

Bi-Annual Report to the
Colorado Legislature &
Judiciary Committees



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit

Reporting Period April 1, 2009 through September 30, 2012



**COLORADO
DEPARTMENT
OF PUBLIC SAFETY**

Colorado Bureau of Investigation
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August 2, 2013

Honorable Members of the House
and Senate Judicial Committees
Room 029 State Capitol Building
Denver, Colorado 80203

This is the Colorado Bureau of Investigation's, Colorado Fraud Investigators (CFI) Unit report to the House and Senate Judiciary Committees pursuant to 24-33.5-1703(8) C.R.S.

The attached report will encompass the CFI Unit and Identity Theft Governing Board's activity from April 2009 through September of 2012. Our last report to the House and Senate Judiciary Committees was made in May of 2009.

Although this report reflects upon many areas of activity within the Unit, the most significant areas include: the addition of a victim advocate for identity theft victims, a 24hr Identity Theft Hotline, as well as a Mortgage Fraud investigative component. All of these programs have been funded through various local and federal grants.

If you have questions, suggestions or comments, please feel free to contact me at (303) 239-4202.

Ronald C. Sloan, Director
Colorado Bureau of Investigation

John W. Hickenlooper
GOVERNOR

James H. Davis
EXECUTIVE DIRECTOR

Colorado State
Patrol

Colorado Bureau
of Investigation

Division of
Criminal Justice

Division of Fire
Prevention and Control

Division of Homeland Security
and Emergency Management



July 30, 2013


Honorable Members of the House and Senate Judiciary Committees
State Capitol Building
Room 029
Denver, Colorado 80203

Please accept this Colorado Fraud Investigators (CFI) Unit report to the House and Senate Judiciary Committees. This report is submitted pursuant to Section 24-33.5-1703(8) C.R.S.

The CFI Unit and Identity Theft Governing Board was enacted during the 2006 session of the Colorado General Assembly in response to the growing problem of identity theft and financial fraud. The CFI Unit operates pursuant to statute, which was enacted to assist law enforcement with prevention, investigation and prosecution of identity theft and financial fraud.

This report summarizes CFI Unit composition and activity from April 2009 through September 2012. Additionally, a copy of the sunset review report is attached for your information.

Please feel free to contact me if you have any questions or concerns. I may be reached at 720.508.6716 or janet.drake@state.co.us.



Janet Drake
Senior Assistant Attorney General
Colorado Fraud Investigators Unit Chair

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- 2010 Sunset Review: Identity Theft and Financial Fraud Deterrence Act
- Board Reports June 2009—November 2012
- Training / Outreach Materials
 - Training Curriculums
 - Educational Publications
 - Briefs

FUNDING

The Colorado Fraud Investigators (CFI) Unit is cash funded and receives no money from General Funds. More specifically revenues are collected from surcharges and fees from the following:

- A \$3 surcharge on each Uniform Commercial Code filing made with the Secretary of State (primarily made by secured lenders such as credit unions and banks);
- A \$100 surcharge on each supervised lender license regulated by the Colorado Attorney General (Attorney General), such as payday lenders, pawn shops and others;
- A \$500 surcharge on each money transmitter license regulated by the Department of Regulatory Agencies (DORA) Division of Banking, such as Western Union, PayPal and American Express;
- Gifts and Donations.

Since the program's inception the CFI Unit has experienced a 41.8 percent decline in revenue from FY07 (\$619,774) through FY12 (\$360,591). The program's revenues are closely tied to the overall economy, which also experienced a corresponding decline.

The CFI Unit responded to these changes by obtaining federal grants and reducing CFI program staff. The CFI Unit was appropriated 7.0 Full Time Employees (FTE). However, due to decline in revenues, the Unit is able to staff only 3.0 FTE for FY11 and FY12 with other staff supported by grants.

The CFI Unit received grants for a Victim Assistance Program (1.0 FTE) and to address Mortgage Fraud (4.0 FTE). Between FY10 and FY12 the program received \$1,934,738 in federal grant funds. The grant funding does not represent a stable funding stream, and cannot ensure program sustainability.

To fund the CFI Unit, fees have been established on licenses obtained for primary lenders and money transmitters. Additionally, fees are imposed when Uniform Commercial Code (UCC) filings are completed. UCC filings represent the recording of various types of liens placed on different types of property across the state of Colorado.

Program Revenues

Revenue Source	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	Total
Gifts & Donations	\$25,000	\$0	\$0	\$0	\$50	\$100	\$25,150
Interest	\$7,980	\$14,161	\$9,749	\$5,990	\$2,555	\$987	\$41,422
Dept. of Law	\$290,400	\$169,600	\$121,900	\$105,800	\$79,992	\$84,800	\$852,492
Dept. of Regulatory Agencies	\$16,500	\$22,500	\$21,500	\$27,750	\$28,819	\$27,500	\$144,569
Secretary of State	\$279,894	\$308,894	\$268,896	\$242,361	\$234,944	\$247,204	\$1,582,193
Total	\$619,774	\$515,155	\$422,045	\$381,901	\$346,360	\$360,591	\$2,645,826

Grant Activity

Grant Source	Award	FY 09-10	FY 10-11	FY 11-12	Total	FTE
ID Theft Victims Grant 1	\$97,204	\$24,576	\$68,683	\$3,945	\$97,204	1.0
Mortgage Fraud Grant	\$1,700,050		\$138,113	\$450,193	\$588,306	4.0
ID Theft Victims Grant 2	\$87,484		\$0	\$47,517	\$47,517	1.0
Maryland ID Theft Grant	\$50,000		\$0	\$14,339	\$14,339	0.0
Total	\$1,934,738	\$24,576	\$206,796	\$515,994	\$747,366	

Program Expenditures

Fiscal Year	Expenditures	Appropriated FTE	Actual FTE
FY 06-07	\$265,124	7.0	5.0
FY 07-08	\$450,841	7.0	5.0
FY 08-09	\$525,515	7.0	4.8
FY 09-10	\$499,075	7.0	5.0
FY 10-11	\$442,595	7.0	3.0
FY 11-12	\$346,624	7.0	3.0

GOVERNING BOARD

The Identity Theft Governing Board consists of 10 members whose positions are mandated by the statute, or are appointed by the Governor's office. The composition of the Board is as follows:

The three Statutory positions and current Board members are:

- **The Executive Director of the Department of Public Safety (or designee)**
Currently: The Honorable James Davis
- **Attorney General (or designee)**
Currently: The Honorable John Suthers, Colorado Attorney General
Designee: Janet Drake, Senior Assistant Attorney General - Serving as Chair of the Board
- **Executive Director of the Colorado District Attorneys Council (or designee)**
Currently: Tom Raynes, Executive Director
Designee: Jess Redman, Assistant District Attorney 17th Judicial District

The seven members appointed by the Governor and current Board members are:

- **A representative of a police department**
Currently: Chief Mark Beckner, of the Boulder Police Department
- **A representative of a sheriff's department**
Currently: Sheriff Larry Kuntz, of the Washington County Sheriff's Office
- **Three representatives of the depository institutions**, at least two of whom shall be from a state or national bank
Currently: Keith Lobis, Regional President, Wells Fargo
Currently: Laura Rogers, Senior Vice President Support Services, 1st Bank
Currently: John Webster, Chief Financial Officer, The Bank at Broadmoor
- **A representative of a payment processor**
Currently: Michael Stefanich, Senior Business Leader, Global Information Security Visa Inc.
- **A representative of consumer or victim advocacy group**
Currently: Katie Carroll, Better Business Bureau of Southern Colorado, Director of Media Relations and Communications

GOVERNING BOARD MEETINGS

The Identity Theft Governing Board convenes approximately every two to three months based on various schedules and other events. The CFI Unit completes a report that is presented to the Board at the scheduled meeting. Since the last report to the House and Senate Judiciary Committee in May of 2009, the CFI Unit has provided 17 Board Reports to the Governing Board from April 2009 through September 2012. These meetings were held on the following dates and their corresponding reports are attached to this document :

- June 9, 2009
- August 25, 2009
- October 26, 2009
- January 11, 2010
- March 8, 2010
- May 10, 2010
- July 19, 2010
- September 8, 2010
- December 21, 2010
- March 12, 2011
- June 21, 2011
- October 26, 2011
- December 21, 2011
- February 22, 2012
- May 9, 2012
- August 8, 2012
- November 14, 2012

The Board Reports include various topics that relate to the work and direction of the CFI Unit:

- Current revenues and budgeting items of the CFI Unit
- Status of current grants
- A review of open identity theft related investigations
- Training and presentations made by the CFI Unit to law enforcement, professional groups and citizens
- Current Investigations and Arrests
- Victim Advocacy to include the number of victims assisted and ID Theft Hotline activity
- Other topics relevant to ID Theft and Fraud such as new trends or schemes

CFI UNIT STAFFING

The CFI Unit originally appropriated for 7.0 Full Time Employees (FTE). However, due to the reduction in the funding stream (monies derived from the three funding sources) the CFI Unit is able to sustain 3.0 FTE from these three sources. The other five FTE are supported by Grants.

The FTE and personnel assigned to the Unit as of October 1, 2012:

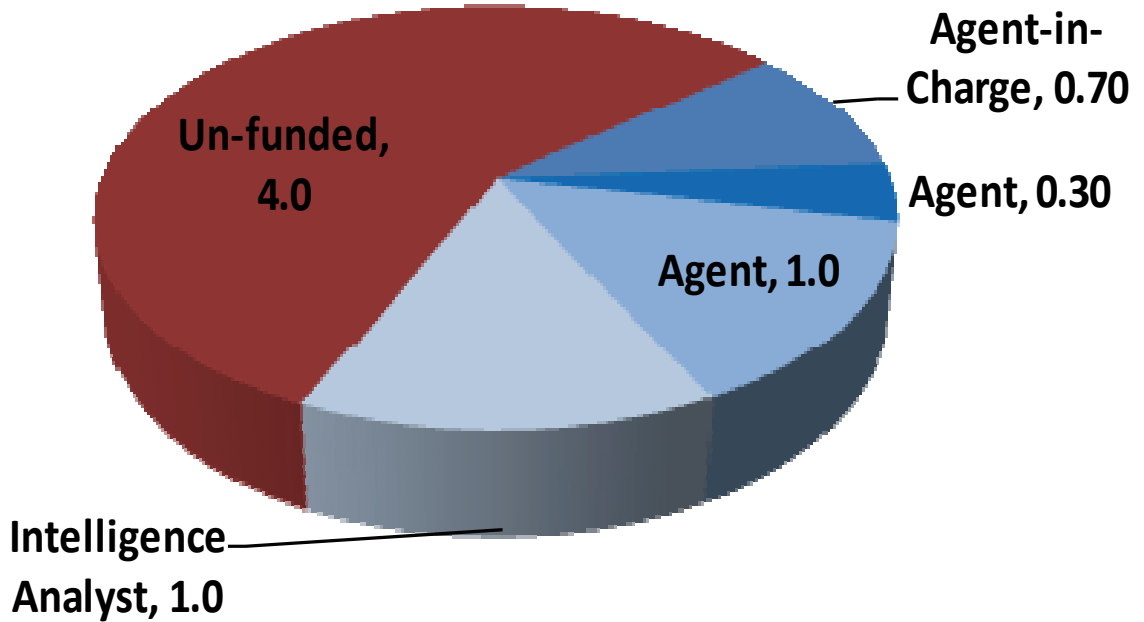
ID Theft Funded Positions:

.70 FTE - Agent-in-Charge Ralph Gagliardi
.30 FTE - Agent Kevin Hyland
1.0 FTE - Agent Jeff Schierkolk
1.0 FTE - Intelligence Analyst Walker Jenkins
Total FTE 3

Grant Funded Positions:

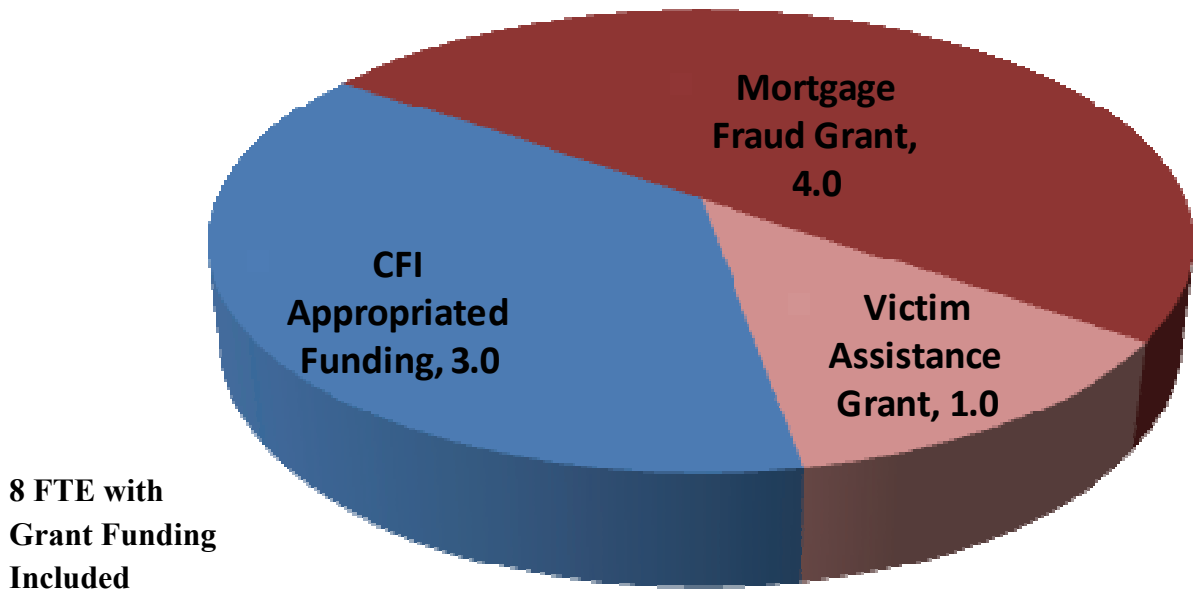
.30 FTE - Agent-in-Charge Ralph Gagliardi
.70 FTE - Agent Kevin Hyland
1.0 FTE - Agent Elizabeth Scott
1.0 FTE - Intelligence Analyst Beverly Walz
1.0 FTE - Intelligence Analyst Peggy Pingel
1.0 FTE - Victim Advocate Hazel Heckers
Total FTE 5

FY 12 CFI Staffing



Of the Appropriated 7.0 FTE, only 3.0 FTE positions have funding. 4.0 FTE remain unfunded.

FY 12 Total CFI Staffing



8 FTE with Grant Funding Included

SUMMARY OF ACTIVITIES

TRENDS

The CFI Unit continues to strive to be at the cutting edge of new trends in identity theft and fraud, and be leaders in awareness, education, investigation, intelligence and victim assistance within this area. Areas of focus include: business identity theft, medical identity theft and criminal identity theft.

Business Identity Theft

In 2009 the CFI Unit, working in collaboration with the Colorado Secretary of State's Office, identified a pattern of criminal activity involving the theft of Colorado businesses by identity thieves working inside and outside of Colorado. These thieves would access the Colorado Secretary of State's website and fraudulently alter business registrations by changing registered agents, addresses, physical locations and other details. This allowed the ID thief to utilize the corporate credit history of the business, and apply for various lines of credit posing as the hijacked business. In some cases, the ID thieves would open a new business branch in another state or would sell the business to unsuspecting third party. These forms of identity theft costs businesses thousands of dollars, destroy their corporate credit rating, and in extreme cases causes a business owner to lose his/her business.

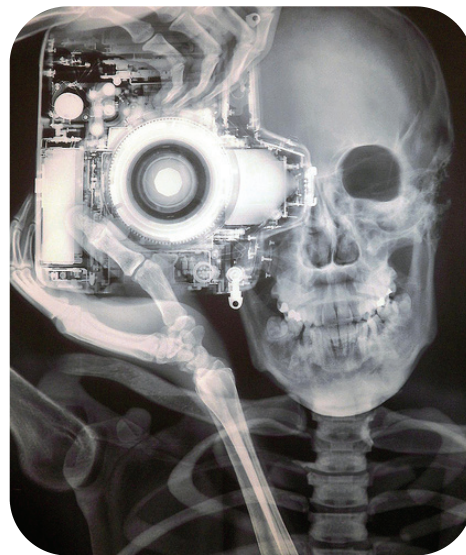
In response to this crisis, the CFI Unit and the Colorado Secretary of State established a working group to address this growing problem for Colorado's Business Community. This working group, along with representatives of Dun & Bradstreet, United States Secret Service, Dell, and Sprint, was able to identify over 400 Colorado business that were effected and in need of repair, further investigation, or other victim services.

The CFI Unit and Colorado Secretary of State created a Guide to Business Identity Theft that serves to assist businesses in protecting themselves from the crime, and to assist victim businesses with 'First Steps' (see attached). By establishing the working group the CFI Unit was also able to ensure that businesses would have the tools to report the crime, reduce loss and repair the damage before the criminal activity put them out of business. This working group also assisted the Colorado Secretary of State in establishing an email alert program, by which business would be notified if any attempts to make changes to their business listings occurred. A PIN or Password system was also established, allowing businesses to gain crucial privacy in their business records and filings with the Secretary of State.

CFI staff and representatives from the Secretary of State's Office have worked together to provide educational programs for businesses in Colorado regarding the risks of Business ID Theft and the options for protection and prevention. As businesses participate in these preventative measures, they decrease their risk of victimization.

Medical Identity Theft

The Colorado Bureau of Investigation's CFI Unit was the first law enforcement agency in the region to identify and investigate Medical Identity Theft. Medical Identity Theft holds the potential to be one of the deadliest forms of ID theft. Medical ID Theft occurs when an ID thief receives medical services using another person's ID or social security number. Not only does the victim become responsible for the financial cost of the medical treatment, but the victim's medical history is then merged with the ID thief's medical history. This could result in a victim's medical history inaccurately reflecting the wrong blood type, medication allergies, medical conditions or treatments, mental health hospitalizations, substance abuse treatment, pregnancies and births, surgical procedures, drug seeking behaviors and more. These discrepancies could cause the victim to be denied medical treatment, pay higher insurance premiums, be denied life insurance, be investigated for child abuse, be denied employment or entrance into the military. In the worst case scenario, a victim could receive inappropriate medical care in a life threatening medical emergency.



The CFI responded to the threat of Medical Identity Theft in a number of ways. The Unit initiated investigations into cases of Medical ID Theft, identifying the challenges to both investigating this crime but prosecution as well. Potential legislative changes were identified that could be implemented, and gaps in skills for law enforcement and medical professionals were acknowledged.

The CFI Unit researched and studied Medical Identity Theft, becoming local experts in the issues related to this crime. Tip sheets were created to assist both patients/victims and medical professionals in responding to Medical ID Theft concerns (see attached). CFI worked in collaboration with the National Identity Theft Victim Advocacy Network and the World Privacy Forum to host a Medical Identity Theft training for Colorado Law Enforcement and Medical Professionals (see attached program). This training has led to the development of model fraud and ID theft response policies for several major hospitals in Colorado, including Denver Health Medical Center (Denver Health and Hospitals). A working group of interested parties was established to further relationships and communications between medical facilities and law enforcement.

Criminal Identity Theft:

Criminal Identity Theft occurs when someone uses another person's ID. Perpetrators often commit ID theft when arrested for a crime, cited for a minor offense, or given a ticket in a traffic related incident. This form of ID theft has been prevalent for years, however the CFI Unit identified a number of obstacles and challenges for victims in repairing the damage caused by this crime. The Unit has advocated to streamline various government processes involved in reparation of these fraudulent criminal activities.

Working with the Colorado Department of Revenue Division of Motor Vehicles (DMV) Investigations Unit, CFI was able to establish a process for assisting victims whose driver's license or driving history were effected by Criminal ID Theft. The DMV now works in collaboration with the CFI to clear driving histories of fraudulent charges, identify traffic warrants that need to be cleared, vacate suspensions taken against a driver's license, and restore a victim's good driving record.

Within the Colorado Bureau of Investigation, the CFI Unit has pursued options to restructure the process of requesting a record challenge in cases where a victim's criminal history reflects the ID thief's criminal record. These records are maintained whole or in part within CBI's Identification and Program Support Units. Specialists in CBI's Identification Unit are now able to process these requests with sensitivity to the special needs of ID theft victims and with minimal information needed from the victim. CBI has changed the way an ID theft victim's criminal history is "flagged" to make it easier for law enforcement officers to identify both the victim and any potential ID thief using the victim's ID. Warrants and related court actions, like protection orders, are corrected and the victim's criminal history is cleared of all fraudulent entries. The CFI Unit will make recommendations for changes in the future in an ongoing effort to ensure victims of Criminal ID Theft receive efficient and timely response to their needs.

The CFI Unit has also worked with the criminal records departments in a number of different states, the FBI and with the Department of Homeland Security to assist Colorado victims of Criminal Identity Theft and make certain they receive quality services on a National and Federal level.



CASE HIGHLIGHTS AND STATISTICS

The CFI Unit has had numerous criminal investigative successes throughout the reporting period of April 2009 through September 2012, and continues to assist with various identity theft and fraud related activities that arise. The Unit has testified in front of the State House and State Judiciary Committee. On February 3, 2011, the Unit offered testimony in Committee to assist to the Colorado Secretary of State and their legislation on password protection for businesses. The Unit also gave testimony to State Judiciary Committee on January 31, 2012, as it related to Victim Rights and the redaction of the their social security number from police reports. Both the Password Protection and Victim Rights redactions were approved.

Unit Statistics

Categories reported below include:

Citizen / Bank Requests - Requests by citizens and members of financial institutions for information relative to identity theft and fraud that can effect them or their customers.

Law Enforcement Assists / Requests - Information or investigative services provided to other law enforcement (LE) agencies as it relates to identity theft and fraud. These requests can be for Suspicious Activity Reports (SARS) or Currency Transaction Reports (CTR's) as the CBI Analyst is the Financial Crimes Enforcement Network (FINCEN) coordinator for the State of Colorado. Other services provided to LE may be for intelligence information going to assist them on an active investigation, bridging criminal activity from multiple jurisdictions, data related research pertaining to patterns and trends and the production of graphs and charts.

Victim Assistance - Victims of identity theft who contact the CFI Unit with requests for assistance and support relative to the aftermath of the crimes of identity theft and fraud. This may include providing contact information with credit reporting bureaus, how to report an identity theft and how challenge a criminal record that was made by the suspect in their name. Victim Assistance also includes advocacy with a diverse number agencies and institutions.

Training - Providing expertise and information through professional training and community education.

Arrests - Persons arrested or indicted through the actions of the CFI Unit.

UNIT ACTIVITIES FY 10, FY 11, FY12

Citizen / Bank Requests	Law Enforcement Assists	Victim Assistance	Training	Arrests
139	415	2,237	215	47

Case Highlights

Money Raiders — Credit Card Bank Fraud Scheme

On July 8, 2010, a State of Colorado Grand Jury **indicted six** individuals with violations of the Colorado Organized Crime Control Act (COCCA). These individuals were involved in a multi-state criminal organization that obtained cash from the use of a credit card in an off-line transaction from various Colorado and out-of-state banks. The suspect(s) would enter a bank and convince the teller to call the toll free number on the back of the bank credit card once the card would not properly scan. The teller was unaware that the person on the other end of the 1-800 number was a co-conspirator and would provide false authentication and instruction to the teller to complete the transaction. The suspects averaged between \$5000 and \$8000 per transaction with each bank. An aggregate loss to all banks from multiple transactions was **over \$100,000**.

The indicted suspects were all subsequently arrested and convicted as it pertained to their role in the criminal enterprise.

Local Auto Check Fraud Group

On September 21, 2010, a Denver Grand Jury returned a **33-count indictment** charging **13 people** in connection with a counterfeit check operation in the metro area. The indictment is the result of an investigation launched by the US Postal Inspection Service involving the Colorado Bureau of Investigation, the Aurora Police Department, and the Denver DA's Office.

April Cotton and Derik Romero are charged with violating the Colorado Organized Crime Control Act (COCCA) (F 2) and numerous other felony counts including computer crime (F3), theft (F3), identity theft (F4) and contributing to the delinquency of a minor (F4).

Jason Forn, Quiana Brooks, Regina Abram, Maryah Castophney, Oscar Johnson, Danny Martinez, Channell Smith, Niesha Tidwell-Johnson, Shaquwan Wright, Ashli White, and TashaYarbough are also charged with numerous felony counts including conspiracy, theft, identity theft, and forgery. Regina Abram is also charged with contributing to the delinquency of a minor and Niesha Tidwell-Johnson is also charged with aiding escape.

The charges allege that these defendants were involved in an enterprise that created and used counterfeit and forged checks to steal money from grocery stores, retail stores, credit unions and banks. The charges further allege the group stole more than \$61,800 in approximately 6 weeks.

More than \$360,000 in counterfeit checks were seized during the course of the investigation.

Business Identity Theft

On March 5, 2012, CBI worked with the U.S. Secret Service and the Los Angeles County Sheriff's Office (LASD) to locate and identify suspects involved in a Business Identity Theft scheme. They assisted with search warrants that ultimately led to charging **Johnny Stewart**, of Marina del Rey, California, in U.S. District Court in Los Angeles along with **Dexter Hardy**, of Los Angeles County and **Clayton Stewart** for allegedly running a credit card scheme that resulted in an **estimated \$600,000 in losses**. A Federal Grand Jury returned a **26-count indictment** against the trio charging them with conspiracy, bank fraud, access device fraud, aggravated identity theft and money laundering.

The suspects assumed the identity of Colorado corporations by accessing the Secretary of State (SOS) website to change the corporation's principle address and registered agent. All fees associated with changes, such as address, registered agent or re-instatement of a corporation are paid for with a credit card. The suspects used stolen credit card numbers or pre-paid cards to complete online transactions. They typically changed the business address to a "virtual office" in Colorado and from there all mail forwarded to an address of their control in California. The suspects obtained new cell phone numbers for the hijacked corporations using a 303 area code that actually rang to the suspects in California.

The suspects, after having completed all the necessary changes to the victim corporation, then applied for credit in the name of the corporation with banks and retail outlets. Once credit lines were established the suspects used other members of the organization to purchase items online or in-person at retail sites. It was the purchase of these items they then converted to cash or their "profit" in this scheme.

CBI has been working closely with the SOS since early in this investigation to help identify suspects and other possible victim corporations. As a part of our efforts to deter future Business ID Theft cases, CBI and the SOS are working on a strategy to alert the public and utilize precautions that can assist in helping avoid or mediate potential victimization.

Military Romance Scheme

On June 14, 2012, a State of Colorado Grand Jury indicted Brighton, Colorado residents, Tracy Vasseur and her mother Karen Vasseur, with crimes in violation of the Colorado Organized Crime Control Act (COCCA). The investigation revealed at least **374 victims** who sent **over \$1.1 million dollars** to the Vassuers over a period of years. These victims were from **38 States** and **40 other countries**. These victims were targeted on various dating and social websites by suspects operating out of the Country of Nigeria. The Nigerian suspects would correspond with these victims posing as American Military in need of money while stationed over seas. To bolster their credibility with the victims and circumvent safe guards put in place by money remitters, the Nigerian suspects enlisted the assistance of the Vasseurs, to whom the victims could send money via wire. Upon receiving the money from the numerous victims, the Vasseurs kept a percentage for themselves before wiring out the remainder to their Nigerian counterparts. In all, the Vasseur's utilized **68 different money remitter locations in 19 different Colorado cities**. They opened **20 personal or business** bank accounts at **11 separate Colorado banks**.

The CFI Unit continues to work with money remitters such as Western Union and Money Gram to better train and insulate their business from this type of fraud.

VICTIM ASSISTANCE PROGRAM

In late April 2010, CBI established a Victim Assistance Program within the CFI Unit. The program was established through a federal grant from the Division of Criminal Justice to provide comprehensive victim assistance services to victims of ID theft and fraud in Colorado. The goal was to provide victims of these crimes with access to a victim advocate for support and guidance through the system, and ensure that these victims were treated with dignity, fairness and respect.

The Colorado Victim Rights Amendment (CVRA) does not apply to victims of ID theft and fraud. Most victim assistance programs in law enforcement agencies and prosecutor offices serve primarily or only victims covered by the CVRA, leaving victims of ID theft and fraud to fend for themselves. This is especially challenging as there are so many entities that must be dealt with by victims of these crimes. CFI's Victim Assistance Program provides expertise in both reporting the crimes and in the lengthy and complicated process of repairing the damage.

The CFI Victim Assistance Program established the first and only Colorado 24 Hour Identity Theft and Fraud Hotline to respond to victim needs. Trained victim advocates are available 24 hours per day, 7 days per week, including holidays and weekends to provide support, guidance and assistance. Advocates are able to address victim needs in a number of different languages and have access to needed resources to meet the needs of callers who are deaf or hard of hearing.

CFI's Victim Advocate provides quality response to victims, and has served 2,237 victims since the project inception. The Victim Advocate has created a number of materials for victims to include a 1st Steps for Victims Guide, a packet of sample dispute letters for fraudulent credit accounts, crime prevention materials and special needs Tip Sheets (such as Medical ID Theft, what to do if a social security number is used fraudulently for employment, working with the IRS, Child ID Theft Victims, Business Identity Theft Tool Kit, and more). The Victim Advocate works closely with law enforcement, criminal justice, credit bureaus, financial institutions, medical facilities, social service agencies, local, state and federal government agencies, American Indian Nations, legal services, community based services and national programs to advocate for victims of ID theft and fraud.

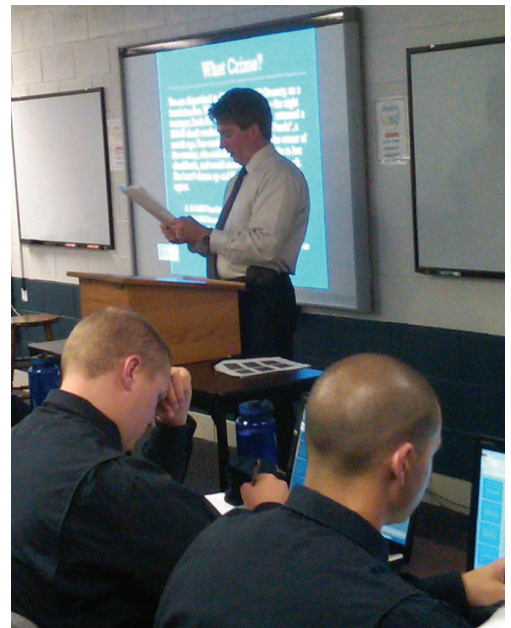
TRAINING AND OUTREACH

Professional training and community outreach are vital aspects of the work performed by the CFI Unit. State and Federal laws regarding ID theft and fraud, investigative techniques and the tactics used by criminals to perpetrate ID theft and fraud change and evolve regularly. As the experts in ID theft and fraud, the CFI Unit designs and implements training for professionals to encourage quality response to victims of and facilitate thorough investigations. The CFI unit also offers educational opportunities for the general public and reduce the risk of victimization (see attached Curriculum list and educational materials). During FY10, FY11 and FY12, the CFI Unit provided **215 training opportunities**.

Law Enforcement Training:

The CFI Unit designed several training programs for Law Enforcement Officers that are Peace Officer Standards and Training (POST) certified. CFI facilitates a four (4) hour Basic ID Theft Training and an eight (8) hour Basic & Advanced ID Theft Training for Law Enforcement. These training programs include information that is critical for all aspects of Law Enforcement response from dispatch to patrols, investigations to crime prevention and community resource units.

The CFI Unit worked closely with the Department of Homeland Security to design training for Law Enforcement on Fraudulent Document Detection. This is presented as part of our Advanced ID Theft Training Course and is POST certified to be offered as a separate two (2) hour training. Training designed and facilitated by CFI on Power of Attorney Laws, Medical ID Theft and Responding to Victims have also received POST certification and have qualified for Continuing Legal Education credits.



The CFI Unit provided training for Law Enforcement Departments across Colorado and the Colorado State Patrol; adjusting training curricula to accommodate the unique needs of each community. Modifications include the special needs of urban and rural communities, mountain communities, departments that are located close to Colorado's borders, and Tribal Police needs. Participating officers are asked to complete a pre-training survey and a post-training evaluation. These indicate increased knowledge and skills as well as a better understanding of the challenges of ID theft and fraud investigations.

Professional Training:

The CFI Unit has created a number of training curriculum and materials for professionals. Trainings are designed to meet the unique needs of each professional group while ensuring current information regarding ID theft and fraud are presented. Professional groups trained by CFI include (but are not limited to):

- Financial Institutions (banks and credit unions)
- Victim Advocates (system-based and non-profit)
- Mortgage Brokers
- Title Officers
- Relators
- Social Workers/Departments of Human Services
- Chambers of Commerce
- Small Business Owners and Managers
- Better Business Bureaus
- Financial Planners
- Senior Advisors
- Elder Abuse Investigations
- College Invest/ College Assist
- High School Teachers/College Professors
- Therapists/School Counselors
- Student Loan Officers/Financial Aid Officers/Accounts Receivable
- Child Abuse Investigations
- Foster/Kinship Parent Organizations
- Medical Professionals
- Security Staff
- District Attorney's Offices
- Division of Wildlife
- Department of Regulatory Agencies
- Division of Insurance

Community Education:

Educating the general public about the risks of ID theft and fraud and crime prevention techniques is a critical aspect of the fight against these crimes. The CFI Unit designed and implemented a number of community educational programs that meet the needs of a diverse community. Distinctive programs have been designed to address ID theft and fraud in the communities of older adults, high school students, first-year college students, financial investors, parents, caregivers, and more. CFI's educational programs address the nature of ID theft and fraud as well as simple means to reduce risk of victimization and repair any damage done by the crimes.

CFI utilized the media as a means of getting information out to the community. Articles have appeared in print media on numerous occasions. In addition, members of the CFI unit have provided interviews and appeared on local network and cable television news, consumer information programs, local radio shows and on National Public Radio. CFI also employed social media as a means of sharing information. CFI established a Facebook page and a Twitter account to broadcast information about ID theft and fraud trends and prevention techniques.

Outreach Committees and Meetings:

CFI Unit members participate in a number of professional committees and attend various professional group meetings to maintain connections with our professional community, share information and support state and national efforts to combat ID theft and fraud. CFI participates in the following:

- Exempla Community Resource Forum
- South East Area Fraud Investigators Network
- Victim Assistance in Law Enforcement Coordinators
- Boulder White Collar Crimes Task Force
- Victim Assistance Provider Network
- Colorado Coalition for Elder Rights and Adult Protection
- Metro Denver Mortgage Fraud Task Force
- Corporate Identity Theft Working Group
- Mortgage Fraud Working Group
- International Association of Certified Fraud Investigators (IAFCI)
- Association of Certified Fraud Examiners (ACFE)
- Rocky Mountain Fraud Investigators Network (RMFIN/DaPIG)

Identity Theft Advocacy Network of Colorado (ITAN):

The CFI Unit applied for and received a Federal grant to establish a coalition of agencies dedicated to addressing the issues of identity theft and fraud from the perspective of the victims. The Office for Victims of Crime Grant was awarded to the Marilyn Crime Victims' Resource Center with the goal of establishing 10 networks/coalitions across the US. The Colorado Bureau of Investigation was chosen as one of the sub-recipients of this grant, receiving \$50,000 to establish a coalition and provide training. The grant period was October 2011 through December 2012.

CFI established the Identity Theft Advocacy Network (ITAN), and was able to recruit **98 Colorado agencies as participants**. ITAN designed a multi-year plan for addressing the special needs of victims of ID theft and fraud. Our first year plan included training first responders, designing a Law Enforcement Guide to ID Theft and establishing a working group to address Medical Identity Theft. These goals were met with training events held throughout the state, numerous Webinar trainings, the creation and dissemination of the Law Enforcement Guide and the establishment of a dedicated Medical ID Theft Response Group hosted by Denver Health Medical Center. While funding was allocated for only one year, CFI continues to facilitate ITAN and to address the on-going goals of the coalition.





Dora
Department of Regulatory Agencies

Office of Policy, Research and Regulatory Reform

2010 Sunset Review: Identity Theft and Financial Fraud Deterrence Act

October 15, 2010





Executive Director's Office

Barbara J. Kelley
Executive Director

Bill Ritter, Jr.
Governor

October 15, 2010

Members of the Colorado General Assembly
c/o the Office of Legislative Legal Services
State Capitol Building
Denver, Colorado 80203

Dear Members of the General Assembly:

The mission of the Department of Regulatory Agencies (DORA) is consumer protection. As a part of the Executive Director's Office within DORA, the Office of Policy, Research and Regulatory Reform seeks to fulfill its statutorily mandated responsibility to conduct sunset reviews with a focus on protecting the health, safety and welfare of all Coloradans.

DORA has completed the evaluation of the Colorado Identity Theft and Financial Fraud Deterrence Act. I am pleased to submit this written report, which will be the basis for my office's oral testimony before the 2011 legislative committee of reference. The report is submitted pursuant to section 24-34-104(8)(a), of the Colorado Revised Statutes (C.R.S.), which states in part:

The department of regulatory agencies shall conduct an analysis of the performance of each division, board or agency or each function scheduled for termination under this section...

The department of regulatory agencies shall submit a report and supporting materials to the office of legislative legal services no later than October 15 of the year preceding the date established for termination....

The report discusses the question of whether there is a need for the program created under Part 17 of Article 33.5 of Title 24, C.R.S. The report also discusses the effectiveness of the Colorado Identity Theft and Financial Fraud Board and the Colorado Bureau of Investigation's Fraud Investigators Unit in carrying out the intent of the statutes and makes recommendations for statutory and administrative changes in the event this program is continued by the General Assembly.

Sincerely,

Barbara J. Kelley
Executive Director





Bill Ritter, Jr.
Governor

Barbara J. Kelley
Executive Director

2010 Sunset Review: Identity Theft and Financial Fraud Deterrence Act

Summary

What Is Identity Theft?

Identity theft occurs when someone uses the personal identifying information, such as a name, Social Security number or credit card number, without the permission of the rightful owner of the information, to commit fraud or other crimes.

Why Is It Identity Theft Important?

In 2009, Colorado ranked ninth, nationally, in identity theft crimes, with 4,775 victims and a rate of 95 victims per 100,000 population. Since at least 2003, Colorado has ranked in the top 10, nationally.

Who Is Regulated?

The Identity Theft and Financial Fraud Deterrence Act (Act) creates the Colorado Fraud Investigators Unit (Unit) within the Colorado Bureau of Investigation as well as the Colorado Identity Theft and Financial Fraud Board (Board). The Unit is tasked with providing identity theft and financial fraud-related education to the public, financial institutions and law enforcement; assisting local law enforcement with identity theft and financial fraud-related investigations; and intelligence gathering and dissemination. The nine-member Board is tasked with, among other things, establishing the general criminal activities on which the Unit should focus its efforts.

What Does It Cost?

In fiscal year 09-10, expenditures totaling \$467,171 were associated with the Unit.

What Results Have Been Realized?

Since the Unit was created in 2006, it has provided 115 training sessions to the public, financial institutions and law enforcement. The Unit has also been directly involved in cases resulting in the arrest of 70 thieves who stole more than \$30.6 million from 463 victims.

Where Do I Get the Full Report?

The full sunset review can be found on the internet at: www.dora.state.co.us/opr/oprpublications.htm.

Key Recommendations

Continue the Act for five years, until 2016.

Colorado has consistently ranked in the top 10 states for identity theft. This is a top 10 ranking that should be avoided, not coveted. Additionally, identity theft and financial fraud costs Colorado businesses and consumers hundreds of millions of dollars each year. Therefore, identity theft and financial fraud are very real, very serious problems in this state. The public needs protection. The Unit and the Board are well equipped to monitor and act upon new and evolving identity theft and financial fraud schemes.

Add a representative of a consumer or victim advocacy organization to the Board.

The Board's current membership brings to the table three of the five major stakeholder groups with respect to identity theft. Noticeably absent from the list of statutory Board members is a consumer or victim advocate. A representative of consumers could bring a real-world perspective to the Board. Consumers are victims of identity theft and they lack a voice on the one organ of state government directly tasked with addressing identity theft.

Major Contacts Made During This Review

AARP ElderWatch
Colorado Alliance for Retired Americans
Colorado Bankers Association
Colorado Bureau of Investigation
Colorado Department of Law
Colorado Department of Public Safety
Colorado District Attorneys' Council
Colorado Division of Criminal Justice
Colorado Division of Financial Services
Colorado Division of Insurance
Colorado Identity Theft and Financial Fraud Board
Colorado Judicial Department
Colorado Law Enforcement Officer Association
Colorado Organization for Victim Assistance
Colorado Public Interest Research Group
Communities Against Senior Exploitation
Credit Union Association of Colorado

What is a Sunset Review?

A sunset review is a periodic assessment of state boards, programs, and functions to determine whether or not they should be continued by the legislature. Sunset reviews focus on creating the least restrictive form of regulation consistent with protecting the public. In formulating recommendations, sunset reviews consider the public's right to consistent, high quality professional or occupational services and the ability of businesses to exist and thrive in a competitive market, free from unnecessary regulation.

Sunset Reviews are Prepared by:
Colorado Department of Regulatory Agencies
Office of Policy, Research and Regulatory Reform
1560 Broadway, Suite 1550, Denver, CO 80202
www.dora.state.co.us/opr

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Background

Introduction

Enacted in 1976, Colorado's sunset law was the first of its kind in the United States. A sunset provision repeals all or part of a law after a specific date, unless the legislature affirmatively acts to extend it. During the sunset review process, the Department of Regulatory Agencies (DORA) conducts a thorough evaluation of such programs based upon specific statutory criteria¹ and solicits diverse input from a broad spectrum of stakeholders including consumers, government agencies, public advocacy groups, and professional associations.

