. 10. 1977. Pp. 38-41.

Primary audience: Internal auditors  
Investigators

Internal bank auditors frequently conduct in-depth interrogations with suspects prior to notifying state or federal authorities. This article covers the issue of basic interrogation techniques that can increase the effectiveness of the interviewer and aid him in obtaining desired answers from the suspect being interviewed. The author asserts that a failure to obtain the desired information from a suspect is usually due to a failure to use the proper techniques or to spend sufficient time in preparing and gathering information. Preliminary steps should include analyzing and recording facts, obtaining background information on the suspect, reviewing his personnel file, and collecting and organizing the information. During the conduct of the interview, the privacy of the interview session should be assured. A list of the pros and cons of the single and team interview approaches to interrogation is presented. This concise and non-technical guide is an information piece, not only for internal auditors, but for investigative personnel as well. The suggestions and caveats can be effectively applied to other areas of financial investigation.

For further information:

R. G. Fox, Editor  
Bank Administration  
Bank Administration Institute  
P. O. Box 500  
Park Ridge, Ill. 60068

"Enforcement and Compliance Under Banking Laws and Regulations,"  
Robert B. Serino. In Law and Practice Course Handbook,  
Series #207. Copyright, May 1976. 23 pages.

Primary audience:     Auditors  
                         Prosecutors

Federal criminal violations involving banks are covered within this annotated lecture outline, which is geared to federal jurisdiction. A series of internal bank violations is examined: the misuse of correspondent balances and bank stock loans, misapplication of bank funds, false entries in books and records, kickbacks, bond trading, check kiting, and false statements to influence the action of a bank. In the discussion of each violation, relevant federal statutes are proposed, and ample federal case law is cited. A memorandum is included which presents the views of the U.S. Department of Justice on the propriety and legality of using correspondent bank balances for loans to individuals secured by stock of the depositor bank. The publication's usefulness to auditors and prosecutors derives from the detailed examination of federal violations in the banking industry, replete with case law citations.

For further information:

Executive Director  
Practising Law Institute  
810 7th Avenue  
New York, N. Y. 10019

"Anatomy of Management Failure," by William De Huszar. In Mortgage Banker. Vol. 37, No. 51. 1977. Pp. 51-58.

Primary audience: General

In order to protect stockholders, investors, and the public, mortgage bankers need to set up effective internal control measures. During the past few years, standard preventive internal control measures have become inadequate. The integrity and appropriateness of every loan procedure can be violated through negligence or dishonesty. Two types of failures through negligence are analyzed. One is of rectifiable acts of negligence in accounting control areas and loan services areas; the other consists of conditions, circumstances, and influences that tend to increase the occurrence of errors and omissions. In order to protect itself against dishonest acts, a business needs to reduce the opportunity for fraud and make it more difficult to commit. Several case histories are included to illustrate acts of dishonesty in mortgage banking at the managerial, supervisory, and clerical levels during the past several years. From these histories, the author points out similarities in the role of management in the frauds which allowed the acts to be committed.

For further information:

Donna F. Rhody, Circulation Manager  
Mortgage Bankers Association  
of America  
1125 15th Street N.W.  
Washington, D.C. 20005

Price: \$1.50

A Guide to Successful Shopping of Business Opportunity  
Advertisements. Clair Villano. 7 pages.

Primary audience: Investigators

A prosecutor's office can effectively monitor business opportunity advertisements. Two useful procedures are suggested: scanning advertisements in the classified section of the newspaper and "shopping" an ad. Three specific shopping techniques are then discussed: (1) shopping "blind" by phone, (2) in person, as a potential investor, and (3) officially with full identification. The author lists specific questions that should be asked by the shoppers in their inquiries. The questions address such issues as: the background of the firm, investment details, other investors and reliability factors, income projection, and salesmen identification. A sample notice of non-endorsement is included. As a conclusion, the author stresses the need for getting all possible information in writing concerning the business opportunity and checking with other agencies in the area. Investigators with little experience in business opportunity frauds and law enforcement agencies desiring to monitor business opportunity frauds would find the guide informative.

For further information:

Janet L. Wheeler  
Business Opportunity Section  
Metro D.A. Consumer Office  
655 S. Broadway  
Denver, Colo. 80209

Price requested: \$1.00

Business Opportunity Fraud Manual. National District Attorneys Association, Chicago, Illinois. 1979. 97 pages.

Primary audience: Prosecutors  
Investigators

In 1977 a task force was organized by the NDAA Economic Crime Project to coordinate information nationwide about business opportunity fraud. This manual is comprised of work papers written by Task Force members. It is a useful guide for taking aggressive, proactive steps to fight business opportunity fraud. Five major areas are included: (1) a brief history of the task force and the formation of a nationwide information clearinghouse, (2) preventive measures (i.e., the use of multi-media publicity is stressed and sample news articles are given), (3) investigative techniques (the manual discusses advertisement scanning and follow-up "shopping" techniques as an investigative effort. Sample questions to be asked by "shoppers" are listed, as well as a case history of a successful investigation), (4) prosecution techniques (security law prosecution is proposed as an additional alternative to the usual theft law prosecution. Civil litigation is also discussed), and (5) sample legislation. State statutes requiring registration of corporations (e.g., Washington and Kentucky) are covered. A California statute requiring extensive disclosure provisions is also presented. An appendix to the manual includes seven different sample letters that could be used in preventive and investigative efforts.