Sunset reviews are based on the following statutory criteria:

- Whether regulation by the agency is necessary to protect the public health, safety and welfare; whether the conditions which led to the initial regulation have changed; and whether other conditions have arisen which would warrant more, less or the same degree of regulation;
- If regulation is necessary, whether the existing statutes and regulations establish the least restrictive form of regulation consistent with the public interest, considering other available regulatory mechanisms and whether agency rules enhance the public interest and are within the scope of legislative intent;
- Whether the agency operates in the public interest and whether its operation is impeded or enhanced by existing statutes, rules, procedures and practices and any other circumstances, including budgetary, resource and personnel matters;
- Whether an analysis of agency operations indicates that the agency performs its statutory duties efficiently and effectively;
- Whether the composition of the agency's board or commission adequately represents the public interest and whether the agency encourages public participation in its decisions rather than participation only by the people it regulates;
- The economic impact of regulation and, if national economic information is not available, whether the agency stimulates or restricts competition;
- Whether complaint, investigation and disciplinary procedures adequately protect the public and whether final dispositions of complaints are in the public interest or self-serving to the profession;
- Whether the scope of practice of the regulated occupation contributes to the optimum utilization of personnel and whether entry requirements encourage affirmative action;
- Whether administrative and statutory changes are necessary to improve agency operations to enhance the public interest.

¹ Criteria may be found at § 24-34-104, C.R.S.

Not all of these criteria apply to sunset reviews of programs that do not regulate professions or occupations. However, DORA must still evaluate whether a program needs to exist to protect the public health safety and welfare; whether the level of regulation established for the program is the least restrictive consistent with the public interest; whether the state administers the program efficiently and effectively; and whether administrative and statutory changes are necessary to enhance the public interest.

Sunset Process

Programs scheduled for sunset review receive a comprehensive analysis. The review includes a thorough dialogue with agency officials and other stakeholders. Anyone can submit input on any upcoming sunrise or sunset review via DORA's website at: www.dora.state.co.us/pls/real/OPR_Review_Comments.Main.

The functions of the Identity Theft and Financial Fraud Board (Board) and the Colorado Bureau of Investigation's (CBI's) Colorado Fraud Investigators Unit (Unit) relating to Part 17 of Article 33.5 of Title 24, Colorado Revised Statutes (C.R.S.), shall terminate on July 1, 2011, unless continued by the General Assembly. During the year prior to this date, it is the duty of DORA to conduct an analysis and evaluation of the Board and Unit pursuant to section 24-34-104, C.R.S.

The purpose of this review is to determine whether the Board and Unit should be continued for the protection of the public and to evaluate the performance of the Board and Unit. During this review, the Board, Unit and the CBI must demonstrate that the program serves to protect the public health, safety or welfare, and that the program is the least restrictive program consistent with protecting the public. DORA's findings and recommendations are submitted via this report to the legislative committee of reference of the Colorado General Assembly.

Methodology

As part of this review, DORA staff attended Board meetings; interviewed Unit and CBI staff; interviewed officials with state and national professional, industry and consumer associations; interviewed individuals with expertise in identity theft prevention and the consequences of identity theft; and reviewed Colorado statutes.

Identity Theft in Colorado

In general, identity theft occurs when someone uses the personal identifying information, such as a name, Social Security number or credit card number, without the permission of the rightful owner of the information, to commit fraud or other crimes.

Skilled identity thieves may use a variety of methods to obtain the identifying information of others, including:

- Dumpster diving – rummaging through trash looking for bills or other documents with identifying information.
- Skimming – stealing credit or debit card numbers by using special electronic devices while processing such a card for legitimate purposes.
- Phishing – pretending to be financial institutions or companies, typically through the use of email, and sending spam or pop-up messages to get victims to reveal identifying information.
- Changing addresses – diverting a victim's billing statements to another location by completing change of address forms.
- Old fashioned stealing – stealing wallets, purses and mail (including bank and credit card statements, pre-approved credit offers, new checks and tax information); gaining access to personal records; and bribing employees who have access to identifying information.
- Pretexting – using false pretenses to obtain identifying information from financial institutions, telephone companies, and other sources.

Once in possession of the identifying information, an identity thief may use the stolen identity to, among other things:

- Rent an apartment;
- Take out a mortgage or other loan;
- Obtain new credit cards;
- Access existing credit card or bank accounts;
- Establish telephone or other utilities accounts;
- Obtain a driver's license or official identity card with the victim's information, but with the thief's photograph;
- Obtain medical services;
- Obtain government benefits;
- Obtain a job;
- File fraudulent tax returns;
- Provide as identifying information to law enforcement; and
- Sell the identifying information to others.

In short, identity theft facilitates financial fraud.

A consumer can take some proactive measures to reduce the likelihood of having his or her identity stolen, and to detect sooner, rather than later, that his or her identity has been stolen. However, typically a consumer only finds out about the theft after some damage has been done. This generally comes as a surprise and occurs when the consumer is contacted by debt collectors, applies for a mortgage or other loan, or receives something in the mail about an apartment the victim never rented, a home he or she never owned, or a job the victim never held.

Unfortunately, some people discover they are victims when they are arrested because an identity thief provided law enforcement with the victim's identifying information during the thief's own arrest, and then failed to appear in court.

Once a victim discovers that he or she is, indeed, a victim, the path to recovery is less than clear. At a minimum, the victim should file a police report. Unfortunately, due to the cross-jurisdictional nature of many identity theft crimes, this can be a difficult process.

The cross-jurisdictional nature of these crimes is best illustrated by way of example: a victim lives in Colorado and had his credit card number stolen while shopping in Florida. The credit card number is then used to purchase goods or services in Wisconsin. Where did the crime occur? Which police department has proper jurisdiction to take the report?

Although Colorado law attempts to simplify this process for the victim, in the sense that it requires Colorado law enforcement agencies to take such a report if the victim lives in that jurisdiction, anecdotal evidence suggests that not all law enforcement agencies seem to be aware of this requirement, or if they are, they are not willing to comply with it.

Identity theft cases are complicated, time-consuming and often fail to result in any arrests, let alone convictions. In the end, even if a victim is able to file a police report, he or she will likely be informed that nothing will come of it.

Regardless, filing of the police report is key to the remainder of the process. With the police report in hand, the victim must begin the process of closing existing accounts, opening new accounts, notifying those institutions that the victim believes have also been defrauded, and alerting the credit reporting bureaus so that an alert or freeze can be placed on the victim's Social Security number.

In short, the victim, unlike in any other crime, must take proactive measures to prove his or her innocence. This can be an emotionally draining, and never ending process for the victim. There is also the concern that the victim will never know if or to whom the thieves sold the victim's information. As a result, the victim lives in constant fear of being revictimized.

Additionally, many victims are encouraged to file a report with the Federal Trade Commission (FTC). Although the FTC has no ability to act upon such reports, it tracks such data on both national and state levels. In examining such data, however, it must be disclosed that FTC data are generally considered to be conservative since, in all likelihood, not all victims file reports with the FTC.

From 2005 to 2009, the FTC received over 5.4 million identity theft and fraud-related complaints.²

It is no secret that Colorado has consistently ranked high on the list of states with identity theft victims. Table 1 illustrates Colorado's national ranking for the past several years, as well as the number of Coloradans, per 100,000 population, who have been victimized.

Table 1
Colorado's National Ranking and Identity Theft Victims per 100,000 Population
By Calendar Year³

	National Rank	Victims Per Capita	Number of Victims
2003	8	81.3	3,698
2004	5	95.8	4,409
2005	5	97.2	4,535
2006	6	92.5	4,395
2007	8	89.0	4,328
2008	10	100.9	4,983
2009	9	95.0	4,775

These figures are informative on a number of levels. First, Colorado has consistently ranked in the top 10 for each of the last seven years.⁴ Second, although Colorado's overall rank has fluctuated somewhat, these figures indicate that Colorado has not necessarily gotten significantly better, in terms of reducing the number of identity theft victims, but rather that other states have become worse.

Finally, it must be remembered that these figures should not be interpreted as providing a complete picture of identity theft in Colorado. They represent only those few who knew to file a complaint with the FTC and who actually followed through and completed the complaint process. Therefore, these figures should be viewed as minimums, rather than absolutes.

² *Consumer Sentinel Network Data Book for January-December 2009*, Federal Trade Commission (February 2010), p. 3.

³ State Data, ID Theft Data Clearinghouse 2003-2008. Retrieved on February 19, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/state-data.html

⁴ Rankings are based on the number of complaints per 100,000 population.

Further, the FTC data provide some insight into who is victimized. Table 2 illustrates the age ranges for those victims filing reports with the FTC.

**Table 2
Complaints by Victim Age
By Percentage of Reports and Calendar Year⁵**

	2003		2004		2005		2006		2007		2008 ⁶		2009	
	CO	US	CO	US	CO	US	CO	US	CO	US	CO	US	CO	US
Under 18	5	3	3	4	4	5	3	5	4	5	7	7	6	7
18-29	30	28	29	29	30	29	30	29	30	28	26	24	26	24
30-39	23	25	27	25	24	24	24	23	24	23	22	23	22	22
40-49	22	21	21	20	20	20	20	20	19	19	19	19	20	19
50-59	13	13	12	12	14	13	14	13	14	13	14	14	14	15
60-64	3	4	3	3	3	3	4	4	4	4	7	7	7	8
65 and Over	5	6	5	6	5	6	5	6	5	6	4	5	5	5

These data demonstrate that the highest incidence of identity theft occurs to individuals between the ages of 18 and 50.

**Table 3
How Victims' Information is Misused
By Percentage of Reports and Calendar Year⁷**

	2003		2004		2005		2006		2007		2008		2009	
	CO	US	CO	US	CO	US	CO	US	CO	US	CO	US	CO	US
Credit Card Fraud	26	33	22	28	24	26	23	25	20	23	17	20	15	17
Phone or Utilities Fraud	17	21	15	19	15	18	14	16	15	18	12	13	13	15
Bank Fraud	20	17	22	18	19	17	17	16	14	13	10	11	8	10
Employment-Related Fraud	17	11	15	13	15	12	17	14	21	14	22	15	25	13
Government Documents / Benefits Fraud	7	8	6	8	6	9	6	10	7	11	11	15	14	16
Loan Fraud	5	6	6	5	5	5	5	5	5	5	4	4	3	4
Other Identity Theft	24	19	26	22	28	25	27	24	29	25	25	24	23	23
Attempted Identity Theft	7	8	6	6	6	6	6	6	5	5	5	6	5	6

The figures reported in Table 3 may not total 100 percent because victims are able to report in more than one category.

⁵ State Data, ID Theft Data Clearinghouse 2003-2008. Retrieved on February 19, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/state-data.html

⁶ Beginning in 2008, FTC changed the manner in which it reported identity theft by age. Although the age ranges remained roughly the same, the new categories became: 19 and under (reported here as under 18); 20-29 (reported here as 18-29); 30-39; 40-49; 50-59, 60-69 (reported here as 60-64); and 70 and over (reported here as 65 and over).

⁷ State Data, ID Theft Data Clearinghouse 2003-2008. Retrieved on February 19, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/state-data.html

Credit card fraud includes new accounts, existing accounts and other, unspecified activities.

Phone or utilities fraud includes new telephone and other utilities services, unauthorized charges to existing accounts, and other, unspecified activities.

Bank fraud includes existing accounts, electronic funds transfers, new accounts, and other, unspecified activities.

Employment-related fraud, an area where Colorado has consistently outpaced the rest of the nation, includes using another person's identifying information to secure employment. It also includes instances in which false job advertisements are placed in an attempt to glean identifying information from job applications.

As Table 3 indicates, employment-related fraud accounted for a full quarter of Colorado's reported identity theft cases in 2009. This is entirely consistent with other southwestern states.⁸

Government documents or benefits fraud includes fraudulent tax returns, drivers' licenses, government benefits applied for/received, Social Security cards issued/forged, other government documents issued/forged, and other, unspecified activities.

Loan fraud includes business, personal and student loans; auto loans and leases; real estate loans and other, unspecified activities.

Other identity theft includes illegal/criminal, medical, Internet/e-mail, bankruptcy, insurance, property rental, child support, securities and other investments, magazines and other, unspecified activities.

The costs of identity theft are, as one might expect, quite high, both in terms of time and money.

Estimates as to the amount of time a victim of identity theft can expect to spend repairing the damage caused by the theft vary from between 4 and 141 hours.⁹

Similarly, estimates as to the amount of money a victim may spend, out of pocket, to repair the damage vary from between \$0 and \$2,000,¹⁰ to an average of \$527.¹¹

Importantly, consumers are not the only victims of identity theft and financial fraud. Retailers and financial institutions, too, are victims. Financial institutions, once identity theft is reported, absorb the losses, which are generally recognized to be in the tens of billions of dollars nationally, and in the hundreds of millions of dollars in Colorado.

⁸ *Consumer Sentinel Network Data Book for January – December 2009*, Federal Trade Commission (February 2010). These states include Arizona, California, Nevada, New Mexico, Texas, Utah and Wyoming.

⁹ *Federal Trade Commission – Identity Theft Survey Report*, Synovate, November 2007, page 5. "Aftermath 2009," Identity Theft Resource Center. Downloaded on June 3, 2010, from www.idtheftcenter.org/artman2/publish/headlines/Aftermath_2009.shtml

¹⁰ *Federal Trade Commission – Identity Theft Survey Report*, Synovate, November 2007, page 5.

¹¹ "Aftermath 2009," Identity Theft Resource Center. Downloaded on June 3, 2010, from www.idtheftcenter.org/artman2/publish/headlines/Aftermath_2009.shtml

Legal Framework

History of Regulation

Prior to the enactment of the Colorado Identity Theft and Financial Fraud Deterrence Act (Act) in 2006, Colorado had no centralized investigatory body dedicated to the investigation and prosecution of identity theft crimes. House Bill 06-1347 (HB 1347) changed that with the creation of the Colorado Fraud Investigators Unit (Unit) and the Colorado Identity Theft and Financial Fraud Board (Board), both of which are housed in the Colorado Bureau of Investigation (CBI).

Testimony offered at the time of HB 1347 characterized identity theft as the “crime of this era,” and suggested that Colorado’s banks alone lost between \$100 million and \$150 million each year to identity theft and related fraud.

The idea behind the Act and the Unit was to create a centralized resource to which local law enforcement and prosecutors could turn for assistance, consultations and guidance in investigating and prosecuting such crimes. The Unit was specifically intended to support, not supplant, the efforts of these agencies.

House Bill 1347, as finally enacted (with the support of the banking community, prosecutors, law enforcement and consumer groups), created the Unit and the Board. The bill directed the Board to approve a plan for the Unit, and directed the Unit to prepare regular status reports to the Board and the Colorado Senate and House of Representatives Judiciary Committees. Additionally, the Act required the Unit to:

- Provide education to law enforcement, financial institutions and the public;
- Provide technical assistance to law enforcement and prosecutors; and
- Gather intelligence for dissemination to law enforcement and the banking communities.

To fund the program, fees would be imposed on those who suffered the greatest financial loss from identity theft. These same entities (primarily lenders and money transmitters) stood to gain the most from a reduction in identity theft and the resultant financial fraud.

More specifically, surcharges were placed on:

- Uniform Commercial Code filings made with the Secretary of State (primarily made by secured lenders such as credit unions and banks);
- Uniform Consumer Credit Code-supervised lenders regulated by the Colorado Attorney General (Attorney General), such as payday lenders, pawn shops and others; and
- Money transmitters regulated by the Department of Regulatory Agencies’ (DORA’s) Division of Banking, such as Western Union, PayPal and American Express.

Federal Statutes

A number of federal laws address identity theft in the sense that they either limit how consumer information can be disclosed, or limit a consumer's liability for fraudulent conduct perpetrated in the name of that consumer:

- The Driver's Privacy Protection Act places limitations on the disclosure of personal information maintained by departments of motor vehicles.¹²
- The Electronic Funds Transfer Act provides consumers with protection for transactions using a debit card or electronic means to debit or credit an account, and it limits a consumer's liability for unauthorized electronic fund transfers.¹³
- The Fair Credit Billing Act establishes procedures for resolving billing errors on credit card accounts, and limits a consumer's liability for fraudulent credit card charges.¹⁴
- The Fair Credit Reporting Act establishes procedures for correcting mistakes made on credit records and specifies that credit reports may be accessed only for legitimate business purposes.¹⁵
- The Fair Debt Collection Practices Act prohibits debt collectors from using unfair or deceptive practices to collect overdue debts.¹⁶
- The Family Educational Rights and Privacy Act establishes limitations on the disclosure of educational records maintained by agencies and institutions that receive federal funding.¹⁷
- The Gramm-Leach Bliley Act requires financial institutions to protect the privacy of consumers' personal financial information.¹⁸
- The Health Information Portability and Accountability Act requires covered entities to ensure the security and confidentiality of patient information.¹⁹

¹² Federal Trade Commission, *Federal Laws: Privacy and Information Security*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-privacy.html

¹³ Federal Trade Commission, *Federal Laws: Credit*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-credit.html

¹⁴ Federal Trade Commission, *Federal Laws: Credit*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-credit.html

¹⁵ Federal Trade Commission, *Federal Laws: Credit*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-credit.html

¹⁶ Federal Trade Commission, *Federal Laws: Credit*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-credit.html

¹⁷ Federal Trade Commission, *Federal Laws: Privacy and Information Security*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-privacy.html

¹⁸ Federal Trade Commission, *Federal Laws: Privacy and Information Security*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-privacy.html

¹⁹ Federal Trade Commission, *Federal Laws: Privacy and Information Security*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-privacy.html

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- The Identity Theft and Assumption Deterrence Act makes identity theft a federal crime when someone,
 - [k]nowingly transfers possesses or uses, without lawful authority, a means of identification of another person with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes a violation of federal law, or that constitutes a felony under any applicable state or local law.²⁰

Colorado Statutes

A person commits identity theft if he or she:²¹

- I. With the intent to defraud, falsely makes, completes, alters, or utters a written instrument or financial device containing any personal identifying information or financial identifying information of another; or
- II. Knowingly uses or possesses the personal identifying information, financial identifying information, or financial device of another without permission or lawful authority:
 - a. with the intent to use or to aid or permit some other person to use such information or device to obtain cash, credit, property, services or any other thing of value or to make a financial payment;
 - b. to use in applying for or completing an application for a financial device or other extension of credit; or
 - c. with the intent to obtain a government-issued document.

Identity theft is a Class 4 felony.²² The courts may sentence a person convicted of such to twice the presumptive range if the defendant is convicted of identity theft or of attempt, conspiracy or solicitation to commit identify theft and the defendant has a prior conviction for a similar crime.²³

The presumptive range for a Class 4 felony is two to six years' imprisonment.²⁴

²⁰ Federal Trade Commission, *Federal Laws: Criminal*. Downloaded on June 2, 2010, from www.ftc.gov/bcp/edu/microsites/idtheft/reference-desk/federal-criminal-law.html

²¹ § 18-5-902(1), C.R.S.

²² § 18-5-902(2), C.R.S.

²³ § 18-5-902(3), C.R.S.

²⁴ § 18-1.3-401(1)(a)(V)(A), C.R.S.

Additionally, the Colorado criminal code addresses other, related offenses, such as:

- Criminal possession of a financial device;²⁵
- Criminal possession of an identification document;²⁶
- Gathering identity information by deception;²⁷ and
- Possession of identity theft tools.²⁸

A victim of identity theft may file a report of such with the law enforcement agency having jurisdiction over the victim's residence or over the place where a crime was committed. Colorado law enforcement agencies must take these reports.²⁹

In passing the Act, the General Assembly recognized the consequences of identity theft and financial fraud, including:³⁰

- The trauma of recovering stolen identities and repairing related damage to personal finances;
- The direct and indirect financial costs to various victims, consumers and businesses;
- The time dedicated to guarding against and resolving such crimes; and
- The overall economic impact of such crimes.

To protect Colorado citizens from such crimes and to enhance the investigation and prosecution of such crimes, the General Assembly created the Board and the Unit.³¹

The Unit, which is part of CBI³² and which is intended to supplement and not replace existing law enforcement and prosecution efforts,³³ is specifically charged with assisting the Colorado Attorney General (Attorney General), sheriffs, police and district attorneys in investigating and prosecuting identity theft and the resulting financial fraud crimes.³⁴

²⁵ § 18-5-903, C.R.S.

²⁶ § 18-5-903.5, C.R.S.

²⁷ § 18-5-904, C.R.S.

²⁸ § 18-5-905, C.R.S.

²⁹ § 16-5-103(3), C.R.S.

³⁰ § 24-33.5-1702(1), C.R.S.

³¹ §§ 24-33.5-1702(2) and (3), C.R.S.

³² § 24-33.5-1704(1), C.R.S.

³³ § 24-33.5-1704(4), C.R.S.

³⁴ § 24-33.5-1704(2), C.R.S.

The Unit is specifically directed to:³⁵

- Gather information concerning identity theft and financial fraud, and to analyze the information to identify relevant criminal activities, patterns and trends throughout the state and region, whether multijurisdictional or not;
- Target specific forms of identity theft and financial fraud on which to concentrate;
- Disseminate information to the public, law enforcement agencies, prosecutors, depository institutions and other businesses concerning current and anticipated identity theft and financial fraud crimes, recommended steps to prevent such crimes and patterns and trends in such crimes;
- Prepare and present classes, briefings and materials to assist local law enforcement agencies, district attorneys and the Attorney General in their investigations and prosecutions; and
- Provide consultation on an individual case, but only upon the request of a local law enforcement agency, a local district attorney or the Attorney General.

The Board is charged with overseeing the Unit and comprises nine members:³⁶

- Executive Director of the Department of Public Safety;
- Attorney General;
- Executive Director of the Colorado District Attorneys' Council;
- A representative of a police department;
- A representative of a sheriff's department;
- Three representatives of depository institutions, at least two of whom must be from a state or national bank; and
- A representative of a payment processor.

The final six members of the Board, as outlined above, are appointed by the Governor to serve no more than two, three-year terms.³⁷

³⁵ § 24-33.5-1704(3), C.R.S.

³⁶ § 24-33.5-1703(2), C.R.S.

³⁷ § 24-33.5-1703(3), C.R.S.

The Board is charged with routinely interacting and communicating with local authorities and constituency groups to increase awareness of the Board and Unit and their mission.³⁸ Toward these ends, the Board has the power to:³⁹

- Approve the Unit's comprehensive plan;
- Establish the general criminal activities on which the Unit should focus its efforts, priorities among those crimes and among regions of the state, general categories of information to be disseminated by the Unit, and guidelines for consultation provided by the Unit on requested local investigations;
- Review the Unit's quarterly reports;
- Specify the information to be contained in periodic public disclosures of performance data on the Unit's work and results so that the Attorney General, sheriffs, police, district attorneys, depository institutions and the public can review the effect of the resources used and the Unit's efforts;
- Determine procedures for reviewing the success of the Unit;
- Enter into and execute all contracts, leases, intergovernmental agreements, and other instruments as necessary;
- Review and comment on the Unit's budget; and
- Receive and accept, from any source, aid or contributions of money, property, labor, or other things of value.

Additionally, the Board was required to report to the judiciary committees of the Colorado Senate and House of Representatives, no later than May 1, 2009, on the implementation of the Act and the results achieved by the Board,⁴⁰ including:⁴¹

- Criminal activities, patterns and trends throughout the state and surrounding region;
- The specific forms of identity theft and financial fraud identified by the Unit and the evolution of those forms;
- Information disseminated by the Unit about current and anticipated patterns of identity theft and financial fraud crimes and recommendations to deter and protect citizens against such crimes;
- Classes, briefings and materials disseminated by the Unit to assist local law enforcement agencies, district attorneys and the Attorney General;
- Consultation provided by the Unit on individual cases, requested local investigations, and related activities and results;
- The number of arrests, investigations and prosecutions for identity theft and financial fraud crimes and the effect that the Unit had on the number of such cases throughout the state; and
- Recommendations for legislative changes to assist in the prevention of identity theft and financial fraud crimes and the apprehension and prosecution of criminals committing such crimes.

³⁸ § 24-33.5-1703(5), C.R.S.

³⁹ § 24-33.5-1705, C.R.S.

⁴⁰ § 24-33.5-1703(8), C.R.S.

⁴¹ §§ 24-33.5-1703(8) and 24-33.5-1706(2), C.R.S.

The Unit's comprehensive plan, as approved by the Board, includes similar information.⁴²

The Unit and Board are funded by a variety of sources. First, the Unit's parent agency, the Colorado Department of Public Safety, is authorized, as is the Board itself, to receive gifts, grants and donations, including in-kind donations from public or private sources.⁴³

Second, the Act directs the Colorado Secretary of State to impose a surcharge of \$3 on every Uniform Commercial Code filing.⁴⁴

Next, the Act directs the Attorney General to impose a surcharge of \$100 on each new and renewed supervised lender license and supervised lender branch license.⁴⁵

Finally, the Act directs the Colorado Division of Banking to impose a surcharge of \$500 on each new and renewed money transmitter license.⁴⁶

All funds, regardless of source, are to be deposited in the Colorado Identity Theft and Financial Fraud Cash Fund.⁴⁷

⁴² § 24-33.5-1706, C.R.S.

⁴³ § 24-33.5-1707(1)(a), C.R.S.

⁴⁴ § 24-33.5-1707(2)(a), C.R.S.

⁴⁵ § 24-33.5-1707(2)(b), C.R.S.

⁴⁶ § 24-33.5-1707(2)(c), C.R.S.

⁴⁷ § 24-33.5-1707(1)(a), C.R.S.

Program Description and Administration

The Identity Theft and Financial Fraud Board (Board) comprises nine members:

- Executive Director of the Department of Public Safety;
- Colorado Attorney General (Attorney General);
- Executive Director of the Colorado District Attorneys' Council;
- A representative of a police department;
- A representative of a sheriff's department;
- Three representatives of depository institutions, at least two of whom must be from a state or national bank; and
- A representative of a payment processor.

The Board typically meets every two months. Although most meetings have been held at the offices of the District Attorney for the First Judicial District in Golden, meetings have been held at other locations in the Denver area. This was particularly true earlier in the Board's history.

Although members of the public rarely attend Board meetings, non-Board members, particularly staff members of the Colorado Bureau of Investigation's (CBI's) Colorado Fraud Investigators Unit (Unit) and of the First Judicial District regularly attend and participate in discussions.

The Board and the Unit are funded through three primary sources:

- \$3 surcharge on each Uniform Commercial Code (UCC) filing made at the Secretary of State's Office;
- \$100 surcharge on each supervised lender license issued by the Attorney General; and
- \$500 surcharge on each money transmitter license issued by the Colorado Department of Regulatory Agencies' (DORA) Division of Banking.

UCC filings represent the recording of various types of liens placed on various types of property across the state.

Table 4 illustrates, for the fiscal years indicated, the amount of revenue each of these sources has produced for the Unit and the Board.

**Table 4
Program Revenues**

Revenue Source	FY 06-07	FY 07-08	FY 08-09	FY 09-10	Total
Gifts, Grants & Donations	\$25,000	\$0	\$0	\$97,204	\$122,204
Interest	\$7,980	\$14,161	\$9,749	\$5,990	\$37,880
Department of Law	\$290,400	\$169,600	\$121,900	\$105,800	\$687,700
Department of Regulatory Agencies	\$16,500	\$22,500	\$21,500	\$27,750	\$88,250
Secretary of State	\$279,894	\$308,894	\$268,896	\$242,361	\$1,100,045
Total	\$619,774	\$515,155	\$422,045	\$479,105	\$2,036,079

The Colorado Department of Public Safety (DPS), the parent organization of the Unit, is authorized to receive gifts, grants and donations in order to fund the Unit and the Board. In fiscal year 06-07 the Colorado Bankers' Association, one of the main proponents of the legislation that created the Unit and the Board, donated \$25,000.

In fiscal year 09-10, the U.S. Department of Justice awarded DPS a Justice Assistance Grant to fund a victim advocate position for one year.

Table 5 illustrates, for the fiscal years indicated, the total expenditures of the Unit and Board, as well as a comparison of the number of full-time equivalent (FTE) employees budgeted for, versus those actually employed.

**Table 5
Program Expenditures**

Fiscal Year	Expenditures	Budgeted FTE	Actual FTE
06-07	\$265,124	7.0	5.0
07-08	\$450,841	7.0	5.0
08-09	\$525,515	7.0	4.8
09-10	\$467,171	7.0	6.0

The slight drop in FTE in fiscal year 08-09 is attributable to staff turnover. In that year, an investigator was reassigned within CBI, and the position was later filled by a second analyst position. In fiscal year 09-10, the increase in FTE is due to the addition of the victim advocate position made possible by the federal grant.

Although CBI budgets for 7.0 FTE, only 6.0 FTE were funded as of the end of fiscal year 09-10. Staff includes:

- Agent-in-Charge (1.0 FTE Criminal Investigator III) is responsible for adherence to the Unit's goals and objectives and accountable for the program's overall success.
- Agents (2.0 FTE Criminal Investigator II) are responsible for carrying out the day-to-day mission of the Unit, which includes criminal enforcement, intelligence gathering and education of law enforcement, the public and financial institutions.
- Analysts (2.0 FTE General Professional III) collect, analyze and help to interpret data for dissemination to law enforcement and financial institutions as it relates to the crimes associated with identity theft and financial fraud.
- Victim Advocate (1.0 FTE General Professional II) assists victims in navigating the system to report an identity theft, and then the process of repairing the damage. The victim advocate also provides education to law enforcement, the public and financial institutions.

While most staff is assigned to CBI's headquarters in Denver, one agent is assigned to the CBI field office in Grand Junction.

The Unit and its staff have three primary areas of focus: providing educational presentations, conducting investigations and gathering and disseminating intelligence.

Education

The Unit is tasked with providing educational presentations to the public, law enforcement and financial institutions. Table 6 illustrates, for the fiscal years indicated, the type of educational presentations offered.

**Table 6
Trainings Offered**

Type of Training	FY 06-07	FY 07-08	FY 08-09	FY 09-10
Public	12	18	21	9
Law Enforcement	2	15	20	16*
Financial Institutions	0	0	0	5*

* Three of these presentations were made to both law enforcement and financial institutions.

Due to resource limitations, the Unit has focused its training efforts on law enforcement and the general public. As a result, it has only recently (since the hiring of the victim advocate in May 2010) offered trainings specifically to financial institutions. However, when the Unit is invited to speak at various forums, it does so.

As part of this sunset review, a representative of DORA attended a public educational presentation and a presentation to law enforcement.

The public educational presentation was offered at the invitation of a local chamber of commerce and was approximately one-hour long. The materials presented included a variety of statistics relating to identity theft, information on some current trends or modes of operation for identity thieves, tips on how to prevent identity theft and some information on what to do if a person suspects that he or she is the victim of identity theft.

The full-day law enforcement presentation was offered in Cañon City. In addition to the information provided at the presentation to the public, this presentation included information on a variety of databases available to law enforcement. In short, this seminar was designed to provide attendees with the basic tools needed to investigate an identity theft case.

In addition to these formal presentations, the victim advocate had 12 informal outreach contacts in fiscal year 09-10: six to public organizations; four to law enforcement; and two to financial institutions.

Investigations

True to its CBI roots, the Unit also conducts investigations, though mostly at the request of local law enforcement seeking assistance.

The Unit's involvement in a case can vary, depending on the case itself and the resources that have already been dedicated to a particular investigation by local law enforcement. Typically, however, the Unit only becomes involved when it is clear that a particular case has cross-jurisdictional implications.

In some instances, a local law enforcement agency may specifically request assistance from the Unit. This can take the form of asking for advice on how to obtain certain information, or by asking for certain information.

In some of these instances, the Unit may recognize a pattern developing among the requests it receives from various local law enforcement agencies. In such a case, the Unit may coordinate the efforts of the various local agencies to avoid duplication of efforts and to assist the local agencies in their resource allocations.

Regardless of how the Unit becomes involved, the investigation of identity theft is substantially similar to the investigation of any other white collar crime. A lot of time is spent sifting through documentation (often electronic) and looking for connections. Towards this end, the Unit accesses a variety of databases to establish those connections.

Table 7 illustrates the number of arrests and convictions that can be directly attributed to the Unit since its creation.

**Table 7
Arrests and Convictions**

Performance Measure	FY 06-07	FY 07-08	FY 08-09	FY 09-10	Total
Arrests	1	16	32	21	70
Convictions	0	12	11	8	31

The data in Table 7 demonstrate that identity theft cases are resource-intensive and often do not result in an arrest. However, taken in conjunction with the data illustrated in Table 8, the data clearly show that a single identity thief can victimize a large number of victims at great profit.

**Table 8
Victims Information**

Performance Measure	FY 06-07	FY 07-08	FY 08-09	FY 09-10	Total
Victims	6	52	204	201	463
Estimated Dollar Loss of Victims	\$174,100	\$609,000	\$29,704,500	\$184,430	\$30,672,030

Tables 7 and 8, taken together, demonstrate that since its creation, the Unit is directly responsible for 31 convictions, and investigating crimes involving 463 victims and the theft of over \$30.6 million.

Intelligence Gathering and Analysis

The final component of the Unit's statutory mission is intelligence gathering. To accomplish this, the Unit employs two analysts. Since the Unit's inception, these analysts have provided the following types of services the indicated number of times:

Analytical (6) – this relates to the production of charts, that include timeline, association charts and link analysis charts that can be used to further an investigation, prosecution, or both.

Newsletters/briefs/alerts (64) – these types of communications are used to distribute information concerning trends, patterns and criminal activity to the law enforcement and financial institution communities.

Intelligence inquiries (318) – these requests for intelligence are received from local law enforcement agencies, as well as financial institutions.

Assist local Colorado law enforcement agencies (22) – these requests may be received by phone or email and may pertain to searching a specific database or simply providing contact information.

Assist out-of-state law enforcement agencies (38) - these requests may be received by phone or email and may pertain to searching a specific database or simply providing contact information.

Assist with CBI investigations (78) – these requests come from CBI agents across the state and may entail simply searching a specific database, or performing a full subject workup, which could include a search of all databases, obtaining photos, and obtaining copies of police reports.

Criminal investigations (8) – this entails assisting Unit investigators with various tasks.

Assist government agencies (5) – these requests come from non-law enforcement agencies regarding suspected criminal activity.

Victim Advocacy

Although not technically part of the Unit's statutory mission, in late 2009, CBI secured a grant from the U.S. Department of Justice to fund a victim advocate position. Due to a variety of circumstances, this position was not filled until May 2010.

The original intent of the position was to provide training to other victim advocates around the state, in recognition of the fact that identity theft is out of the ordinary realm of expertise for most advocates.

While this is still part of the plan for this position, the victim advocate has been providing direct services as well. These include assisting victims navigating the system to report an identity theft, and then the process of repairing the damage. During the months of May and June 2010, the victim advocate provided direct assistance to 48 individuals from 10 different Colorado counties,⁴⁸ three other states⁴⁹ and two other countries.⁵⁰

Additionally, the victim advocate developed a state-wide telephone hotline for victims to call to seek assistance. The victim advocate arranged for the Unit to contract with an existing victim advocate hotline, which will be staffed 24 hours a day, seven days a week, 365 days per year by volunteers with experience in victim assistance. The Unit provided hotline staff with identity theft- and financial fraud-specific training in late July 2010. However, as of this writing, the hotline had not yet begun receiving calls.

⁴⁸ Adams, Arapahoe, Denver, Douglas, Fremont, Jefferson, Larimer, Morgan, Rio Blanco and Sedgwick.

⁴⁹ Kansas, Massachusetts and Ohio.

⁵⁰ Canada and South Korea.

Analysis and Recommendations

Recommendation 1 – Continue the Identity Theft and Financial Fraud Deterrence Act for five years, until 2016.

The first sunset criterion asks whether the program under review serves to protect the public health, safety or welfare. As applied to the Identity Theft and Financial Fraud Deterrence Act (Act), the question becomes two-fold:

- Does the Colorado Fraud Investigator’s Unit (Unit) protect the public?
- Does the Identity Theft and Financial Fraud Board (Board) protect the public?

According to Federal Trade Commission (FTC) data, Colorado has consistently ranked in the top 10 states for identity theft. This is a top 10 ranking that should be avoided, not coveted.

Additionally, identity theft and financial fraud costs Colorado businesses and consumers hundreds of millions of dollars each year.

Therefore, identity theft and financial fraud are very real, very serious problems in this state. The public needs protection.

The Unit has three primary functions:

- Education – of the public, law enforcement and financial institutions;
- Investigation – assist local law enforcement with investigations when so requested; and
- Intelligence gathering – assemble data from a wide variety of sources to identify, and hopefully head off, new trends in identity theft and financial fraud.

Each of these functions is critical to addressing identity theft and the resulting financial fraud in a meaningful way. Education of the public and financial institutions can be thought of as a form of prevention. The Unit provides information on measures consumers can take to reduce the likelihood that they will become victims, and if they should become victims, what to do.

Intelligence gathering, too, can be thought of as a form of prevention. By identifying trends early on, particular forms of identity theft and financial fraud can be shut down before they can do more harm.

Education of law enforcement, investigations and intelligence gathering can all be thought of as means to protect the public once identity theft occurs. The Unit's law enforcement education component trains local law enforcement agencies on how to investigate identity theft cases. These can be complex cases that require an investigator to access a unique set of resources.

Investigations and intelligence gathering go hand-in-hand. The Unit assists local law enforcement upon request, and gathers intelligence from multiple sources to assist in those investigations. Additionally, the Unit provides intelligence to local law enforcement, even if the Unit is not directly involved in the investigation.

Many of these functions could be performed by someone other than the Unit. However, the Unit, as a unit of the Colorado Bureau of Investigation (CBI), provides a state-wide perspective and is in a unique position to assist with multi-jurisdictional cases.

As the data in Tables 6 and 7 on pages 17 and 19 illustrate, the Unit has been active in all of its functions. These functions will be necessary for the foreseeable future, as identity theft itself shows no signs of waning.

Indeed, the data in Tables 5 and 8 on pages 16 and 19 illustrate that the state has spent a total of \$1.7 million on the Unit and Board, and the Unit has succeeded in arresting 70 thieves who stole more than \$30.6 million. This represents a remarkable return on investment.

Therefore, the General Assembly should continue the Unit.

The Board, too, serves an important role, though perhaps less direct than that of the Unit. Rather, the Board provides guidance to the Unit and, perhaps more importantly, provides an arena in which law enforcement, prosecutors and financial institutions can interact on a somewhat formal basis to share information. No other such arena exists in Colorado.

A recent spate of corporate identity theft incidents provides an example of the value of the Board. The Unit received word of several Colorado corporations that had their identities stolen and credit taken out in their names. This was accomplished by thieves accessing the corporations' records on the Colorado Secretary of State's website. The thieves changed the corporations' addresses and contact information, and then obtained credit in the names of those corporations.

When the Unit brought this information to the Board, the Board quickly identified the problem and a potential solution. Using the resources of the Board, the Secretary of State's Office was alerted to the problem; the Secretary of State's Office alerted the public and suggested ways to mitigate the problem. This rapid collaboration helped to potentially reduce the amount of harm from this particular form of identity theft.

Indeed, Unit staff reports that law enforcement from other states has since contacted the Unit to determine how to address similar problems in those states.

Therefore, the Board should be continued.

Because identity theft continues to evolve, the Unit and the Board may need to evolve as well. Therefore, a five year renewal period is appropriate.

For all of these reasons, the General Assembly should continue the Act for five years, until 2016.

Recommendation 2 – Add a representative of a consumer or victim advocacy organization to the Board.

The Board comprises nine members:

- Executive Director of the Department of Public Safety;
- Attorney General;
- Executive Director of the Colorado District Attorneys' Council;
- A representative of a police department;
- A representative of a sheriff's department;
- Three representatives of depository institutions, at least two of whom must be from a state or national bank; and
- A representative of a payment processor.

The last six of these members are appointed by the Governor.

The Board's current membership brings to the table three of the five major stakeholder groups with respect to identity theft:

- Law enforcement;
- Prosecutors; and
- Financial institutions.

Noticeably absent from the list of statutory Board members is a representative of consumers or victims, as well as a judge.

Law enforcement investigates cases, prosecutors try the cases before the judges who, when a guilty verdict is found, pass sentence. Financial institutions and consumers are the victims in identity theft cases. Yet, consumers and judges are not represented on the Board.

With respect to judges, a seat is likely not practicable. The Colorado Supreme Court's Judicial Ethics Advisory Board (CJEAB) has found that the Colorado Code of Judicial Conduct,

generally prohibits a judge from participating on governmental commissions unless there is a close nexus between the work of the commission and the improvement of the law, the legal system, or the administration of justice. Service on the commission must also not call into question the judge's impartiality, independence, and effectiveness.⁵¹

Using this reasoning, the CJEAB has already found it improper for a judge to sit on a crime prevention and control commission. Arguably, the same reasoning would apply to a judge serving on the Board. However, an alternative to this is addressed in Administrative Recommendation 1 of this sunset report.

The absence of a representative of consumers or victims was noted during the legislative hearings that created the Board in 2006. At that time, proponents of the bill envisioned a second, non-statutory advisory board that would have such a member. However, that second body was only recently convened.

Financial institutions, like consumers, are the most direct victims of identity theft. Typically, financial institutions make consumers and retailers whole in cases of identity theft. As such, their membership on the Board is justified.

However, consumers, too, are victims. In fact, they continue to be potential victims for years afterward. Although consumers may pay relatively little out of pocket, their investment of time and emotional stress cannot be overstated. Yet they do not have a seat on the Board.

A representative of consumers could bring a real-world perspective to the Board. Such a member could make identity theft real, as opposed to an abstract concept.

None of this is to say that the Board does not take its mission, or the interests of consumers seriously.

However, consumers are victims of identity theft and yet they lack a voice on the one organ of state government directly tasked with addressing identity theft.

For all these reasons, the General Assembly should add a seat to the Board to be filled by a representative of either a consumer or victim advocacy organization, and to be appointed by the Governor.

⁵¹ Colorado Supreme Court CJEAB Advisory Opinion 2005-04 (October 7, 2005), p. 1.

Recommendation 3 – Allow certain Board members to send designees in their places.

The Board members include, among others, the:

- Attorney General;
- Executive Director of the Department of Public Safety; and
- Executive Director of the Colorado District Attorneys' Council.

However, it may not always be practical for these executives to attend. Additionally, there may be individuals within their respective organizations who could more appropriately and meaningfully participate in the Board's activities.

Therefore, the General Assembly should authorize these Board members to designate individuals within their respective organizations to attend Board meetings in their places.

Recommendation 4 – Repeal the Board's authority to enter into contracts, leases and other legally binding agreements.

Section 24-33.5-1705(1)(i), Colorado Revised Statutes (C.R.S.), authorizes the Board:

To enter into and execute all contracts, leases, intergovernmental agreements, and other instruments, in writing, as necessary to accomplish the purposes of [the Act];

This authority is inconsistent with the Board's status as an advisory body to the Unit. Section 24-33.5-1703(1)(b), C.R.S., clearly states that the Board is a Type 2 body. The powers outlined above are already innately vested in CBI, as the organization that houses the Board.

Therefore, the General Assembly should repeal this provision.

Recommendation 5 – Require the Board to submit a report to the General Assembly on October 1 of even-numbered years beginning in 2012.

Section 24-33.5-1703(8), C.R.S., requires,

On or before May 1, 2009, the Board shall report to the Judiciary Committees of the Senate and the House of Representatives, or any successor committees, on the implementation of [the Act] and the results achieved . . .

This report was submitted on May 1, 2009, and addressed:

- Criminal activities, patterns and trends throughout the state and surrounding region;
- The specific forms of identity theft and financial fraud identified by the Unit and the evolution of those forms;
- Information disseminated by the Unit about current and anticipated patterns of identity theft and financial fraud crimes and recommendations to deter and protect citizens against such crimes;
- Classes, briefings and materials disseminated by the Unit to assist local law enforcement agencies, district attorneys and the Attorney General;
- Consultation provided by the Unit on individual cases, requested local investigations, and related activities and results;
- The number of arrests, investigations and prosecutions for identity theft and financial fraud crimes and the effect that the Unit had on the number of such cases throughout the state; and
- Recommendations for legislative changes to assist in the prevention of identity theft and financial fraud crimes and the apprehension and prosecution of criminals committing such crimes.

The compilation of this type of information, on a regular basis, is not only helpful to policy makers, but can serve as a means by which the Board and Unit can reevaluate their priorities. Additionally, such a report can serve as a vehicle by which the Unit and Board communicate new legislative ideas to the General Assembly.

For example, as Table 3 on page 6 illustrates, the percentage of identity theft in Colorado that is attributed to employment-related fraud is particularly high compared to the nation as a whole. However, it is entirely consistent with other southwestern states. The Unit could work to identify the reasons behind this and perhaps develop legislative solutions that address those reasons. A periodic report, such as that envisioned by this Recommendation 5, would ensure that such initiatives are brought to the attention of the General Assembly.

Another area where such a report could prove beneficial is in the area of sentencing for identity theft-related crimes. Most of these crimes are Classes 4 through 6 felonies, which carry fairly minimal sentences. The Board and Unit could work to develop new sentencing guidelines for such crimes.

For all of these reasons, the General Assembly should continue the reporting requirement such that the Board submits reports to the General Assembly by October 1 of even-numbered years, beginning in 2012.

Administrative Recommendation 1 – Work with the Colorado Judicial Department to offer identity theft and financial fraud training for the state’s judges.

Identity theft is a property crime. As such, many view it on par with single-incident crimes such as theft, burglary, larceny and the like.

However, identity theft, unlike other property crimes, has the potential to repeatedly revictimize the victim. It is rare for an identity thief to steal someone’s identity and not sell that information to others. Once the information is out of the victim’s control, the victim faces potential revictimization for the rest of his or her life.

With respect to law enforcement, identity theft cases are difficult cases to investigate. They are complex and require a tremendous time commitment from investigative staff. Investigators are less likely to be willing to put the necessary time into building a case if, at the end of the day, the perpetrator is going to get the minimum sentence.

This also feeds the general perception that identity thieves are as brazen as they are because they know that even if they get caught (a truly remote possibility), they face minimal sentences.

To help judges better understand the unique complexities of identity theft, the Unit should work with the Judicial Department to present a series of training classes for judges that focus on the severity of victimization that occurs as a result of identity theft and the true costs involved.

Administrative Recommendation 2 – Develop a website through which Colorado residents can report identity theft.

Colorado statute requires Colorado law enforcement agencies to take reports of identity theft when the victim resides in the jurisdiction or the crime occurred in the jurisdiction.⁵²

There are two problems with this: 1) anecdotal evidence suggests that law enforcement agencies are reluctant to take such reports; and 2) it retains a fragmented reporting system.

⁵² § 16-5-103(3), C.R.S.

Identity theft cases are difficult to investigate, in part, because the vast majority of them cross jurisdictions. For example, a Denver resident may have a credit card number swiped in a restaurant in Lakewood. The number is sold to someone in Grand Junction who then creates a forged credit card and uses it in Durango. Denver, Lakewood, Grand Junction and Durango could all take the report, but each would face challenges in investigating the case.

As a result, anecdotal evidence suggests that law enforcement will either tell the victim to report the crime in a more appropriate jurisdiction, or will take the report but tell the victim, truthfully, that little will come of it. This is frustrating to victims.

Complicating this is the fact that there is no central repository for compiling cases of identity theft and the circumstances surrounding them. In the example above, the jurisdictions are isolated from one another. Little do they know that, in all likelihood, this one theft is part of a larger ring involving multiple perpetrators and multiple victims.

However, a central reporting mechanism, a website for example, could help to alleviate this. A website could be created to enable victims to more easily report cases of identity theft. Naturally, certain safeguards would have to be built into the system to prevent false reporting.⁵³

Such a system should be designed to alert all relevant law enforcement agencies.

Additionally, such a system would assist the Unit in its intelligence gathering role. With all cases of identity theft reported in a single location, trends could be more easily, and more quickly, identified. Thus, what starts as an isolated case could quickly be put in the context of a larger case brought under the Colorado Organized Crime Control Act. This would make investigation and successful prosecution more likely, and less resource-intensive.

Other states, such as Utah, have developed such systems with great success. The Unit should spearhead the effort to create such a system in Colorado.

Administrative Recommendation 3 - Continue to seek gifts, grants and donations to fund the Unit.

When the Unit was created in 2006, Colorado's economy was still relatively robust. As a result, the General Assembly determined that the Unit should be funded primarily through a surcharge on Uniform Commercial Code (UCC) filings made at the Secretary of State's Office.

⁵³ One form of financial fraud involves the "victim" conspiring with others. For example, the "victim" and a co-conspirator agree that the co-conspirator will use the "victim's" identity to obtain a credit card and then purchase merchandise, for example. Then the "victim" claims to be a victim of identity theft, files the police report, and the credit card issuer absorbs the loss.

However, as the economy has deteriorated since 2006, UCC filings, as a funding source for the Unit, have fallen short of expectations. As a result, the Unit has historically been underfunded and understaffed.

In 2010 alone, the Unit was successful in securing two rather sizeable grants from the federal government. These two grants have essentially ensured the short-term viability of the Unit.

Unfortunately, no funding solutions were identified during the course of this review. Therefore, the Unit should continue to seek out grants to ensure the continued viability of the Unit.

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
June 2009

AGENDA

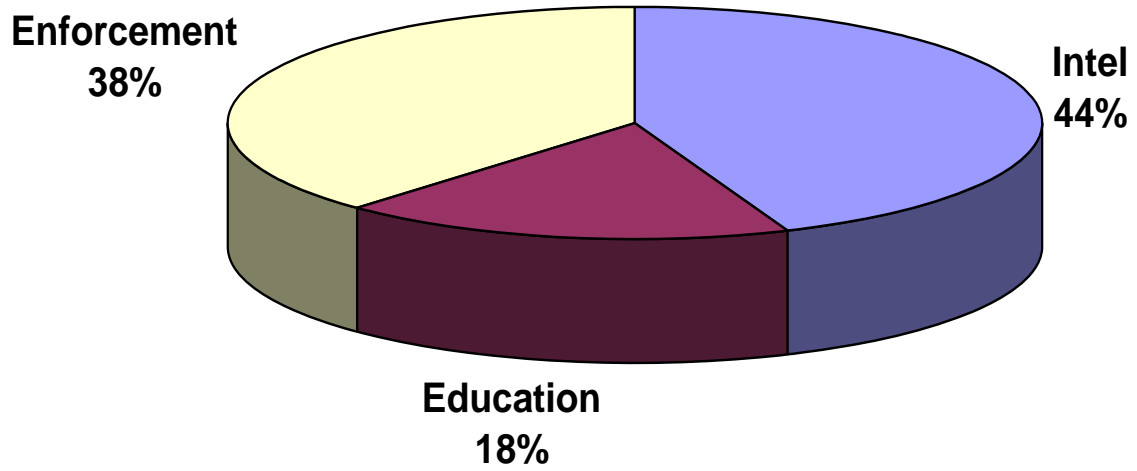
Identity Theft and Financial Fraud Board

Meeting of June 9, 2009
Beginning at 1:30 p.m.

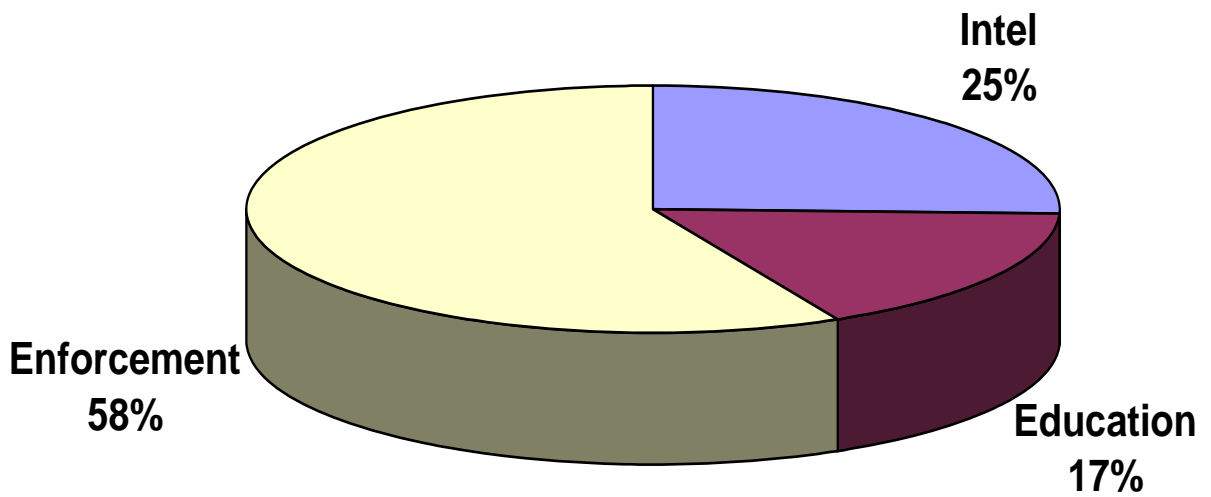
First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

- I. Minutes
- II. Budget – Agent Hyland/AIC Brown
 - a. FY09/10
 - b. Filling Vacancy of Agent Gregg
- III. Grant Applications Update – AIC Brown
- IV. Case Work Updates New/Existing
 - a. Agent Hyland
 - b. Agent Zamora
 - c. AIC Brown

Projected work distribution



Actual Work Distribution April 9, 2009 through June 3, 2009



Kevin Hyland

Enforcement

Case Work:

Vectra Bank Identity Theft

I received a referral from the El Paso DA office and Vectra Bank about a subject named Ernest Nichols who had committed Identity Theft. Nichols was a former mortgage broker and has used information of his former client's information to open lines of credit. Over \$150,000 has been taken from four victims. A fifth victim has been identified.

Elaine Wright was a loan officer and has been linked to the five accounts listed above and three additional accounts in which money has been transferred to Wright's friend's bank account.

The court order for production of records has been signed and mailed to the banks. The banks are returning the information. The case book is being completed in anticipation of filing charges against Nichols and Wright.

Hartsel Fire Protection District

Reviewed the information provided about the Hartsel Fire Protection District and allegations of embezzlement by the Board and the Fire Departments members. I wrote a memo regarding the allegations and future investigative actions.

Chris Hicks

Christopher Hicks is alleged to have engaged in electronic kiting which has resulted in \$18,000 of losses to Academy Bank in Colorado. Hicks is using his debit card and was accessing the bank's memo post account with credits from on line purchases/returns at Sams. Hicks is also alleged to have verbally threatened a bank employee after his account was terminated.

Citizen Requests: 3

Electronic phishing
Victim ID on arrest

Law Enforcement Assist 2

Tried to use facial recognition software to identify perpetrator of ID theft.

Intelligence

Attended Meetings:

4/08/2009 - International Association of Financial Crimes Investigators Meeting and attended the
5/13/2009 - International Association of Financial Crimes Investigators Annual Conference

Other Duties

A grant requests was written to obtain funding for a CBI Mortgage Fraud unit. A determination on that grants is pending.

Assist with Kirsten Gregg's cases that have been filed by the 13th DA office.

Education

Training provided:

4/01/2009 - Basic and Advanced Identity Theft training Alamosa

4/08/2009 - Basic and Advanced Identity Theft training Salida

5/24/2009 - Basic Identity Theft class to the CSP cadet class.

Future Training:

7/13/2009 - Basic and Advanced Identity Theft training Colorado Springs.

John Zamora

Enforcement

Case Work:

2009-000243 - Assist 7th Judicial District Attorney's Office with Identity Theft / Check Fraud case. Update: 05/03/09 – 05/08/09 - Follow-up in CA, with several interviews with suspects.

05/20/09 - Case presented to Colorado Attorney General's Office. Present were several members of the Attorney General's office, including First Assistant Attorney General Robert Shapiro and Assistant Attorney General Janet Drake. Case was accepted, Assistant Attorney General Janet Drake will be the lead, and it will be prosecuted in Mesa County. The plan is to have indictments by late July or early August.

Checks used in: Aspen, Carbondale, Delta, Durango, Eagle, Glenwood Springs, Grand Junction, Montrose, Olathe, Parachute, Rifle as well as cities in CA and NV. I have word this group has been working in NM, AZ, MO, IL, TX, and FL. Unsure of the company names on checks at this time.

Identified Suspects: Miguel Angel Villalpando-Rodriguez, Jorge Martinez-Gomez, Salvador Ramirez, Osmar Salazar, Vinicio Flores, Oscar Gomez, Veronica Ruiz-Ayala, Efrain Reyes, Ricardo Espinosa, Ibis Fuentes, and Luis Manuel Rodriguez.

Citizen Requests1:

Garfield County - Possible Identity Theft: Posing as victim on the Internet.

Law Enforcement Assist 6:

Fountain PD - Unlawful Use of a Financial Transaction Device / Debit Card.

Ouray PD – Embezzlement: Hotel employee.

Parachute PD - Fraud case: Purchase of a Motel.

Hotchkiss PD - Identity Theft: Victim notified by IRS she had been working out of state. Warrant obtained.

Montrose PD - Jamaican Lottery Scam: Several local victims and information on middle men/women accepting the wires and re-wiring money to Jamaica.

CBI GJ - Phone Scam: Several CBI Agents receiving automated phone calls requesting credit card information. News report from Montrose PD informing of the same scam happening throughout the Western Slope. No more calls.

Intelligence

Attended Meetings:

5/27/2009 - IAFCI Meeting hosted by Mesa County SO

6/04/2009 - 7th Judicial LE Investigators Meeting – Delta

6/04/2009 - Mesa County Intel Meeting hosted by the Mesa County DA's Office

Education

Training provided:

Law Enforcement

4/22/2009 - 2 x 4 hour P.O.S.T. Advanced Identity Theft Course to the San Miguel Sheriff's Office

Public

4/15/2009 - Grand Junction Beacon Fest. Worked with Mesa County DDA Trish Mahre and Better Business Bureau Holly Miller.

Future Trainings:

Public Presentation for the Mesa County Republican Women's Group

4 hour P.O.S.T. Basic Identity Theft Course at the IAFCI Conference in September

Public Presentation at the IAFCI Conference in September

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

CBI Gaming Unit
CBI Major Crimes
CBI Pueblo
CBI Durango
CO State Patrol: CIAC
4th Judicial District - Probation
Aurora Police Department
BBVA Compass Bank, Corporate Security Investigator
Boulder Police Department
Colorado Springs Police Department
Denver DA
Douglas County Sheriff
Ft Collins Police Department
Glendale Police Department
Jefferson County DA
Jefferson County Sheriff
Lafayette Police Department
Louisville Police Department
Pueblo County DA
Pueblo County Sheriff
Thornton Police Department
US District Court - Probation
Arizona Department of Public Safety
District Attorney's Office Albuquerque, NM
Division of Criminal Investigation - WY
San Antonio Police Department, TX

News Links:

Distributed News Links 2 time to 319 recipients with a total of 90 articles.

Case Assistance:

- Suspect work-ups Agent Zamora
- Suspect work-ups Agent Hyland
- Suspect work-up Agent Gagliardi
- Suspect work-up Agent Rule
- Work-ups AIC Brown

Attended Meetings:

5/21/2009 - Southern Area Fraud Investigators Network Meeting Pueblo

Education

Training provided:

4/30/2009 - CO State Vital Records Annual Conference

Training received:

5/04 - 06/2009 - Financial Investigative Techniques

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
August 2009

AGENDA

Identity Theft and Financial Fraud Board

Meeting of August 25, 2009
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

- I. Minutes
- II. Budget
- III. Advocate Grant
- IV. Change to Operations Plan
- V. Analyst Position
- VI. Website Development
- VII. Sunset Review
- VIII. Case Review

Budget

Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending June 2009

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 418,886	\$ 395,865	\$ 377,337	\$ 359,558	\$ 339,415	\$ 313,765	\$ 314,627	\$ 375,984	\$ 376,969	\$ 356,612	\$ 345,905	\$ 327,124	\$ 418,886
Revenue	\$ 27,865	\$ 26,791	\$ 27,916	\$ 25,546	\$ 21,845	\$ 46,096	\$ 106,131	\$ 50,071	\$ 21,843	\$ 24,431	\$ 21,218	\$ 22,293	\$ 422,046
Expenditures													
Salaries and Benefits	\$ 39,381	\$ 40,158	\$ 39,381	\$ 39,788	\$ 39,380	\$ 40,667	\$ 39,665	\$ 43,928	\$ 40,704	\$ 32,834	\$ 32,834	\$ 31,920	\$ 460,640
Operating Expenses	\$ 11,505	\$ 5,021	\$ 5,886	\$ 5,763	\$ 7,506	\$ 4,253	\$ 4,552	\$ 4,797	\$ 1,276	\$ 2,167	\$ 5,119	\$ 2,080	\$ 59,925
Travel Expenses	\$ -	\$ 140	\$ 428	\$ 138	\$ 609	\$ 314	\$ 557	\$ 361	\$ 220	\$ 137	\$ 2,046	\$ -	\$ 4,950
Total Expenditures	\$ 50,886	\$ 45,319	\$ 45,695	\$ 45,689	\$ 47,495	\$ 45,234	\$ 44,774	\$ 49,086	\$ 42,200	\$ 35,138	\$ 39,999	\$ 34,000	\$ 525,515
Revenues Over Expenditures	\$ (23,021)	\$ (18,528)	\$ (17,779)	\$ (20,143)	\$ (25,650)	\$ 862	\$ 61,357	\$ 985	\$ (20,357)	\$ (10,707)	\$ (18,781)	\$ (11,707)	\$ (103,469)
Ending Fund Balance	\$ 395,865	\$ 377,337	\$ 359,558	\$ 339,415	\$ 313,765	\$ 314,627	\$ 375,984	\$ 376,969	\$ 356,612	\$ 345,905	\$ 327,124	\$ 315,417	\$ 315,417

Comparison between FY2008 and 2009 as of June

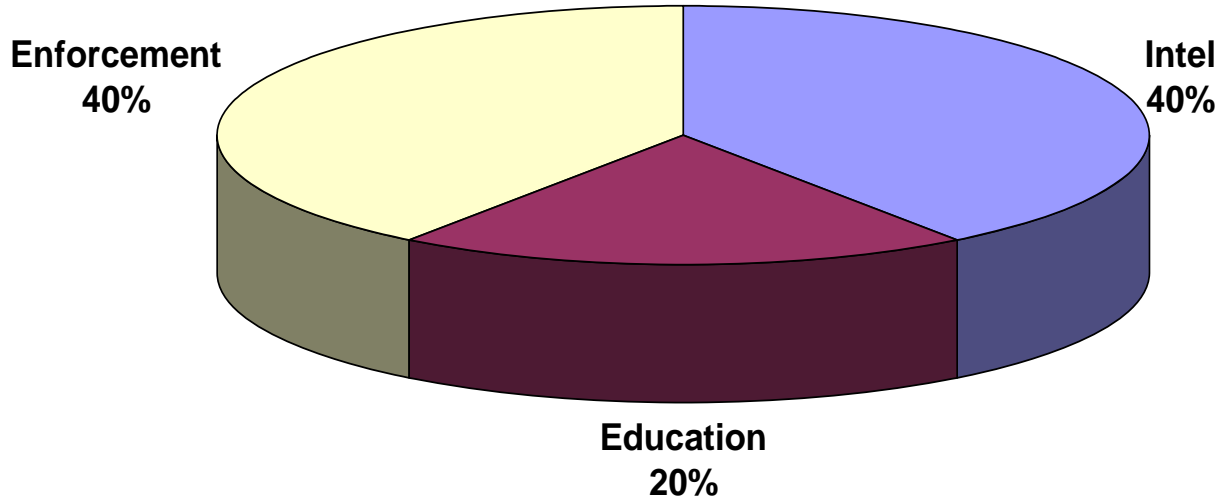
	2008	2009	Difference	% Change
Beginning Fund Balance	\$354,650	\$418,886		
Revenue	\$515,078	\$422,046	-\$93,032	-18.06%
Expenditures				
Salaries and Benefits	\$401,490	\$460,640	\$59,150	14.73%
Operating Expenses	\$46,702	\$59,925	\$13,223	28.31%
Travel Expenses	\$2,650	\$4,950	\$2,300	86.78%
Capitalized Equipment	\$0			
Total Expenditures	\$450,842	\$525,515	\$74,673	16.56%
Revenues Over Expenditures	\$64,236	-\$103,469		
<u>Ending Fund Balance</u>	<u>\$418,886</u>	<u>\$315,417</u>		

**Colorado Bureau of Investigation
ID Theft / Fraud Unit**

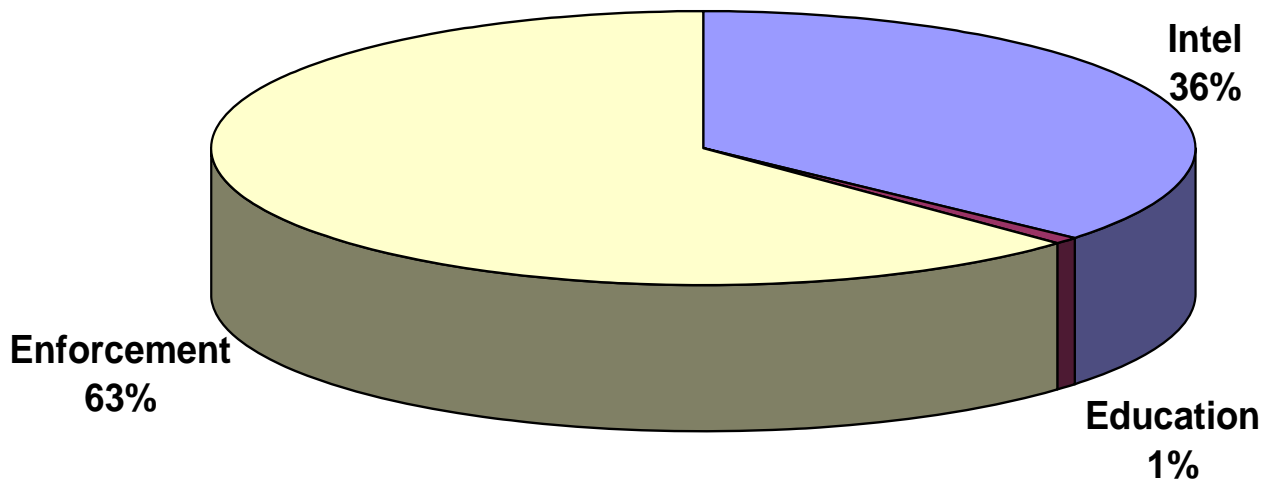
Budget FY 2010

Begin Fund Bal	\$315,417
Revenue	\$400,945
Expenditures	
Salaries	\$422,168
Contract	\$ 9,000
Operating	\$ 49,300
Travel	\$ 6,900
Indirect	\$ 44,750
Total Exp	\$532,118
Exp Over Rev	\$131,173
End Fund Bal	\$184,244

Amended Work Distribution



Actual Work Distribution June 10, 2009 through August 21, 2009



Kevin Hyland

Enforcement

Case Work:

Ernest Nichols

I received a referral from the El Paso DA office and Vectra Bank about a subject named Ernest Nichols who had committed Identity Theft. Nichols was a former mortgage broker and has used information of his former client's information to open lines of credit. Over \$150,000 has been taken from four victims. A fifth victim has been identified.

Elaine Wright was a loan officer and has been linked to the five accounts listed above and three additional accounts in which money has been transferred to Wright's friend's bank account.

The case book has been completed for the filing charges against Nichols and Wright. Met with the El Paso DA Office and presented the case. The DA office obtained the arrest warrants for Nichols and Wright. Both have been arrested.

Uto Essien

Ten people were indicted on Friday March 21, 2008 based on a cooperative investigation with the Attorney General's Office, several other agencies and the Colorado Bureau of Investigation. The 29-count indictment includes felony charges ranging from forgery, theft, and the violation of Colorado's Organized Crime Control Act.

The indictment describes a scheme using bogus home-improvement companies to take more than \$1 million from 19 mortgage lenders during the period of April 2004 through December 2006. The defendants obtained \$10.9 million in mortgages for 34 properties.

Testified at the trial of Jessica Caplan in August. Caplan was found guilty of forgery. The following individuals took plea deals in July Brad Decker Theft by receiving F3, Ehon Etuk filing a false instrument for recording misdemeanor and Idara Ekiko computer crime F3. One defendant is still set for trial in September.

El Salvador Check Group

I met with local bank staff that had experienced recent losses that had been incurred by individuals opening up bank accounts utilizing El Salvador passports. In addition to the El Salvador passports all three banks experienced a same pattern in the way the bank account was established, common names were involved, common addresses, bank surveillance photos showed, what appears to be the same person and bank losses were incurred by the same method. Accounts had been opened in Jefferson, Denver, and Arapahoe counties in Colorado.

Worked with staff of several banks and various law enforcement agencies, reviewed surveillance photos, spoke to witnesses and review Suspicious Activity Reports for common names and passport information.

Closed Pueblo Driver license case.

Citizen Requests: 3

07/13/2009 - Citizen Assist - Counterfeit money orders

08/03/2009 - Citizen Assist - Inheritance Scam

08/10/2009 - Citizen Assist - Debit Card

Bank Assist 1

07/14/2009 - Bank Assist - Counterfeit checks

Law Enforcement Assist 2

08/11/2009 - Law Enforcement Assist - Castle Rock PD SSN attached to an arrest record

08/14/2009 - Law Enforcement Assist – FBI search

Intelligence

Attended Meetings:

06/10/2009 - International Association of Financial Crimes Investigators Meeting

07/08/2009 - International Association of Financial Crimes Investigators Meeting

John Zamora

Enforcement

Case Work:

Assist 7th Judicial District Attorney's Office with Identity Theft / Check Fraud case. Update: Case presented to Colorado Attorney General's Office. Case was accepted, Assistant Attorney General Janet Drake will be the lead, and it will be prosecuted in Mesa County. Grand Jury presentation set for September 10, 2009.

Takesha Thomas / Michael Hayes / Hardy Jones - Takesha picked up in Boulder for using Jody Anderson's identification and taking 5k from acct. Interviews with Takesha revealed that Michael Hayes is the suspect male taking 4k from Wachovia Bank as well, and both made at least a couple other attempts. Takesha also informed me that Hardy Jones collected the money and any product purchased from credit cards obtained in victim's names as well. I have talked with Boulder DA's Office and they are interested in a COCCA case there if I get good info, if not I will obtain warrants there.

Also from Wachovia and US Bank - White and Black females committing the same crimes as above. Thought Dana King was White female and she was not. Interviews with Dana King so far solved 7 cases in Louisiana, one case in Hawaii, and 3-4 cases in North Carolina.....Dana King admitted to also obtaining loans in those states.

From the Dana King investigation - We now have a possible link and suspect information on the White and Black females mentioned above. Info came from Wheat Ridge, from a DC investigation.

Financial Institutions victimized are Wachovia, US Bank, and CitiFinancial.

Citizen Requests5:

Mesa County – Phishing Scam
Delta County – Mystery Shopper Scam
Mesa County – Business Directory Scam
La Plata County – SSN Fraud
Delta County – Canadian Scam

Law Enforcement Assist 3:

Mesa County SO – Real Estate Fraud
IC3 – Wire Fraud
14th Judicial District - Impersonation

Intelligence

Attended Meetings:

08/06/2009 – 7th Judicial, Delta

08/06/2009 – Mesa County Intel Meeting

Education

Training provided:

Law Enforcement

07/27/2009 - 8 hour P.O.S.T. Advanced Identity Theft Course to Durango Police Department

Public

08/13/2009 – Western Colorado Republican Women’s group

08/13/2009 – Grand Junction News Channels 8 and 5

Future Trainings:

09-16-2009 - 8 hour P.O.S.T. Identity Theft Course Durango

09-23-2009 – Craig PD 4 hour P.O.S.T. Basic Identity Theft Course

09-24-2009 – Craig PD 4 hour P.O.S.T. Basic Identity Theft Course

Public presentation in Craig

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

CBI Gaming Unit
CBI Major Crimes
CBI Pueblo
CBI Durango
CO Attorney General's Office
Aurora PD
Boulder PD
Broomfield PD
Cherry Hills Village PD
Colorado Springs PD
Colorado Department of Revenue/Office of Taxation
Denver DA
El Paso County DA
Glendale PD
Huerfano County DA
Longmont PD
Northglenn PD
Parker PD
Pueblo PD
Rocky Mountain HIDTA
Thornton PD
US Probation
Arizona Department of Public Safety
Montgomery County Police Department
Texas Department of Public Safety
Wyoming Department of Criminal Investigation

News Links:

Distributed News Links 3 time to 319 recipients each time

Case Assistance:

- Suspect work-ups Agent Zamora
- Suspect work-ups Agent Hyland
- Suspect work-up Agent Gagliardi
- Suspect work-up Agent Pearson
- Suspect work-up Agent Fuller
- Suspect work-up Agent Haynes

- Work-ups AIC Brown

Education

Training provided:

08/01/2009 - Consumer Safety and Awareness Day – 1st Judicial District Attorney's Office & Red Rocks Community College

Training received:

07/08/2009 – Attended the Statewide Terrorism Liaison Officer Annual Conference

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
January 2010

AGENDA

Identity Theft and Financial Fraud Board

Meeting of January 11, 2010
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

- I. Minutes
- II. Budget
- III. Advocate and Analyst Positions
- IV. Website Development
- V. Case Review

Budget

Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Ending September 2009

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 315,417	\$ 302,601	\$ 288,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315,417
Revenue	\$ 24,211	\$ 20,946	\$ 1,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,715
Expenditures													
Salaries and Benefits	\$ 32,619	\$ 32,619	\$ 32,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,857
Operating Expenses	\$ 3,356	\$ 2,403	\$ 2,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,164
Travel Expenses	\$ 1,052	\$ 283	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,334
Total Expenditures	\$ 37,027	\$ 35,305	\$ 35,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,356
Revenues Over Expenditures	\$ (12,816)	\$ (14,359)	\$ (33,466)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (60,641)
Ending Fund Balance	\$ 302,601	\$ 288,242	\$ 254,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,776

* = September Sec of State revenue not received. FY09 Sept Revenue was \$23,084

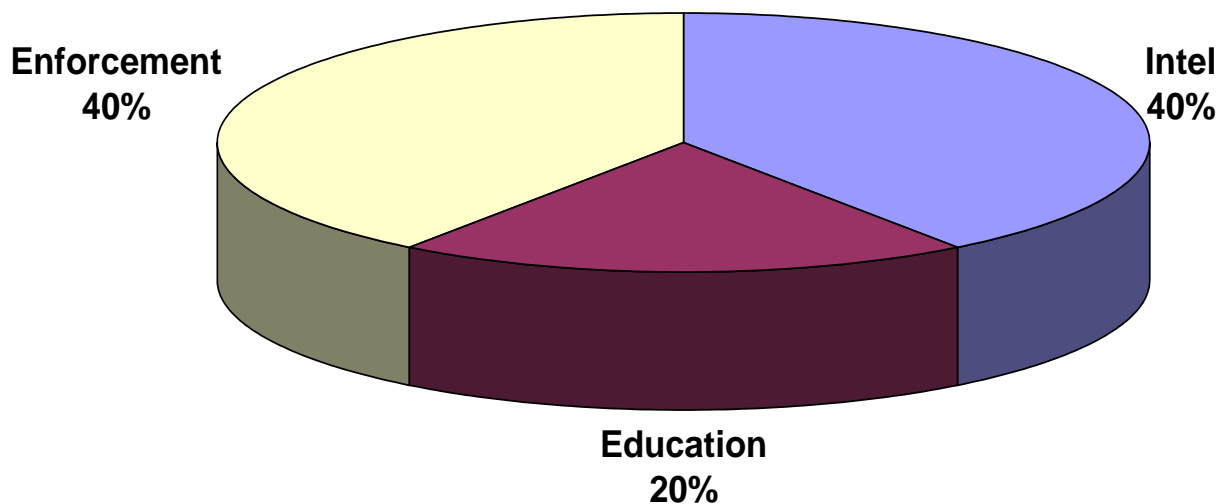
ID Theft Victims Grant

Awarded	\$ 97,204
Expended	
Remaining	97,204

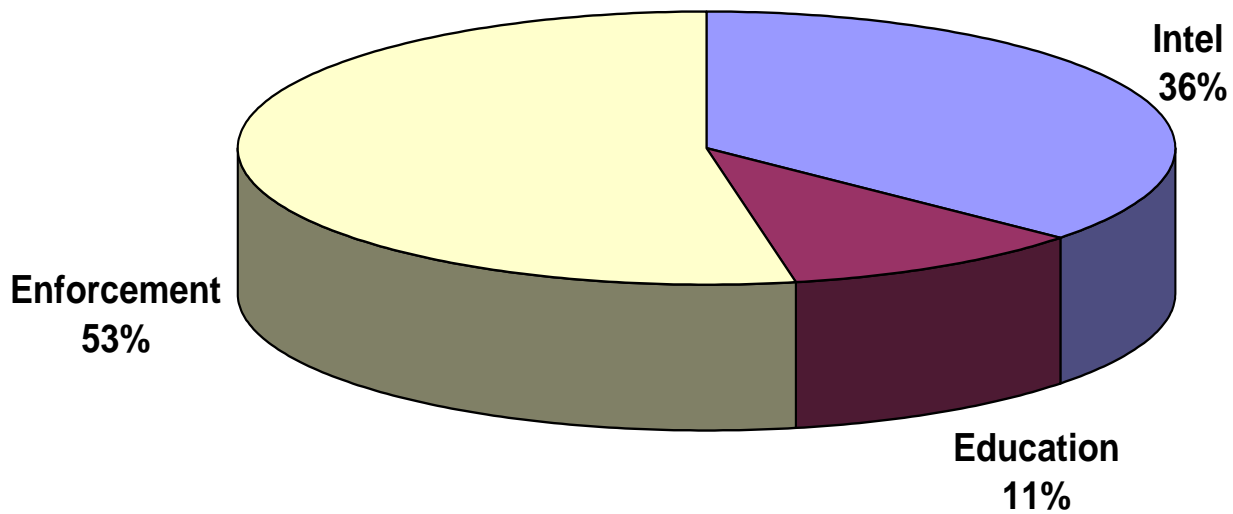
Comparison between FY2009 and 2010 as of Sept

	2009	2010	Difference	% Change
Beginning Fund Balance	\$418,886	\$315,417		
Revenue	\$57,471	\$46,715	-\$10,756	-18.72%
Expenditures				
Salaries and Benefits	\$118,920	\$97,857	-\$21,063	-17.71%
Operating Expenses	\$22,412	\$8,164	-\$14,248	-63.57%
Travel Expenses	\$568	\$1,334	\$766	134.94%
Total Expenditures	\$141,900	\$107,356	-\$34,544	-24.34%
Revenues Over Expenditures	-\$84,429	-\$60,641		
Ending Fund Balance	\$315,417	\$254,776		

Amended Work Distribution



Actual Work Distribution August 21, 2009 through October 21, 2009



Kevin Hyland

Enforcement

Case Work

Uto Essien

Ten people were indicted on Friday March 21, 2008 based on a cooperative investigation with the Attorney General's Office, several other agencies and the Colorado Bureau of Investigation. The 29-count indictment includes felony charges ranging from forgery, theft, and the violation of Colorado's Organized Crime Control Act.

The indictment describes a scheme using bogus home-improvement companies to take more than \$1 million from 19 mortgage lenders during the period of April 2004 through December 2006. The defendants obtained \$10.9 million in mortgages for 34 properties.

Sentencing

Uto Essien sentenced to 30 years Department of Corrections

Brad Decker was sentenced to 10 years of community corrections.

Jessica Caplan was sentenced to 10 years of community corrections.

Idara Ekiko was sentenced to 10 years of community corrections.

Cheri Decker plead to F4 Theft

Louisville Identity Theft Group

Shannon Gonzales attempted to pass checks at a local grocery store and was arrested by Louisville PD. As a result the police went to a hotel room where Gonzales was staying and arrested another individual, Louis Carrillo and a stolen car was recovered. The hotel room was searched at that location and it contained numerous false and fictitious documents as well as several computers.

Gonzales was indicted in Denver on 37 counts. Those counts include violation of Colorado Organized Crime Control Act, Computer Crime, Theft, and Forgery. Gonzales was sentenced to 20 years Department of Corrections.

Carrillo was indicted in Denver on 7 counts. Those counts include Conspiracy to Commit Computer Crime, Conspiracy to commit Forgery, and Theft, Carrillo was sentenced to 6 years Department of Corrections.

El Salvador Check Group

I met with local bank staff that had experienced recent losses that had been incurred by individuals opening up bank accounts utilizing El Salvador passports. In addition to the El Salvador passports all three banks experienced a same pattern in the way the bank account was established, common names were involved, common addresses, bank surveillance photos showed, what appears to be the same person and bank losses were incurred by the same method. Accounts had been opened in Jefferson, Denver, and Arapahoe counties in Colorado.

Both Jeffco DA investigator and I interviewed bank staff. Staff at three locations has identified two subjects as opening accounts at their banks. We have also interviewed a confidential informant, who lives in Maryland, who has identified the ring leader and several accomplices.

I was contacted by 3 other states about possible connections to the Colorado subjects.

Local Auto Check Fraud Group

Several credit unions have reported that 10-15 individuals have deposited fictitious checks from auto dealerships into their accounts. These checks are purported to be commission checks for auto sales. These individuals have been coached to explain to the teller how they have earned the commissions. We are working with the Denver DA office, Denver Police Department and Aurora Police Department.

Citizen Requests: 5

- 09/01/2009 - Citizen Assist – ID theft victim
- 09/09/2009 - Citizen Assist – Record Challenge
- 09/22/2009 - Citizen Assist – Record Challenge
- 09/24/2009 - Citizen Assist – ID theft victim
- 09/28/2009 - Citizen Assist – Suspected Terrorism

Bank Assist: 1

- 10/08/2009 - Bank Assist - Counterfeit checks Frisco and Denver

Law Enforcement Assist: 2

- 09/24/2009 - Law Enforcement Assist - Eaton PD on assist with middleman on check case
- 09/15/2009 - Law Enforcement Assist – DMV search for suspect committing identity theft

Intelligence

Attended Meetings

- 09/09/2009 - International Association of Financial Crimes Investigators Meeting
- 09/15/2009 - Mortgage Fraud Working Group
- 09/24/2009 – Southeast Area Fraud Investigators Network

Training

- 10/16/2009 - Provided POST Basic and Advanced Training in Colorado Springs

Future training

- 10/28/2009 - Public Training Denver Rotary Club
- 10/29/2009 - POST Basic and Advanced Training in Evans

John Zamora

Enforcement

Case Work

2009-000243 – Assist 7th Judicial District Attorney’s Office with Identity Theft / Check Fraud case.

Update: Grand Jury on 10-22-09:

2009- 001186 – Request from State Patrol / Golden – Id Theft / Forgery / Theft Case. Takesha Thomas arrested by Boulder Police Department. Interview with Takesha and Identified Michael Hayes and Hardy Jones as parties involved. Will be applying for warrants.

2009-001725 – Spin off of 2009-001186 – While investigating 2009-001186 I identified another suspect, similar criminal activity, same week, same bank (Wachovia); however, different branched in the Metro area. Suspect is Shonya Young. Shonya had been arrested in FL and is pending charges. I am working with the VA Postal Inspectors to see if they wish to add our cases to theirs, or if I will apply for a warrant for her arrest. Information from the Postal Inspector should be coming in the next couple weeks.

2009-001732 – Another spin off of 2009-001186 – Identified a potential suspect identified as Dana King. After completing an interview with Dana King I was unable to link her to any Colorado crimes, however, she admitted to 7 Identity Theft / Forgery / Theft cases in Louisiana, and 1 -3 crimes in Hawaii, and provided information on her partner, Audrey Collins, who committed 3 Identity Theft / Forgery / Theft cases, with her (Dana King) in North Carolina. I have been dealing with Citi Financial Fraud Investigators in VA and a Detective in HI. Reports have been forwarded to them.