Note: Available only to law enforcement agencies.

For further information: Arthur Del Negro, Director  
Economic Crime Project  
National District Attorneys Association  
666 North Lake Shore Drive  
Chicago, Ill. 60611



Report Relative to Commercial Bribery. Prepared by the  
Legislative Research Council, The Commonwealth of  
Massachusetts. House Report No. 5533. February 26, 1975.  
40 pages.

Primary audience: Prosecutors

The pamphlet addresses the specialized crime of commercial bribery and the statutes that are applicable to it. The report is of a factual nature without recommendations or legislative proposals. The text of the report is preceded by a brief summary in which the major points of the report have been extracted. Within the report the crime of commercial bribery is discussed, its economic and social consequences presented, and a review included of Massachusetts' statutes and federal and state laws applicable to the crime. Prosecutorial problems are enumerated and discussed, as well as suggested deterrents to commercial bribery. Written in a clear and direct style, the pamphlet could be used by white-collar crime investigators as an orientation for this specialized area and by prosecutors for a review of applicable state and federal statutes. As an additional feature, the pamphlet contains an appendix which analyzes the main elements of state commercial bribery laws in tabular form.

For further information:

Mr. Daniel M. O'Sullivan, Director  
Legislative Research Bureau  
11 Beacon St., Suite 1212  
Boston, Mass. 02108

Document: House No. 5533

Note: Individual requests only

Price: No charge

Computer Security Bibliography. Computer Security Institute.  
1977. 12 pages.

Primary audience: General

This annotated bibliography contains over 130 references in the area of computer security. The references cover the period 1965 to 1976. Each citation is accompanied by a one or two-sentence description covering the scope and the main issues of the reference source. References are included for such topics as the implementation of security systems, information privacy, crime by computer, and legal issues surrounding computer use. All enforcement personnel desiring to explore this specialized area would find this guide useful.

For further information:

Computer Security Institute  
43 Boston Post Road  
Northboro, Mass. 01532

Computer Abuse Perpetrators and Vulnerability of Computer Systems. Donn B. Parker. Stanford Research Institute. 1975. 27 pages.

Primary audience:     Computer operators  
                           Investigators

Computer abuse perpetrators and the vulnerabilities in computer systems that facilitate their acts are the basic concerns of this report. On the basis of interviews with 17 offenders, a profile of computer abuse perpetrators was developed. This study extracts and presents common characteristics and the modus operandi of the offenders. Based on a large number of reported computer abuse cases, computer system vulnerabilities that facilitate abuse are outlined. Eight functional vulnerabilities are listed, and nine functional location vulnerabilities are discussed in order of frequency of occurrence. (The appendix provides examples for each of these areas.) In the concluding chapter, the author suggests the order in which safeguard priorities should be established. Enforcement personnel involved in computer crime investigations would find the analysis of the offenders and the exploration of the system vulnerabilities valuable. These analyses lay a foundation for developing an effective strategy to approach the problem of computer abuse.

For further information:

Donn B. Parker  
Stanford Research Institute,  
International  
333 Ravenwood Avenue  
Menlo Park, Calif. 94025

Price requested: \$5.00

"Computer Crime Investigation," Timothy A. Schabeck. In Assets Protection: Journal of Security and Investigation. Part 1: Spring, 1977, Pp. 11-16. Part 2: Fall, 1977, Pp. 6-11. Part 3: Winter, 1977, Pp. 5-7.

Primary audience: Computer programmers  
Investigators

This three-part article presents a forensic approach to computer crime investigation. Each of the three parts explores an aspect of crime lab techniques that can assist the investigator in the apprehension and conviction of the computer criminal. The first part focuses on documentary evidence in the crime lab examination of computer input and output documents. The article briefly discusses data processing input devices, the elements to be investigated in order to determine the author of a questioned document, and the processes used in a crime lab examination. The second part focuses on the use of photography as an aid to the document examiner in computer crime investigation. Topics discussed include: handwriting identification, fingerprints, identification of typewriters and computer printers, lab analysis techniques, and teethmarks. A one-page chart summarizes the range of potential threats and vulnerabilities of the computer system. The third part explores computer crime investigative elements associated with magnetic storage media, cathode ray tubes, electronic surveillance of computer systems, teleprocessing network wiretapping, and computer programming. The fundamentals of computer crime investigation are not within the scope of the article, which is written in a non-technical style and easily understood by the layman. Visual aids are employed to illustrate various techniques.

For further information:

Assets Protection Journal  
P. O. Box 5327  
Madison, Wisconsin 53705

Price requested: \$3.00, each issue

Security Risk Assessment in Electronic Data Processing Systems.  
Robert H. Courtney, Jr. Revised June, 1978. 86 pages.