2009-001731 – Counterfeit Credit Card - Followed up on a Fraud-Net post by Valley Bank Fraud Investigator Jim Matthews. He reported their Brighton Branch provided a cash advance on a counterfeit credit card issued by Wells Fargo. The suspect pretended to contact her bank reference the cash advance, and had the Valley Bank teller talk with the “Wells Fargo Bank representative.” The representative instructed the Valley Bank employee how to deal with the credit card w/o swiping the card. I followed up with Wells Fargo and was informed the card number belonged to one of their HR employees. I was informed Cortez PD had suspect info. Contacted Cortez, they had suspect info, an arrest warrant was complete, and once the suspect is arrested I will assist with the interview to see who the suspect is working for. The suspect is out of CA.

Citizen Requests: 4

Mesa County – Parties from the UK called complainant to rent rooms at his Bed and Breakfast. They sent a check well over the amount and requested money back. Complainant did not send any money.

Mesa County – Complainant received Letter informing he had won the Publisher’s Clearing House Sweepstakes. Complainant did not respond.

Montrose County – Citizen received a call from “Richard Owens” of the FTC. He informed she had won \$350K from the Las Vegas Lottery / I have a dream foundation. Also stated the money was insured by the Lloyds of London. They wanted her address to have a courier stop by and drop off the check. Citizen did not respond.

Mesa County – Citizen wanted to report she felt New Solutions Center was shady. She received a call from them advising they could lower her interest rates. She went online and found several blogs warning people not to deal with New Solutions.

Law Enforcement Request: 4

Delta PD - Embezzlement case.

Aspen PD - Nigerian Scam – Western Union used.

Louisville PD - Requested our Public Presentation PowerPoint.

San Juan County, New Mexico - Requested our Public Presentation PowerPoint.

Intelligence

Attended Meetings

09/03/2009 - 7th Judicial LE Investigators Meeting – Delta

09/03/2009 - IAFCI Meeting – Mesa Count

10/01/2009 - 7th Judicial LE Investigators Meeting – Delta

Education

Training provided

Law Enforcement

09/23/2009 - 4 hour P.O.S.T. Basic Identity Theft Course hosted by Craig PD.

09/24/2009 - 4 hour P.O.S.T. Basic Identity Theft Course hosted by Craig PD.

10/20/2009 - 8 hour P.O.S.T. Basic/Advanced Identity Theft Course hosted by Durango PD.

Public

09/23/2009 - Aging Well in Craig.

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

CBI Gaming Unit
CBI Major Crimes
Aurora PD
Belco Credit Union
Boulder PD
Boulder County Sheriff
20th Judicial District DA - Boulder
Canon City PD
Central City PD
Colorado Springs PD
Colorado Department of Revenue – Liquor Enforcement
Denver Adult Probation
El Paso County DA
Fort Collins PD
Larimer County Sheriff
Lone Tree PD
Thornton PD
Valley Bank and Trust
Arizona Department of Public Safety
Sarasota County Sheriff – Venice, FL
Wyoming Division of Criminal Investigation

News Links:

Distributed News Links 1 time to 319 recipients each time

Case Assistance:

- Suspect work-ups Agent Zamora
- Suspect work-up Agent Gagliardi
- Suspect work-up Agent Rule

10/22/2009 - Presented at State Grand Jury

Education

Training received

10/05-08/2009 – i2 Analysts Notebook

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
January 2010

AGENDA

Identity Theft and Financial Fraud Board

Meeting of January 11, 2010
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

- I. Minutes
- II. Introduction of Analyst Kyndol Virden
- III. Sunset Review; Brian Tobias, Sr. Auditor Regulatory Agencies
- IV. Budget
- V. Victim's Advocate Vacancy
- VI. CFO Operational Report
 - a. Training/Education
 - b. Intelligence
 - c. Enforcement
- VII. Website Development/Utah Model
- VIII. Intelligence Database

Budget

Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending December 2009

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 315,417	\$ 302,347	\$ 287,619	\$ 274,332	\$ 261,793	\$ 227,329	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 315,417
Revenue *	\$ 24,211	\$ 20,946	\$ 21,112	\$ 21,385	\$ 702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,356
Expenditures													
Salaries and Benefits	\$ 33,098	\$ 33,098	\$ 31,672	\$ 31,673	\$ 31,673	\$ 35,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 196,388
Operating Expenses **	\$ 3,342	\$ 2,399	\$ 2,411	\$ 1,746	\$ 3,328	\$ 220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,446
Travel Expenses **	\$ 841	\$ 177	\$ 316	\$ 505	\$ 165	\$ 140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,144
Total Expenditures	\$ 37,281	\$ 35,674	\$ 34,399	\$ 33,924	\$ 35,166	\$ 35,534	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,978
Revenues Over Expenditures	\$ (13,070)	\$ (14,728)	\$ (13,287)	\$ (12,539)	\$ (34,464)	\$ (35,534)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (123,622)
Ending Fund Balance	\$ 302,347	\$ 287,619	\$ 274,332	\$ 261,793	\$ 227,329	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795	\$ 191,795

* = Nov and Dec Sec of State revenue not received. FY09 Nov and Dec Revenue was \$21,845 and \$46,096
 ** = Dec not closed as of the date this report prepared.

Comparison between FY2009 and 2010 as of Sept

	2009	2010	Difference	% Change
Beginning Fund Balance	\$418,886	\$315,417		
Revenue	\$176,059	\$88,356	-\$87,703	-49.81%
Expenditures				
Salaries and Benefits	\$238,775	\$196,388	-\$42,387	-17.75%
Operating Expenses	\$39,934	\$13,446	-\$26,488	-66.33%
Travel Expenses	\$1,629	\$2,144	\$515	31.61%
Total Expenditures	\$280,338	\$211,978	-\$68,360	-24.38%
Revenues Over Expenditures	-\$104,279	-\$123,622		
Ending Fund Balance	\$315,417	\$191,795		

Kevin Hyland

Enforcement

Case Work:

El Salvador Check Group

Colorado banks had experienced losses in March 2009 by individuals opening up bank accounts utilizing El Salvador passports. In addition to the El Salvador passports, banks experienced similar patterns in the establishment of the bank accounts. Common names and addresses were used and bank losses were incurred by the same method. Bank surveillance photos showed what appears to be the same person transacting through various ATMs. Accounts had been opened in Jefferson, Denver, and Arapahoe counties in Colorado. This group had used the same method of operation in several other states before Colorado.

Bank staff has been interviewed and were able to identify two subjects at four locations as opening accounts at their banks. We have also interviewed a confidential informant, who lives in Maryland, who has identified the ring leader and several accomplices. All reports have been completed for this case. Working with the Jefferson DA Office.

Local Check Fraud Group

Several credit unions have reported that initially 10-15 individuals have deposited fictitious payroll checks from various businesses into their own accounts. The number of people involved has grown to over 50 individuals. I have interviewed one of the individuals who deposited a fictitious check. He identified the leader of this organization and admitted to knowing that the checks were counterfeit. We are working with the Denver DA office, Denver Police Department and Aurora Police Department.

Evans Builder

An informant provided information on a subject that had purchased two Evans, CO homes from the builder within a week, with a total value of \$1.3 million. The social security number used in these transactions is not the subject's number. Both homes have been foreclosed. The subject has been contacted and is agreeing to be interviewed. The case will be forwarded for prosecution.

Corporate ID Theft

ProStor Corporation in Boulder Colorado has become the victim of someone who has taken over the identity of their corporation. Suspects changed the corporation's physical address through the Colorado Secretary of State's Office and Dunn and Bradstreet. All fees required for the change of address were paid for by fraudulently obtained credit cards in the name of the CEO's of the respective corporations. The suspects then acquired office space at the new address locations and set up an answering service to receive calls on behalf of the corporation. Once they had a physical address and the ability to take calls they applied for credit in the names of the victim corporations. Home Depot was one retailer that extended over \$40,000 in credit through CITI Bank that was used to purchase building supplies and gift cards. The merchandise was traced by Home Depot to a warehouse in Van Nuys, Calif.

Subsequently, CFI has learned that three other Colorado corporations have become victims of the same fraud scheme. CFI analysts working in conjunction with investigators here in Colorado and California have identified the suspects and their current location. Home Depot has agreed to work with Law Enforcement to do controlled deliveries of pre arranged purchases by the suspects. To date the losses according to Home Depot is well over \$500,000 based on the corporations identified.

Citizen Requests: 19

October through January – Those citizen assists include criminal history record challenges, providing information to identity theft victims, answer questions about internet fraud and a medical marijuana identity theft concern.

Law Enforcement Assist 3

October through January – The law enforcement agencies assisted were Aurora PD, US Postal Service, and Castel Rock PD.

Intelligence

Attended Meetings:

October and November - International Association of Financial Crimes Investigators Meeting
November - Mortgage Fraud Working Group
11/19/2009 - Southeast Area Fraud Investigators Network

Training

10/29/2009 - POST Basic and Advanced Training in Evans
Mortgage Fraud training at the Southeast Area Fraud Investigators Network

Future training

1/19/2010 - Denver Parole Officer Training
3/15/2010 - POST Basic and Advanced Training - Southern Colorado

John Zamora

Enforcement

Case Work:

2009- 001186 – Request from State Patrol / Golden – Id Theft / Forgery / Theft Case.

Update: Warrants obtained for Hardy Jones and Michael Hayes. Hardy has been arrested and Michael is currently in custody in CA.

2009-001725 – Spin off of 2009-001186

Update: Warrant obtained for Shonya Young. She is currently in custody in VA and will be extradited to Denver late January 2010.

2009-001731 – Counterfeit Credit Card

Followed up on a Fraud-Net post by Valley Bank Fraud Investigator Jim Matthews.

Update: Salina Lactaen arrested and currently in custody in Montezuma County Jail. Interview conducted and I have identified several parties out of Oakland, CA. Good scam, as Salina is good for over \$120,000.00 in one month's time.

Citizen / LE Requests (4 / 3):

Citizen

4 assists ranging from Auto Traders ads, and lottery scams.

Law Enforcement

3 assists reference Identity Theft cases.

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

CBI Grand Junction
CBI Major Crimes
Aurora PD
Denver PD
El Paso County Sheriff
Department of Regulatory Agencies

CFI Alert:

12/03/2009 CDC Phishing Alert

Case Assistance:

- Suspect work-ups Agent Hyland
- Suspect work-ups Agent Zamora
- Suspect work-up Agent Gagliardi
- Suspect work-up Agent-in-Charge Sadar

Kyndol Virden

Intelligence

Assistance to other units, agencies and financial institutions:

CBI Major Crimes

Fraud-Net Posting:

2009-001731 - Counterfeit Credit Card

Case Assistance:

- Suspect work-ups Agent Zamora
- Suspect work-up Agent Hyland
- Suspect work-up Agent-in-Charge Brown

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
March 2010

AGENDA

Identity Theft and Financial Fraud Board

Meeting of March 8, 2010
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

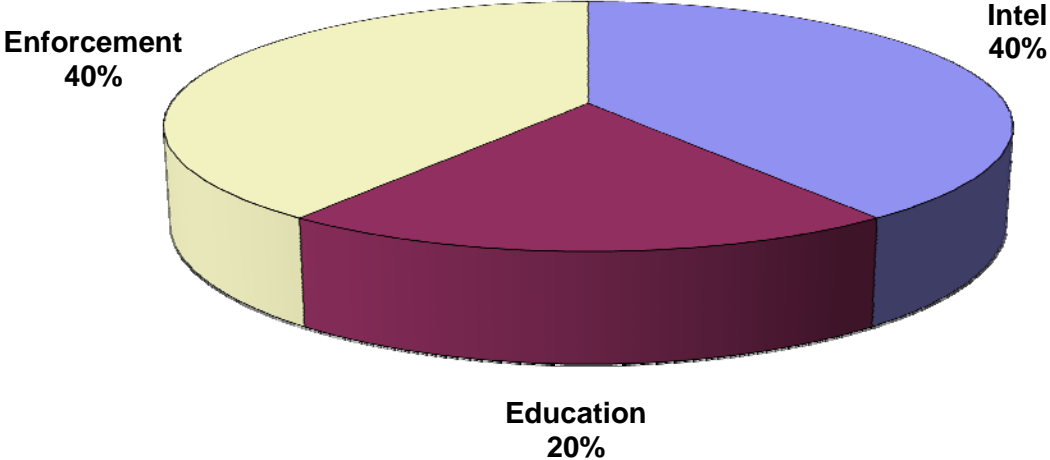
- I. Minutes
- II. Budget
- III. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Intelligence
- IV. Victim Advocate Position Update
- V. Sunset Review Update
- VI. Budget Forecast; CBI Budget Analyst, Barb Gold

Budget

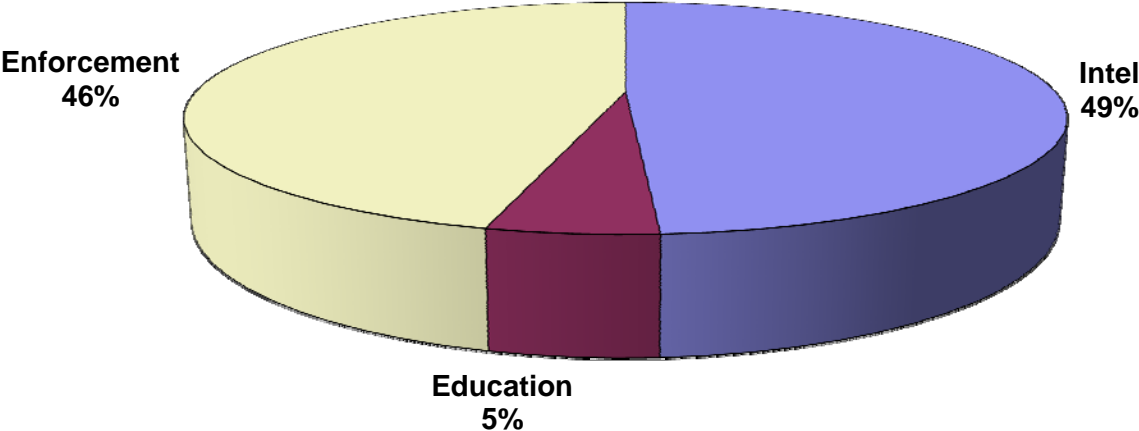
Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending January 2010

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date	
Beginning Fund Balance	\$ 315,417	\$302,347	\$287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$ 294,565	\$294,565	\$294,565	\$294,565	\$294,565	\$ 315,417	
Revenue	\$ 24,211	\$ 20,946	\$ 21,112	\$ 21,385	\$ 18,057	\$ 21,745	\$104,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,256	
Expenditures														
Salaries and Benefits	\$ 33,098	\$ 33,098	\$ 31,672	\$ 31,673	\$ 31,673	\$ 35,174	\$ 35,806		\$ -	\$ -	\$ -	\$ -	\$ 232,194	
Operating Expenses	\$ 3,342	\$ 2,399	\$ 2,411	\$ 1,746	\$ 3,328	\$ 2,182	\$ 3,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,448	
Travel Expenses	\$ 841	\$ 177	\$ 316	\$ 505	\$ 165	\$ 462	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,466	
Total Expenditures	\$ 37,281	\$ 35,674	\$ 34,399	\$ 33,924	\$ 35,166	\$ 37,818	\$ 38,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,108	
Revenues Over Expenditures	\$ (13,070)	\$ (14,728)	\$ (13,287)	\$ (12,539)	\$ (17,109)	\$ (16,073)	\$ 65,954	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20,852)	
Ending Fund Balance	\$ 302,347	\$287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$294,565	\$ 294,565	\$294,565	\$294,565	\$294,565	\$294,565	\$ 294,565	
ID Theft Victims Grant														
							Comparison between FY2009 and 2010 as of Jan							
Awarded	\$ 97,204													
Expended														
Remaining	97,204													
				Beginning Fund Balance			\$418,886	\$315,417						
				Revenue			\$282,190	\$232,256					-\$49,934	-17.70%
				Expenditures										
				Salaries and Benefits			\$278,420	\$232,194					-\$46,226	-16.60%
				Operating Expenses			\$44,486	\$18,448					-\$26,038	-58.53%
				Travel Expenses			\$2,186	\$2,466					\$280	12.81%
				Total Expenditures			\$325,092	\$253,108					-\$71,984	-22.14%
				Revenues Over Expenditures			-\$42,902	-\$20,852						
				Ending Fund Balance			\$315,417	\$294,565						

Projected Work Distribution



Actual Work Distribution January 11, 2010 through March 3, 2010



Kevin Hyland

Enforcement

Case Work:

Corporate Takeover

ProStor Corporation in Boulder, Colorado became the victim of someone who had taken over the identity of their corporation. Suspects changed the corporation's physical address and registered agent through the Colorado Secretary of State's Office, all on-line and anonymously. Seven other Colorado corporations have had their identity assumed in the same manner. Recently the suspects have changed their method of operation by assuming the identity of delinquent corporation and then applying for re-instatement of the corporation.

We have obtained from the Colorado Secretary of State's Office the prepaid credit card numbers and the IP addresses of where changes originated. The suspects are acquiring new addresses for the victim corporations by using virtual office locations in the Metro Denver area. Once they had a physical address and the ability to take calls they applied for credit in the names of the victim corporations. Home Depot has extended several hundred thousands of dollars in credit through CITI Bank that was used to purchase building supplies and gift cards.

Because the subjects live in California the United States Secret Service in California has been contacted and has agreed to partner in the investigation and will serve subpoenas and assist with subject interviews.

Lancaster California Credit Card Group

We began an investigation into a group of six individuals from Lancaster/Palmdale, California that used compromised credit card numbers at Wal-Mart and retail grocery stores. The group has been active in Colorado during October 2009 and again in December 2009. The group uses compromised credit card numbers by encoding relevant information on the magnetic strips of the counterfeit credit cards that scan at point of sale terminals. The counterfeit credit cards are being used to purchase gift cards.

During the October trip to Colorado the group purchased gift cards at a King Soopers in Denver where the identification of one of the members was seized. The California driver license had been altered but did include name and photograph of the person that presented the identification. A rental car was traced to the same subject and was identified as being used in Fort Collins by the same group. After leaving Ft. Collins the group traveled to Farmington, Utah where they were contacted by the Davis County Sheriff's Office but were not arrested.

One of the main suspects was recently arrested in Irving Texas for use of a counterfeit credit card.. Since the suspects in this case are from California the United States Secret Service in California has been contacted and agreed to cooperate in a joint investigation.

El Salvador Check Group

The Jefferson County DA's Office has requested addition investigation prior to grand jury presentation. Assigned agents plan to obtain reports of prior similar criminal acts by the suspects in other states to present concurrently with crimes committed against banks in Colorado. The

prosecution has expanded its theory in the case to include more victims in Colorado and elsewhere (out of state).

Bank Bustout/Counterfeit Checks

The Unit's investigator's are assisting the Denver DA's Office with an investigation of suspects that are opening bank accounts, depositing counterfeit items in the accounts, than withdrawing large sums of money (bust outs). There are over 60 individuals involved in this criminal enterprise, which have targeted metro Denver banks. The Denver DA office has begun a grand jury on this case.

Evans Builder

This case involves a subject that had purchased two homes, within a week, with a total value of \$1.3 million in Evans Colorado from the builder. The subject used another person's social security number in these transactions. The subject has been interviewed and admitted to purchasing one of the homes. He was to receive \$30,000 when the home then was resold. The subject claims that the second home was purchased in his name without his knowledge. The subject then said that he received several months of mortgage payments from the real estate agent. The real estate agent, mortgage broker and general manager were identified as participating in this fraud. Once the payments from the realtor to the subject stopped, both homes were foreclosed. The case will be forwarded to the FBI mortgage fraud task.

Citizen Requests: 2

02/08/2010 - Citizen Assist - ID theft victim Denver Public Library

02/09/2010 - Citizen Assist - ID theft victim Credit report incorrectly linked

Intelligence

Attended Meetings:

01/13/2010 - International Association of Financial Crimes Investigators Meeting

01/19/2010 - Mortgage Fraud Working Group

02/10/2010 - International Association of Financial Crimes Investigators Meeting

Training

Training Provided

1/19/2010 Colorado Department of Corrections Denver Parole

Future training

3/10/2010 - Public Training in Castel Pines

3/15/2010 - Provided POST Basic and Advanced Training in Colorado Springs

John Zamora

Enforcement

Case Work:

2009-001731 – Counterfeit Credit Card – Agent Zamora noted a Fraud-Net posting where a female suspect was able to obtain cash from a credit card in an off-line transaction from a bank in Brighton, Colorado. The suspect convinced the bank teller to call the 1-800 number on the back of the bank credit card once the card would not properly scan. The teller was unaware that the person they were talking to was a co-conspirator. The co-conspirator would then give the teller instructions to complete the transaction off-line. The suspects in this case typically got between \$5000-\$8,000 with each bank transaction. The aggregate losses to banks from multiple transactions are well over \$100,000. The same suspects are responsible for similar losses to banks in other states.

Agent Zamora, in conjunction with Cortez, Colorado police, has arrested a suspect in the case who is now cooperating with investigators. The ringleaders are a group of organized thieves located in Oakland, California.

The Colorado Attorney General’s Office has agreed to accept this case for prosecution.

Citizen / LE Requests (2 /12):

Citizen Assist

Potential Theft
Unauthorized use of a Financial Transaction Device

Law Enforcement Assist

Grand Junction P.D. – Re shipping scam
Aurora P.D.
Castle Rock P.D. – Obtained warrant for suspect
Montrose P.D. – Obtained warrant for suspect
Normal P.D. (IL)
Bloomington P.D. (IL)
Champaign County S.O. (IL)
Fargo P.D. (ND)
Fremont P.D. (NE)
Lake Oswego P.D. (OR)
U.S Attorney (CA)

Intelligence

Attended Meetings:

03/04/2010 - 7th Judicial LE Investigators Meeting – Delta

Education

02/17/2010 - Presented our unit at the ALEE (Western Slope Law Enforcement meeting of Executives) in Grand Junction. CBI previously presented to the ALEE meeting, and this presentation was an update, providing information on the Law Enforcement and Public Trainings, as well as information on Law Enforcement assists (along with current case information).

Future Trainings:

Hinsdale S.O.
Cortez P.D.
Craig P.D.

No dates set at this time.

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

Boulder County DA – Fraud Case, requested search of BSA (Bank Secrecy Act) information through FinCEN (Financial Crimes Enforcement Network) on 2 businesses and 4 subjects.

Boulder County DA – Mortgage Fraud Case, requested search of BSA information on 1 subject.

Colorado Attorney General and Longmont PD – Charity Fraud, Identity Theft, Computer Crime, Theft Case, requested search of BSA information on 1 subject

CBI Grand Junction – Dangerous Drugs suspect background searches on 5 subjects.

CBI Pueblo – Embezzlement/Theft Case, requested suspect background and search of BSA information on 2 subjects.

CBI Major Crimes – Suspicious Death Case, requested search of BSA information on 2 subjects.

CBI Major Crimes – Sweepstakes scam, requested search of BSA information on 2 subjects.

Colorado Department of Revenue/Criminal Tax Enforcement – Tax Evasion, Conspiracy, Forgery case, requested search of BSA information on 2 businesses and 4 subjects.

Colorado Springs PD – Theft/Embezzlement Case, requested search of BSA information on 2 subjects.

Denver Adult Probation – Financial Fraud Probation Revocation Case, requested search of BSA information on 1 subject and 4 businesses.

El Paso County DA – Theft Case, requested search of BSA information on 2 subjects.

Mesa County Sheriff – responded to a DAPIG request for contact information

US Probation – Conspiracy to Facilitate the Sale of Smuggled Goods Case requested search of BSA information on 2 subjects.

Department of Criminal Investigation, WY – Fraud Case, requested assistance with obtaining Colorado Department of Revenue records and information.

Arizona Department of Public Safety – Identity Theft Case, requested assist with obtaining Colorado Department of Revenue records and information.

U.S. Drug Enforcement Administration, WY – Requested assistance with the identification of a subject claiming to reside and work in Colorado known to be illegally in the U.S. and using several aliases and fraudulent identifiers.

Case Assistance:

- Agent Hyland - **Lancaster California Credit Card Group** – assisted by providing suspect workups to include searches of all available databases; obtained photos.
- Agent Zamora - **Counterfeit Credit Card** – assisted by providing suspect workups including searches of all available databases, obtaining police reports and arrest photos, researching addresses, researching phone numbers for subscriber information and posting on Fraud-net.
- Agent Hyland - **Corporate Takeover** – assisted by providing suspect and business workups to include searches of all available databases as well as information from the Secretary of State of Colorado and California; obtained police reports and arrest photos and any other available photos; reviewed documents to identify possible associated persons, addresses, businesses, phone numbers, vehicles and provided workups to corroborate the association with known suspects and businesses. Organized the case file, logged all documents on a hyperlinked spreadsheet and produced an association chart that depicts the connections between identified suspects, businesses, addresses, accounts, and phone numbers within the organization. Continue to assist the Secret Service Agent in California assigned to this case.
- Lone Tree PD – **Grand Jury Operation Gemini** – Requested by the Lone Tree Police Department to provide analytical assistance in a State Grand Jury case including COCCA (Colorado Organized Crime Act), Identity Theft, Fraud, Theft, Forgery, Computer Crimes, Unauthorized Use of a Financial Device. Have compiled a spreadsheet of phone records and produced a Telephone Frequency Analysis chart and a Telephone record chart both to be used to further the investigation and for grand jury presentation.

Intelligence Information Sharing:

Produced and disseminated a bi-weekly brief on 02-11-10 highlighting 6 cases, including one from Colorado, that relate to trends and patterns seen on a national level. This brief was sent out to approximately 673 persons to include law enforcement and financial institutions.

Kyndol Virden

Intelligence

Assistance to other units, agencies and financial institutions:

- Kansas Bureau of Investigation - Homicide Case, request for a Colorado Springs suspect vehicle search
- CBI Major Crimes /NY State Patrol - Gaming Case, requested information on two suspects.

Case Assistance:

- Agent Zamora - **Counterfeit Credit Card** – assist by suspect workups and locating relatives' contact information, listening to 588 hours of COCO County Jail recorded telephone conversations between two suspects, recorded the conversations useful for association evidence and created a spreadsheet highlighting the most valuable conversation pieces.
- Agent Hyland - **Corporate Take-over** – assist by suspect and corporation workups, identifying fraudulent Secretary of State, Business adjustments (E-Files) and discovering phone numbers and credit card information related to the fraudulent corporations, then finding the issuing institutions contact information and issuing subpoenas to obtain the account information related to those numbers, for further investigation.
- Agent Hyland – **Fort Collins** – assist by providing suspect workups and issuing silent hits on all six suspects.
- Agent Hyland – **Public Service Credit Union** – assist by workups, searching for warrants, and issuing silent hits on suspects.
- Agent Hyland – **Evans Realtor** – assist by suspect workups and searching for fraudulent business activity.
- CBI Major Crimes, Agent Chris Andrist - **Lottery Scam** - assist with charting telephone and money transactions showing visual representation of associates involved.
- Lone Tree PD – **Grand Jury Operation Gemini** - assist by printing case documents and collaborated pertinent phone data into a spreadsheet that Analyst Carol Hee can use to create a chart to be a visual support of evidence for Grand Jury.

Intelligence Information Sharing:

Correlated three case summaries for a “CFI News Brief”, that highlights patterns, trends, cases CFI has open, and other facts to provide intelligence to, but is not limited to, law enforcement agencies and financial institution affiliates. This brief was disseminated 02-25-10 to approximately 673 individuals.

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
May 2010

AGENDA

Identity Theft and Financial Fraud Board

Meeting of May 10, 2010
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

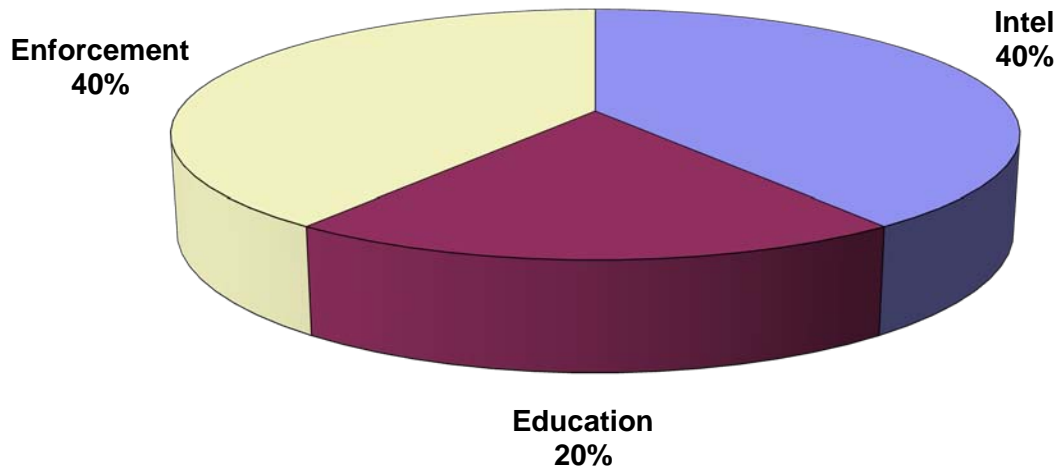
- I. Minutes
- II. Introduction of Victim Advocate / Hazel Heckers
- III. Sunset Review Update
- IV. CFI Operation Report
 - a. Enforcement
 - b. Training/Education
 - c. Intelligence
- V. Budget
- VI. Mortgage Fraud Grant Request

Budget

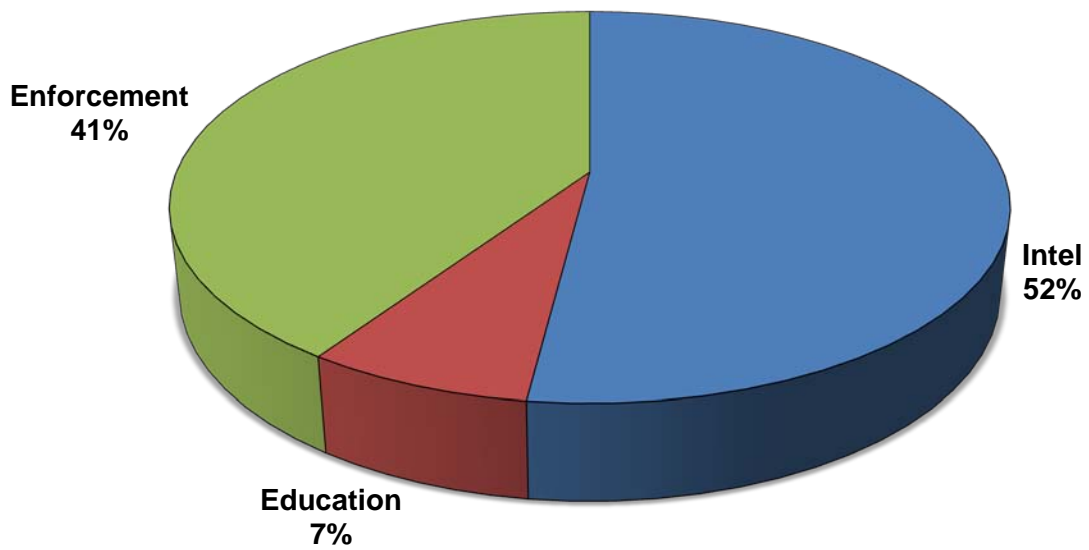
Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending March 2010

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 315,417	\$ 302,347	\$287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$ 297,440	\$307,893	\$297,414	\$297,414	\$297,414	\$ 315,417
Revenue	\$ 24,211	\$ 20,946	\$ 21,112	\$ 21,385	\$ 18,057	\$ 21,745	\$107,675	\$ 48,770	\$ 29,558	\$ -	\$ -	\$ -	\$ 313,459
Expenditures													
Salaries and Benefits	\$ 33,098	\$ 33,098	\$ 31,673	\$ 31,673	\$ 31,673	\$ 35,174	\$ 35,806	\$ 35,806	\$ 37,408	\$ -	\$ -	\$ -	\$ 305,408
Operating Expenses	\$ 3,342	\$ 2,399	\$ 2,419	\$ 1,746	\$ 3,328	\$ 2,182	\$ 3,040	\$ 2,347	\$ 2,354	\$ -	\$ -	\$ -	\$ 23,149
Travel Expenses	\$ 841	\$ 177	\$ 315	\$ 505	\$ 165	\$ 463	\$ -	\$ 164	\$ 275	\$ -	\$ -	\$ -	\$ 2,905
Total Expenditures	\$ 37,281	\$ 35,674	\$ 34,399	\$ 33,924	\$ 35,166	\$ 37,818	\$ 38,846	\$ 38,317	\$ 40,037	\$ -	\$ -	\$ -	\$ 331,462
Revenues Over Expenditures	\$ (13,070)	\$ (14,728)	\$ (13,287)	\$ (12,539)	\$ (17,109)	\$ (16,073)	\$ 68,829	\$ 10,453	\$ (10,479)	\$ -	\$ -	\$ -	\$ (18,003)
Ending Fund Balance	\$ 302,347	\$ 287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$297,440	\$ 307,893	\$297,414	\$297,414	\$297,414	\$297,414	\$ 297,414
ID Theft Victims Grant													
Comparison between FY2009 and 2010 as of Mar													
Awarded	\$ 97,204												
Expended													
Remaining	97,204												
								2009	2010		Difference	% Change	
								Beginning Fund Balance	\$418,886	\$315,417			
								Revenue	\$331,895	\$313,459	-\$18,436	-5.55%	
								Expenditures					
								Salaries and Benefits	\$363,052	\$305,408	-\$57,644	-15.88%	
								Operating Expenses	\$50,559	\$23,149	-\$27,410	-54.21%	
								Travel Expenses	\$2,767	\$2,905	\$138	4.99%	
Budget to Actual	Budget	Actual	%					Total Expenditures	\$416,378	\$331,462	-\$84,916	-20.39%	
Revenues	\$ 414,152	\$ 313,459	76%					Revenues Over Expenditures	-\$84,483	-\$18,003			
Expenditures								Ending Fund Balance	\$315,417	\$297,414			
Salaries and Benefits	\$ 445,373	\$ 305,408	69%										
Operating Expenses	\$ 54,000	\$ 23,149	43%										
Travel Expenses	\$ 4,560	\$ 2,905	64%										
Indirect cost	\$ 35,000		0%										
Total Expenditures	\$ 538,933	\$ 331,462	62%										

Projected Work Distribution



Actual Work Distribution March 8, 2010 through May 5, 2010



Kevin Hyland

Enforcement

Case Work:

Corporate Takeover

To date the following Colorado corporations have been taken over by an organized criminal enterprise located in southern California:

Advanced Home Systems, Inc.
Advanced Micro Systems, Inc.
Black Bear Construction Service
Commercial Door Services
Diversified Undergroud Corp
Electrical Advertising
Electrical Agencies, Co
Futura Engineering, Inc
Foundation Financial Group
Haggen Company
Independent Financial
Kelser Corpporation
KSR Trading, Inc.
On Site Production Services
Paul Davis Systems, Inc.
ProStor Systems Inc
Stephenson Painting Inc
U.S. Welding Works
Unique Designers
Lefna Foods
Hawkins Construction
KEA Corporation
Thermo TechJama Corporation Inc
Sunrise Artworks
Commercial Door Services
Front Range Backhoe & Excavation Services
Engineered Demolition LLC
Hull & Company Inc

CBI has been working with the U.S. Secret Service and the Los Angeles County Sheriff's Office (LASD) since February to locate/identify the suspects, conduct search warrants and ultimately charge the responsible people with violations of the either ID Theft crimes or Federal Racketeering statutes.

The suspects have assumed the identity of Colorado corporations by accessing the Secretary of State (SOS) website to change the corporation's principle address of business and registered agent. Colorado SOS provides online access to its corporate filings for ease of conducting business. All fees associated with changes, such as address, registered agent or re-instatement of a corporation are

paid for with a credit card. The suspects either use stolen credit card numbers or pre-paid cards to complete online transactions. Typically the business address is changed to a “virtual office” in Colorado and from there all mail is forwarded to an address in California. The suspects also obtain new cell phone numbers for the corporation with 303 area codes that actually ring to locations where the suspects reside, also in California.

Having completed all the necessary changes to the victim corporation, the suspects apply for credit in the name of the corporation with banks and retail outlets. Once credit lines are established the suspects use other members of the organization to purchase items online or in-person at retail sites. According to Home Depot (retailer), losses to their company is in the high six figures. Similar losses have been suffered by Loewe’s, Office Max, Office Depot, Dell and Apple computers. Citibank probably has the greatest loss since they underwrite many of the credit lines for of the big box retailers.

As the result of cooperative efforts with law enforcement in California, the LASD executed search warrants at two locations in the Los Angeles area netting considerable evidence against several suspects. At one of the search locations, detectives noted in their report that the primary suspect was accessing the Colorado SOS website as they entered the residence. Evidence was seized at the search scene, which included mail that was forwarded from virtual offices in the name of several victim corporations. Two suspects were booked into county jail and released pending formal charges.

CBI has been working closely with the SOS since early in this investigation to help identifying suspects and other possible victim corporations. As a part of our efforts to deter future corporate ID Theft cases, CBI and the SOS are working on a strategy to alert the public to precautions that can be taken to avoid victimizations. A “Corporate ID Theft Repair Kit” is in the final phases of completion and will be distributed at the same time as a press release notifying the public of this relatively new and potentially damaging trend in ID Theft. CBI will continue to work proactively with the SOS to monitor any future attempts at corporate ID Theft.

Local Auto Check Fraud Group

The Unit’s investigator’s are assisting the Denver DA’s Office with an investigation of suspects that are opening bank accounts, depositing counterfeit items in the accounts, than withdrawing large sums of money (bust outs). There are over 60 individuals involved in this criminal enterprise, which have targeted metro Denver banks. An investigator from the Denver DA’s Office and I interviewed another senior member of the cash cashing group in Denver City Jail. His story was consistent with the other subjects that have been interviewed. The Denver DA office is continuing with grand jury on this case.

Assistance

Citizen Requests: 8

- 03/09/2010 - Citizen Assist – Attempted ID theft through job scam
- 03/10/2010 - Citizen Assist – Attempted ID theft through job scam
- 03/22/2010 - Citizen Assist – ID theft by ex-husband
- 04/07/2010 - Citizen Assist – Virtual Impersonation on Facebook site

04/15/2010 - Citizen Assist – Foreign Lottery
04/16/2010 - Citizen Assist – ID theft by ex-husband
04/20/2010 - Citizen Assist – ID theft victims mailed forwarded
04/20/2010 - Citizen Assist – Bad Businesses

Law Enforcement Requests: 3

Assist HUD Office of Inspector General with information request on 2005 mortgage fraud investigation.

Assist with the search of the CDOT employee's residence where he was alleged to be counterfeiting State fuel cards.

Assist with the questioning of two employees who were alleged to be involved in stealing customer personal identifying information from a company.

Intelligence

Attended Meetings:

03/10/2010 - International Association of Financial Crimes Investigators Meeting

03/23/2010 - Jeffco ID Theft Group

04/14/2010 - International Association of Financial Crimes Investigators Meeting

05/05/2010 - International Association of Financial Crimes Investigators Annual Conference

Training

Training Provided

3/10/2010 - Public Training in Castel Pines

3/15/2010 - Provided POST Basic and Advanced Training in Canon City

5/07/2010 - Public Training in Fort Collins Colorado State Fiscal Managers

John Zamora

Enforcement

Case Work:

2009-001731 – Money Raiders – Agent Zamora noted a Fraud-Net posting where a female suspect obtained cash from a credit card in an off-line transaction from a bank in Brighton, Colorado. The suspect convinced the bank teller to call the 1-800 number on the back of the bank credit card once the card would not properly scan. The teller was unaware that the person they were talking to was a co-conspirator. The co-conspirator would then give the teller instructions to complete the transaction off-line. The suspects in this case typically got between \$5000-\$8,000 with each bank transaction. The aggregate losses to banks from multiple transactions are well over \$100,000. The same suspects are responsible for similar losses to banks in other states. Agent Zamora identified 7 parties involved in the organization. This case will go to grand jury in July/August with plans of completing it in one day.

2009- 001186 – Request from State Patrol / Golden – Id Theft / Forgery / Theft Case. Takesha Thomas arrested by Boulder Police Department. Interview with Takesha and Identified Michael Hayes and Hardy Jones as parties involved. Hardy Jones' prelim is May 25, 2010 in Boulder County. Michael Hayes is currently in custody in CA and will be extradited possibly in July 2010.

2009-001725 – Spin off of 2009-001186 – While investigating 2009-001186 Agent Zamora identified another suspect, similar criminal activity, same week, same bank; however, different branch in the Metro area. Suspect is Shonya Young. The Denver DA issued a warrant for Shonya, but have given their case over to the Feds.

2009-001732 – Another spin off of 2009-001186 – Identified a potential suspect identified as Dana King. After completing an interview with King it was determined there was not a link to any CO crimes, however, she admitted to 7 ID Theft / Forgery / Theft cases in LA, and 1 -3 crimes in HI. Agent Zamora will be testifying out-of-state on behalf of several jurisdictions.

Quick Cash Case indicted 2009 – Jorge Martinez-Gomez was sentenced to 8 years on COCCA, ID Theft, and Theft. Veronica Ruiz-Ayala was sentenced to 6 years for ID Theft, Theft and Forgery. Salvador Ramirez is in custody in California.

Intelligence

Attended Meetings:

04/29/2010 – IAFCI Meeting

Education

Future Trainings:

05/20/2010 - Rio Blanco POST Basic
Cortez P.D.
Craig P.D.

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

4th Judicial DA - Fraud Case, requested search of BSA information on 1 subject.

Aurora PD – Extortion Case, requested search of BSA information on 10 subjects.

Boulder County Sheriff – Dangerous Drugs Case, requested search of BSA information on a subject.

Broomfield PD – Money Laundering Case, requested search of BSA information on a subject and his businesses.

Castle Rock PD – responded to a RMFIN requesting contact information.

CBI Major Crimes – Larceny Case, requested search of BSA information on 5 subjects.

CBI Gaming – Bookmaking Case, requested search of BSA information on 2 subjects and 3 businesses.

CBI Grand Junction – Drug Case, suspect workups.