Primary audience: Computer programmers

Various organizations' growing dependence on electronic data processing systems has created concerns about the security of such systems. This handbook presents a systematic approach to a quantitative analysis of the security risks associated with electronic data processing systems. After a brief introduction, two key elements in risk analysis are discussed: (1) what the impact of a specific difficulty would be, and (2) the probability of encountering that difficulty. A risk analysis procedure is proposed and described on a sample form. Consideration is given to the use and value of a risk analysis team to perform the risk assessment. A hypothetical payroll operation is used as an example to demonstrate how a risk assessment process might work. The principle section of the handbook contains general guidelines for the selection of security measures. In this section, a number of security measures are detailed to familiarize readers with the various protective measures. A bibliography is included with additional reference material. The handbook is written and organized well, and provides valuable information on a specialized topic.

For further information:

Robert H. Courtney, Jr.  
IBM Corporation  
Kingston, N.Y. 12401

"Fraud Investigations and the Computer: And the Plot Was Unravelling." The Prefecture of Police, Paris. In International Criminal Police Review. No. 285. 1975. Pp. 42-50.

Primary audience: Computer programmers  
Investigators

Computers can be effectively used in the solution of complex criminal investigations. Using an investigation into an organized automobile insurance fraud as the basis for the discussion, the following topics are explored: programming a computer, developing a reference system and card plan to collect all the information on a subject and to elicit standard information on each vehicle, establishing coding procedures, and creating an effective retrieval procedure. A description is included of specific types of computer programs--checking, verification, processing, auxiliary, and statement--that can be designed to provide appropriate solutions and to detect any errors or gaps in the information. The article also presents several investigative procedures that can be used to maintain secrecy. Although the article focuses on the use of the computer in the investigation of one type of offense, a similar approach can be used in the investigation of other criminal activities that involve large numbers of people, separate offenses, and fragmented items of information. The article can be profitably used by law enforcement agencies and computer programmers to design a computer system to meet a variety of investigative needs.

For further information:

Editor  
International Criminal Police Review  
International Criminal Police  
Organization  
26 Rue Armengaud  
92210 Saint Cloud  
France

Survey of Consumer Fraud Law, by Jonathan A. Sheldon and George J. Zweibel, National Institute of Law Enforcement and Criminal Justice, 1978. 216 pages.

Primary audience: Investigators  
Prosecutors

An extensive analysis of consumer fraud law at the federal, state, and local level is presented in this publication. An overview of the historical development of such laws begins with English common law, the concept of caveat emptor, and the background of modern U.S. laws and regulatory practices. The authors use a sample of thirteen states to offer an analysis of 67 different consumer fraud practices and 33 strategies used to deal with them. These strategies are categorized as state sanctions (e.g., criminal, civil, etc.), requirements (e.g., labeling, licensing, etc.), private remedies (e.g., revocation of contract, small claims, etc.), and Unfair and Deceptive Practice statutes. A similar analysis is presented for local government (municipalities and counties) and the federal government. The latter includes an agency-by-agency description of enforcement strategies. The authors point out the overlap among the 28 federal agencies involved in this area. Finally, some innovative foreign strategies on consumer fraud issues are outlined.

For further information: Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402  
Stock No. 027-000-00672-8  
Price: \$4.25

"Criminal Consumer Fraud: A Victim-Oriented Analysis,"  
Donald P. Rothschild and Bruce C. Throne. In Michigan  
Law Review. 1976. Pp. 661-708.

Primary audience: Prosecutors

Three major topics are addressed in this law review article: (1) the definition of criminal consumer fraud, (2) impediments to law enforcement, and (3) solutions to enforcement problems. The first section contains a definition of consumer fraud, which serves to distinguish consumer fraud from other white-collar crimes. The historical development of the concept is traced, and the incidence of criminal consumer fraud is estimated. Deterrence is proposed as the central goal of law enforcement authorities in dealing with consumer fraud. Such impediments include: confused priorities, the availability of sanctions, and the various obstacles in the prosecutive and investigative process. In the third section, solutions to investigative and prosecutive problems are suggested. Restitution, appropriate penal sanctions, and statutory reform are suggested as possible solutions to solve the existing problems. The author concludes that if deceptive conduct is to be effectively deterred, stronger penal sanctions must be enacted for criminal consumer fraud.

For further information: Michigan Law Review  
Michigan Law Review Association  
Hutchins Hall  
Ann Arbor, Mich. 48104



Handbook on Consumer Fraud and Unfair Business Practices.

Prepared by the Office of Consumer Protection, Wisconsin  
Department of Justice. 1975. 179 pages.