Colorado Department of Labor – Fraud Case, requested search of BSA information on 1 subject.

Colorado Department of Public Health & Environment – Fraud, requested document review/analysis and recommendation for action.

Colorado Department of Revenue/Criminal Tax Enforcement – Forgery Case, requested search of BSA information on 1 subject and 1 business.

Colorado Springs PD – Homicide Case, requested search of BSA information on victim and victim's businesses.

Colorado Springs PD – Robbery Case, requested search of BSA information on 2 subjects.

Frederick Police Department – Fraud Case, requested assistance in identifying banks to send subpoenas to.

Golden PD – responded to a request on DAPIG requesting assistance in searching insurance claims.

Larimer County Sheriff's Office – Fraud Case, requested search of BSA information on 2 subjects.

Longmont PD – Miscellaneous Case, requested search of BSA information on 1 subject.

Denver PD – Fraud Case, requested search of BSA information on 1 subject.

Montrose PD – Counterfeiting Case, requested search of BSA information on 1 subject.

US Army CID/Arlington, TX – Fraud Case, requested assistance in obtaining information on a Colorado Corporation.

US Probation - Fraud Case, requested search of BSA information on 2 subjects.

Wyoming DEA – Drug Case, assist with obtaining Colorado driver’s license information.

Wyoming Division of Criminal Investigation – Fraud Case, assist with obtaining Colorado driver’s license information.

Wyoming Division of Criminal Investigation – Dangerous Drug Case, assist with obtaining Colorado driver’s license information.

Case Assistance:

Agent Hyland - **Corporate Takeover** – provided business workups to include searches of all available databases as well as information from the Secretary of State of Colorado and California; researched and compiled information from all other states concerning their processes to change business information.

Lone Tree PD – **Grand Jury Operation Gemini** – Assisted the Lone Tree Police Department in a State Grand Jury case.

Pueblo Bank & Trust – **Account Fraud** – Sent out a CFI Alert statewide regarding a subject who was opening bank accounts and depositing counterfeit checks using altered CO driver’s licenses. Subject was wanted by CO Department of Corrections and Pueblo County Sheriff for escape. Made contact with subject’s parole officer to advise her of the criminal activity and requested assistance of F.L.A.G. (Fugitive Location and Apprehension Group) who arrested the subject on 05-06-10.

Intelligence Information Sharing:

Produced and disseminated a bi-weekly brief on 03-12-10,04-09-10 and 05-05-10 that relate to trends and patterns seen on a national level. These briefs were sent out to approximately 670 persons to include law enforcement and financial institutions.

Attended the Immigration and Customs Enforcement ID Theft/Benefits Task Force

Education

Training Received:

Legal Challenges for the Elderly, Caregivers and Providers (Pueblo, CO) – Topics: ID Theft, Debt Collections, Consumer Fraud/Scams, Check Fraud, Sensitivity to Reaction to Law Enforcement, and Probate

Kyndol Virden

Intelligence

Assistance to other units, agencies and financial institutions:

CIAC/Colorado State Patrol Homeland Security – Identity Theft Case, six suspect queries.

Case Assistance:

AIC Brown - assist by suspect workups and searching for fraudulent business activity.

Agent Zamora – **Money Raiders** – assist by suspect workups and locating relatives’ contact information, preparing charts from spreadsheets, created while listening to 588 hours of jail recordings between suspects, that will result in visual presentations of evidence in grand jury.

Agent Hyland – **Fort Collins** – assist by following up on silent hit responses, run queries searching for warrants, and re-checking criminal histories on suspects silent hits issued previously.

Agent Hyland – **Public Service Credit Union** – assist by following up on silent hit responses, run queries searching for warrants, and re-checking criminal histories on suspects silent hits issued previously.

Lone Tree PD – **Grand Jury Operation Gemini** - assist by supporting Analyst Carol Hee, who created charts to display evidence as a visual aid for the grand jury.

Intelligence Information Sharing:

Attended information-sharing Situation Awareness Watch (SAW) briefs presented by Colorado Information Analysis Center (CIAC).

Attended the Immigration and Customs Enforcement ID Theft/Benefits Task Force

Made contacts with several local law enforcement agencies and banking institutions, in order to correlate six case summaries for three “CFI News Briefs”, that highlights patterns, trends, cases CFI has open, and other facts to provide intelligence to, but is not limited to, law enforcement agencies and financial institution affiliates. This brief is being bi-weekly disseminated to approximately 670 individuals.

Training Received:

Legal Challenges for the Elderly, Caregivers and Providers (Pueblo, CO) – Topics: ID Theft, Debt Collections, Consumer Fraud/Scams, Check Fraud, Sensitivity to Reaction to Law Enforcement, and Probate

Analyst Work Distribution

Analyst	Analytical	Newsletters/ Briefs	Intel Inquiries	Assist LE/CO	Assist LE/Other State	Assist CBI Invest	Criminal Investigation	Assist Government Agency	Total Request for assistance
Kyndol	3	4				33	1		41
Carol	3	60	318	22	38	45	7	5	498
Total	6	64	318	22	38	78	8	5	539

Narrative

Analytical:

This category relates to the production of charts which include timelines, association charts, and link analysis charts generally used to further an investigation and/or prosecution.

Intelligence Inquires:

Requests for Intelligence are received in the form of a request for information from the Financial Crimes Enforcement Network's (FinCEN) database. Carol Hee is the FinCEN coordinator for the state and therefore receives and currently processes all requests for searches of the Project Gateway database from Colorado law enforcement investigators and analysts.

Assist Law Enforcement Out-of-State Agencies:

Requests for assistance received directly by an analyst either by phone or email or received through one of the listservs that the Unit participates in such as LEAnalyst (National listserv devoted to law enforcement and the analysis of crime issues), or IACA (International Association of Crime Analysts). These requests would be anything from searching specific databases to providing contact information.

Criminal Investigations:

This category would be in cases where the analyst would be further involved in a criminal investigation such as drafting subpoenas, acting as the lead analyst in a large criminal investigation, or when a request for assistance has resulted in the Unit's participation in a criminal investigation.

Newsletters/Briefs/Alerts:

Used as a means of providing and distributing information concerning trends, patterns and criminal activity to the law enforcement and banking communities. The analysts produce and disseminate a quarterly newsletter that contains information of a general nature. Briefs which are disseminated every other week are intended to be current, relevant information on crimes/criminals that are active at the moment. Alerts consist of information of an urgent nature.

Assist Law Enforcement Colorado Agencies:

Requests for assistance are received directly by an analyst either by phone or email or received through one of the listservs that the Unit participates in such as RMFIN (Rocky Mountain Financial Investigator's Network) or DAPIG (Denver Area Property Investigator's Group). These requests would be anything from searching specific databases to providing contact information.

Assist CBI Investigations:

Requests for assistance received from CBI Agents of all offices would be anything from searching a specific database to a full subject workup which would consist of searches of all available databases, obtaining photos, and obtaining copies of police reports.

Assist Government Agency:

Requests that come from a non-law enforcement agency regarding criminal activity, such as the Colorado Department of Public Health and Environment.

Hazel Heckers

Advocacy

Interviews and background checks for the Victim Advocate position were completed. CFI's Victim Advocate (Hazel) joined the Unit on April 26, 2010.

An immediate review of the VA Grant was conducted, and the Victim Advocate and Agent in Charge (Bob Brown) determined that it was necessary to file for a modification of the grant. We have retained all grant goals, and envision that we will be able to meet the goals of the grant, however requested minor adjustments in time frames and in the number of staff to be hired. The following modifications were submitted to DCJ for approval:

- 1) **Time Frame Changes** : We requested a change in the timeframe for goals due to the delay in hiring a Victim Advocate
- 2) **Change in the number of staff to be hired:** Due to budget changes (award significantly less than requested amount), we requested a change in the number of new jobs to be created from the original two (2) staff to one (1) staff.

Our Victim Advocate has begun exploration of options for the Hotline and has scheduled meetings with agencies with existing hotlines to discuss collaboration.

The Victim Advocate has connected with Cary Johnson of the 1st JD District Attorney's Office and is collaborating with him to provide community education presentations. She has also connected with the Community Education staff at Denver Community Credit Union and made plans to provide community education programs as a team and to include information about resources for victims of Identity Theft in their publications and on their website.

Resource for Agencies and Financial Institutions

Changes have been made to laws in Colorado governing the use of a Power of Attorney. These changes also provide options for banks, caregivers and other concerned parties to report potential abuses. For more information on the new Uniform Power of Attorney Act, you may visit the Colorado Coalition for Elder Rights and Adult Protection website at www.ccerap.org You may view a pod cast or download a video of a presentation provided by Mary Catherine Rabbitt, JD. Ms. Rabbitt was instrumental in the writing and passage of the new laws, and is considered an expert on the issue. You may also download copies of the law and handouts and PowerPoint presentations for educational purposes.

Mortgage Fraud Grant Request

Program Abstract

Applicant Name: Colorado Bureau of Investigation

Project Title: Standing Against Mortgage Fraud, Colorado

Amount Requested: \$1,750,000

The Colorado Bureau of Investigation (CBI) is seeking grant funding for the very critical problem of mortgage fraud in Colorado. Mortgage fraud has plagued Colorado with its national ranking of 10th in 2008 when considering all 50 states. According to the Mortgage Asset Research Institute (MARI), Colorado has ranked in the top 10 for mortgage fraud four out of the last six years. Mortgage fraud, as a contributing factor, has seen Colorado's foreclosure rate worsen to the point where Colorado was ranked #1 in foreclosures nationally in 2006. Between 2004 and 2009, Colorado has experienced a 125% increase in foreclosures.

The goal of this project is to identify those individuals and groups of individuals responsible for the fraud associated with Colorado's extreme foreclosure rate in comparison to its relatively stable economy (7.9% unemployment). CBI is proposing to create a Mortgage Fraud Unit (Unit) within the CBI dedicated to rooting out those responsible for mortgage fraud and prosecuting them for their crimes. CBI will focus its attention on the years 2006-2008, working off the foreclosure lists that are available publicly. CBI has developed a model of key indicators to identify those foreclosures that are likely to be fraudulent. The model was developed with the help of real estate and banking professionals. These indicators have already identified groups of people that are suspected of fraud associated with mortgage transactions. Investigators assigned to the new Unit will have the benefit of investigative leads once the Unit is established.

The Unit will partner with the Federal Bureau of Investigation (FBI) and other State and local agencies while investigating mortgage fraud. Since so many investigative and regulatory agencies have responsibility for detecting mortgage fraud, it's important that coordination of efforts become a key factor in the success of the Unit. CBI has already experienced extraordinary success in coordinating mortgage fraud investigations with these agencies.

The Unit's success will be measured in several ways; number of successful prosecutions, total number of defendants identified, number of homes identified as purchased fraudulently, dollar loss to lenders, the number of cooperative partnerships established and lastly the dollar amount associated with restitution from prosecution.

Colorado Bureau of Investigation

Mortgage Fraud Grant Budget

A Personnel

Name/Position	Computation	Cost
3. Criminal Investigator AIC	\$46,800 per year 1st year .5 Investigator	\$ 46,800
4. Criminal investigator AIC	\$46,800 per year 2nd year .5 Investigator	\$ 46,800
3. Criminal Investigator	\$45,825 per year 1st year .5 Investigator	\$ 45,825
4. Criminal investigator	\$45,825 per year 2nd year .5 Investigator	\$ 45,825
5. Criminal Investigator	\$66,317 per year 1st year 1 Investigator	\$ 66,317
6. Criminal investigator	\$66,317 per year 2nd year 1 Investigator	\$ 66,317
7. Admin Assistant	\$38,240 per year 1st year 1 Admin Assistant	\$ 38,240
8. Admin Assistant	\$38,240 per year 2nd year 1 Admin Assistant	\$ 38,240
9. General Professional IV	\$62,476 per year 1st year 4 General Professic	\$ 249,904
10. General Professional IV	\$62,477 per year 2nd year 4 General Professi	\$ 249,904
11. General Professional III	\$30,000 per year 1st year .5 Crime Analyst	\$ 30,002
12. General Professional III	\$30,000 per year 1st year .5 Crime Analyst	\$ 30,002
13. Overtime / Differential	Project Pay and Overtime for agents	\$ 15,000
	Total	\$ 969,176

B Fringe Benefits

Name/Position	Computation	Cost
PERA	10.5% of Salary	\$ 105,156
Health/Life/Dental Range:	\$533 x 7.5 staff	\$ 95,940
Short Term Disability	1.33% x salary	\$ 12,889
Amortization Equalization Disbursement	4.75% x salary	\$ 46,036
Medicare	1.45% x salary	\$ 14,053
	Total	\$ 274,075

C Travel

Purpose of Travel	Location	Item	Computation	Cost
Out of State Travel	Wash DC	Hotel, Air, Per Diem	(\$276+\$1,186+128)*2	\$ 3,180
Out of State Travel	Phx AZ	Hotel, Air, Per Diem	(\$205+\$468+118)*2	\$ 1,582
Investigations	CO	Hotel, Per Diem	(\$80+\$44)*75	\$ 9,300
		Total		\$ 14,062

D Equipment

E Supplies

	Computation	Cost
Office Supplies	\$500 x 7 staff x 2 years	\$ 7,000
Lease Copy machine / Central Printer	\$250 x 24 months	\$ 6,000
Vehicle Lease	\$250 x 24 months x 1 car	\$ 6,000
Vehicle Mileage	12,000 miles x .17 per x 2	\$ 4,080
Postage	\$20 x 24 months x 7 staff	\$ 3,360

Books and Periodicals	\$50 for 7 staff for 2 years	\$	700
Wiring and Cabling	\$2,000 per x 7 staff	\$	14,000
Software	\$300 Intell for 2 teams	\$	600
	Total	\$	41,740

F Construction

**G Consultants/ Contracts
Item**

		Cost
	Total	\$ -

H Other Cost

Description	Computation		Cost
Phone lines, phones, voice mail long distance	\$600 x 2 years x 7 staff	\$	8,400
Data lines	\$30 x 24 months x 7 staff	\$	5,040
Air cards for investigators	\$60 x 24 months x 6 Inves	\$	8,640
Cell phone for investigators	\$50 x 24 months x 6 Inves	\$	7,200
Rent	125 sq ft x 18 x \$25 x 2	\$	-
Janitorial	\$100 per month x 24 mon	\$	-
Police Equipment	\$4,015 x 1 Investigator	\$	4,015
Computers	6 computers x \$1,230	\$	7,380
Desk and book case	8 desks and bookcases x \$	\$	-
	Total	\$	40,675

I Indirect Costs

Item		Cost
Indirect costs are calculated on Personal Service multiplied by the CBI Indirect Cost rate (\$1,246,452) x 33%		\$ 410,273
	Total	\$ 410,273

Total	2 Inv 5 GP and 1 Admin	\$ 1,750,000
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Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
July 2010

AGENDA

Identity Theft and Financial Fraud Board

Meeting of July 19, 2010
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

- I. Minutes – May 10, 2010 Meeting
- II. Budget – Fiscal Year Ending 2010
 - a. Ending Fund Balance
 - b. Beginning Fund Balance FY 2011/Budget
- III. CFI Operational Report
 - a. Enforcement
 - i. El Salvadoran Check Ring/Agent Hyland
 - ii. Corporate Identity Theft/Press Conference/Brown and Hyland
 - iii. Money Raiders/Agent Zamora
 - b. Training/Education
 - i. POST Certified Training/Agent Zamora
 - ii. Fraudulent Document Detection Training/SEAFIN
 - c. Intelligence
 - i. Briefs/Teresa Porter
 - ii. Newsletter-2nd Quarter
 - iii. Grand Jury Presentation
 1. Money Raiders
 - d. Advocacy
 - i. 24-Hour Victims Hotline Update
 - ii. Victim Advocacy Advisory Committee Formation
- IV. Mortgage Fraud Grant Update

**Colorado Bureau of Investigation
ID Theft and Fraud Unit
Revenue and Expense Projection
FY 11**

Projected Beginning Fund Balance	\$ 247,783
Revenues	\$ 387,094
Expenditure	\$ 463,872
Expenses Charged to Grant Beg 10/01/2010	(\$176,852)
Revenues over Expenses	\$ 100,074
Projected Ending Fund Balance	\$ 347,857

Kevin Hyland

Enforcement

Case Work:

Local Auto Check Fraud Group

The Unit's investigator's are assisting the Denver DA's Office with an investigation of suspects that are opening bank accounts, depositing counterfeit items in the accounts, than withdrawing large sums of money (bust outs). There are over 60 individuals involved in this criminal enterprise, which have targeted metro Denver banks. An investigator from the Denver DA's Office and I interviewed the leader of the group and the second in charge and completed written reports. The Denver DA office is continuing with grand jury on this case.

El Salvador Check Group

I met with local bank staff that had experienced recent losses that had been incurred by individuals opening up bank accounts utilizing El Salvador passports. In addition to the El Salvador passports all three banks experienced a same pattern in the way the bank account was established, common names were involved, common addresses, bank surveillance photos showed, what appears to be the same person and bank losses were incurred by the same method. Accounts had been opened in Jefferson, Denver, and Arapahoe counties in Colorado.

Jeffco DA investigator and I completed an Arrest Affidavit for the leader of the group and two accomplices, and preparing the case for filing with Jeffco District Attorney Office.

Mortgage Fraud

Received a complaint from individual involved in a home foreclosure rescue. This person is within the organization that is purchasing the homes. One of the principle leaders of this organization is a Realtor that CBI is aware of through prior investigations.

Corporate Takeover

The suspects have assumed the identity of Colorado corporations by accessing the Secretary of State (SOS) website to change the corporation's principle address of business and registered agent. The suspects either use stolen credit card numbers or pre-paid cards to complete online transactions. Typically the business address is changed to a "virtual office" in Colorado and from there all mail is forwarded to an address in California.

Having completed all the necessary changes to the victim corporation, the suspects apply for credit in the name of the corporation with banks and retail outlets. Once credit lines are established the suspects use other members of the organization to purchase items online or in-person at retail sites. According to Home Depot (retailer), losses to their company is in the high six figures.

CBI has been working with the U.S. Secret Service and the Los Angeles County Sheriff's Office (LASD) since February to locate/identify the suspects, conduct search warrants and ultimately charge the responsible people with violations of the either ID Theft crimes or Federal Racketeering statutes. . Five suspects have been arrested in connection with this case.

CBI has been working closely with the SOS since early in this investigation to help identifying suspects and other possible victim corporations. As a part of our efforts to deter future corporate ID Theft cases, SOS, Colorado Attorney General and CBI held a joint press conference to alert the public and explain precautions that can be taken to avoid victimizations. A “Corporate ID Theft Repair Kit” is complete and was be distributed at the same time as a press conference.

Assistance

Citizen Requests: 3

05/10/2010 - Citizen Assist – Aurora Citizen had identification used in a Georgia arrest.

05/11/2010 - Citizen Assist – Attempted to con citizen using the Linked-In web services

05/12/2010 - Citizen Assist – Contractor Theft

Law Enforcement Requests: 1

5/13/2010 - Law Enforcement Assist - FBI was looking for information on a Ponzi scheme in Colorado Springs.

Bank Assist Requests: 1

05/21/2010 - Bank Assist - Helped Pueblo Bank and Trust with efforts to stop automated calls to customers. Those call were attempting to gain personal information

Intelligence

Attended Meetings:

06/07/2010 - Mortgage Fraud Task Force

06/09/2010 - International Association of Financial Crimes Investigators Meeting

06/22/2010 - Colorado Child Support Enforcement and ID Theft

John Zamora

Enforcement

Case Work:

2009-001731 – Counterfeit Credit Card – On July 8 the following were indicted by the Grand Jury: Stacy Harris, Tangelar Houston, Dumarco Marty, Salina Lactaoen, Darnell Meals, and Tenisha Kuykendall, with the first three for COCCA. This case will be charged in Adams County.

The FBI joined us with the investigation as an assisting agency. We were able to take a trip to California where I was able to interview two fairly top suspects in this group, as well as a very good witness. This turned out to be a very successful trip that helped this case quite a bit. The FBI also assisted in funding to get the witness to Colorado to testify in front of the Grand Jury.

As of this date, 07-13-10, we have Salina Lactaoen in custody (Montezuma county, however, she will be transferred to Adams County Jail) as well as Darnell Meals (CA). We could have Tangelar Houston arrested later today or within the next couple days as I had contacted her Probation Officer, and the U.S. Marshall's Office is involved. I expect Dumarco Marty and Tenisha Kuykendall to turn themselves in, and have a date set for Tenisha for July 19, 2010. The FBI will be assisting in locating Stacy Harris, who could be in California, Nevada, or Georgia.

2009-001186 – Id Theft, Forgery, and Theft. – Update – Hardy Jones showed up for his prelim and his apparent deal was to plead to a felony with unsupervised supervision, plead to a misdemeanor, with 90 days in jail, pay restitution, and talk with me about co-defendant Michael Hayes' role in the case. Hardy Jones showed up with \$3,000.00 cash to start paying his restitution, and talked with me a bit. When the case went in front of the judge for sentencing, the judge did not like the offer, ordered a PMI, and held the case over until August. Michael Hayes will be released from California Prison on July 25 and will be extradited to Boulder County Jail.

2009-001732 – Id Theft – Update - I interviewed Dana King and she provided information on several out of state cases. I was to testify in Hawaii against Audrey Collins and Willie Briggs, however Audrey Collins plead guilty and received 20 years, and Willie Briggs had a late guilty plea and received 10 years.

Citizen Requests 4:

Secret Shopper Scam

Possible Trademark violation and reporting party upset that another business could be stealing his customers.

Suspicious fax received advising reporting party needed to pay a bill.

Reporting party received check in the mail. Selected as secret shopper.

Law Enforcement Requests 3:

Grand Junction P.D. – Potential Skimming case at the Dragon Wall Restaurant

Oklahoma State Bureau of Investigation – Follow-up on cold homicide case. Suspect traveled through Western Slope.
San Miguel County – Id Theft/Unauthorized Use of a Credit Card

Education

05/20/2010 - P.O.S.T. 8 hours Basic and Advanced Id Theft Course - Meeker

Future Trainings:

Hinsdale S.O. – Provided Public Presentation Information
Cortez P.D./Montezuma County
Craig P.D.

No dates set at this time.

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

18th Judicial District DA – RMFIN request, assisted with the identification and location of subject of interest.

Boulder PD – Fraud Case, requested search of BSA information on 1 subject.

Boulder PD – Homicide Case, requested search of BSA information on 6 subjects.

Boulder PD – Burglary Case, requested search of BSA information on 2 subjects.

Central City PD – DAPIG request, subscriber information on phone number.

Colorado Attorney General – Fraud Case, requested search of BSA information on 1 subject.

CBI Grand Junction – Dangerous Drugs suspect background searches on 2 subjects.

CBI Major Crimes – Theft/fraud/forgery, requested court records 2 subjects.

CBI Major Crimes – Identity Theft/Impersonation, assist with obtain a copy of a death certificate from OH.

CBI Major Crimes – Homicide/suicide case presentation, requested a timeline.

Colorado Department of Regulatory Agencies/Division of Securities – Securities Fraud case, requested search of BSA information on 1 subject.

Colorado Division of Child Support Enforcement – Fraud/Impersonation, workup on subject using someone else’s social security number.

Douglas County DA – Dangerous Drugs, requested search of BSA information on 2 subjects.

El Paso County DA – Fraud Case, requested search of BSA information on 1 subject.

Grand Junction PD – Fraud Case, requested search of BSA information on 1 subject.

Longmont PD – Fraud case, requested search of BSA information on 3 subjects and 1 business.

Northglenn PD – DAPIG request, subscriber information on phone number.

Northglenn PD – DAPIG request, information on a business owner.

Northglenn PD – RMFIN request, contact information.

US Probation – Dangerous Drugs, requested search of BSA information on 1 subject.

Department of Criminal Investigation, WY – Fraud Case, requested assistance with obtaining Colorado Department of Revenue records and information 2 subjects.

Arizona Department of Public Safety – Gang Case, requested assist with obtaining Colorado Department of Revenue records and information.

Arizona Department of Public Safety – Dangerous Drug Case, requested assist with obtaining Colorado Department of Revenue records and information.

Tom-Green County Attorney, TX – Requested assistance with information on CO citizens arrested in Tom-Green County impersonating armed security guards.

Case Assistance:

- Agent Zamora – **Money Raiders** – updates and workups while Kyndol was attending out-of-state training.
- Agent Hyland – **Corporate Takeover** – assisted by providing suspect and business workups to include searches of all available databases as well as information from the Secretary of State of Colorado and California
- AIC Brown – (Air Academy Federal Credit Union) **Teresa Porter** – as the result of the July 18, 2010, found that subject linked to cases in Arapahoe and Jefferson counties, Greenwood Village and US Postal Inspector. Provided workups on subject, identified possible associates and workups, obtained police reports and organized the case folder.

Intelligence Information Sharing:

Produced and disseminated 2 bi-weekly briefs on 06-18-10 and 07-16-10 highlighting 6 cases comprised of; New Account Fraud, Credit Card Fraud, Check Fraud, Gas Pump Skimmer Fraud. Produced and disseminated the June CFI Newsletter.

The CFI publications are sent out to over 700 persons to include law enforcement, financial institutions and retail investigators. (The briefs are re-disseminated by our recipients to numerous staff at their financial institutions, retail companies, law enforcement agencies and news media.)

Attended information-sharing Situation Awareness Watch (SAW) briefs presented by Colorado Information Analysis Center (CIAC).

05/20/2010 - South East Area Fraud Investigators Network (SEAFN) – Pueblo DA's Office
06/15/2010 - Boulder County Fraud Group – Boulder DA's Office

Kyndol Virden

Intelligence

Assistance to other units, agencies and financial institutions:

U.S. Postal Inspection Service (Denver) – requested contact information for Apple

Canon City PD – requested contact information to subpoena compliance for Green Dot Visa.

Greeley PD – request for assistance to identify the owner of a specific credit card account number affiliated with Citibank.

Thornton PD – Homicide Case, requested assistance with identifying several phone numbers from victim's phone.

Pueblo Bank & Trust – ID Theft, requested assistance by searching two phone numbers for identification purposes.

Lone Tree PD – Craigslist Jewelry Scam, requested contact information for Craigslist.

Thornton PD – requested assistance with a phone number identification.

Loveland PD – requested assistance with identification of a cell phone provider on a discovered phone number.

Mesa County – in response to a Paving Scam article disseminated through CFI Brief June 4, 2010 requested assistance with similar activity in their area.

Broomfield PD – requested assistance tracing an iPhone, contact information for Apple.

Woodland Park PD – requested assistance contacting Law Enforcement Investigators at Citibank

Williamson County Sheriff's Office, Franklin, TN – Fraud-Net posting on behalf of BUNCO Group of Nashville, TN, requested contact information to Green Dot (prepaid debit card system).

Three citizen requests by phone call were assisted as well.

Case Assistance:

- AIC Brown – assist by suspect workups and searching for fraudulent business activity, anonymous letters requesting ID theft assistance.
- Agent Zamora – **Grand Jury Money Raiders** – assist by suspect workups and locating relatives' contact information, preparing charts from spreadsheets that were created while

listening to 588 hours of jail recordings between suspects, developed visual presentations of evidence and presented the results by testifying in grand jury on July 8. Indictments, including three for COCCA, and arrest warrants were issued on the six suspects. This case will be charged in Adams County.

- Agent Hyland – **Fort Collins** – assist by following up on silent hit responses, run queries searching for warrants, and re-checking criminal histories on suspects silent hits issued previously.
- Agent Hyland – **Corporate Takeover Case** – assist by suspect searches in order to identify and workups.

Intelligence Information Sharing:

- Attended information-sharing Situation Awareness Watch (SAW) briefs presented by Colorado Information Analysis Center (CIAC).
- Denver Metro Mortgage Fraud Task Force “Kickoff” Meeting – FBI Denver
- Made contacts with several local law enforcement agencies and banking institutions, in order to correlate nine case summaries for three “CFI News Briefs”, that highlights patterns, trends, cases CFI has open, and other facts to provide intelligence to, but is not limited to, law enforcement agencies and financial institution affiliates. This brief is being bi-weekly disseminated to over 700 individuals.

Education Received:

- DEA FLEAT (Federal Law Enforcement Analyst Training) Training Quantico, VA June 7-18, 2010

Hazel Heckers

Victim Advocacy

Direct Services:

Direct Victim Advocacy services were provided for **48** victims in the most recent reporting quarter (April-June). Victims are from a number of communities across Colorado and the nation including the following counties/communities: Adams, Arapaho, Denver, Douglas, Fremont, Jefferson, Larimer, Morgan, Rio Blanco and Sedgwick. In addition, victims were served from Columbus Ohio, Boston Massachusetts, Halstead Kansas, Seoul Korea and Montreal Canada. Cases included ID Theft, fraud, work at home schemes, medical marijuana related ID Theft, theft of social security numbers and elder abuse related ID Theft. Referrals have come from banks, law enforcement, human services, CBI website and outreach presentations.

Hotline:

The ID Theft Hotline is established and will begin answering phones August 1. Through an agreement with the Denver Center for Crime Victims, a local non-profit victim assistance program, CBI will provide a 24 hour Hotline for victims of ID Theft. Full day training, scheduled for July 28, will be completed before the agency begins answering phones. CBI's Victim Advocate will carry an on-call cell phone as back up and support for the agency. The agency will provide data reports on a weekly basis, and call reviews bi-weekly. In addition, they will provide detailed quarterly reports, conduct internal quality control reviews and provide Victim Satisfaction Surveys.

The Communication Design and Graphic Arts Department at Metro State College is designing a distinctive "brand" for our Hotline to ensure our posters, flyers and brochures are noticed by the community and are easily identifiable as different from other Hotlines and other Fraud Response programs.

Training & Outreach:

05/20/2010 - South East Area Fraud Investigators Network (SEAFIN)
06/24/2010 - Colorado African American Caregivers Association
07/14/2010 - Denver Community Credit Union Managers
07/01 and 07/13/2010 - Denver Center for Crime Victims Management and Board of Directors
07/15/2010 – South East Area Fraud Investigators Network -Made arrangements for the Department of Homeland Security-I.C.E. to provide a Fraudulent Document Detection Training

In conjunction with the Jefferson County District Attorney's Office Fraud Prevention Program. Presentations were provided for:

05/07/2010 - The Pioneers Club (Public Service/Xcel Retirees)
05/11/2010 - Lakewood Community, Cops and Council Monthly Community Meeting
06/16/2010 - Chevron/Texaco Retirees.

Future:

07/19/2010 - COVA Victim Assistance Academy.

July 20 - National IRS Fraud Investigators Conference in Denver in collaboration with the Denver DA's Office (2nd Judicial District).

July 22 - Adams County Sheriff's Academy ID Theft training.

08/05/2010 - Fraud and Robbery Prevention Summit sponsored by the Colorado Bankers Association in Grand Junction.

08/28/2010 - Jefferson County District Attorney's Safety Fair.

09/30/2010 - Colorado Springs Senior Safety and Shredding Event

10/20/2010 - Forensic Accounting Conference, Denver.

11/07/2010 - COVA Conference. Training sessions will include an introduction to Identity Theft and the Related Colorado Laws, Investigations and Collaborations and Supporting the Victims. Cary Johnson from the 1st Judicial District DA's Office will be joining the CBI team to provide the training.

Outreach:

Colorado Secretary of State
Ft. Collins Police Department
Canon City Police Department
AARP/AG's Office ElderWatch Program
Colorado Bankers Association (Jennifer by phone and email)
AARP Outreach Program
Pueblo Police Department
Home State Bank in Loveland
Colorado Medical Society

Participate in victim service related Networking Collaborations and Forums including:

Community Resource Forum/Exempla St. Joseph's Hospital
Colorado Coalition for Elder Rights and Adult Protection
Victim Services Network

New Resource:

Ft. Collins Police, under the direction of Sgt. Don Whitson, has organized the Northern Colorado ID Theft/Fraud Task Force to include representatives from law enforcement, prosecutors' offices, the FBI, financial institutions, CBI and community agencies.

Victim Advocacy Advisory Committee:

The Victim Services Advisory Committee has been established with representation from multiple disciplines and diverse communities across Colorado. The first meeting will be held July 26, 2010.

Mike Carlisle	Pueblo Bank & Trust 719-585-2300 mcarlisle@pbandt.com
Donna Coalo	King Soopers/City Market 303-778-3140 donna.colao@kingsoopers.com
Christina Cornelison	District Attorney's Office 21 st Judicial District (Mesa) 970-244-1745 Christina.Cornelison@mesacounty.us
Angela Cortez	AARP 303-764-5988 acortez@aarp.org
James Crone	Sheriff: Morgan County 970-542-3446 jcrone@co.morgan.co.us
Harry Devereaux	Home State Bank Loveland 970-669-4040 harrydevereaux@homestatebank.com
Amy Fidelis	Denver Community Credit Union 303-573-1170 afidelis@DenverCommunity.coop
Dan Griffin	COVA 303-996-8082 Dan@ColoradoCrimeVictims.org
Matt Gronbeck	Detective: Glenwood Springs Police Department 970-384-6500 mgronbeck@glenwoodpolice.com
Cary Johnson	District Attorney 1 st Judicial District (Jefferson/Gilpin) 303-271-6970 cjohnso@Jeffco.us

Lisa Manzanares

Southern Ute Tribal Police
970-563-0100 ext.3315
Lmanzana@southern-ute.nsn.us

Debra Shampanier

District Attorney's Office 2nd Judicial District (Denver)
720-913-9177
mxs@denverda.org

Joel Shults

Chief of Police: Adams State College
719-587-7901
jshults@adams.edu

Paula Sisneros

Division of Insurance: Fraud Investigations
303-894-2241
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Camille Wilson

Better Business Bureau Ft. Collins
970-484-1348
cwilson@wynco.bbb.org

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
September 2010

AGENDA

Identity Theft and Financial Fraud Board

Meeting of September 8, 2010
Beginning at 1:30 p.m.

First Judicial District Attorney
500 Jefferson County Parkway
Golden, CO 80401

- I. Minutes – July 19, 2010 Meeting
- II. Sunset Review Status
 - a. Legislation to consider
 - i. Centralized Reporting
 - ii. Advocacy
- III. Budget
 - a. June Financials
 - b. July Financials
- IV. CFI Operational Report
 - a. Enforcement
 - i. Local Auto Check Fraud Group
 - ii. Corporate Identity Theft Update
 - iii. Mortgage Fraud Grant Update
 - iv. Money Raiders Update
 - b. Training/Education
 - i. POST Certified Training/Agent Hyland
 - ii. Public Presentations/Agent Zamora
 - c. Intelligence
 - i. Briefs/Teresa Porter Case
 - d. Advocacy
 - i. Direct Services
 - ii. Training/Outreach/Events
- V. Status of Vacant Board Position

Budget

Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Ending June 2010

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date	
Beginning Fund Balance	\$ 315,417	\$ 302,347	\$287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$ 297,440	\$308,057	\$299,691	\$285,303	\$267,266	\$ 315,417	
Revenue	\$ 24,211	\$ 20,946	\$ 21,112	\$ 21,385	\$ 18,057	\$ 21,745	\$107,675	\$ 48,770	\$ 31,836	\$ 23,394	\$ 21,446	\$ 21,324	\$ 381,901	
Expenditures														
Salaries and Benefits	\$ 33,098	\$ 33,098	\$ 31,672	\$ 31,673	\$ 31,673	\$ 35,174	\$ 35,806	\$ 35,806	\$ 37,408	\$ 35,806	\$ 35,806	\$ 43,764	\$ 420,784	
Operating Expenses	\$ 3,342	\$ 2,399	\$ 2,411	\$ 1,746	\$ 3,328	\$ 2,182	\$ 3,040	\$ 2,183	\$ 2,519	\$ 1,976	\$ 3,127	\$ 2,805	\$ 31,058	
Travel Expenses	\$ 841	\$ 177	\$ 316	\$ 505	\$ 165	\$ 462	\$ -	\$ 164	\$ 275	\$ -	\$ 550	\$ 293	\$ 3,748	
Indirect Costs												\$ 43,485	\$ 43,485	
Total Expenditures	\$ 37,281	\$ 35,674	\$ 34,399	\$ 33,924	\$ 35,166	\$ 37,818	\$ 38,846	\$ 38,153	\$ 40,202	\$ 37,782	\$ 39,483	\$ 90,347	\$ 499,075	
Revenues Over Expenditures	\$ (13,070)	\$ (14,728)	\$ (13,287)	\$ (12,539)	\$ (17,109)	\$ (16,073)	\$ 68,829	\$ 10,617	\$ (8,366)	\$ (14,388)	\$ (18,037)	\$ (69,023)	\$ (117,174)	
Ending Fund Balance	\$ 302,347	\$ 287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$297,440	\$ 308,057	\$299,691	\$285,303	\$267,266	\$198,243	\$ 198,243	
ID Theft Victims Grant														
Awarded	\$ 97,204													
Expended	11,606													
Remaining	85,598													
								Comparison between FY2009 and 2010 as of June						
								2009	2010			Difference	% Change	
								Beginning Fund Balance		\$418,886	\$315,417			
								Revenue		\$422,046	\$381,901	-\$40,145	-9.51%	
								Expenditures						
								Salaries and Benefits		\$460,640	\$420,784	-\$39,856	-8.65%	
								Operating Expenses		\$59,925	\$31,058	-\$28,867	-48.17%	
								Travel Expenses		\$4,950	\$3,748	-\$1,202	-24.28%	
								Indirect Cost		\$43,485		\$43,485	100.00%	
								Total Expenditures		\$525,515	\$499,075	-\$26,440	-5.03%	
Budget to Actual	Budget	Actual	%											
Revenues	\$ 414,152	\$ 381,901	92%											
Expenditures														
Salaries and Benefits	\$ 445,373	\$ 420,784	94%											
Operating Expenses	\$ 54,000	\$ 31,058	58%											
Travel Expenses	\$ 4,560	\$ 3,748	82%											
Indirect Cost	\$ 35,000	\$ 43,485	124%											
Total Expenditures	\$ 538,933	\$ 499,075	93%											
								Ending Fund Balance		\$315,417	\$198,243			

Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Ending July 2010

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date		
Beginning Fund Balance	\$ 198,243	\$ 175,738	\$175,738	\$175,738	\$175,738	\$175,738	\$175,738	\$ 175,738	\$175,738	\$175,738	\$175,738	\$175,738	\$ 198,243		
Revenue	\$ 16,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,466		
Expenditures															
Salaries and Benefits	\$ 36,436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,436		
Operating Expenses	\$ 2,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,370		
Travel Expenses	\$ 165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165		
Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Expenditures	\$ 38,971	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,971		
Revenues Over Expenditures	\$ (22,505)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (22,505)		
Ending Fund Balance	\$ 175,738	\$ 175,738	\$175,738	\$175,738	\$175,738	\$175,738	\$175,738	\$ 175,738	\$175,738	\$175,738	\$175,738	\$175,738	\$ 175,738		
ID Theft Victims Grant															
Awarded	\$ 97,204														
Expended	17,036														
Remaining	80,168														
								Comparison between FY2010 and 2011 as of July							
								2010	2011	Difference		% Change			
								Beginning Fund Balance		\$315,417	\$198,243				
								Revenue		\$24,211	\$16,466	-\$7,745	-31.99%		
								Expenditures							
								Salaries and Benefits		\$33,098	\$36,436	\$3,338	10.09%		
								Operating Expenses		\$3,342	\$2,370	-\$972	-29.08%		
								Travel Expenses		\$841	\$165	-\$676	-80.38%		
								Indirect Cost		\$0		\$0	-100.00%		
								Total Expenditures		\$37,281	\$38,971	\$1,690	4.53%		
Budget to Actual	Budget	Actual	%												
Revenues	\$ 0	\$ 16,466	0%												
Expenditures															
Salaries and Benefits	\$ -	\$ 36,436	0%												
Operating Expenses	\$ -	\$ 2,370	0%												
Travel Expenses	\$ -	\$ 165	0%												
Indirect cost	.	\$ -	0%												
Total Expenditures	\$ -	\$ 38,971	0%												
								Ending Fund Balance		\$315,417	\$175,738				

Kevin Hyland

Enforcement

Case Work:

Local Auto Check Fraud Group

The Unit's investigator's are assisting the Denver DA's Office with an investigation of suspects that are opening bank accounts, depositing counterfeit items in the accounts, than withdrawing large sums of money (bust outs). There are over 60 individuals involved in this criminal enterprise, which have targeted metro Denver banks. Subpoenaed phone records for those involved and interviewed final witness. The Denver DA office is continuing with grand jury on this case and hope to have indictments before next board meeting.

Corporate Takeover

The suspects have assumed the identity of Colorado corporations by accessing the Secretary of State (SOS) website to change the corporation's principle address of business and registered agent. The suspects either use stolen credit card numbers or pre-paid cards to complete online transactions. Typically the business address is changed to a "virtual office" in Colorado and from there all mail is forwarded to an address in California.

Complied and submitted a list of virtual offices and their addresses and submitted that to the SOS for comparison to their database. Participated in a phone conference with the SOS and Dunn and Bradstreet on the corporate identity theft. Obtain surveillance video from a Home Depot Store in Aurora where a gift card was used. This gift card was purchased by a Colorado corporation whose identity had been compromised and has been linked to the group that we are investigating. Prepared reports to document the investigation.

Other Assignments:

Mortgage Fraud

Worked on documents for the Denver Metro Mortgage Fraud Task Force. Those documents detail the agreement between CBI and the FBI for the Memorandum of Understanding, Vehicle Lease and Expense Reimbursement. Worked to draft language and make requested changes to the documents. Completed the required FBI security clearance documents. Also worked on the staff description for the positions for the Mortgage Fraud Grant.

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Assistance

Citizen Requests: 2

08/04/2010 – Citizen Assist – Virginia victim whose had been scammed by a vehicle on Ebay.

08/20/2010 – Citizen Assist – Provided information to prevent an account takeover.

Law Enforcement Requests: 1

8/18/2010 – Law Enforcement Assist - Washington victim whose had been scammed by a vehicle on Ebay.