Primary audience: Prosecutors  
Investigators

This handbook covers many recent legislative and judicial developments in consumer protection and unfair business practices. It also summarizes civil and criminal remedies, and discusses the various types of sales techniques and schemes prohibited by Wisconsin law. After a review of the general nature of state consumer fraud laws, unfair or deceptive business practices and consumer credit laws are discussed in detail. Several other consumer protection laws covering such issues as theft by fraud, unfair discrimination in trade, and lotteries, are then addressed. Various state and federal organizations available as resource agencies in the area of consumer fraud are briefly mentioned. The remaining chapters focus on evaluating and investigating consumer complaints and commencing litigation. Numerous sample forms are contained in the appendix along with extracts from the Wisconsin Consumer Protection Administrative Codes. The handbook is an excellent introduction to the field of consumer protection.

For further information: Wisconsin Department of Justice  
Office of Consumer Protection  
114 E. State Capitol  
Madison, Wisc. 53702

Price: \$3.00

Description of the Complaint Handling System Used by the Metro-  
politan Denver District Attorneys' Consumer Office.  
Metropolitan Denver District Attorneys' Consumer Office.  
1978. 55 pages.

Primary audience: General

This report presents operational procedures used by a major consumer fraud unit to receive and investigate consumer complaints. First, it sets forth a general description and history of the unit. A case flow chart is included to illustrate the consumer complaint handling system. This is accompanied by a detailed narrative description of the procedures. Several specific topics are then addressed: the definition of consumer complaint terms, who collects data and when, information collection methods, and methods to measure the efficiency and effectiveness of the unit. Benefits of the system are also discussed. These include speed, accessibility, reducing paperwork, keeping track of the complaints, spotting trends quickly, and keeping cases moving. Several sample forms that are used throughout the complaint handling system are included. Numerous sample forms are included which can be valuable reference sources.

For further information:

Clair Villano, Director  
Metropolitan Denver District  
Attorney's Consumer Office  
655 South Broadway  
Denver, Colo. 80209

Inquire regarding price.

Help Yourself: A Handbook on Consumer Fraud. Prepared by David P. Calvert, Marilyn S. Moody, and revised by Jack N. Williams. 1975. 33 pages.

Primary audience: Investigators

This publication describes common consumer frauds, how to spot them, and what action to take against them. Over forty-five types of consumer fraud are described with numerous illustrations. To aid the consumer, procedures to register complaints against the businessman and with legislators are outlined. A verified complaint form is included as a specimen. A major portion of the pamphlet consists of a directory of local and independent consumer affair agencies in Wichita, Kansas; governmental and independent agencies in the State of Kansas; and national government and independent agencies. For most of the listings, the address, phone number, and consumer area handled by that agency is indicated. In addition, an index system allows the reader to refer to specific agencies within the directory which specialize in certain consumer fraud areas. Though designed to assist consumers in protecting themselves against consumer fraud, investigators would find the succinct review of the types of consumer fraud and agency index very useful.

For further information: Office of the District Attorney  
Consumer Protection Division  
Sedgwick County Courthouse  
Wichita, Kans. 67203

Investigation and Prosecution of Credit Card Crimes. Charles A. Miller. Interbank Card Association. 1975. 56 pages.

Primary audience: Investigators  
Prosecutors

Credit card fraud is a rapidly expanding area of criminal activity. This manual outlines major applicable statutes, both state and federal, in the control of credit card fraud. Legal definitions and elements of proof required are presented in 14 principle criminal laws relating to credit card crime. Representative court cases dealing with the most prevalent types of fraudulent credit card schemes are discussed. Productive investigative approaches and strategies are also suggested. These concern the timing of the investigation, the use of business records, procedures in conducting interviews, and expert technical and laboratory assistance. In the final section, the manual presents some of the factors that affect a prosecutive evaluation of referred cases. The value of industry assistance during pretrial and trial stages is explored. The appendix contains a table of citations of all state and federal cases mentioned in the text.

For further information:

Interbank Card Association  
110 East 59th Street  
New York, N.Y. 10022

Price: \$5.00

Preventing Embezzlement. Christopher J. Moran. Small  
Marketeers Aid No. 151. U.S. Small Business Administration.  
1973. 8 pages.

Primary audience: General

Owner-managers can lose great sums of money through embezzlement by employees. Several common schemes used by employees are discussed, including: pocketing case, "lapping," check kit- ing, payroll frauds, and kickbacks. Danger signals of an embezzlement are covered: unusual bad debt write-offs, inventory shortages, profit declines, slow collections, etc. To reduce the possibility of losses through embezzlement, the owner-manager can take certain precautions, and several of these are outlined in the article. The author warns owner-managers who suspect embezzlement not to jump to unwarranted conclusions, as serious civil liability could result. The author concludes with the three ways in which owner-managers can minimize the possibility of embezzlement losses: the use of internal controls, independent audits, and fidelity coverage. The article is brief and written in narrative style.

For further information: Director of Public Information  
U.S. Small Business Administration  
Washington, D.C. 20416

Document No.: Small Marketeers  
Aid No. 151

Price: No charge

"Fraud and Abuse in Medicare and Medicaid," by Bryon G. Lee. In Administrative Law Review. Vol. 30, No. 1. 1978. Pp. 1-43.