Bank Assist Requests: 1

08/17/2010 – Bank Assist - Helped Pueblo Bank and Trust with viewing surveillance photos

Intelligence

Attended Meetings:

08/11/2010 – International Association of Financial Crimes Investigators Meeting

Education

07/28/2010 – Public Presentation to the Denver Victim Service Center Hotline staff

08/23/2010 – Basic Identity Theft (4 Hours) Colorado State Patrol Cadet class

Future:

10/21/2010 – P.O.S.T. 8 hours Basic and Advanced Id Theft Course – El Paso County SO

John Zamora

Enforcement

Case Work:

2009-001731 – Counterfeit Credit Card – Parties entering banks and obtaining cash advances on counterfeit credit cards. Suspects were also purchasing clothing, jewelry, hotel stays, and rental cars on the same cards. On July 8 the following were indicted by the Grand Jury: Stacy Harris, Tangelar Houston, Dumarco Marty, Salina Lactaoen, Darnell Meals, and Tenisha Kuykendall, with the first three for COCCA. This case will be charged in Adams County.

Update: Stacy Harris is the only party not arrested yet. We have a few leads that we are working. Interview with Jamie Alder scheduled for September 13, 2010 at the Santa Ana Jail. FBI will be assisting.

2009-001186 – Id Theft, Forgery, and Theft. – Parties enter banks and withdrawal money from victim's accounts. Update – Both suspects, Hardy Jones and Michael Hayes, have been arrested. Hardy Jones has pleaded to a felony and Michael Hays is due for a preliminary hearing on September 16th.

2010-001414 – Assisting Grand Junction PD on a Jamaican Scam/Theft case. Suspect has been involved with over 100 scam e-mails and at this point he has pushed at least \$95,000.00 through a few accounts. We are in the process of obtaining all Western Union and Money Gram information, as well as his bank information.

2010-001500 – Assisting Delta PD on an Identity Theft/Theft case. Suspect was arrested for using a credit card to obtain a cash advance from an out of state victim. Suspect met a male from the UK on an online dating site. He was able to get her information and have her added to numerous victims' accounts as an authorized user. When she was arrested she provided Delta PD 48 credit cards she had received from financial institutions. Interview complete.

2010-001501 – Assisting Mesa County SO with an Identity Theft/Forgery/Theft Case. counterfeit checks were created using victims name and Alpine Bank account information. Checks were used from Grand Junction to the Denver area, and back to the Western Slope. I have obtained account information and have obtained surveillance photographs of the suspect and his vehicle. I am having an interesting time dealing with the electronic check transactions. I am unable to obtain a copy of the check.

Citizen: 5

Secret Shopper Scam

Online job scam. Victim later received a check and was asked to wire money to London

E-mail scam- Victim received an e-mail wanting her to confirm her online order for Windows 7 through Amazon. She did not order Windows 7.

E-mail scam. Another e-mail wanting to confirm a Windows 7 order, and then two other e-mails informing victim to click on the link as her credit card had been compromised
Montrose Law Firm was dealing with an unknown party that wanted to purchase a home in the United States. The law firm would not deal with the party unless they could verify who the party was. The party hung up, however, a couple days later the law firm received a check for over \$220,000.00 with instructions to contact a specific party to provide the money to.

LE Requests: 4

Fruita PD – Online Scams

Montrose PD – Online Scams

CSP Mesa County – Car crash and found several fake identifications and credit cards.

Intelligence

N/A

Education

08/02/2010 – Fraud/Robbery Prevention Summit – Grand Junction

08/03/2010 – Neighborhood Night Out - Parachute

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

4th Judicial District DA – Embezzlement Case, requested search of Bank Security Act (BSA – FinCEN) information on 1 subject.

18th Judicial District Probation – Fraud, requested search of BSA information on 1 subject.

20th Judicial District Probation – Fraud/Forgery/ID Theft, requested search of BSA information on 1 subject.

Arvada PD – Provided documents from Teresa Porter case.

Aurora PD – Homicide/Burglary, requested search of BSA information on 3 subjects.

Boulder County Drug Task Force – Dangerous Drugs, requested search of BSA information on 2 subjects.

Boulder PD – Elder Abuse Case, requested search of BSA information on 2 subjects.

Boulder SO – DAPIG request for photo for photo lineup.

Broomfield PD – Responded to a DAPIG request subscriber information on phone number.

CBI Denver Major Crimes – Obtained a police report from Denver PD

Colorado Division of Securities – Fraud Case, requested search of BSA information on 2 subjects and 2 businesses.

Denver DA – DAPIG request for contact information.

Denver DA – Request for contact information from the U.K.

Grand Junction PD – Fraud Case, requested search of BSA information on 3 subjects and 1 business.

Pueblo Bank & Trust – Requested a RMFIN advisement on a suspect.

Duluth Police Department, GA – Provided documents from the Corporate Identity Theft Case.

U.S. Secret Service TX Office – Provided documents from the Corporate Identity Theft Case.

Case Assistance:

- Agent Hyland – **Mortgage Fraud** – suspect and business workups.
- AIC Brown/Arvada PD – **Teresa Porter** – Responded to Arvada PD Det. Stephens on a DAPIG message concerning suspect Teresa Porter. Forwarded documents from the Air Academy Federal Credit Union, case reports from Arapahoe County, Jefferson County and Greenwood Village PD to Detective Stephens. Participated in a joint meeting on 7-28-10 with Arvada PD, US Postal Inspector, Broomfield PD and CBI where I distributed a draft of an association chart identifying subjects thought to be associated with Teresa Porter.

Arvada PD accepted role of lead agency in the investigation. I further supported this case by obtaining silent hits on known suspects and vehicles, performing searches, obtaining police reports and suspect photos, and maintaining correspondence with the participating investigators and with other agencies and financial institutions affected by PORTER's criminal activity. Maintain the association chart as evidence is received and compiling transactions in spreadsheet format as they are discovered and the information is received.

Attended a 2nd meeting on 8-12-10 to discuss direction of investigation and to review presentation to the 1st Judicial District Attorney's office for possible grand jury. Sworn into Grand Jury on September 7, 2010.

- AIC Gagliardi – workup on ID Theft suspect

Intelligence Information Sharing:

Produced and disseminated a bi-weekly brief on 08-13-10 updating the Teresa Porter case.

The CFI publications are sent out to over 900 persons to include law enforcement, financial institutions and retail investigators. (The briefs are re-disseminated by our recipients to numerous staff at their financial institutions, retail companies, law enforcement agencies and news media.)

Kyndol Virden

Intelligence

Assistance to other units, agencies and financial institutions:

Parker PD – requested assistance with a phone number identification.

Fort Lupton PD – requested assistance with a phone number identification.

Aurora PD – Homicide – requested a BSA information on five subjects.

Denver District Attorney's Office – possible Asphalt Scam – requested assistance with a phone number identification.

Broomfield PD – requested assistance with a phone number identification.

Fort Collins PD – Theft/Investment Fraud – requested assistance with a suspect workup, this will be an on-going case assistance.

Parker PD – Credit Card Activity, requested assistance with a contact for Bank of America and understanding credit card identification.

Louisville PD – requested assistance to provide a contact for ATF.

JeffCo DA's Office/WMDTF – ID Theft/Fraud – requested assistance with a follow-up SOS search and intelligence support; this case was featured in CFI Brief August 27, 2010.

Case Assistance:

- AIC Brown - assist by suspect workups.
- AIC Brown/Fort Collins PD - assist by suspect workup, this will be an on-going case assistance.
- AIC Reese – Press Release – request for information about CBI CFI and ID Theft/Fraud Unit for a press release.
- Agent Zamora – **Grand Jury Money Raiders** – assist by providing suspect workups, rechecking criminal histories and addresses in order to verify their current location.
- Agent Zamora/Delta PD – local law enforcement request BSA information.
- Agent Zamora/CDPS – local law enforcement assist with suspect workup.
- Agent Zamora – assist an investigation by providing bank contact information.

- Agent Zamora – assist an investigation by providing suspect workup.
- Agent Zamora/Grand Junction PD – local law enforcement assist by providing labor and employment information.
- Agent Hyland – **Mortgage Fraud Case** – assist by providing suspect workups and searches in order to identify.
- Agent Hyland – **Public Service Credit Union Case** – assist by providing suspect workup; confirm and search for phone numbers to identify family members of suspect.

Intelligence Information Sharing:

07/15/2010 – South East Area Fraud Investigators Network (SEAFIN) – Pueblo DA’s Office

07/14/2010 – Northern Colorado Fraud Task Force – Fort Collins PD

07/29/2010 and 08/27/2010 – Made contacts with several local law enforcement agencies and banking institutions, in order to correlate four case summaries and publish two “CFI Briefs”, that highlights patterns, trends, cases CFI has open, and other facts to provide intelligence to, but is not limited to, law enforcement agencies and financial institution affiliates. This brief is being bi-weekly disseminated to over 900 individuals.

08/10-12/2010 – Situation Awareness Watch (SAW) briefs presented by Colorado Information Analysis Center (CIAC).

Education Received/Community Events:

08/28/2010 – Jefferson County DA’s Office Safety Fair - Jefferson County Fairgrounds

Hazel Heckers

Victim Advocacy

Direct Services:

Between July 1 and August 28, 2010, direct services were provided for 63 victims of ID Theft/Fraud, bringing the total number of victims served by the program since April 26 to 111. Calls continue to come in from across Colorado, from victims living in other states and other countries. Multiple victims have reported being treated “rudely” or feeling that the gravity of their crime was minimized by law enforcement in several local communities. The victim advocate is working with contacts in those communities to schedule training or provide other information for officers.

We are currently complying with the procurement and contracting rules for the State of Colorado, and obtaining the necessary approvals in order to complete the implementation of the ID Theft 24 Hour Hotline. A full day training was conducted by CFI for the agency providing the Hotline service. The Victim Advocate created response protocols and an in-depth training manual for staff.

CFI launched and Art Contest for a new Hotline Logo and Tag Line for all CDPS employees and Colorado Bankers Association member banks’ employees. Winners will receive great prizes, and winning entries will be incorporated into the design for posters and brochures advertising the Hotline

Training/Outreach/Events:

Completed

- National IRS Fraud Investigators Conference (with Denver DA’s Office)
- Adams County Sheriff’s Academy
- 1st Bank of Centennial
- Colorado Bankers Association Fraud and Robbery Prevention Summit in Grand Junction
- Boulder County White Collar Crimes Task Force
- Canon City Police Department
- Colorado State Patrol Academy (with Kevin)
- Jefferson County District Attorney’s Community Safety Awareness Day
- Cable TV Show with Colorado Springs Better Business Bureau
- Facilitated Fraudulent Document Detection Training for SEAFIN (POST)

Future

- National Center for Victims of Crime/Office for Victims of Crime Conference
- CCACFE Conference (Colorado Chapter of the Association of Fraud Examiners)
- ElderWatch Senior Safety Day in Colorado Springs
- Colorado DA’s Victim Advocates Quarterly Meeting
- Denver District Attorney Community Victim Advocate Training
- Ft. Collins PD and Larimer County Victim Advocates
- COVA Conference (entire CFI Team)

- Facilitate New POA Laws training for SEAFIN (POST and CLE)

Advisory Committee:

Advisory Committee met on August 31, 2010. Provided update on project accomplishment, changes and plans.

Community Activities:

The Victim Advocate participates in the following networking organizations/groups:

- Community Resources Forum with Exempla
- Colorado Coalition for Elder Rights and Adult Protection
- Victim Services Network

Members of CFI, including the Victim Advocate participate in task forces including:

- Boulder White Collar Crime Task Force
- Ft. Collins/Larimer County Task Force
- South East Area Fraud Investigators Network (SEAFIN)

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
December 2010

AGENDA
Identity Theft and Financial Fraud Board

Meeting of December 21, 2010
Beginning at 1:30 p.m.

Colorado Bureau of Investigation
710 Kipling Street, Suite 308
Denver, CO 80215

- I. Minutes – September 8, 2010 Meeting
- II. Sunset Review
- III. Mortgage Fraud Grant
- IV. Victim Advocate Grant
- V. Budget
 - a. June Financials
 - b. October Financials
- VI. CFI Operational Report
 - a. Enforcement
 - i. Local Auto Check Fraud Group
 - ii. Corporate Identity Theft Update
 - iii. Mortgage Fraud Task Force
 - iv. DMV
 - v. Money Raiders Update
 - vi. Boulder Compton Crips
 - vii. Jamaican Scam/Theft Case
 - viii. Mesa County ID Theft/Forgery/Theft Case
 - b. Training/Education
 - c. Intelligence
 - i. Teresa Porter Case
 - ii. Briefs
 - d. Advocacy
 - i. Direct Services
 - ii. Training/Outreach/Events
- VII. Status of Vacant Board Position

Budget

Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending June 2010

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date	
Beginning Fund Balance	\$ 315,417	\$ 302,347	\$287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$ 297,440	\$308,057	\$299,691	\$285,303	\$267,266	\$ 315,417	
Revenue	\$ 24,211	\$ 20,946	\$ 21,112	\$ 21,385	\$ 18,057	\$ 21,745	\$107,675	\$ 48,770	\$ 31,836	\$ 23,394	\$ 21,446	\$ 21,324	\$ 381,901	
Expenditures														
Salaries and Benefits	\$ 33,098	\$ 33,098	\$ 31,672	\$ 31,673	\$ 31,673	\$ 35,174	\$ 35,806	\$ 35,806	\$ 37,408	\$ 35,806	\$ 35,806	\$ 43,764	\$ 420,784	
Operating Expenses	\$ 3,342	\$ 2,399	\$ 2,411	\$ 1,746	\$ 3,328	\$ 2,182	\$ 3,040	\$ 2,183	\$ 2,519	\$ 1,976	\$ 3,127	\$ 2,805	\$ 31,058	
Travel Expenses	\$ 841	\$ 177	\$ 316	\$ 505	\$ 165	\$ 462	\$ -	\$ 164	\$ 275	\$ -	\$ 550	\$ 293	\$ 3,748	
Indirect Costs												\$ 43,485	\$ 43,485	
Total Expenditures	\$ 37,281	\$ 35,674	\$ 34,399	\$ 33,924	\$ 35,166	\$ 37,818	\$ 38,846	\$ 38,153	\$ 40,202	\$ 37,782	\$ 39,483	\$ 90,347	\$ 499,075	
Revenues Over Expenditures	\$ (13,070)	\$ (14,728)	\$ (13,287)	\$ (12,539)	\$ (17,109)	\$ (16,073)	\$ 68,829	\$ 10,617	\$ (8,366)	\$ (14,388)	\$ (18,037)	\$ (69,023)	\$ (117,174)	
Ending Fund Balance	\$ 302,347	\$ 287,619	\$274,332	\$261,793	\$244,684	\$228,611	\$297,440	\$ 308,057	\$299,691	\$285,303	\$267,266	\$198,243	\$ 198,243	
ID Theft Victims Grant														
Awarded	\$ 97,204													
Expended	11,606													
Remaining	85,598													
								Comparison between FY2009 and 2010 as of June						
								2009	2010			Difference	% Change	
								Beginning Fund Balance		\$418,886	\$315,417			
								Revenue		\$422,046	\$381,901	-\$40,145	-9.51%	
								Expenditures						
								Salaries and Benefits		\$460,640	\$420,784	-\$39,856	-8.65%	
								Operating Expenses		\$59,925	\$31,058	-\$28,867	-48.17%	
								Travel Expenses		\$4,950	\$3,748	-\$1,202	-24.28%	
								Indirect Cost				\$43,485	100.00%	
								Total Expenditures		\$525,515	\$499,075	-\$26,440	-5.03%	
Budget to Actual	Budget	Actual	%											
Revenues	\$ 414,152	\$ 381,901	92%											
Expenditures														
Salaries and Benefits	\$ 445,373	\$ 420,784	94%											
Operating Expenses	\$ 54,000	\$ 31,058	58%											
Travel Expenses	\$ 4,560	\$ 3,748	82%											
Indirect Cost	\$ 35,000	\$ 43,485	124%											
Total Expenditures	\$ 538,933	\$ 499,075	93%											
								Ending Fund Balance		\$315,417	\$198,243			

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Ending November 2010**

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 198,243	\$ 169,613	\$ 150,555	\$ 127,238	\$ 103,590	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 198,243
Revenue	\$ 16,466	\$ 27,160	\$ 21,010	\$ 20,485	\$ 17,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,778
Expenditures													
Salaries and Benefits	\$ 36,436	\$ 36,446	\$ 35,082	\$ 35,082	\$ 35,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,128
Operating Expenses	\$ 4,997	\$ 6,044	\$ 5,877	\$ 5,683	\$ 4,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,140
Travel Expenses	\$ 165	\$ 230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 395
Indirect Cost	\$ 3,498	\$ 3,498	\$ 3,368	\$ 3,368	\$ 3,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,099
Total Expenditures	\$ 45,096	\$ 46,218	\$ 44,327	\$ 44,133	\$ 42,988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,762
Revenues Over Expenditures	\$ (28,630)	\$ (19,058)	\$ (23,317)	\$ (23,648)	\$ (25,331)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (119,984)
Ending Fund Balance	\$ 169,613	\$ 150,555	\$ 127,238	\$ 103,590	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259	\$ 78,259

ID Theft Victims Grant

Awarded	\$ 97,204
Expended	40,300
Remaining	<u>56,904</u>

Comparison between FY2010 and 2011 as of November

	2010	2011	Difference	% Change
Beginning Fund Balance	\$315,417	\$198,243		
Revenue	\$105,711	\$102,778	-\$2,933	-2.77%
Expenditures				
Salaries and Benefits	\$161,214	\$178,128	\$16,914	10.49%
Operating Expenses	\$13,260	\$27,140	\$13,880	104.68%
Travel Expenses	\$2,004	\$395	-\$1,609	-80.29%
Indirect Cost	\$18,118	\$17,099	-\$1,019	-5.62%
Total Expenditures	\$194,596	\$222,762	\$28,166	14.47%
Revenues Over Expenditures	-\$88,885	-\$119,984		
Ending Fund Balance	\$315,417	\$78,259		

Budget to Actual	Budget	Actual	%
Revenues	\$ 0	\$ 102,778	0%
Expenditures			
Salaries and Benefits	\$ -	\$ 178,128	0%
Operating Expenses	\$ -	\$ 27,140	0%
Travel Expenses	\$ -	\$ 395	0%
Indirect cost	\$ -	\$ 17,099	0%
Total Expenditures	\$ -	\$ 222,762	0%

Kevin Hyland

Enforcement

Case Work:

Local Auto Check Fraud Group

On September 21, a Denver Grand Jury returned a 33-count indictment charging 13 people in connection with a counterfeit check operation in the metro area. The indictment is the result of an investigation launched by the US Postal Inspection Service involving the Colorado Bureau of Investigation, the Aurora Police Department and the Denver DA's Office.

April Cotton and **Derik Romero** are charged by indictment with violating the Colorado Organized Crime Control Act (COCCA) (F 2) and numerous other felony counts including computer crime (F3), theft (F3), identity theft (F4) and contributing to the delinquency of a minor (F4).

Jason Forn, Quiana Brooks, Regina Abram, Maryah Castophney, Oscar Johnson, Danny Martinez, Channell Smith, Niesha Tidwell-Johnson, Shaquwan Wright, Ashli White, and TashaYarbough are also charged with numerous felony counts including conspiracy, theft, identity theft, and forgery. Regina Abram is also charged with contributing to the delinquency of a minor and Niesha Tidwell-Johnson is also charged with aiding escape.

The charges allege that these defendants were involved in an enterprise that created and used counterfeit and forged checks to steal money from grocery stores, retail stores, credit unions and banks. The charges further allege the group stole more than \$61,800 in approximately 6 weeks. More than \$360,000 in counterfeit checks was seized during the course of the investigation.

Corporate Takeover

The suspects have assumed the identity of Colorado corporations by accessing the Secretary of State (SOS) website to change the corporation's principle address of business and registered agent. The suspects either use stolen credit card numbers or pre-paid cards to complete online transactions. Typically the business address is changed to a "virtual office" in Colorado. Once this is completed the subjects contact Dunn and Bradstreet and make address changes with them. With these changes in place the subjects apply for credit in the corporation's name with cell phone companies, office supply companies, computer manufactures and retail hardware stores.

During the first week of November eight Colorado corporations had their identities compromised with addresses changed to Colorado virtual offices. It was determined that these virtual offices had received several packages and had been contacted by an individual wanting to pick up these packages. The CBI with the assistance of the U. S. Secret Service conducted surveillance and were able to apprehend two individuals attempting to pick up the packages. These individuals provided their contact in New York who was to receive those packages. This individual has been identified and has close ties to Florida. Earlier this year 12 Colorado corporations were reinstated in Colorado and then incorporated in Florida without the true owners consent. All of the subjects that have been identified have ties to Russia. Approximately \$22,000 in cell phones recovered.

DMV Case

The Department of Motor Vehicle (DMV) has requested assistance in an investigation of a Colorado Driver License office. A DMV office employee is involved in issuing documents fraudulently for approximately \$325.00 per issuance. This “employee” was helping non-legal citizens and possible criminals with warrants on obtaining authentic documents fraudulently. The “employee” is described as a “manager” or someone with authority at the office.

According to information received, the “applicant” needing the fraudulent driver license or identification card first makes an appointment at a 3rd party testing school. After being screened at the school the subject is then driven to the DMV office and is connected with an unidentified employee, who then completes the transaction.

I assisted the Department of Revenue Investigator with the creation of a court order for the bank account records for the owner of the 3rd party driving school.

Mortgage Fraud

On December 1, I began my assignment with Denver Metro Mortgage Fraud Task Force which will require work at the Denver FBI for the Mortgage Fraud Grant. This assignment will require me three to four days a week for the next two years on mortgage fraud assignments.

Evans Builder

An informant provided information on a subject that had purchased two homes, within a week, with a total value of \$1.3 million in Evans Colorado from the builder. The social security number used in these transactions is not the subject’s number. Both homes have been foreclosed. The subject Malecio Morales has been contacted was interview. He admitted to signing those contracts and was to receive \$20,000 in exchange for signing the contacts. Morales said that was paid by a realtor named Gunner Weber. Webber has been identified as purchasing 19 properties within 2 years and all of those properties have foreclosed. Webber purchased multiple properties from several builders.

Assistance

Citizen Requests:

- 09/15/2010 - Citizen Assist – Driver License problem
- 09/16/2010 - Citizen Assist – Stolen Patent
- 09/16/2010 - Citizen Assist – Extortion attempt
- 09/22/2010 - Citizen Assist – Concern that mortgage broker has personal information
- 09/23/2010 - Citizen Assist – Unauthorized wire of funds attempted
- 10/12/2010 - Citizen Assist – Citizen complaint of mortgage fraud
- 10/14/2010 - Citizen Assist – Son stealing from elderly parents
- 10/19/2010 - Citizen Assist – Dating/Foreign lottery victim \$62,000
- 10/20/2010 - Citizen Assist – Collection calls from Colorado Law Enforcement
- 10/28/2010 - Citizen Assist – Improper bank foreclosure
- 11/03/2010 - Citizen Assist – Mortgage Fraud
- 11/04/2010 - Citizen Assist – Employee embezzling

Law Enforcement Requests:

09/23/2010 - Prepare Court order production of records on two Colorado Banks for the Utah Attorney General's Office.

10/19/2010 - Law Enforcement Assist – Firestone PD on an embezzlement case

Bank Assist Requests:

10/22/2010 - Bank Assist – Skimmer activity at ATMs in Denver Metro area

Intelligence

Attended Meetings:

09/21/2010 - Mortgage Fraud Working Group

10/13/2010 - International Association of Financial Crimes Investigators Meeting

11/10/2010 - International Association of Financial Crimes Investigators Meeting

12/07/2010 - Mortgage Fraud Working Group

12/08/2010 - International Association of Financial Crimes Investigators Meeting

Training

09/13/2010 - Public presentation with Colorado Project Meth to retail organizations.

10/28/2010 - Public presentation with Colorado Project Meth to retail organizations.

11/09/2010 - Public presentation to Colorado Organization of Victim Advocates (COVA)

11/16/2010 - The CFI Unit participated with the Colorado Secretary of State (SOS), Dell Financial and Dunn and Bradstreet to provide a half day training on corporate identity theft.

John Zamora

Enforcement

Case Work:

2009-001731 – Counterfeit Credit Card – Parties entering banks and obtaining cash advances on counterfeit credit cards. Suspects were also purchasing clothing, jewelry, hotel stays, and rental cars on the same cards. On July 8 the following were indicted by the Grand Jury: Stacy Harris, Tangelar Houston, Dumarco Marty, Salina Lactaoen, Darnell Meals, and Tenisha Kuykendall, with the first three for COCCA. This case will be charged in Adams County.

Update: All parties have been arrested, and with information being obtained from interviews we will be pursuing Jaime Alder for a COCCA violation.

2009-001186 – Id Theft, Forgery, and Theft. – Parties enter banks and withdrawal money from victim's accounts. Update – Both suspects, Hardy Jones and Michael Hayes, have been arrested. I interviewed both parties and obtained information how they were able to obtain the profiles. Hardy Jones and Michael Hayes plead guilty to felonies, and they were placed on “unsupervised probation” in CA, with the condition to pay the money back. Hardy Jones showed up for an interview with 3k cash to start paying restitution.

2010-001414 – Assisting Grand Junction PD on a Jamaican Scam/Theft case. Suspect has been involved with over 100 scam e-mails and at this point he has pushed at least \$95,000.00 through a few accounts. We are in the process of obtaining all Western Union and Money Gram information, as well as his bank information. Suspect interview complete.

2010-001500 – Assisting Delta PD on an Identity Theft/Theft case. Suspect Riki Morgan was arrested for using a credit card to obtain a cash advance from an out of state victim. Riki met a male from the UK on an online dating site. He was able to get Riki Morgan added to numerous victims' accounts as an authorized user. When she was arrested she provided Delta PD 48 credit cards she had received from financial institutions. Riki interviewed, information obtained on all of the credit cards, and DA dismissed original charges. I obtained a warrant and Riki was later arrested on 27 felony charges.

2010-001501 – Assisting Mesa County SO with an Identity Theft/Forgery/Theft Case. Counterfeit checks were created using victims name and Alpine Bank account information. Checks were used from Grand Junction to the Denver area, and back to the Western Slope. I obtained account information and obtained surveillance photographs of the suspect and his vehicle. I am having an interesting time dealing with the electronic check transactions. I am unable to obtain a copy of the checks.

Update: Warrant obtained for Troy Fennell, and he was arrested a couple days before he was to leave town for good. Interview complete and he informed me how he obtained the profiles and was able to place information on the counterfeit Colorado Driver's Licenses magnetic strips.

2009-000243 – California group – Check Fraud throughout the Western Slope, mainly City Markets. Case presented to the Grand Jury, and several parties indicted.

Update: Number two suspect, Salvador Ramirez, arrested, extradited to Mesa County, and interview complete. Another interview will be set up to include the Attorney General Prosecutor and his attorney.

Assistance

Citizen Requests: 8

Secret Shopper Scam

Online job scam - Victim later received a check and was asked to wire money to London

E-mail scam - Victim received an e-mail wanting her to confirm her online order for Windows 7 through Amazon. She did not order Windows 7.

E-mail scam - Another e-mail wanting to confirm a Windows 7 order, and then two other e-mails informing victim to click on the link as her credit card had been compromised

Montrose Law Firm - was dealing with an unknown party that wanted to purchase a home in the United States. The law firm would not deal with the party unless they could verify who the party was. The party hung up, however, a couple days later the law firm received a check for over \$220,000.00 with instructions to contact a specific party to provide the money to.

Thrifty Nickel – Party posted a bedroom set for sale, “buyer” wanted to send a check or money orders well over asking price.

Craig’s List Scam – Citizen was to be hired as an accountant for an unknown business. She was to cash checks and wire money back.

FBI Scam e-mail – Citizen was supposedly involved with money laundering and needed to contact FBI.

Law Enforcement: 6

Fruita PD – Online Scams

Montrose PD – Online Scams

CSP Mesa County – Car crash and found several fake identifications and credit cards.

San Miguel County – Most likely a computer breach, several local citizen’s credit card numbers used throughout the U.S.

7th Judicial – Embezzlement case

Mountain Village PD – Craig’s List Scam

Intelligence

11/04/2010 - 7th Judicial LE meeting

Education

08/02/2010 - Fraud/Robbery Prevention Summit – Grand Junction

08/03/2010 - Neighborhood Night Out – Parachute

11/09/2010 - Public Id Theft Presentation (with our CFI Unit) at the COVA Conference.

Future Training

01/25/2011 – 01/26/2011- 8 hour P.O.S.T. Course in Durango and Cortez.

Carol Hee

Intelligence

Assistance to other units, agencies and financial institutions:

4th Judicial District DA – Fraud Cases, requested search of Bank Security Act (BSA – FinCEN) information on 2 subjects.

20th Judicial District Probation – Fraud, requested search of BSA information on 4 subjects.

Arapahoe CO SO – DAPIG request for suspect identification and photo.

Arvada PD – requested search of BSA information on subject.

Aurora PD – Homicide/Missing Person Case, requested search of BSA information on 1 subject.

Boulder SO – Dangerous Drugs Case, requested search of BSA information on 4 subjects.

Boulder SO – DAPIG request for suspect address.

CBI Gaming – Bookmaking Case, requested search of BSA information on 2 subjects.

CBI Denver Major Crimes – Fraud Case, requested search of BSA information on 8 subjects.

CBI Denver Major Crimes – Assistance in identifying a suspect vehicle and locating registered owner.

CBI Denver Major Crimes – Suspect workup.

CBI Durango – Insurance Fraud Case, requested search of BSA information on 2 subjects.

CBI Pueblo – Embezzlement Case, requested search of BSA information on 2 subjects.

Colorado Dept of Revenue – Multi-Jurisdictional Fraud Case, requested search of BSA information on 6 subjects and numerous associated businesses.

Colorado Dept of Revenue – Fraud Case, request death verification from CA.

Jefferson CO SO – Fraud Case, requested search of BSA information on 1 subject and 1 associated business.

Larimer CO SO – Homicide Case, requested search of BSA information on 2 subjects.

Littleton PD – DAPIG request for assistance in identifying 2 suspects.

Logan CO SO – Fraud Case, assistance with search of the Consumer Sentinel database.

Longmont PD – Larceny and Embezzlement Cases, requested search of BSA information on 3 subjects.

Longmont PD – DAPIG request for contact at Western Union.

RMHIDTA – Dangerous Drugs, requested search of BSA information on 2 subjects.

Weld CO SO – Fraud Case, requested search of BSA information on 2 subjects.

Westminster PD – Fraud Case, requested search of BSA information on 2 subjects.

Wheat Ridge PD – DAPIG request for assistance in identifying suspect.

Wheat Ridge PD – DAPIG request for contact at MoneyGram.

Wells Fargo Bank – DAPIG request for contact at Canon National Bank.

Arizona Department of Public Safety – Request for CO DMV Records.

Goshen County Sheriff – RMFIN request for contact at Walgreens.

Wyoming Department of Criminal Investigation – Dangerous Drugs Case, requested search of BSA information on 1 subject.

Case Assistance:

Agent Hyland - **Corporate ID Theft Case** – assist with work-ups on suspects and associates; obtaining photos, identifying addresses and phone numbers and search of BSA information.

Arvada PD - **Teresa Porter Update** – Bob Brown and I initially worked with the Air Academy Federal Credit Union on a suspect they identified as Teresa PORTER who had been opening accounts online and later busting them out via ATMs at several metro area locations. We linked PORTER to cases from Arapahoe County, Jefferson County and Greenwood Village PD and later recognized the suspect on surveillance photos distributed on a DAPIG email from Arvada PD. We participated in a joint meeting on 7-28-10 with Arvada PD, US Postal Inspector and Broomfield PD at which Arvada PD accepted the role of lead agency in the investigation. I was sworn into Jefferson County Grand Jury on September 7, 2010 and provided telephone record analysis.

On November 19, 2010, the Jefferson County Grand Jury returned an 87-count indictment against PORTER and 4 other members of the identity theft ring operating in the Denver Metro area, also charging PORTER with racketeering under COCCA. PORTER, Michael WEST, Robin, NEWBERRY and Pamela ROWE have all been arrested; still at large is Wendy MONTANO of Aurora.

- Porter first arrested in CO 4-26-10, then on 8-24-10, 9-3-10 and finally 11-19-10.

AIC Gagliardi – provided workups on ID Theft suspects.

Agent Hyland – **DMV Case** – assist with work-ups on subject.

Agent Zamora – **Money Raiders Case** – helped to identify location of wanted suspect Stacy HARRIS.

Agent Zamora – Delta PD Case – provided suspect workup.

Agent Zamora – **Troy FENNELL Mesa County Case** – provided workups, photos, phone numbers and addresses on suspects, and associates.

Intelligence Information Sharing:

09/16/2010 – South East Area Fraud Investigators Network (SEAFIN) – Pueblo DA’s Office

11/16/2010 – Participated with the Colorado Secretary of State (SOS), Dell Financial and Dunn and Bradstreet to provide a half day of training on corporate identity theft.

12/06/2010 - Produced and disseminated a bi-weekly brief to over 900 persons including law enforcement, financial institutions and retail investigators. (The briefs are re-disseminated by our recipients to numerous staff at their financial institutions, retail companies, law enforcement agencies and news media.)

Kyndol Castrilli

Intelligence

Assistance to other units, agencies and financial institutions:

Fort Lupton PD – requested assistance with a phone number identification.

Northglenn PD – requested assistance with a phone number identification.

Arapahoe DA's Office – requested assistance with identification of ID theft victim/suspect on record with CBI.

Sports Authority/Corporate Investigations, Englewood, CO – linked suspects using stolen credit cards from a case featured in CFI Brief July 30 2010 and updated CFI Brief September 24 2010 and provided information to the investigator.

New Mexico HIDTA/Region II Narcotics Task Force (Farmington, CO) – Narcotics Investigation, requested assistance with obtaining a Colorado DMV Photo.

Craig PD – Insurance Fraud, requested assistance with Insurance Claim identification.

Arapahoe CO SO – requested assistance with a phone number identification.

Boulder CO SO – linked suspects using stolen credit cards from a case featured in CFI Brief December 6, 2010 provided information to the investigator.

Thornton PD – requested assistance with a phone number identification.

Case Assistance:

- Mortgage Fraud Grant – starting December 1, 2010 – 50% of my time is dedicated to the Mortgage Fraud Task Force through the FBI in their Denver office, the other 50% of my time is consisting with the ID Theft/Fraud Unit at CBI.
- AIC Ralph Gagliardi – assist by suspect workups and a vehicle search.
- AIC Ralph Gagliardi – assist by following up on a citizen request for assistance.
- AIC Brown – requested criminal history timeline on a previous perpetrator and assist by suspect workups.
- AIC Brown – assist by providing fraud trend information referencing wire transactions for presentation at the Western Union Fraud Conference.
- Agent Zamora – **Money Raiders** – assist by rechecking criminal histories and addresses in order to verify their current location of main suspects, and locating associates. All suspects

have been arrested. We will be charging an additional suspect in a new Grand Jury sometime in the near future.

- Agent Zamora – assist by providing suspect workups.
- Agent Hyland – **El Salvador Case** – assist by searching and confirming warrants posted on suspects.
- Agent Hyland – **Evans Realtor Case** – assist by searching and confirming warrants posted on suspects. In addition several new suspect, property, and business workups. This case is part of our participation with the Mortgage Fraud Task Force at the FBI.
- Agent Hyland – **Citizen Letter Request** – assist by searching suspected individuals’ phone numbers and addresses concerning a scam the citizen feels victim of.
- Agent Hyland – **Citizen Assist** – assist by searching phone and fax numbers from collection calls the citizen is receiving, in order to authenticate the call.
- Victim Advocate Hazel Heckers – assist by providing background information on inquiring identity theft victims.

Intelligence Information Sharing:

09/16/2010 - South East Area Fraud Investigators Network (SEAFIN) – Pueblo DA’s Office

09/24/2010 - Made contacts with several local law enforcement agencies and banking institutions, in order to correlate one case summary and publish one “CFI Brief”, that highlights patterns, trends, cases CFI has open, and other facts to provide intelligence to, but is not limited to, law enforcement agencies and financial institution affiliates. This brief is being bi-weekly disseminated to over 900 individuals.

10/20/2010 - Jefferson County Fraud Investigators Group (JFIG) – Jefferson County DA’s Office, Don Tabak-Absolute Software, LoJack for Computers and Law Enforcement applications

11/04/2010 - Mortgage Fraud Task Force – FBI Denver

11/18/2010 - South East Area Fraud Investigators Network (SEAFIN) – Pueblo DA’s Office

12/07/2010 - Mortgage Fraud Working Group (MFWG) bi-monthly meeting

Education Received/Community Events:

10/25-26/2010 - U.S. Department of Homeland Security, Open Source Practitioners Training – North Metro Fire Rescue District Training Facility Northglenn, CO.

11/08-10/2010 - Colorado Organization for Victim Assistance (COVA) 22nd Annual Conference, CBI CFI Unit participated as speakers at this conference in Keystone, CO.

12/08/2010 - CPR/AED Training – CDPS, participated in this training and was certified in CPR and the use of the newly installed AEDs in the CDPS/CBI buildings.

Hazel Heckers

Victim Advocacy

Direct Services:

In the past quarter (July-Sept, 2010) CFI provided direct service for 147 victims of Identity Theft/Fraud. In October and November of this year we have served an additional 96 victims. The total number of victims served from April 26 through November 30, 2010 (the time period the CFI has had a victim advocate) is **291**.

Calls continue to come in from across Colorado and the nation. A large number of calls come into our office from the Colorado Springs/Pueblo area. In addition, we receive a number of calls from Boulder and Larimer Counties.

CFI has received calls from different Mid-west states and the East Coast regarding caller claiming to be an officer with the Colorado Department of Law and Investigations. The caller is threatening and often verbally abusive, demanding a debt be paid immediately with a credit or debit card.

We are also seeing an increasing number of work at home scams involving mystery shopping or customer service fraud detection evaluations.

We continue to respond to victims of Identity Theft, and to an increasing number of Colorado Business who are victims of Business/Corporate Identity Theft.

Our 24 hour hotline has been established. The number is **1-855-443-3489**. Additional training was provided for the staff at the Denver Center for Crime Victims to ensure they were up to date on current trends and resources. A booklet with protocols and resources was created to supplement the training manual for on-call/after-hours staff.

The Victim Advocate created Identity Theft Prevention materials for the holiday season including a "How to Hum Bug Proof Your Holidays" document that was shared with a large number of financial institutions, law enforcement agencies, community groups and the media. A Holiday Open House ID Theft Prevention document was also created and shared with a number of real estate agencies, including Remax, Nostalgic Homes, Stapleton Homes, and Metro Brokers.

Training/Outreach Events:

Completed

- National Center for Victims of Crime Annual Conference in New Orleans
- CCACFE Conference (Colorado Chapter of the Association of Fraud Examiners)
- Colorado DA's Victim Advocates Quarterly Meeting
- Denver District Attorney Community Victim Advocate Training
- Ft. Collins PD and Larimer County Victim Advocates
- COVA(Colorado Organization for Victim Assistance) Annual Conference One Full Day (entire CFI Team)
- Facilitate New POA Laws training for SEAFIN (POST and CLE)

- Denver City Council & District Attorney's Senior Resource Day
- Arapahoe County Sheriff's Office Victim Assistance Team and Volunteers
- Colorado Division of Labor staff
- Criminal Justice and Human Services class at Metro State
- Colorado Public Radio
- Article in the Denver Post
- KRDO News Radio Southern Colorado
- KKTV Colorado Springs
- KOA Radio
- KVOR Radio
- Mr. Bigg's, Colorado Springs

Future

- Mensa Annual Dinner and Business Meeting
- Daughters of the American Revolution Annual Meeting
- Denver Health Medical Center: Social Work, Patient Representatives, Insurance Verification and Legal Response Teams
- Boulder County Sheriff's Office
- Safehouse Denver Advisory Committee
- State-wide Landlord Symposium
- Colorado Rural Collaborative News
- Urban Peak

Community Activities:

The Victim Advocate participates in the following networking organizations/groups:

- Community Resources Forum with Exempla
- Colorado Coalition for Elder Rights and Adult Protection
- Victim Services Network
- Working with Judge Breese in Denver County Court to educate Judges regarding Orders of Factual Innocence and Resources for victims of ID Theft

Members of CFI, including the Victim Advocate participate in task forces/meetings including:

- Boulder White Collar Crime Task Force
- Ft. Collins/Larimer County Task Force
- South East Area Fraud Investigators Network (SEAFIN)
- Colorado Secretary of State Meeting regarding Corporate Identity Theft

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
March 2011

AGENDA

Identity Theft and Financial Fraud Board

Meeting of March 22, 2011
Beginning at 1:30 p.m.

Colorado Bureau of Investigation
710 Kipling Street, Suite 308
Denver, CO 80215

- I. Minutes – December 21, 2010 Meeting
- II. Introduction to new Agent Rosa Perez
- III. Sunset Bill – March 24, 2011 House Judiciary Committee
- IV. Budget
 - a. February Financials
- V. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- VI. Status of Vacant Board Position

Financial Report

Colorado Department of Public Safety

Colorado Bureau of Investigation

ID Theft / Fraud Unit

Ending February 2011

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 198,243	\$ 169,613	\$ 150,555	\$ 127,238	\$ 103,590	\$ 78,419	\$ 94,454	\$ 159,045	\$ 142,573	\$ 142,573	\$ 142,573	\$ 142,573	\$ 198,243
Revenue	\$ 16,466	\$ 27,160	\$ 21,010	\$ 20,485	\$ 17,817	\$ 48,401	\$ 95,985	\$ 13,861	\$ -	\$ -	\$ -	\$ -	\$ 261,185
Expenditures													
Salaries and Benefits	\$ 36,436	\$ 36,446	\$ 35,082	\$ 35,082	\$ 35,082	\$ 23,619	\$ 23,476	\$ 22,976	\$ -	\$ -	\$ -	\$ -	\$ 248,199
Operating Expenses	\$ 4,997	\$ 6,044	\$ 5,877	\$ 5,683	\$ 4,539	\$ 6,480	\$ 5,383	\$ 5,150	\$ -	\$ -	\$ -	\$ -	\$ 44,153
Travel Expenses	\$ 165	\$ 230	\$ -	\$ -	\$ -	\$ -	\$ 298	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 693
Indirect Cost	\$ 3,498	\$ 3,498	\$ 3,368	\$ 3,368	\$ 3,367	\$ 2,267	\$ 2,237	\$ 2,207	\$ -	\$ -	\$ -	\$ -	\$ 23,810
Total Expenditures	\$ 45,096	\$ 46,218	\$ 44,327	\$ 44,133	\$ 42,988	\$ 32,366	\$ 31,394	\$ 30,333	\$ -	\$ -	\$ -	\$ -	\$ 316,855
Revenues Over Expenditures	\$ (28,630)	\$ (19,058)	\$ (23,317)	\$ (23,648)	\$ (25,171)	\$ 16,035	\$ 64,591	\$ (16,472)	\$ -	\$ -	\$ -	\$ -	\$ (55,670)
Ending Fund Balance	\$ 169,613	\$ 150,555	\$ 127,238	\$ 103,590	\$ 78,419	\$ 94,454	\$ 159,045	\$ 142,573	\$ 142,573	\$ 142,573	\$ 142,573	\$ 142,573	\$ 142,573

* Note February Secretary of State not received Appx \$23,000

Comparison between FY2010 and 2011 as of February

	2010	2011	Difference	% Change
Beginning Fund Balance	\$315,417	\$198,243		
Revenue	\$283,901	\$261,185	-\$22,716	-8.00%
Expenditures				
Salaries and Benefits	\$268,000	\$248,199	-\$19,801	-7.39%
Operating Expenses	\$20,631	\$44,153	\$23,522	114.01%
Travel Expenses	\$2,923	\$693	-\$2,230	-76.29%
Indirect Cost	\$28,990	\$23,810	-\$5,180	-17.87%
Total Expenditures	\$320,544	\$316,855	-\$3,689	-1.15%
Revenues Over Expenditures	-\$36,643	-\$55,670		
Ending Fund Balance	\$278,774	\$142,573		

Budget to Actual	Budget	Actual	%
Revenues	\$ 382,000	\$ 261,185	68%
Expenditures			
Salaries and Benefits	\$ 347,000	\$ 248,199	72%
Operating Expenses	\$ 66,000	\$ 44,153	67%
Travel Expenses	\$ 1,000	\$ 693	69%
Indirect cost	\$ 33,000	\$ 23,810	72%
Total Expenditures	\$ 447,000	\$ 316,855	71%

\$ (65,000)

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending February 2011**

ID Theft Victims Grant

Awarded	\$	97,204
Expended		62,026
Remaining		<u>35,178</u>

Mortgage Fraud Grant

Awarded	\$	1,700,500
Expended		44,855
Remaining		<u>1,655,645</u>

Ralph Gagliardi

Enforcement

Case Work:

DMV Alamosa

In December, 2010 the Colorado Department of Motor Vehicles (DMV) requested assistance with a potential DMV Drivers License Examiner (GLENN GRAHAM) who was alleged to have been creating fraudulent drivers licenses for persons out of his Alamosa DMV Office. CBI interviewed GRAHAM on December 15, 2010. DMV immediately placed him on leave. A criminal filing completed by CBI was presented to the Alamosa District Attorney's Office in January of 2011 alleged GRAHAM committed several felony crimes related to the fraudulent issuance of Colorado ID's. In February and prior to the filing of charges, GRAHAM died at home.

Hilltop Petroleum

In December, 2010 it was reported to CBI that numerous victims from outside Colorado had their credit cards skimmed (at an unknown location outside of Colorado) and now victims credit cards (cloned) were all being used at Hilltop Petroleum (a truck stop / fuel center) in Arvada, Colorado. In conjunction with the Arvada Police Department, CBI is attempting to identify who is utilizing these cloned credit cards at Hill Top Petroleum. The amounts of losses via use of these cards is in the tens of thousands of dollars as the suspects utilize high speed diesel pumps at the fuel stop to fill up large clandestine fuel tanks on ¾ ton trucks.

Administrative

Attended Meetings:

2/03/2011 - Testified in front of the State House Committee related to the Secretary of State Proposed Business ID Theft Legislation (Password protect website).

2/03/2011 - Phone conference with US Attorney General in Washington D.C. re Colorado's 24hr ID Theft Victims Assistance Hotline.

3/08/2011 - Secretary of State Meeting with US Attorney, Dun & Bradstreet, and US Secret Service regarding Business ID Theft / the possibility of filing case(s) federally.

Assistance

Citizen Requests: 3

01/10/2011 - Email Scam attempt to gain personal ID info

02/22/2011 - Phone call scam callers attempt to obtain personal info.

02/25/2011 - Roofing Scam (\$90grand +) in Wheat Ridge – referred to AG

Education

Trainings Provided

02/09/2011- Basic and Advanced Identity Theft, Manitou Springs. (Assisted Agent Hyland)

02/15/2011- Attended a three day round table in Florida and presented "Corporate ID Theft in Colorado" to representatives of Dun & Bradstreet, Chase, Dell, Sprint, Office Depot, Pay Pal, Interpol and the United States Secret Service.

Kevin Hyland

Enforcement

Case Work:

Local Auto Check Fraud Group

On September 21, a Denver Grand Jury returned a 33-count indictment charging 13 people in connection with a counterfeit check operation in the metro area. Began trail preparation for **April Cotton** charged by indictment with violating the Colorado Organized Crime Control Act (COCCA) (F 2) and numerous other felony counts including computer crime , theft and identity theft.

Corporate Takeover

During the first week of November eight CO corporations had their identities compromised with addresses changed to Colorado virtual offices. The CBI with the assistance of the U. S. Secret Service conducted surveillance and were able to apprehend two individuals attempting to pick up the packages. These individuals provided their contact in NY who was to receive those packages. This individual has been identified and has close ties to FL. Earlier this year 12 CO corporations were reinstated in CO and then incorporated in FL without the true owners consent and line of credit established for those corporations.

The CBI has met twice with the United State Attorney General Office (USAG) in Colorado. The results of those meetings is that USAG will allow the U. S. Secret Service to open a case on these subjects which will allow them to locate and interview parties that are involved in NY and or FL.

The Colorado Secretary of State is currently running legislation that would allow for the business records website to become password protected.

Participated in a conference in February with Dun and Bradstreet and several industry and banking leaders to develop an early warning fraud detection index that can provide real time information for making credit decisions.

Mortgage Fraud

Gunnar Weber, a real estate agent, has been identified as being involved with 10 million in fraudulent property transactions in Larimer and Weld County. Two mortgage brokers, a title agent and several home builders are also identified as being involved in this organization in a scheme to rid home builders of excess home inventory. Interviews have been conducted with straw buyers and a court order for production of records is being drafted. The 19th DA office has agreed to prosecute the case if sufficient evidence is presented.

Carl and Megan Stull are identified as being involved with 100 foreclosures. They would purchase low end properties and “fix them up” and a couple of weeks later get a new appraisal and refinance the property at twice the purchase amount. Also involved is an appraiser, straw buyers and several relatives that the Stull’s flipped property to. Properties were purchased throughout the Denver metro area as well as Greeley and Fort Collins. Files have been received from Aurora Loan Services and the United States Office of Housing and Urban Development. The Colorado Attorney General’s

Office has agreed to assign this case to the Statewide Grand Jury.

Darella Bloch, a title agent in Greeley, who skimmed over \$1,000,000 from a real estate transaction, is suspected of skims in several other transactions. CBI Gaming unit has provided information that she and her husband have lost nearly \$1,000,000 million at Colorado casinos. Bloch has already agreed to a plea deal in exchange for testimony against individuals whom she skimmed from. The 19th DA office is prosecuting this case.

Mark and Nancy Gill were builders who owned a construction company operating as Colorado Regional Construction (CRC) that was responsible for building a subdivision called Coyote Creek in Winter Park. Through the investigation, the Grand County Sherriff had determined that CRC had not disbursed funds to subcontractors (approximately \$125,000) on the project during 2007. The Gills had already been charged in the case and wanted a trial scheduled for March 2011. The Sherriff's Investigator had not had time to review the 3,800 pages of bank records he had obtained. I reviewed the GILL's personal checking account and determined that \$294,897.67 was transferred from the CRC business account between January 2007 and July 2008, to the GILL's personal account. This information was communicated to the DA in the 14th Judicial District. On March 10, 2011 the Gills plead guilty to theft charges.

Steven Thompson, a developer/promoter of real estate developments, has sold property lots where victims put money down on properties that Thompson did not own. When victims demand their money back Thompson claims that architect and survey fees have been performed and the money is no longer refundable. Over \$750,000 in victim losses. After conferring with the 18th DA Office they have requested that victims work with the Castle Rock Police Department.

Assistance

Citizen Requests: 2

01/12/2011- Former treasurer using tax identification number of the volunteer fire department.

02/03/2011 - Loan Modification Scam.

Intelligence

Attended Meetings:

2/03/2011 - Mortgage Fraud Task Force Meeting.

2/03/2011 - Phone conference with US Attorney General in Washington D.C.

3/15/2011 - Mortgage Fraud Working Group.

Education

Trainings Provided

01/26/2011- Basic Identity Theft (4 Hours) Colorado State Patrol Cadet class

02/09/2011- Basic and Advanced Identity Theft, Manitou Springs (8 Hours)

03/08/2011- Basic and Advanced Identity Theft, Ft. Collins (8 Hours)

Future Trainings

04/13/2011- Basic and Advanced Identity Theft, Salida (8 Hours)

04/21/2011- Basic and Advanced Identity Theft, Sterling (8 Hours)

Rosa Perez

Enforcement

Case Work:

Sports Authority Credit Card Fraud Group

Between Thursday, January 20, 2011 and Wednesday, January 26, 2011, cloned credit cards issued on banks in Italy, Spain, Andorra, Bahrain, France, Sweden, Finland, Brazil, India, Malaysia, and the Netherlands to purchase merchandise and gift cards at 9 Sports Authority Stores in the cities: Grand Junction, Glenwood Springs, Aurora, Longmont, Lone Tree, Fort Collins, Colorado Springs and Denver. The merchandise and gift cards totaled approx. \$18,700. The names imprinted on the credit cards were: Arnulfo Cabrera, Alfredo Badilla, Efrain Escoboza, Julio Jauregui, or Miguel Solano.

Rue SSN Case

Lisa Rue, a resident of Larimer County requested CBI investigate the use of her social security number in the states of Colorado, Texas, Missouri, Kansas, Washington, Utah, Nevada and Arizona. In all states, Rue's SSN was used to obtain medical services at urgent care/emergency rooms. In Missouri Rue's SSN was used for employment at a trucking company and the IRS later attempted to collect "back taxes" on that employment. Suspect is Linda Eileene Garvin.

Assistance

Citizen Requests: 8

- 02/03/2011 - Loan modification problem
- 02/10/2011 - Online job announcement fraud
- 02/14/2011 - Concerned that never received 2009 state tax refund.
- 02/14/2011 - Concern that mortgage broker has personal information
- 02/14/2011 - "Scam" phone call received regarding Bresnan account
- 02/24/2011 - Received fraudulent check for vehicle being sold on Ebay
- 02/28/2011 - Received foreign lottery letter
- 02/24/2011 - Concerned her bank was selling off portions of her land

Law Enforcement Requests: 4

- 02/07/2011 - Received intelligence information on internet scam from Montrose PD.
- 02/14/2011 - Cedaredge PD - citizen receiving harassing calls from U.S. Bank "caseworker".
- 02/09/2011 - Silt PD - person in OK using SSN of person in Silt for last 7 yrs.
- 02/14/2011 - Avon PD - fraud crimes discussed by inmate on jail phone.

Bank Assist Requests: 1

- 02/23/2011 - 1st National Bank of Cortez - someone creating ACH file for one of their customers.

Intelligence

Attended Meetings:

- 02/23/2011 - International Association of Financial Crimes Investigators Meeting

Education

2/9/2011- Attend CFI Unit presentation at Manitou Springs Police Department.

3/8/2011- Assist CFI Unit give presentation at Fort Collins Police Department.

Future:

1st National Bank of Cortez requested a fraud class later this year.

Hazel Heckers

Victim Advocacy

Grant Funding:

The original Victim Assistance Grant was scheduled to terminate January 31, 2011; however as we had funding remaining in the accounts, we applied for and were granted an extension of the grant through May 31, 2011. We have applied for continuation funding. Those funds will not be available until October 1, 2011. We have applied for emergency funding to bridge the 4 month gap. The JAG Grant which funds the Victim Assistance Program allows for 48 months of funding.

Direct Services:

In the past quarter (Oct-Dec 2010) CFI provided direct services for **143** victims of Identity Theft/Fraud. In January and February of this year, we have provided services for an additional **214** victims. The total number of victims served from April 26, 2010 through February 28, 2011 (time period CFI has had victim advocacy program) is **552**.

The most frequent ID Theft related calls are regarding the theft of a social security number for work. Victims discover the theft when they receive a bill or notice of wage garnishment from the IRS or when public benefits such as Disability, food stamps, Unemployment or Medicaid are terminated. CFI has also received a number of calls regarding criminal misidentification, including calls from victims whose wages or tax returns have been garnished to pay restitution for crimes that the victim did not commit.

The most frequent Fraud related calls continue to be regarding a caller claiming to be from the Colorado Department of Law and Investigations demanding payment of an overdue loan. The caller is often abusive, threatening to harm the victim or the victim's family members. The calls are relentless and escalate in their threatening manner. Callers demand payment by debit or credit card stating that non-payment will result in arrest. A new twist is that now the scam artists are actually calling the police in the victim's community and requesting a welfare check stating that the victim is suicidal or extremely ill and in need of assistance. The scam artist then calls the victim and warns that the police are on their way to make an arrest. If payment is made before they arrive at the door, the police will be "called off".

Detectives with the Colorado Springs Police Department recently contacted one of the perpetrators of this scam and were told that the group is operating out of Pakistan and has purchased the victim information from a party in the US.

Our 24 Hour Hotline is up and running. In the first 24 hour period after a press release regarding the hotline, the staff took **65 calls** from across Colorado. In January and February, the hotline opened **78 cases**. Cases are open when a caller is in need of services that are more complicated than a simple information and referral. The majority of calls involve social security numbers used for work and fraudulent use of credit. Many callers request additional community resources including counseling services to help cope with trauma. Most after hours callers are seeking advice regarding

fraudulent use of credit cards or bank accounts or calling to discuss the emotional impact of the crime.

Midwest Wholesale Steel DBA Nationwide Wholesale Steel:

Victim Advocate received several calls from victims in Colorado and in other states reporting that they had ordered and paid for merchandise from Midwest Wholesale Steel but had never received merchandise. Money was wired directly to Midwest's Chase Bank account ranging from \$8,000 to nearly \$50,000. Midwest would not respond to calls or emails from victims. Midwest Wholesale Steel is located in Denver, and their bank is located in Greenwood Village CO. Victim Advocate contacted a number of law enforcement agencies and several District Attorney Offices regarding complaints and discovered that a large number of complaints had been received however no agency was taking the lead on investigation. After several discussions and advocacy, the Arapahoe County District Attorney's Office has agreed to investigate Midwest Wholesale Steel. Victims known to CBI have been directed to contact Arapahoe County DA

Our Victim Advocate is offering assistance to the Colorado Springs Police Department to provide support for numerous victims of an Identity Theft perpetrated by Randall Vanney Heath. Mr. Heath and his associates allegedly broke into the abandoned home of the deceased owner of College Consultant Group, accessing records containing the personal and financial information of a large number of clients of the agency. CSPD Detectives have identified 16 victim families and more than 50 potential victims. Mr. Heath and associates used information obtained to file fraudulent tax returns and access refund anticipation loans. Returns are filed under both the names of a parent and of the name of the college age child. CFI's victim advocate is assisting victims referred by CSPD with advocacy with the IRS and other repairs and protections needed following the victimization.

Training/Outreach Events:

Completed:

- Urban Peak News
- Colorado Rural Collaborative News
- Mensa Annual Dinner and Business Meeting
- Daughters of the American Revolution Statewide Annual Meeting
- Denver Health Medical Center
- MLK Day Poor People's Luncheon
- South West Improvement Council
- Stapleton Senior Housing
- University of Denver Masters in Forensic Psychology Class
- Latino Business Owners Association
- Colorado Bankers Association Fraud Summit-Denver
- Safehouse Advisory Committee
- Colorado State Investigators Association
- Statewide Landlord Symposium
- Social Work class at Metro State
- Exempla Forum
- ALERT-SAM Training

- Boulder County Restorative Justice Program (staff and volunteer victim advocates)
- National Parks Service Staff

Future:

- Communications Officers
- DORA-Division of Insurance
- Third Annual Community Information and Resource Fair
- Boulder Police Department Victim Assistance (staff and volunteers)
- Mark West Energy
- US Bank Western Slope Division
- Vital Records and Statistics Annual Training

Carol Hee

Intelligence

Case Assistance:

Colorado Springs PD - **Roofing Scam Suspect Arrest**, resulting from a media call received by Victim Advocate Heckers concerning a subject who operated a roofing business known as Greenlife Exteriors LLC and suspected of scamming numerous victims from Colorado Springs and Castle Rock. The suspect, George Bowen had an outstanding warrant from El Paso County filed by the Colorado Springs Police Department on numerous counts of At-Risk-Theft and Theft \$100 - \$20,000. This case involved 43 victims of which 8 were elderly. Through information provided by the caller and team work within the CBI Analyst Unit, AIC Gagliardi contacted authorities in York County, SC where Mr. Bowen was arrested on January 15, 2011 and currently resides in the El Paso County Detention Center in Colorado Springs.

Agent Perez - **RUE SSN Case**, provided suspect workups and case organization, including: obtaining copies of police reports, photos, addresses, phone numbers, and vital records. Over 40 social security numbers have been found that are believed to be associated to the suspect and her spouse. Working with other state agencies to attempt to locate suspect's whereabouts and identify other victims.

Agent Perez - **Sports Authority Credit Card Fraud Group**, obtained copies of police reports.

Agent Hyland - **Mortgage Fraud Cases**, assist with work-ups on subjects.

Agent Hyland - **Corporate ID Theft Case**, assisting with work-ups on suspects and associates; obtaining photos, identifying addresses and phone numbers and search of BSA information.

Victim Advocate Heckers – **Citizen Assists**, provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

2nd Judicial District Attorney – DAPIG request for contact information.

4th Judicial District Attorney – Fraud, requested search of BSA information on 3 subjects.

8th Judicial District Attorney – Larceny, requested search of BSA information on 2 subjects.

Arapahoe CO SO – Stolen property, requested search of BSA information on 3 subjects.

Boulder PD – Fraud, requested search of BSA information on 2 subjects.

Boulder SO – Dangerous Drugs Case, requested search of BSA information on 2 subjects.

Boulder SO – Dangerous Drugs Case, requested search of BSA information on 7 subjects and 17 businesses.

CO Attorney General – Fraud, requested search of Bank Security Act information on 3 subjects.

CO Attorney General – Fraud, requested search of Bank Security Act information on 2 subjects.

CO Attorney General – Fraud, requested search of Bank Security Act information on 1 subject.

CBI Denver Major Crimes – Homicide, requested search of BSA information on 3 subjects.

CBI Grand Junction – Embezzlement, suspect workups.

Colorado DOR, Motor Vehicle Investigations – provide subpoena address information.

Colorado DOR, Liquor Enforcement –requested search of BSA information on 5 subjects.

Commerce City PD – Sex Assault, search of BSA information on 2 subjects.

El Paso SO – Embezzlement, requested search of BSA information on 2 subjects.

Ft Collins PD – RMFIN request for contact information.

Jefferson CO SO – Fraud, requested search of BSA information on 1 subject and 4 businesses.

Longmont PD – Fraud, requested search of BSA information on 1 subject.

Northglenn PD – DAPIG request for contact information.

RMHIDTA – Dangerous Drugs, requested search of BSA information on 4 subjects and 1 business.

RMHIDTA – Dangerous Drugs, requested search of BSA information on 15 subjects.

Thornton PD – Fraud, requested search of BSA information on 1 subject.

Thornton PD – Fraud, requested search of BSA information on 8 subjects.

U.S. Department of State, Diplomatic Security – Fraud, booking photos.

Windsor PD – Embezzlement, requested search of BSA information on 1 subject.

CA Department of Justice – DMV Dossier.

NC State Bureau of Investigation – provided assistance in locating subject of interest.

Salt Lake City PD – requested DMV dossier.

TX Department of Public Safety – Larceny, requested DMV dossier.

Intelligence Information Sharing:

03/01/2011 - Produced and disseminated a brief to over 900 persons including law enforcement, financial institutions and retail investigators.

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
June 2011

AGENDA

Identity Theft and Financial Fraud Board

Meeting of June 21, 2011
Beginning at 1:30 p.m.

Colorado Bureau of Investigation
710 Kipling Street, Suite 308
Denver, CO 80215

- I. Minutes – March 22, 2011 Meeting
- II. Introduction to new Intelligence Analyst Bev Walz
- III. Budget
 - a. April Financials
- IV. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- V. Mortgage Fraud Positons Update
- VI. Grants
 - a. Victim Assistance Grant Approval
 - b. Maryland Grant Application

Financial Report

Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Ending April 2011

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Expenditures													
Salaries and Benefits	\$ 36,436	\$ 36,446	\$ 35,082	\$ 35,082	\$ 35,082	\$ 23,619	\$ 23,476	\$ 22,976	\$ 22,976	\$ 22,976	\$ -	\$ -	\$ 294,151
Operating Expenses	\$ 4,997	\$ 6,044	\$ 5,877	\$ 5,683	\$ 4,539	\$ 6,480	\$ 5,383	\$ 5,150	\$ 5,628	\$ 6,199	\$ -	\$ -	\$ 55,980
Travel Expenses	\$ 165	\$ 230	\$ -	\$ -	\$ -	\$ -	\$ 298	\$ -	\$ 291	\$ 345	\$ -	\$ -	\$ 1,329
Indirect Cost	\$ 3,498	\$ 3,498	\$ 3,368	\$ 3,368	\$ 3,367	\$ 2,267	\$ 2,237	\$ 2,207	\$ 2,207	\$ 2,207	\$ -	\$ -	\$ 28,223
Total Expenditures	\$ 45,096	\$ 46,218	\$ 44,327	\$ 44,133	\$ 42,988	\$ 32,366	\$ 31,394	\$ 30,333	\$ 31,102	\$ 31,726	\$ -	\$ -	\$ 379,683
Revenues Over Expenditures	\$ (28,630)	\$ (19,058)	\$ (23,317)	\$ (23,648)	\$ (25,171)	\$ 16,035	\$ 64,591	\$ (1,792)	\$ (8,808)	\$ (8,484)	\$ -	\$ -	\$ (58,282)
Ending Fund Balance	\$ 169,613	\$ 150,555	\$ 127,238	\$ 103,590	\$ 78,419	\$ 94,454	\$ 159,045	\$ 157,253	\$ 148,445	\$ 139,961	\$ 139,961	\$ 139,961	\$ 139,961
Comparison between FY2010 and 2011 as of April													
								2010	2011		Difference	% Change	
								Beginning Fund Balance	\$315,417	\$198,243			
								Revenue	\$339,131	\$321,401	-\$17,730	-5.23%	
								Expenditures					
								Salaries and Benefits	\$341,214	\$294,151	-\$47,063	-13.79%	
								Operating Expenses	\$25,126	\$55,980	\$30,854	122.80%	
Budget to Actual	Budget	Actual	%					Travel Expenses	\$2,923	\$1,329	-\$1,594	-54.53%	
Revenues	\$ 382,000	\$ 321,401	84%					Indirect Cost	\$36,237	\$28,223	-\$8,014	-22.12%	
Expenditures								Total Expenditures	\$405,500	\$379,683	-\$25,818	-6.37%	
Salaries and Benefits	\$ 347,000	\$ 294,151	85%										
Operating Expenses	\$ 66,000	\$ 55,980	85%										
Travel Expenses	\$ 1,000	\$ 1,329	133%					Revenues Over Expenditures	-\$66,369	-\$58,282			
Indirect cost	\$ 33,000	\$ 28,223	86%					Exp over Rev May and June	-\$50,805				
Total Expenditures	\$ 447,000	\$ 379,683	85%					Ending Fund Balance	\$198,243	\$139,961			
	\$ (65,000)												

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending April 2011**

ID Theft Victims Grant

Awarded	\$	97,204
Expended		80,664
Remaining		<u>16,540</u>

Mortgage Fraud Grant

Awarded	\$	1,700,500
Expended		86,209
Remaining		<u>1,614,291</u>

Ralph Gagliardi

Enforcement

Case Work:

North Carolina Fugitive

On May 10, 2011 – The CFI Unit tracked down and arrested North Carolina Fugitive ROGER KORNEGAY. He was wanted on 8 warrants related to state and federal charges from several states – all pertaining to or originating from ID Theft schemes and fraud. Specifically, KORNEGAY absconded from Federal probation relative to other ID Theft related crimes and has been on the run since 2009. In North Carolina in 2010 KORNEGAY is alleged to have committed an identity theft and forgery where he impersonated two property owners (with stolen ID's), sold the property and collected a total of \$450,000 in cash. In Colorado, KORNEGAY is suspected of stealing at least one ID and used several other alias names to launder money from his North Carolina crimes. KORNEGAY's method of laundering money involved buying tax liens from various Colorado County's. Additionally KORNEGAY utilized the stolen identity's to open a US BANK and ENT Federal Credit Union account as well as incorporated two businesses with the Colorado Secretary of State.

Hilltop Petroleum – Update

In December, 2010 it was reported to CBI that numerous victims from outside Colorado had their credit cards skimmed (at an unknown location outside of Colorado) and now victims credit cards (cloned) were being used at Hilltop Petroleum (a truck stop / fuel center) in Arvada, Colorado.

In April, the US Secret Service in Salt Lake City Utah has made an arrest in this case. They are utilizing our information (Pole Cam footage and victim contacts) as part of their prosecution of the case. The group / individual arrested in this case are connected to an Armenian group out of California.

Kevin Hyland

Enforcement

Case Work:

El Salvador Update

The Colorado Bureau of Investigation (CBI) and the Jefferson County District Attorney's Office investigated a Salvadorian criminal enterprise that raided financial institutions in the United States. The group had been active in the United States since 2005 and was active in the Denver metro area in early 2009. The head of the enterprise and its members are El Salvadorian nationals. The suspects illegally enter into the United States and establish themselves in various large cities in the U.S. Once established they open bank accounts using real and fictitious passports. The group opens between 30 and 40 accounts and begins to deposit to those accounts real, counterfeit and stolen checks to make up the deposits. Typically accounts will remain open for 60 days until several thousands of dollars are credited to the account when the accounts are depleted using debit and ATM transactions. Eventually they will move on to another city repeating the scheme before returning to El Salvador.

Frank Alfonso Diaz Chaves has been positively identified as the ring leader. There are several outstanding felony warrants for Diaz and his organization, including warrants issued out of Jefferson County. Reliable information has been developed that Frank Alfonso Diaz Chaves drove across the Texas border in early April 2011 and is now in the Chicago area utilizing the names: Dustin BENAVIDES or Justin BENAVIDES. He is running a new group of men to commit the account fraud scheme.

Corporate Takeover

During the first week of April the Colorado Secretary of State corporations reported that they had identified over 100 new corporations that had been acquired by five individuals. At this time we have not been able to establish if these individuals are associated with the New York or California Corporate ID theft Groups. As an update one of the first individuals that we identified as participating in corporate identity theft case out of Southern California has been arrested (Marcellus Ellis).

We have interviewed an individual in California that purchased a Colorado Corporation (1st Meridian) from a group that sells "shelf" corporations. He paid over \$5,500 for the corporation and was supposed to be able to access lines of credit in excess of \$650,000. The original owner of the corporation did not consent to the sale.

We have also participated in a conference call with 15 other state's Secretaries of State to raise the awareness on this issue.

Mortgage Fraud

Completed numerous Court Orders for the Production of Records for mortgage files and bank accounts of Gunnar Weber, a real estate agent, has been identified as being involved with 10 million in fraudulent property transactions in Larimer and Weld County. Two mortgage brokers, a title agent and several home builders are also identified as being involved in this organization in a

scheme to rid home take builders of excesses home inventory. The 19th DA office has agreed to prosecute the case if sufficient evidence is presented.

Opened a case against Castle Rock Investment who is allegedly operating a short sale scheme that has related parties purchase a short sale property for less than what other buyers are offering. Once they purchase the property then those same properties are resold to the high priced offers often within a week of the initial short sale.

Steven Thompson a developer/promoter of real estate developments has sold property lots where victims put money down for the properties that he did not own. When victims demand their money back Thompson claims that architect and survey fees have been performed and money is no longer refundable. Over \$750,000 in victim losses had been incurred. The 18th DA Office has charged THOMPSON with F3 Theft.

We opened a case against Marquise Mortgage who is alleged to have prepared false documents in efforts to get home buyers that would not have been able to qualify, qualified for a mortgage. We have interviewed the wife of the home buyer and she confirmed that inaccurate information was included on the loan application for their home purchase.

A case was opened against Fresh Start mortgage and its owners Angelo Celestine Jennifer and Scott Smith. The complaint alleges that and Mitch Taylor was approached by Jennifer to buy a home which Taylor did in return for receiving \$11,000 back at closing. We interviewed Taylor who confirmed that he bought a house owned by Celestine's girlfriend and did receive \$11,000. Taylor also said that he recruited Michael and Maria Gallegos into buying 3 homes which they did. In each of the cases the renters did not materialize they could no longer afford the houses they went into foreclosure.

Assistance

Citizen Requests: 2

05/16/2011 - Citizen Assist – Insurance Fraud.

05/21/2011 - Citizen Assist – Foreclosure Fraud.

Intelligence

Attended Meetings:

5/19/2011- Mortgage Fraud Task Force Meeting.

5/20/2011- Colorado Chapter Certified Fraud Examiners

6/08/2011- International Association of Financial Crimes Examiner - Topic discussed include existing business accounts being taken over and small ACHs going out to utilities and cell service providers.

Trainings Provided

04/21/2011- Basic and Advanced Identity Theft, Sterling (8 Hours)

Future Trainings

09/15/2011- Basic and Advanced Identity Theft, Steamboat Springs (8 Hours)

Rosa Perez

Enforcement

Case Work:

Rue SSN Case

Lisa Rue, a resident of Larimer County requested CBI investigate the use of her SSN in several other states by Linda Garvin to obtain medical services at urgent care/emergency rooms. Hospital records obtained from Washington, Arizona, Utah and Colorado facilities. Fraudulent passport used for identification in Washington and Arizona. FBI initially agreed to pursue charges against Garvin for false passport but later declined. Evaluating case for other possible prosecution options.

Arizona Wal-Mart Case

The State of Colorado, Dept. of Treasury; provided CBI with copies of 31 fraudulent checks written on a State of Colorado bank account. The checks, totaling \$40,605.14. were cashed between March 31, 2011 and April 9,2011 by 26 individuals at 18 different Wal-Mart stores in Arizona. Surveillance video and information on the ID's used for the transactions has been compiled for follow up by law enforcement in Arizona.

Assistance

Citizen Requests:

- 03/28/2011 - Citizen Assist – Western Union lottery winner fraud
- 04/11/2011 - Citizen Assist – “Colorado Corporate Control Unit” fraud
- 04/11/2010 - Citizen Assist – Western Union lottery/vehicle winner fraud
- 04/18/2011 - Citizen Assist – Repeated phone calls on collection of unpaid debt
- 04/11/2011 - Citizen Assist – Received fraudulent checks for items listed in Thrifty Nickel
- 04/11/2011 - Citizen Assist – Email inheritance fraud
- 04/19/2011 - Citizen Assist – Paid for jeep that never received
- 02/20/2011 - Citizen Assist – Grandchild in jail in Canada fraud
- 05/02/2011 - Citizen Assist - Didn't receive proceeds from sale of mountain property

Law Enforcement Requests:

- 04/27/2011 - Gunnison County SO investigation of attempted bank transfer from citizen's account
- 04/25/2011 - Hinsdale County SO investigation of citizen's bank account possibly compromised
- 05/05/2011 - Olathe PD investigation of joint tax return filed without authorization.
- 05/24/2011 - Fruita PD report for intelligence/investigation of citizen's SSN being used in CA.

Intelligence

Attended Meetings:

- 03/29/2011- International Association of Financial Crimes Investigators Meeting
- 05/05/2011- 7th Judicial District, Criminal Investigators Meeting

Training

- 4/13/2011- Assist CFI Unit presentation to US Bank employees in Glenwood Springs, Colorado
- 4/21/2011- Assist CFI Unit presentation at Logan County Sheriff's Office in Sterling, Colorado

Hazel Heckers

Victim Advocacy

Direct Services:

In the past quarter (Jan – March, 2011) CFI provided direct services for **319** victims of Identity Theft/Fraud. In April and May of this year, we have provided services for an additional **178** victims. The total number of victims served from April 26, 2010 through May 31, 2011 (time period CFI has had victim advocacy program) is **835**.

Our 24 Hour Hotline continues to take calls 24/7. In April and May of this year, the hotline has seen an increase in the number of Spanish speaking callers and an increase in the number of calls made after hours or on weekends/holidays. Hotline staff assisted CBI in responding to a special request from a Colorado Springs Police Department Homicide Detective. The Detective made an arrest for a homicide and discovered that the suspect had been using another person's identity for several years and had created an extensive criminal history in the victim's name. As the victim is monolingual Spanish speaking, a Spanish speaking advocate from the hotline assisted CBI's victim advocate by serving as an interpreter to ensure the victim understood the situation and her next steps. The victim lives in Michigan and was quite fearful of going to law enforcement. CBI provided advocacy with law enforcement in her community and researched support and financial assistance agencies that could assist her. The hotline advocate provided emotional support and assistance in contacting the support agencies in her community. The victim's willingness to file identity theft charges allowed the CSPD to hold the suspect longer while they gathered more evidence in the homicide case.

Training/Outreach Events:

Completed:

- Annual Community Resource Fair-Exempla
- Douglas Buck Community Center
- Boulder Police Department Victim Assistance Teams
- US Bank Regional Training Conference (Glenwood Springs)
- Pueblo Senior Volunteers and Foster Grandparent Program
- River Pointe Senior Center
- Colorado State Patrol Communications Officers Training (X2)
- Littleton Police Department Citizens Academy Graduates and Alumni
- Colorado Department of Health Locals Day Training for CO Vital Records Staff
- Senior Wellness Day Denver
- DORA-Division of Insurance

Future:

- Communications Officers
- WWII POW of Colorado Annual Meeting
- Good Samaritans (Windsor)

Western Union:

Through outreach, the victim advocate connected with the securities department of Western Union and made arrangements for Shelley Bernhardt, Western Union's Senior Director of Global Consumer Protection, to provide an overview of fraud prevention services for CBI staff. Shelley discussed the many options Western Union has for fraud prevention, including several interdiction programs. We feel that we will now have a better relationship with Western Union and will be able to utilize the excellent programs they have in place to educate law enforcement and community and to support the victims of wire frauds.

Visit from Office for Victims of Crime US Department of Justice

CBI was honored to be chosen as a model program for response to victims of identity theft by the Office for Victims of Crime US Department of Justice (OVC). A visiting fellow with OVC, Jaimee Napp spent 2 days in Colorado visiting with CFI staff to discuss our program and procedures. During her visit, Jaimee was able to visit the hotline and observe as calls were taken by staff. In addition, she was able to spend time with CFI staff and review the components that make up the victim assistance program. The visit was a success with Jaimee stating she would recommend our program as a model for other agencies.

Carol Hee

Intelligence

Case Assistance:

North Carolina State Bureau of Investigation – **Fugitive Apprehension Assistance:** I received a call from a Special Agent requesting CBI assistance in apprehending a suspect known as Roger KORNEGAY believed to be in Peyton, CO. I had previously provided assistance to their Intelligence Analyst on this case. Performed a suspect workup and notified AIC Gagliardi of the request and provided support throughout the case.

Agent Hyland - **Corporate ID Theft Case:** assist with work-ups on suspects and associates; obtaining photos, business documents, identifying addresses and phone numbers and assisting with case organization. Managing documents and information in spreadsheet and identifying trends and patterns that emerge through this process.

Agent Perez – **Arizona Wal-Mart Case:** assist with work-ups on suspects and associated vehicles, obtain photos and employment information and assist in case organization by managing documents and information in spreadsheet with hyperlinks.

Victim Advocate Heckers – **Citizen Assists,** provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

Arapahoe County Probation – Fraud, BSA information on 8 subjects and 3 businesses.

Avon PD – Robbery, requested search of BSA information for suspicious transactions associated with 4 zip codes during a 6 month period of time.

Boulder CO Probation – Fraud, requested search of BSA information on 2 subjects and 4 businesses.

Boulder CO Probation – Fraud, requested search of BSA information on 2 subjects.

Boulder PD – Fraud Case, requested search of BSA information on 1 subject and 7 businesses.

CBI Administration – BSA information on 1 subject.

CBI Denver Major Crimes – Fraud, vehicle and address on 1 subject.

CBI Pueblo – Larceny, BSA information on 1 subject.

Colorado DOR, Division of Taxation – Embezzlement, BSA information on 1 subject.

Colorado DOR, Division of Taxation – investigation contact at various financial institutions.

Colorado DOR, Division of Securities – Fraud, BSA information on 1 subject.

Delta CO Probation – Fraud, requested search of BSA information on 1 subject.

Douglas CO SO – Homicide, search of BSA information on 5 subjects.

Eagle CO SO – Embezzlement, requested search of BSA information on 1 subject.

El Paso SO – Embezzlement, requested search of BSA information on 3 subjects.

El Paso CO Probation – BSA information 2 subjects.

Grand Junction PD – Larceny, requested assistance with employment information.

Greenwood Village PD – Fraud, BSA information on 4 subjects.

Jefferson CO SO – Fraud, BSA information 1 subject.

Longmont PD – Robbery, requested search of BSA information on 1subject.

Longmont PD – Fraud, requested search of BSA information on 1subject and 2 businesses.

Thornton PD – Burglary, requested assistance in identifying a phone number obtained during the investigation and identifying a suspect based on witness description. Provided name, identifiers, mug photos and wanted poster of subject matching the description.

Training Provided

04/08/2011 – FinCEN for Investigators - Economic Crimes Task Force

Grant Funding

CBI applied for continued funding through the DCJ/JAG Program for our Victim Assistance Program. We received notice that The Justice Assistance Board has recommended full funding (\$87,484) for our ID THEFT Victims Assistance Program, pending approval by the Director of DCJ, the Executive Director of the Department of Public Safety and the Governor. Funding is for the federal fiscal year 2012 (October 1, 2011 – September 30, 2012).

CBI has requested an extension of the current DCJ/JAG grant. With careful budgeting, we are able to maintain the grant through August 15, 2011. CBI is bridging the costs of the program from August 16 through September 30, 2011. Dollars to cover the 45 day period will be provided from the general CFI operating budget.

CBI has also applied for a grant with the Maryland Crime Victims Resource Center. We applied for \$50,000 (the maximum dollar amount available) to develop a statewide coalition to respond to victims of identity theft and to provide training for coalition members. If we are selected to receive dollars, the grant will be a one year, non-renewable grant for October, 2011 through September, 2012. No additional staff will be hired to complete the goals of this project. This is considered a highly competitive grant and is open to entities throughout the US and its territories. The Maryland Crime Victims Resource Center plans to fund up to nine (9) projects as sub-recipients of a grant they received from the US Department of Justice, Office of Justice Programs (OJP), Office for Victims of Crime (OVP). Of the nine projects selected, two (2) will be state or local systems-based entities. We will receive notice regarding the grant in September, 2011. The Maryland Crime Victims Resource Center will provide a 3 day training and orientation conference for all selected sub-recipients in Washington DC in October, 2011. This will be provided at no cost to grantees (airfare, lodging and per diem covered by OVP). Thank you to everyone who assisted us by reviewing the grant and providing letters of support.

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
October 2011

AGENDA

Identity Theft and Financial Fraud Board

Meeting of October 26, 2011
Beginning at 1:30 p.m.