Primary audience: Prosecutors

Distinctions between Medicare and Medicaid and fraud and abusive practices are set forth in this article. This is followed by a brief summary of the findings of congressional and other investigations and hearings to explore the extent of fraud and abuse in the health care programs. Health care entities most prone to certain types of fraud and abuse are listed along with remedies which may be applied. The author outlines the fraud and abuse investigation process and examines in detail sanctions in the Social Security Act and the United States Code under which Medicare fraud could be prosecuted. Because each state is primarily responsible for prosecuting Medicaid fraud, the article focuses on state regulations only to the extent of exploring the relationship between state Medicaid plans and the United States Code. The article concludes with a table summarizing statutory sanctions contained in the United States Code under which the government could prosecute Medicaid/Medicare fraud. As the article contains detailed information on federal statutes and relevant case citings, it would be most appropriate for prosecutors; however, several sections would be pertinent for investigators specializing in Medicare/Medicaid investigations.

For further information:

Administrative Law Review  
1155 East 60th  
Chicago, Ill. 60637

Medicaid Fraud, Prosecution and Investigation. Robert L. Clarey and John McNally. Office of the District Attorney of Nassau County. 1976. 20 pages.

Primary audience: Investigators  
Prosecutors

This annotated lecture outline covers major issues in the investigation and prosecution of Medicaid fraud. An introduction to the Medicaid program is set forth, in which federal enabling legislation is discussed. A table compares Medicaid costs to the overall 1975 budgets in Nassau County, New York City, and New York State. Common abusive practices by providers and recipients are listed with several illustrative examples included. The major portion of the outline focuses on issues relating to the investigation and prosecution of Medicaid fraud: (1) locating sources of information, (2) selection of cases for investigation, (3) investigative techniques, (4) common defenses, and (5) indictment and trial. The last section lists relevant case law and potential legal problems relating to Medicaid cases. Federal and New York State case law is presented concerning such issues as limitations on subpoena power, self-incrimination, business records as an exception to the hearsay rule, and the definition of an instrument under New York P.L. Section 197.35. Five recommended changes in the administration of the Medicaid program are briefly outlined.

For further information:

Robert L. Clarey, Chief  
Commercial Frauds Bureau  
Nassau County District Attorney's  
Office  
262 Old Country Road  
Mineola, N.Y. 11501

Price requested: \$5.67

Protecting Patients' Personal Funds: Failures and Needed Improvements. Charles J. Hynes. 1977. 63 pages.

Primary audience: Investigators

There is a long history of misuse and misappropriation of funds of patients entering residential health care facilities. This report analyzes the basic problems in protecting patients' personal funds and suggests needed improvements. Initially, the background and the nature of the problem are explored. The report then identifies two major defects in the present system of safeguarding funds: (1) enforcement policies relating to patient funds, and (2) current administrative regulations. Each of these problem areas is discussed in detail. The final section of the report contains several recommendations for improving enforcement efforts and suggestions for more effective administrative regulations. Several proposed revisions in regulations and reporting forms are contained in an appendix.

For further information:

Ms. Mary Sughrue  
Office of the Special Prosecutor  
for Nursing Homes, Health, and  
Social Services  
270 Broadway, 17th Floor  
New York, N.Y. 10007



AMOEBA: General Concepts and User's Guide. Prepared by the  
Control Analysis Corporation for the Department of Health,  
Education, and Welfare. 1977. 169 pages.

Primary audience: Computer programmers  
Auditors

AMOEBA is a package of computer programs that can be used to detect the occurrence of erroneous billing practices and overutilization in public benefit program claim situations. AMOEBA performs two functions. First, it generates utilization profiles which provide overall statistics and rankings on provider's billing practices. Second, it searches recipient histories for instances of conflicting or duplicate claims. Part I of the manual provides a general description of the system and gives illustrations of three types of output: history edits, utilization reports, and history edit profiles. Part II is a user's guide containing coding instructions for each of the output situations and instructions on the development of a systems file. The glossary alphabetically lists headings used in the AMOEBA reports and presents the meaning of each of the headings. The appendix includes a description of an interface subsystem and thirteen sample AMOEBA coding forms. This manual explores a specialized, technical area. Though computer operators, auditors, and investigators with computer expertise could best utilize the manual, a review by non-specialists would allow them to assess the value and desirability of implementing the system in their own agency.

For further information: Roy P. Harvey  
Control Analysis Corporation  
800 Welch Road  
Palo Alto, Calif. 94304

Document No.: CAC-38

Price: \$15.00

Insurance Fraud. Professional Standards Division of the  
International Association of Chiefs of Police. 1975.  
Training Key, No. 241. 5 pages.

Primary audience: Investigators

This key contains basic information about insurance fraud and investigative techniques to uncover it. The key discusses automobile insurance frauds--staged accidents, "paper" accidents, and ambulance chasing operations; and property insurance frauds--staged burglaries and arson. In each type of fraud, the characteristic sequence of events is detailed, the conditions that allow the fraud to be perpetrated are specified, and indicators pointing to the existence of a fraud are discussed. The final section discusses the role and function of the Insurance Crime Prevention Institute in insurance fraud investigations. The key is written with a clear and non-technical style, and the material can be quickly reviewed and comprehended. The key is of value to intelligence and investigative personnel unfamiliar with this topic area. In addition, the incorporation of a discussion guide makes the article useful in training sessions.

III.

For further information:

Professional Standards Division  
IACP  
11 Firstfield Road  
Gaithersburg, Md. 20760

"Land Fraud Prosecution," Edwin L. Miller, District Attorney,  
San Diego, California. In Crime Prevention Review. Vol. 1,  
No. 3. 1974. Pp. 21-27.

Primary audience: Prosecutors  
Investigators

The focus of this article is on issues in California land fraud prosecutions. The initial discussion assesses the effectiveness of local and federal prosecutors in combatting land frauds and related economic crimes. Following this, three basic theories of land fraud prosecution are presented: (1) theft by false pretenses, (2) violation of out-of-state subdivision laws, and (3) conspiracy to commit grand theft. The rest of the article discusses general investigative techniques and methods of proof of specific misrepresentations (including aerial photography; use of power and utility companies in the state where the land is located; and the use of geologists, title searchers, and other expert witnesses). Suggestions for low-cost procedures to be used by the local prosecuting agencies in developing land fraud cases makes the article useful for reference by prosecutors. Investigators would also find the review of investigative procedures in land fraud cases informative.

For further information: Editor  
Crime Prevention Review  
Office of the Attorney General  
3580 Wilshire Blvd.  
Los Angeles, Calif. 90010

"Survey of the Law of Mail Frauds," David G. Crumbaugh. In  
University of Illinois Law Forum. Vol. 1975, No. 2.  
Pp. 237-253.

Primary audience: Prosecutors  
Investigators

This law journal article is a comprehensive survey of the federal law of mail fraud. It also illustrates the power of the law in attacking consumer fraud, political corruption, and numerous other fraudulent activities. The legislative history of the statute is reviewed, followed by a detailed discussion of the two major elements of the crime: (1) a scheme to defraud, and (2) the mailing of a letter or other material for the purpose of executing the scheme. Topics included within the discussion of the elements are: the "lack of success" rule, proof of fraudulent intent rule, particularized rules developed by the courts, causation requirement, sequential test, and credit card frauds and the Maze decision. Numerous case citations relating to the mail fraud statute are incorporated and discussed within the text. There is not a discussion of state mail fraud statutes in the article. The detail and legislative review would make the piece beneficial for prosecutors, with investigators benefitting from the discussion of the elements of the crime.

For further information: Dennis & Co., Inc.  
251 Main Street  
Buffalo, N.Y. 14203  
Price: \$6.25

Mail Fraud Laws Protecting: Consumers, Investors, Businessmen,  
Patients, and Students. United States Postal Service.  
1970. 28 pages.

Primary audience: Investigators

Fraudulent promoters frequently use the mail--both directly and indirectly--to further their schemes. These schemes fall into four general categories: consumer frauds, business opportunity frauds, medical frauds, and self-improvement schemes. In each area, specific types of fraud are outlined with brief illustrative examples provided. Some of the schemes covered in the pamphlet include: unordered merchandise, charity rackets, distributorship, work-at-home plans, fake lab tests, "medical clinics," and correspondence courses. In addition, approximately forty more fraudulent schemes are listed which the Postal Inspection Service commonly investigates. A one- or two-sentence description is provided for each fraud. The Postal Fraud and False Representation statutes are summarized and briefly discussed. As the pamphlet was written to alert the public to fraudulent schemes involving the use of the mail, the material is not detailed and is written in a non-technical style. The guide can be useful to investigators by providing an overview of fraudulent schemes that can be prosecuted under the mail fraud statutes.

For further information:

Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Stock No.: 3900-0231

Price: \$.20

The Investigation and Prosecution of Organized Crime and Corrupt Activities; Official Corruption: Background Materials.  
G. Robert Blakey and Ronald Goldstock. Cornell Institute on Organized Crime. 1977. 296 pages.

Primary audience: Prosecutors  
Investigators

The investigation and prosecution of three types of official corruption--bribery, extortion, and graft--are explored in this handbook. First, patterns of official corruption in the legislative and executive branches and in the criminal justice system are described. The role of organized crime in causing corruption is considered. Legislative efforts to control official corruption are explored at length: criminal sanctions for bribery, extortion, and graft, and civil sanctions, including disqualification and dismissal from public office. Proactive and reactive modes of investigation are presented, including the use of grand juries, informants and electronic surveillance. Three comprehensive appendices are attached which provide state-by-state summaries of bribery, extortion, and graft statutes. An additional feature of the handbook is a selected bibliography of references on corruption as they relate to organized crime. The thirty-seven page bibliography contains a detailed subject listing with publications cross-referenced. Both prosecutors and investigators would find this detailed analysis of official corruption a valuable reference source. Prosecutors will find the numerous case citations especially beneficial.

For further information: Cornell Institute on Organized Crime  
Cornell University Law School  
Myron Taylor Hall  
Ithaca, N.Y. 14853

Price requested: \$6.00

Organized Crime Control Legislation. National Association of  
Attorneys General. Committee on the Office of Attorney  
General. 1975. 159 pages.

Primary audience: Prosecutors

Beginning with a definition of organized crime, which involves several aspects of white-collar crime (such as corruption), the manual reviews federal and state committees created to study organized crime and discusses legislative approaches to the problem. The Attorneys' General authority to initiate or intervene in prosecutions is then explored with tables included to summarize specific common law and statutory powers. Federal and state statutes that apply to electronic surveillance techniques are discussed in detail, with tables included to show the status of wiretapping legislation in each state and the number of federal and state wiretap authorizations obtained during the preceding five year period. Chapters that follow review legislative approaches, including those on the infiltration of organized crime into legitimate business. The final section presents the issue of witness immunity and applicable federal legislation. A table is also included which summarizes state witness immunity laws. The extensive list of footnotes containing citations of relevant case law included at the end of each chapter may be useful for reference by prosecutors desiring to further explore legal issues.

For further information:

National Association of Attorneys  
General  
Committee on the Office of Attorney  
General  
1516 Glenwood Avenue  
Raleigh, N.C. 27609

Price: \$4.00

Organized Crime Control Units. National Association of  
Attorneys General. Committee on the Office of Attorney  
General. 1977. 76 pages.

Primary audience: Prosecutors  
Investigators

Several states have developed specialized investigative and prosecutorial units to aid in the control of organized crime. The first chapter in this manual discusses the nature of organized crime control units and the role of the attorney general in such units. Issues relating to the establishing and organizing of such units are reviewed and a chart of a prevalent organizational pattern among statewide units is included. Following chapters contain detailed discussions of budgeting and financing, staffing, and training programs considerations. In addition, the role of intelligence operations in organized crime units and the function and operation of investigative-prosecutive units are explored. Useful reference material includes a state-by-state listing of organized crime prevention and control units, a list of recent LEAA grants for organized crime control units, a chart reflecting the amount budgeted by categories for selected organized crime control units, and a table reflecting types of positions within such units. Enforcement officials involved in the establishing and organizing of organized crime control units would find the guidelines, suggestions, and discussions contained within the manual beneficial.

For further information: Committee on the Office of Attorney  
General  
National Association of Attorneys  
General  
3901 Barrett Drive  
Raleigh, N.C. 27609  
Price: \$3.75



**Prescriptive Package: Rackets Bureaus; The Investigation and Prosecution of Organized Crime.** National Institute of Law Enforcement and Criminal Justice. Law Enforcement Assistance Administration. 1978. 162 pages.

Primary audience: Prosecutors  
Investigators

One of the most sophisticated responses to organized crime is one which integrates investigators and prosecutors into a pro-active effort. Existing state and local units with such concerns are studied in this manual. Part I surveys the organization of these units. Specifically, the section explores: the nature of the units, resources available to the units, the operation and structure of the units, methods of investigation, post-investigative activities, and costs. In Part II standards are proposed for the establishing, organizing, and operating of organized crime control units. Part III contains analytical descriptions of the operation of twelve investigative and prosecutive units located in the office of local district attorneys and state attorneys general. Appendices include: excerpts from Colorado's task force project plan, a hypothetical investigative plan, a discussion of the sentencing of racketeers, and a chart of legal and technical resources for 23 states. The manual addresses issues of concern to both investigators and prosecutors involved in organized crime investigations. It would be of particular interest to law enforcement personnel responsible for creating and supervising white-collar crime units concerned with corruption, infiltration of legitimate business, and related fraud approaches to combatting organized crime.

For further information: Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402

Stock No.: 027-000-00592-6

Price: \$3.50

Handbook of Self-Evaluation Guidelines for Organized Crime  
Intelligence Units. State of California, Department of  
Justice. 1976. 73 pages.

Primary audience: General

This manual provides guidance to organized crime intelligence units that want to establish structured self-evaluation efforts. It covers the main issues in white-collar crime intelligence as well. The rationale behind the suggested self-evaluation approach is supplied, along with the general methodology, required for its implementation. The handbook presents an overview of the problems and needs to consider in developing a self-evaluation program. Such problems include the diversity of units and objectives, the sensitivity of intelligence operations, and internal and external needs of self-evaluation. A major portion of the manual is devoted to the planning and conducting of the evaluation effort. A model of the evaluation process is proposed, followed by a detailed discussion of each of eight steps in the suggested model. The six appendices are sample self-evaluation instruments which can be adapted to meet unit requirements. The authors note that many of the self-evaluation suggestions represent major departures from current practices and encourage consideration of these more structured self-evaluation approaches. Several useful diagrams, tables, and sample forms are included throughout the manual and in the appendices.

For further information:

Organized Crime and Criminal  
Intelligence Branch (OCCIB)  
California Department of Justice  
P. O. Box 13357  
Sacramento, Calif. 95813

"Multi-Level or Pyramid Sales Systems: Fraud or Free Enterprise," South Dakota Law Review, Vol. 18, No. 2. 1973. 358-393.

Primary audience: Regulatory personnel  
Prosecutors

This comment covers the workings of a multi-level, or pyramid, sales system and examines the abuses that have brought these plans to the public's attention. A survey of the litigation which has developed as a result of the abuses is used to clarify the legal principles involved. This is followed by an analysis of the various forms of legislation which have been enacted by many states to curb further abuses. (The foregoing is from the journal abstract of the article.)

For further information:

Editor  
South Dakota Law Review  
University of South Dakota  
School of Law  
Vermillion, S.D. 57069

"Prohibiting Pryamid Sales Schemes: County, State, and Federal Approaches to a Persistent Problem," Howard N. Solodky.  
In Buffalo Law Review. 1975. Pp. 877-912.

Primary audience: Prosecutors

The specialized problem of combatting pryamid sales schemes is the focus of this journal article. To familiarize readers with prosecutorial problems encountered in actions brought against pyramid sales plans, a detailed discussion of an investment promotion is described at length. With the analysis of this business operation as a backdrop, two anti-pyramid plan enactments are then analyzed--the Erie County, New York statute, and the New York State statute. A discussion of federal securities laws applicable to pyramid sales schemes is included, and the Securities Act of 1933 (especially SEC Rule 10b-5 promulgated under the Securities Exchange Act of 1934) is thoroughly examined. The author suggests that the use of deferral securities laws is the most efficacious means of regulating pyramid schemes. As the article is fairly technical, with citings of relevant court decisions, the comment is very useful for prosecutors. In addition, regulatory personnel could find a review of the section dealing with SEC regulations and state regulatory actions informative.

For further information:

William S. Hein & Co.  
1285 Main Street  
Buffalo, N.Y. 14209

Understanding the Over-the-Counter Securities Market. Commodity  
Research Publications Corp. 1971. 21 pages.

Primary audience: General

An overview of the over-the-counter securities market is provided in this pamphlet. As an introduction, the difference between the operation of the over-the-counter market and the stock exchange is presented. A chart follows, indicating the trend of prices for selected over-the-counter securities and those on the New York Stock Exchange. The pamphlet is then divided into two parts. The first provides an explanation of corporate securities--common stocks, dividends, preferred stocks, bonds, and mutual funds. The second part explores the functioning of the over-the-counter market. After securities houses are described in this section, the role of the broker-dealer is addressed and such activities as position trading, negotiated trading, primary distribution, and secondary distribution are explored. This section also reviews procedures for reporting prices, including discussions of the NASDAQ automated quotation system, newspaper quotations, and the National Quotations Bureau. The pamphlet lists several reference sources for up-to-date financial information on companies offering securities. Finally, it is explained how the over-the-counter securities market is registered and the purpose and activities of the National Association of Security Dealers. The booklet is easily readable and would be very useful to acquaint all law enforcement personnel with the basics of the securities market.

For further information:

Securities Publishing Division  
One Liberty Plaza, 47th Floor  
Commodity Research Publications  
Corp.  
New York, N.Y. 10006

Price: \$.60

Securities Investigation. Richard D. Latham. Texas Department  
of Securities. 1977. 51 pages.

Primary audience: Investigators  
Auditors

Securities investigations are explored in detail in this manual. Sources of information which may lead to an investigation are discussed, and the preliminary checks that an investigator should accomplish before he acts on a complaint are suggested. Before an investigation is started, several pieces of information should be determined: (1) the jurisdiction of the case, (2) the type of case being investigated, (3) priorities of the case, (4) the possibility that action can be taken, and (5) the appropriate remedies. After a discussion of these factors, procedures are presented for: opening investigations, taking preliminary moves, examining records, using questionnaires and form letters, preserving and reporting the evidence, and conducting interviews with witnesses and others. Suggestions and warnings are offered to the investigator regarding contact with the news media and correspondence and oral communication with persons during the investigation. The role of the investigator is explored in four specialized investigations--municipal securities, church bonds, real estate syndications, and exotic securities. Finally, the manual considers the investigator's problem of deciding whether to close the case or initiate a full investigation. The guide is written in non-technical style and is well organized. It would be most valuable to investigators and auditors due to its direct, step-by-step presentation of procedures to be applied in securities investigations.

For further information: Richard D. Latham, Securities  
Commissioner  
State Securities Board  
P. O. Box 13167  
Austin, Texas 78711

Price requested: \$4.00

**Suggestions for Additional Operational and Planning**  
**Guides on White-Collar Crime Enforcement**

Please send this completed form to:

Mr. Clifford L. Karchmer  
Director of Training and Operations  
National Center on White-Collar Crime  
Battelle Law and Justice Study Center  
4000 N.E. 41st Street  
Seattle, WA 98105

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