Colorado Bureau of Investigation
690 Kipling Street, Suite 100
Denver, CO 80215

- I. Minutes – June 21, 2011 Meeting
- II. Budget
 - a. July or August Financials
- III. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- IV. Mortgage Fraud Positions Update
- V. Grants
 - a. Victim Assistance Grant Approval
 - b. Maryland Grant Application

Financial Report

Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending September 2011

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 198,243	\$ 188,700	\$ 176,817	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 198,243
Revenue	\$ 22,173	\$ 22,994	\$ 21,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,421
Expenditures													
Salaries and Benefits	\$ 22,985	\$ 25,467	\$ 24,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,705
Operating Expenses	\$ 6,351	\$ 6,964	\$ 4,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,809
Travel Expenses	\$ 58	\$ -	\$ 404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462
Indirect Cost	\$ 2,322	\$ 2,446	\$ 2,323	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,091
Total Expenditures	\$ 31,716	\$ 34,877	\$ 31,474	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,067
Revenues Over Expenditures	\$ (9,543)	\$ (11,883)	\$ (10,220)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (31,646)
Ending Fund Balance	\$ 188,700	\$ 176,817	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597	\$ 166,597
Comparison between FY2011 and 2012 as of September													
								2011	2012		Difference	% Change	
						Beginning Fund Balance		\$ 198,243	\$ 124,777				
						Revenue		\$ 64,636	\$ 66,421		\$ 1,785	2.76%	
						Expenditures							
						Salaries and Benefits		\$ 107,964	\$ 72,705		-\$ 35,259	-32.66%	
Budget to Actual	Budget	Actual	%			Operating Expenses		\$ 16,918	\$ 17,809		\$ 891	5.27%	
Revenues	\$ 365,000	\$ 66,421	18%			Travel Expenses		\$ 395	\$ 462		\$ 67	16.96%	
Expenditures						Indirect Cost		\$ 10,364	\$ 7,091		-\$ 3,273	-31.58%	
Salaries and Benefits	\$ 276,000	\$ 72,705	26%			Total Expenditures		\$ 135,641	\$ 98,067		-\$ 37,574	-27.70%	
Operating Expenses	\$ 66,000	\$ 17,809	27%			Revenues Over Expenditures		-\$ 71,005	-\$ 31,646				
Travel Expenses	\$ 1,500	\$ 462	31%			Exp over Rev Sept to June		-\$ 2,461					
Indirect cost	\$ 26,523	\$ 7,091	27%			Ending Fund Balance		\$ 124,777	\$ 93,131				
Total Expenditures	\$ 370,023	\$ 98,067	27%										
	\$ (5,023)												

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending August 2011**

ID Theft Victims Grant

Awarded	\$	97,204
Expended		97,204
Remaining		<hr/> -

Mortgage Fraud Grant

Awarded	\$	1,700,500
Expended		164,798
Remaining		<hr/> 1,535,702

Kevin Hyland Enforcement

Case Work:

El Salvador Update

The Colorado Bureau of Investigation (CBI) and the Jefferson County District Attorney's Office investigated a Salvadorian criminal enterprise that raided financial institutions in the United States. The group had been active in the United States since 2005 and was active in the Denver metro area in early 2009. The head of the enterprise and its members are El Salvadorian nationals. Once established they open bank accounts using real and fictitious passports. The group opens between 30 and 40 accounts and begins to deposit to those accounts real, counterfeit and stolen checks to make up the deposits.

On June 30, 2011, Frank Alfonso Diaz Chavez, the group's leader, was arrested in Houston, Texas and has been extradited to Illinois. The Colorado charges will be included in the Federal charges.

Corporate Takeover

The Colorado Secretary of State corporations reported that they had identified over 75 corporations that had the registered agent and address changed by an individual whose name was Yamil Lopez. A court order for the production of records for Bank of America for the records associated with the credit card was completed. Bank of America has returned a copy of the records.

Tax Preparer

The CBI received a complaint from a victim who had gone to a tax preparer and based on the information provided by the preparer the victim's federal return for 2009, with an estimated tax payment of \$6,200 and an additional amount owed of \$3,487 and the State return showed a liability of \$2,056. The victim wrote checks in those amounts.

The victim was contacted by the IRS about information on the victim's return. Because the IRS information did not match the information provided by the preparer he requested a copy of his 2009 return from the IRS. Specifically it changed from owing to a refund and his address was changed to that of the tax preparer. Four other victims have come forward with the same story and the losses are already over \$20,000.

A court order for production of records has been prepared for the bank account where the checks and wire transfers from the IRS were deposited.

Mortgage Fraud

Weber - Completed numerous Court Orders for the Production of Records for mortgage files and bank accounts of Gunnar Weber, a real estate agent, who has been identified as being involved with 10 million in fraudulent property transactions in Larimer and Weld County. Four mortgage brokers, two title agents and several home builders are also identified as being involved in this organization in a scheme to rid home builders of excess home inventory. Over \$800,000 of kickbacks has been discovered associated with the property purchases. The 19th DA office has agreed to prosecute the case if sufficient evidence is presented.

Business Cents – The reporting party is divorced and as a part of the move located several documents which he knew to be fictitious. Specifically, he found W2s, paystubs and a verification of employment for his ex-wife’s company for employees prior to the time they were married. The reporting party has known that his ex-wife had no employees in her business. The reporting party provided copies of those documents.

A review of the Colorado Labor and Employment records for these employees and did not locate any records for ex-wife’s companies. A check of the Colorado Secretary of State website showed that ex-wife was the registered agent for Business Cents and Joint Management Systems.

Two sets of these documents were used to purchase two different properties by acquiring Federal Housing Authority financing.

Little House - We opened a case against a home buyer that purchased four properties within four months. One of the properties was sold to the victim and the victim’s husband who is the uncle of the home buyer. The victim’s husband is not a US citizen and paid \$126,000 more than nephew had purchased the property for three months earlier. The victim’s husband’s income information was falsified in order to qualify for the purchase.

After interviewing the wife of the home buyer, who used to work in the mortgage business, she admitted to having prepared false documents in an effort to get one of the homes, and that her husband would not have been able to qualify without them. The same realtor participated in all five of the mortgage transactions.

Short Sale Group – We have identified a group of individuals who have purchased properties and then proceeded to flip those properties among the group increasing the price with every flip. Meet with the United States Attorney’s Office Civil side that is also investigating members of the group.

Assistance

Citizen Requests: 3

- 07/21/2011 - Citizen Assist – Foreclosure Fraud.
- 08/04/2011 - Citizen Assist – Foreclosure Fraud.
- 08/30/2001 - Citizen Assist – Foreclosure Fraud.

Intelligence

Attended Meetings:

- 7/22/2011- Colorado Chapter Certified Fraud Examiners

Training

Trainings Provided

- 07/22/2011- Corporate Identity Theft for Certified Fraud Examiners (1.5 Hours)
- 07/27/2011- Corporate Identity Theft for Internal Revenue Service (1.5 Hours)
- 08/03/2011- Basic ID Theft Training – Colorado State Patrol Academy (4.0 Hours)
- 08/27/2011- Jefferson County Safety Fair (6.0 Hours)

Rosa Perez

Enforcement

Rue SSN case

Arrest warrant issued by Adams County DA's Office for Linda Eileen Garvin on Sept. 2, 2011 for 4 counts of Forgery.

Colorado State bank account check case

The State of Colorado, Dept. of Treasury; provided CBI with copies of 7 fraudulent checks written on a State of Colorado bank account. The checks, totaling \$4593.02 were cashed between June 25, 2011 and June 28, 2011. The checks listed the business name: DIVERSE PROGRESSION, LLC, in Aurora, Colorado 80012. Interviews were conducted of 3 persons who cashed some of the checks to obtain information on the person(s) supplying the fraudulent checks. Additional follow-up needed.

Delta PD/Ferguson SSN case

Investigate Pamela Ferguson's use of other person's SSN's to obtain medical treatment at Montrose and Delta Hospitals. Ferguson is a resident of Delta County. Records have been obtained from both Montrose and Delta hospitals for past hospital visits by Ferguson. Interviews conducted at Delta Hospital regarding admittance procedures. Additional follow-up needed.

Ouray/Ridgway credit card case

Investigate the compromise of an estimated 200 to 300 credit cards (according to Alpine Bank fraud investigator) at "The Market" store in Ridgway, Colorado. Ouray County SO, Ouray PD and Ridgway Marshal have received a combined total of approximately 75 reports from local and out of state citizens. Additional follow-up needed.

Assistance

Citizen Requests: 10

- 07/05/2011 - Business partner's theft of inventory for start up of new business similar name
- 07/12/2011 - Repeated phone calls on collection of pay day loan
- 07/14/2011 - Mortgage fraud, San Juan Credit Union, pending civil suit
- 07/19/2011 - Possible fraudulent use of SSN
- 07/20/2011 - Online employment fraud – company representing Exxon Mobile
- 08/08/2011 - Craig's list employment fraud
- 08/01/2011 - Reported sexual assault of children by person with criminal history of fraud
- 08/17/2011 - Protection against becoming victim of identity theft
- 09/20/2011 - Possible fraudulent use of SSN
- 09/20/2011 - Credit card fraud in Ouray, Colorado

Law Enforcement Requests: 5

- 06/22/2011 - Fruita PD report for intell/invest on attempted use of stolen credit card at computer business

- 07/05/2011- CBI investigation of state bank account number on fraudulent checks cashed in Colorado
- 07/22/2011- Delta PD investigation of fraudulent use of SSN to obtain drugs at Delta and Montrose hospitals.
- 08/17/2011 - Grand Junction PD investigation of theft of employee time and merchandise from business
- 08/24/2011 - Fruita PD report for intell/invest on West Africa inheritance scheme.
- 09/28/2011 - Glenwood Springs PD request CBI participate in Identity Theft Seminar in Nov. 2011
- 10/17/2011 - Delta County SO investigation of identity theft of resident by family member in Cortez, CO.

Intelligence

Attended Meetings:

07/07/2011- 7th Judicial District, Criminal Investigators Meeting

Training

09/15/2011- Assist CFI Unit give presentation at Steamboat Springs Police Department, in Steamboat Springs, Colorado for area law enforcement.

Hazel Heckers

Victim Advocacy

Direct Services:

In the past quarter (April-June, 2011) CFI provided direct services for **424** victims of Identity Theft/Fraud. In July and August of this year, we have provided services for an additional **152** victims. The total number of victims receiving personalized victim assistance services from April 26, 2010 through August 31, 2011 (time period CFI has operated under original JAG grant for the victim advocacy program) is **1402**.

Our 24 Hour Hotline continues to take calls 24/7. The Hotline staff reports an increase over the past couple of months in complaints regarding mortgage and real estate related fraud and business related identity theft including; business ID theft, impersonation of staff or through fraudulent websites and fundraising campaigns, diverting business from legitimate website to fraudulent site and theft of customer/client files.

Training/Outreach Events:

Completed:

- Jefferson County Resource & Safety Fair
- ID Theft Hotline New Staff and Volunteers
- Sutton & Associates
- Elbert County Law Enforcement Victim Assistance Programs (Sheriff and Police)
- Colorado Privacy Task Force Board
- Good Samaritans Windsor and Ft. Collins
- Colorado State Patrol Academy Class (with Unit Agents)
- Community Resource Fair Kaiser/Exempla
- Douglas Buck Community Center Senior Group
- Boulder Police Department Victim Assistance Team and Volunteers
- US Bank Regional Staff Training Day
- Pueblo Senior Resource Center Foster Grandparent Program
- River Pointe Senior Center
- Colorado State Patrol Communications Officers (provided training for 3 different groups of officers, covering entire state)
- Littleton Police Department Citizens Academy Graduates and Alumni
- Colorado Department of Health Statewide Training
- Forest Street Community Fair and Wellness Day
- WWII Prisoners of War Association of Colorado
- Steamboat Springs Law Enforcement Training (with Agent Perez)

Future:

- Kiowa/Simla Annual Senior Safety Luncheon
- Denver County Community Resource and Safety Fair
- Privacy Task Force Annual Conference
- Southern Colorado Treasurers and Public Trustees Conference (Trinidad)

- Plan to Invest
- Boulder County Sheriff's Office
- Colorado State Patrol Communications Officers
- COVA Conference

Grants:

JAG Funding:

CFI is pleased to announce that our Victim Assistance Program has received continuation funding from the Division of Criminal Justice JAG Funds. The new grant year will run October 1, 2011 through September 31, 2012. The grant funded amount is \$87,000.

OVC/Maryland Funding:

CFI was chosen to receive one of only ten grants offered nationwide by the Office for Victims of Crimes through the Maryland Crime Victims' Resource Center. The grant process was highly competitive, and CBI is the only law enforcement agency to have been awarded funding. The non-renewable grant will operate from October 1, 2011 through September 31, 2012. CFI was awarded \$50,000 to facilitate the Identity Theft Advocacy Network Project.

The Identity Theft Advocacy Network Project (*ITAN*) will coordinate a statewide coalition of agencies engaged in supporting victims of all types of identity theft. This will include law enforcement and criminal justice agencies, victim assistance, financial institutions, government agencies, community based agencies and more. The Project will offer training opportunities and networking for coalition members and their communities.

CFI will provide training and networking in person as well as virtually through web based programming to accommodate more rural Colorado communities. CBI will publish trainings and victim support materials and make those available online for communities across Colorado and the nation. Colorado boasts many dedicated professionals and innovative programs committed to providing crime victims with a full range of services and support. *ITAN* will join the ranks of programs determined to ensure that all Colorado crime victims are provided with quality services and treated with dignity, fairness and respect.

CFI staff will attend grantee orientation training in Washington DC in October.

Bev Walz

Intelligence

Case Assistance:

Agent Hyland – **Symphony Builders:** Scanning documents received from subpoenas; work-ups on individuals identified in documents and researching property records.

- 33 total subjects or properties

Agent Hyland – **Little House:** Attended three interviews; work-ups on subjects identified through interviews and documents provided by victim; and created spreadsheets for case organization. Created binders based on spreadsheets.

- 13 total subjects and properties

Agent Hyland – **Russian Real Estate:** Researched subjects and businesses for associations. Located properties purchased, sold and foreclosed by subjects. Organized electronic case files and completed spreadsheets. Created organizational charts to show associations as well as property purchased. Organized a meeting with the U.S. Attorney's office to discuss a possible cross-over with this case.

- 11 subjects
- 30 properties
- 40 businesses

Agent Hyland – **Nome Street:** Researched subjects and businesses provided through interview with reporting party. Determined that the potential victim was CitiMortgage. Assisted in obtaining contact information for Agent Hyland.

- Disposition of case: Law Enforcement Liaison and Fraud Specialist for Citimortgage stated that they are not interested in as being a victim in the case of the short sale property at 1111 S Nome Street, Aurora.
- Acknowledged that a flip had occurred shortly after the sale for more than the short sale amount the criteria that they use in determining fraud is a 20% price difference.
- In this case the flip, (which occurred the next day) was approximately 5% different and the higher priced offer that was not received was approximately 10% different. Accepted offer was also within the price range that had been established by Citi for that property.

Agent Hyland – **Business Cents:** Researched subjects found in paperwork provided the reporting party. Specifically State Wage information for comparison with W2's found.

- 16 subjects

Victim Advocate Heckers – **Citizen Assists,** provided assistance with two workups for the advocate on various subjects in support of assistance to victims.

Training Attended:

FinCEN Training – 8 hours

Association of Certified Fraud Examiners (ACFE) Seminar – 16 hours

Participated as a panel member in the Para Professional interviews

Carol Hee

Intelligence

Case Assistance:

Agent Perez - **Colorado State bank account check case:** assist with work-ups on suspects and associated vehicles, obtain photos and employment information and assist in case organization by managing documents and information in spreadsheet with hyperlinks.

Agent Hyland - **Corporate ID Theft Case:** assist by organizing those documents directly related to corporations registered by the suspect, Yamil Lopez and providing workups on suspect and possible associates.

Agent Hyland - **Tax Preparer:** assist with work-ups on suspects and possible victims, obtain photos and employment information and assist in case organization by managing documents and information in a spreadsheet with hyperlinks.

AIC Gagliardi - **West Coast Funding:** provided case organization on a complaint that was received regarding a loan scam by a Colorado company, West Coast Funding and Rodney Peterson. Provided case work-up, including photos of subject and associates. Drafted and disseminated a CFI Brief on the subject, company and associates.

Victim Advocate Heckers – **Citizen Assists,** provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

Arapahoe County Probation – Fraud, BSA information on 1 subject.

Arapahoe County Probation – Embezzlement, BSA information on 1 subject.

Arapahoe County Probation – Embezzlement, BSA information on 1 subject.

Boulder PD – Fraud Case, requested search of BSA information on 1 subject and 7 businesses.

Boulder PD – Counterfeiting, requested search of BSA information on 1 subject and 9 businesses.

Boulder PD – Larceny, requested search of BSA information on 1 subject and 2 businesses.

Colorado Attorney General – Fraud, BSA information on 3 subjects.

Colorado DOR, Division of Taxation – Fraud, BSA information on 1 subject.

El Paso SO – Drug, requested search of BSA information on 1 subject.

Fremont CO SO – Embezzlement, requested search of BSA information on 2 subjects.

Grand Junction PD – Fraud, requested assistance with employment information.

Logan CO SO – Fraud, requested assistance in determining identity of subject belonging to a SSN being used by a subject residing in Haxtun.

Longmont PD – Fraud, requested search of BSA information on 2 subjects and 4 businesses.

Longmont PD – Fraud, requested search of BSA information on 2 subjects.

Thornton PD – Fraud, requested search of BSA information on 1 subject.

Training Received

Identity Theft Summit – Sponsored by Castle Rock PD presented by the FBI and LifeLock
Grantee orientation in Washington DC
COVA Conference

Trainings Provided

09/21/2011 – Western Union Fraud/Compliance Conference

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
December 2011

AGENDA

Identity Theft and Financial Fraud Board

Meeting of December 21, 2011
Investigation Beginning at 1:30 p.m.

Colorado Bureau of
690 Kipling Street, Suite 100
Denver, CO 80215

- I. Minutes – October 25, 2011 Meeting
- II. Budget
 - a. September, October, and November Financials
- III. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- IV. Board Positions Update
- V. Mortgage Fraud Positions Update
- VI. Grants
 - a. Victim Assistance Grant Approval
 - b. Maryland Grant Application

Financial Report

Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending November 2011

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 198,243	\$ 188,700	\$ 176,817	\$ 166,597	\$ 136,110	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 198,243
Revenue	\$ 22,173	\$ 22,994	\$ 21,254	\$ 4,621	\$ 901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,943
Expenditures													
Salaries and Benefits	\$ 22,935	\$ 25,463	\$ 24,253	\$ 28,153	\$ 23,003	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,871
Operating Expenses	\$ 6,355	\$ 6,964	\$ 4,494	\$ 4,105	\$ 4,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,154
Travel Expenses	\$ 58	\$ -	\$ 404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462
Indirect Cost	\$ 2,322	\$ 2,446	\$ 2,323	\$ 2,844	\$ 2,323	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,258
Total Expenditures	\$ 31,716	\$ 34,877	\$ 31,474	\$ 35,108	\$ 29,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 162,745
Revenues Over Expenditures	\$ (9,543)	\$ (11,883)	\$ (10,220)	\$ (30,487)	\$ (28,669)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (90,802)
Ending Fund Balance	\$ 188,700	\$ 176,817	\$ 166,597	\$ 136,110	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441	\$ 107,441

* Sec of State revenues have not been received for October or November approx \$38,000 last year

Comparison between FY2011 and 2012 as of November

				2011	2012	Difference	% Change
Beginning Fund Balance				\$198,243	\$124,777		
Revenue				\$102,933	\$71,943	-\$30,990	-30.11%
Expenditures							
Salaries and Benefits				\$178,128	\$123,871	-\$54,257	-30.46%
Operating Expenses				\$27,140	\$26,154	-\$986	-3.63%
Travel Expenses				\$395	\$462	\$67	16.96%
Indirect Cost				\$17,099	\$12,258	-\$4,841	-28.31%
Total Expenditures				\$222,762	\$162,745	-\$60,017	-26.94%
Revenues Over Expenditures				-\$119,824	-\$90,802		
Rev over Exp Nov to June				\$46,358			
Ending Fund Balance				\$124,777	\$33,975		
Budget to Actual							
	Budget	Actual	%				
Revenues	\$ 365,000	\$ 71,943	20%				
Expenditures							
Salaries and Benefits	\$ 276,000	\$ 123,871	45%				
Operating Expenses	\$ 66,000	\$ 26,154	40%				
Travel Expenses	\$ 1,500	\$ 462	31%				
Indirect cost	\$ 26,523	\$ 12,258	46%				
Total Expenditures	\$ 370,023	\$ 162,745	44%				
	\$ (5,023)						

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending November 2011**

ID Theft Victims Grant 2

Awarded	\$	87,484
Expended		11,807
Remaining		<hr/> 75,677

Mortgage Fraud Grant

Awarded	\$	1,700,500
Expended		299,234
Remaining		<hr/> 1,401,266

MD ID Theft Grant

Awarded	\$	49,894
Expended		1,741
Remaining		<hr/> 48,153

Ralph Gagliardi

Case Work:

CBI / the CFI Unit has partnered with the Colorado Attorney General Special Pros Unit in regards to a middleman / Nigerian Scam. This request came to CBI from Brighton PD. Subsequent investigation by CBI revealed at least 6 suspects from the Brighton area involved in an organized effort to receive / solicit / launder money from victims that are in more than 15 states and 5 countries. These Brighton suspects (operating in concert with a suspected Nigerian lead) have received hundreds of thousands of dollars from victims who feel prey to the "Military Romance" Scam since 2009. The suspects in Colorado have used 8 different banks to receive victim money. Before breaking down these wire transfers, the suspects kept a portion for themselves then wired the remainder to Nigeria via money remitter locations in at least 7 front-range counties, all in order to disguise the source of funds and avoid mandatory bank reporting requirements. A Grand Jury Investigation was initiated on December 16.

Kevin Hyland Enforcement

Case Work:

Update - Local Auto Check Fraud Group

On September 21, 2010 a Denver Grand Jury returned a 33-count indictment charging 13 people in connection with a counterfeit check operation in the metro area. The indictment is the result of an investigation launched by the US Postal Inspection Service involving the Colorado Bureau of Investigation, the Aurora Police Department and the Denver DA's Office.

On December 2, 2011 April Cotton (the leader of the organization) plead guilty to violating the Colorado Organized Crime Control Act (COCCA) (F 2) with sentencing scheduled for January 19, 2012.

Corporate Takeover

The Colorado Secretary of State corporations reported that they had identified over 75 corporations that had the registered agent and address changed by an individual whose name was Yamil Lopez. A court order for records for the credit card used to pay for the Bank of America provided us with the name of the person completing these transactions.

Global Off Road Engineering Corporate ID Theft in Golden Colorado. This case begins with unauthorized changes at the Colorado Secretary of State of the corporation. While this is going on the subject contacts another victim promising him venture capital for victim's business in exchange for the victim locating unfinished office space for the subject. The victim locates unfinished office space in Golden and notifies the subject. The subject then contacts the landlord and signs a lease for several months for the unfurnished space. With the lease in place the subject then contacts Qwest and has a phone line added to the space. The phones number is immediately forwarded and the subject then begins to complete credit applications in the victim corporation's name with new address and phone number. A subject in California and another in Florida have been identified.

Tax Preparer

The CBI received a complaint from a victim who had gone to a tax preparer and based on the information provided by the preparer the victim wrote checks to the preparer for the victim's federal and State tax return. The tax preparer then filed tax returns in the victim's name and directed refunds to his own bank account. Six other victims have come forward with the same story and the losses are already over \$100,000.

Mortgage Fraud

Weber - Completed numerous interviews, reports and Court Orders for mortgage files and bank accounts of Gunnar Weber, a real estate agent, has been identified as being involved with 10 million in fraudulent property transactions in Larimer and Weld County. Over \$800,000 of kickbacks has been discovered associated with the property purchases. After the title files are received charges we will be filing charges against the realtor and title officer.

Assistance

Citizen Requests: 0

Intelligence

Attended Meetings:

12/14/2011 - Colorado Chapter Certified Fraud Examiners

Training

Trainings Provided

11/30/2011 - Mortgage Fraud Training at Department of Regulatory Agencies (1.5 Hours)

Provided training to two new staff members during the prior two months.

Rosa Perez

Enforcement

Case Work:

Delta PD/Ferguson SSN case

Investigate Pamela Ferguson's use of other person's SSN's to obtain medical treatment at Montrose and Delta Hospitals. Ferguson is a resident of Delta County. Suspect Pamela Ferguson interviewed in November. Ferguson admitted to being addicted to prescription medication and obtaining pain medications by deceit at emergency rooms in Mesa, Delta and Montrose counties. Ferguson sometimes used SSN's belonging to other family members.

Rue SSN Case

Contacted Elsie Garvin (daughter of suspect Linda Garvin) and requested her assistance in locating her mother. Elsie will contact CBI if she locates Linda.

Ouray/Ridgway credit card compromise

The Mountain Market in Ridgway, CO determined malware was introduced to their store's computer network in August 2011. The malware was removed on October 8, 2011. How the malware was downloaded onto the system has not been determined. Citizens Bank and store owner tested the system with credit card to be used only at the Mountain Market to confirm no further compromise of credit cards. Ridgway City Manager has requested an identity theft presentation, open to the community, be put on by CBI in February or March 2012.

Assistance

Citizen Requests:

- 11/09/2011 - Citizen Assist - Fraudulent charge on Century Link phone bill.
- 11/09/2011 - Citizen Assist - Scam call regarding grandchild in jail.
- 11/09/2011 - Citizen Assist - Possible scam letter on Mortgage Life Insurance Protection program.
- 11/22/2011 - Out of State Citizen Assist - Credit card compromised while on vacation in Colorado.
- 11/29/2011 - Citizen Assist - Mortgage fraud resulting in eviction.
- 12/08/2011 - Citizen Assist - Scam call regarding subject of Federal investigation and need of identifying information.

Law Enforcement Requests:

- 11/21/2011 - Telluride Marshal's Office/San Miguel County SO reports for intell/invest on compromised credit cards.
- 11/28/2011 - Montrose PD report for intell/invest on fraudulent checkbook left at business by unknown customer.
- 12/15/2011 - Fruita PD report for intell/invest on advance fee scam by "Global Financial".

Intelligence

Attended Meetings:

- 11/03/2011 - 7th Judicial District, Criminal Investigators Meeting

Training

11/17/2011- Presentation on ID Theft during Computer Crime Class offered to local LE at CBI in Grand Junction.

11/21/2011- Presentation on Identity Theft to small business owners in Glenwood Springs, in conjunction with Glenwood Springs PD.

Elizabeth Scott Enforcement

Case Work:

Flippers – We are starting to investigate a group of individuals who purchase properties and flip the properties among the group. There are two groups of people who are interconnected. One group runs mainly out of a local real estate office in the DTC. The second group may work outside of Colorado in the Pacific Northwest area, but uses the first group to assist in selling their properties.

In the first group, we have identified five main suspects and 31 properties. Some of the properties have since sold or been foreclosed on, but there are still some properties in this group's possession.

In the second group, there are four suspects and we have identified 18 properties. Most of these properties have been sold in short sales or foreclosed on. Very few were sold for a profit.

The activities of the groups include flipping the properties multiple times between suspects or to LLCs or trusts owned by the suspects, at least one case of falsified documents, all of the cases involve non-arm's length transactions that would appear on paper to be arm's length transactions unless further research was done.

Hazel Heckers

Victim Advocacy

Direct Services:

Our first Victim Assistance Grant ended in August, 2011 with CFI serving approximately **1445 victims**.

Our new Victim Assistance grant began October 1, 2011. From October 1 through November 30, CFI served **129 victims**. In addition, the 24 hour hotline took approximately **40-50** calls requiring only information and referral services.

Our 24 Hour Hotline continues to take calls 24/7. The largest numbers of calls involve financial ID Theft, Social Security Number for work and Criminal Misidentification.

Victim satisfaction surveys demonstrate **95% satisfied** or very satisfied. The 5% that listed services as unsatisfied state it is due to no return calls from referrals or frustration that suspects are not found/arrested.

Training/Outreach Events:

Completed:

- Steamboat Springs Police/Routt County Sheriff's Office
- Simla Senior Community Meeting
- Denver County Senior Resource Day
- Public Trustees Annual Conference
- Plan to Invest Investors' Meeting
- DCCV- ID Theft Hotline New Staff Members
- Pinnacle Investments Financial Wellness Group
- Privacy Task Force
- College Assist Money Management Train the Trainers Program (Boulder)
- College Assist Money Management Train the Trainers Program (Colorado Springs)
- Boulder County Sheriff's Office Victim Assistance Staff
- The BBB Eye (Colorado Springs)
- Foxstone Investments Members' Meeting
- Elbert County ID Theft & Fraud Prevention Event
- Littleton Police Department (X2)

Future:

- Kit Carson County Safety & Awareness Day
- Colorado Jump Start Fiscal Fitness
- University of Colorado Criminal Justice Classes

Maryland Crime Victims' Resource Center Grant:

The overall grant goal is to:

- 1) establish a formal network (coalition) of agencies across CO to address issues of ID Theft, and
- 2) to provide training to agencies to ensure consistent quality services for victims throughout CO.
 - Our Victim Advocate and Intelligence Analyst attended a 3 day orientation and training in Washington DC.
 - Our Victim Advocate also attended 2 of the monthly follow up webinars.
 - Teri Sidebottom (our Financial Officer for this grant) attended webinar trainings regarding financial reporting requirements.

We have identified potential coalition members and have begun the recruiting process.

- Large group invitations to participate were sent out week in early December (RMFIN, Victim Service Provider Net, etc.).
- Our Victim Advocate participated in 3 networking meetings at COVA Conference (Oct.) and provided info regarding coalition.
- The Victim Advocate staffed an information table at COVA and provided invitations to participate in coalition.
- Our Victim Advocate is working with the Training Director at COVA to coordinate the scheduling of training for interested Victim Service Providers to be held in January at COVA and webcast to members outside of Denver Metro area.
- Have begun training for LE members: Boulder SO, Boulder PD, Littleton PD, Elbert SO, Simla PD, Steamboat Springs PD, and Routt SO.

Bev Walz

Intelligence

Case Assistance:

Agent Hyland – **Symphony Builders:** Scanning documents received from subpoenas; work-ups on individuals identified in documents and researching property records.

- 33 total subjects or properties

Agent Hyland – **Little House:** Attended three interviews; work-ups on subjects identified through interviews and documents provided by victim; and created spreadsheets for case organization. Created binders based on spreadsheets.

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- 11 subjects
- 30 properties
- 40 businesses

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- Disposition of case: Law Enforcement Liaison and Fraud Specialist for CitiMortgage stated that they are not interested in as being a victim in the case of the short sale property at 1111 S Nome Street, Aurora.
- Acknowledged that a flip had occurred shortly after the sale for more than the short sale amount the criteria that they use in determining fraud is a 20% price difference.
- In this case the flip, (which occurred the next day) was approximately 5% different and the higher priced offer that was not received was approximately 10% different. Accepted offer was also within the price range that had been established by Citi for that property.

Agent Hyland – **Business Cents:** Researched subjects found in paperwork provided the reporting party. Specifically State Wage information for comparison with W2's found.

- 16 subjects

Victim Advocate Heckers – **Citizen Assists,** provided assistance with two workups for the advocate on various subjects in support of assistance to victims.

Training Attended:

FinCEN Training – 8 hours

Association of Certified Fraud Examiners (ACFE) Seminar – 16 hours

Participated as a panel member in the Para Professional interviews

Peggy Pingel

Intelligence

Case Work:

Agent Hyland – **Business Cents**: Researched and analyzed the data located on the property purchases associated with 1st Lending, First Lending, 1st Community Lending and First Community Lending.

Agent Hyland – **VIP Homes**: Researching data for property purchases associated with Colorado VIP Homes.

Training:

Training on the databases utilized by law enforcement to include CCIC/NCIC

Provide training to the unit members on rules and guideline for mortgages as required

Carol Hee

Intelligence

Case Assistance:

AIC Gagliardi – **Nigerian Middleman Scam**: assist with case organization, provided work-ups on suspects; identify possible victims; created spreadsheets to track wire transactions, addresses and phones used by the suspects.

Agent Hyland - **Tax Preparer**: assist with work-ups on suspects and possible victims, obtain photos and employment information and assist in case organization by managing documents and information in a spreadsheet with hyperlinks.

Victim Advocate Heckers – **Citizen Assists**, provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

Colorado Attorney General – Fraud, BSA information on 2 subjects.

Colorado Attorney General – Fraud, BSA information on 1 subjects.

Grand Junction PD – Assist with CO employment information.

Westminster PD – Fraud, requested search of BSA information on 3 subjects.

Trainings Provided

11/15/2011 – College Assist Money Management Train the Trainers Program (Fort Collins)

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
February 22, 2012

AGENDA

Identity Theft and Financial Fraud Board

Meeting of February 22, 2011
Beginning at 2:00 p.m.

Colorado Bureau of Investigation
700 Kipling Street,
1st Floor Conference Rm
Denver, CO 80215

- I. Minutes – December 21, 2011 Meeting
- II. Budget
 - a. December 2011 and January 2012 Financials
- III. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- IV. Board Positions Update
 - a. Welcome new members
 - b. Board Member Expiration Dates
- V. Mortgage Fraud Positions Update
- VI. Grants
 - a. Victim Assistance Grant Approval
 - b. Maryland Grant Application

Financial Report

Colorado Department of Public Safety
 Colorado Bureau of Investigation
 ID Theft / Fraud Unit
 Ending January 2012

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 124,777	\$ 115,234	\$ 103,351	\$ 93,131	\$ 82,644	\$ 72,875	\$ 66,433	\$ 97,263	\$ 97,263	\$ 97,263	\$ 97,263	\$ 97,263	\$ 124,777
Revenue	\$ 22,173	\$ 22,994	\$ 21,254	\$ 24,621	\$ 19,807	\$ 23,302	\$ 60,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,070
Expenditures													
Salaries and Benefits	\$ 22,935	\$ 25,463	\$ 24,253	\$ 28,153	\$ 23,003	\$ 23,003	\$ 23,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,046
Operating Expenses	\$ 6,355	\$ 6,964	\$ 4,494	\$ 4,109	\$ 4,244	\$ 4,418	\$ 4,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,067
Travel Expenses	\$ 58	\$ -	\$ 406	\$ -	\$ -	\$ 88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 550
Indirect Cost	\$ 2,325	\$ 2,446	\$ 2,323	\$ 2,844	\$ 2,323	\$ 2,323	\$ 2,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,921
Total Expenditures	\$ 31,716	\$ 34,877	\$ 31,474	\$ 35,108	\$ 29,570	\$ 29,744	\$ 30,095	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,584
Revenues Over Expenditures	\$ (9,543)	\$ (11,883)	\$ (10,220)	\$ (10,487)	\$ (9,769)	\$ (6,442)	\$ 30,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (27,514)
Ending Fund Balance	\$ 115,234	\$ 103,351	\$ 93,131	\$ 82,644	\$ 72,875	\$ 66,433	\$ 97,263	\$ 97,263	\$ 97,263	\$ 97,263	\$ 97,263	\$ 97,263	\$ 97,263

* Sec of State revenues have not been received for December or January approx \$38,000 last year

Comparison between FY2011 and 2012 as of January

				2011	2012	Difference	% Change
Beginning Fund Balance				\$198,243	\$124,777		
Revenue				\$247,324	\$195,070	-\$52,254	-21.13%
Expenditures							
Salaries and Benefits				\$225,223	\$170,046	-\$55,177	-24.50%
Operating Expenses				\$39,003	\$35,067	-\$3,936	-10.09%
Travel Expenses				\$693	\$550	-\$143	-20.63%
Indirect Cost				\$21,603	\$16,921	-\$4,682	-21.67%
Total Expenditures				\$286,522	\$222,584	-\$63,938	-22.32%
Revenues Over Expenditures				-\$39,198	-\$27,514		
Rev over Exp Feb to Ju				-\$34,268			
Budget to Actual	Budget	Actual	%				
Revenues	\$ 365,000	\$ 195,070	53%				
Expenditures							
Salaries and Benefits	\$ 276,000	\$ 170,046	62%				
Operating Expenses	\$ 66,000	\$ 35,067	53%				
Travel Expenses	\$ 1,500	\$ 550	37%				
Indirect cost	\$ 26,523	\$ 16,921	64%				

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending January 2012**

ID Theft Victims Grant 2

Awarded \$ 87,484

Expended 23,484

Remaining 64,000

Mortgage Fraud Grant

Awarded \$ 1,700,500

Expended 385,639

Remaining 1,314,861

MD ID Theft Grant

Awarded \$ 50,000

Expended 4,319

Remaining 45,681

Ralph Gagliardi

Case Work:

Military Romance / Nigerian Scam

CBI / the CFI Unit - partnered with the Colorado Attorney General Special Prosecution Unit and the Brighton Police Department are investigating Colorado suspects who are taking part in Nigerian fraud scheme. To date the investigation has revealed at least 60 victims within the United States with numerous other victims residing outside of the US. It is the United States victims we have focused on, 15 of which have been interviewed to this point. These victims had losses ranging from \$500 to \$75,000 each. The victims have engaged the suspects (in Colorado and or Nigeria) via email and believe they are corresponding (via the internet mostly) with a US Military man in the Service / overseas. The suspects eventually solicit money (to be wired) from the victims who then send the money per instruction to our Colorado suspects who utilize numerous area bank branches as well as money remitter establishments to receive the money, deduct a portion for their service, then wire the money on to Nigeria. Presently records are being evaluated from 7 different banks (seized pursuant to court order / subpoena). Records from Western Union, Money Gram, cell phone providers, and various email services such as Yahoo are still being collected.

Assistance:

On January 31, 2012 AIC Ralph Gagliardi testified in front of the Colorado State House Judiciary Committee as it related to House Bill 12-1053 – Victims Rights Act. Specifically brought to the committee was how social security numbers and their security as it relates to police reports etc is vital in preventing ID Theft.

Other:

On February 13, 2012, CBI's CFI Mortgage Fraud Unit had a phone conference with the newly created (approximately 1 year old) Federal Housing Finance Agency (FHFA) Office of Inspector General (OIG). The conference was held to discuss the OIG's potential for assisting our mortgage fraud investigations. Specifically the FHFA has access to obtain (upon request) mortgage related files and loan documents that are held by Fannie Mae / Freddie Mac. The Unit will begin sending requests on viable mortgage fraud investigations.

Trainings Provided

1/25/2012 – Basic Identity Theft Training Colorado State Patrol (4.0 Hours)

Carol Hee

Intelligence

Case Assistance:

AIC Gagliardi – **Military Romance / Nigerian Scam**: compiling excel spreadsheets to capture wire transaction data and victim information, and to track names, email addresses, phone numbers and addresses used by the suspects.

Results:

1,000 wire transactions related to this scam up to November 2011:

- 207 subjects who wired funds to suspects (from 25 states, 1 US territory and 24 countries including the US)
- 28 Phone numbers used by the suspects in the wire transactions
- 26 Addresses used by the suspects in the wire transactions
- 26 Names used by the suspects to either wire or pickup funds
- 55 Email addresses used by the scammers

Victim Advocate Heckers – **Citizen Assists**, provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

Aurora PD – Fraud, BSA information on 1 subject.

Aurora PD – Fraud, BSA information on 2 subject.

Boulder DA Office – Fraud, BSA information on 1 subject and associated business.

Boulder DA Office – Theft, BSA information on 2 subjects.

Colorado Attorney General – Fraud, BSA information on 2 subjects.

Colorado Information Analysis Center (CIAC) – Human trafficking, money laundering and racketeering, BAS information on 10 subjects.

Denver DA – Embezzlement, BSA information on 1 subject.

Louisville PD – Check Fraud and Theft, requested search of BSA information on 1 subject and suspect workup.

Maryland Crime Victims' Resource Center Grant:

Created the ITAN directory and added all applicant information for dissemination to ITAN members.

Hazel Heckers

Victim Advocacy

Direct Services:

In the last quarter (October – December, 2011), the Victim Assistance Program served **243** victims, and our 24 Hour Hotline responded to **72** victims of ID theft/fraud.

Victim satisfaction surveys demonstrate **95%** satisfied or very satisfied. The reasons given for dissatisfaction by 5% of respondents include:

- Arrests not made
- Credit reporting bureaus automated system frustrating
- Social Security Administration not responsive
- Calls not returned by local law enforcement agencies

Training/Outreach Events:

Completed:

- Universal Senior Living
- CU Criminal Justice Class
- Mountain Range High School Forensic Science Class (X4)
- Colorado County Clerks Association Annual Conference
- CSP Academy (with Agents)
- Colorado Jump Start Fiscal Wellness Train the Trainer Conference (x4)
- Financial Literacy Week Fort Collins
- Financial Literacy Week Westminster

Future:

- Hotline new staff training
- Morgan Stanley Investors' Meeting
- Optimist Club
- Exempla Community Forum
- Exempla Resource Fair

Outreach:

- Denver DA's Office Economic Crimes Unit Victim Support Staff
- Meeting with 18th JD's new Director of Consumer Protection
- Victim Assistance in Law Enforcement quarterly meeting
- Victim Provider Network quarterly meeting
- Colorado Coalition for Elder Rights and Adult Protection quarterly meeting
- CBA Fraud Summit (on committee and attended)

Maryland Crime Victims' Resource Center Grant:

During the first quarter of the MCVRC Grant, CBI has completed the following:

- First directory of members published
- 33 agencies represented in membership
- 17 trainings/community presentations have been completed in collaboration with network members
- Attendance at monthly meetings and webinars
- Training in Washington DC
- Social Media Training

JAG/DCJ Victim Assistance Project Grant:

- Application for continuation funding submitted

New Victim Assistance Staff:

We are pleased to introduce our new Victim Assistance Project Intern, Debra Hoskinson! Debra started with CBI in January, and has already proven to be a wonderful addition to our team.

Debra Hoskinson has Bachelor Degrees in both Accounting, and Psychology. She's had a variety of work experiences from being a Controller, Deputy Sheriff, and most recently having her own business.

Being an advocate is rewarding for her. She's been able to use both her education, and work experience. She's also enjoying helping victims, and giving back to the community

Rosa Perez

Enforcement

Delta PD/Ferguson SSN case

Completed reports and on February 2, 2012, met with 7th Judicial District, Deputy DA Anna Cooling to discuss possible charges. DDA Cooling declined to prosecute based on Ferguson's admissions alone. Ferguson was charged by the 21st Judicial District, District Attorney's Office for obtaining drugs by deceit at Grand Junction Hospitals and received a sentence of one year.

Cedaredge SSN Case

On January 3, 2012, Nancy Guccini of Cedaredge, Colorado reported that someone in Tampa, Florida filed a tax return using her deceased husband's SSN and received a tax return of \$4000 in 2011. Information received from Guccini was provided to IRS Special Agent Richard Ptak in Grand Junction for follow up in Tampa, Florida by his agency.

Assistance

Citizen Requests:

1/08/2012 - Citizen Assist – Business Identity Theft, wiretapping, and computer hacking.

1/26/2012 - Citizen Assist - Fraudulent POS purchase.

Law Enforcement Requests:

2/3/2012 - Routt County Sheriff's Office fraud case in which victim loss is approximately \$32,000.

Need to obtain further information.

Intelligence

Attended Meetings:

2/2/2011 - 7th Judicial District, Criminal Investigators Meeting

Kevin Hyland Enforcement

Case Work:

Tax Preparer

The CBI received a complaint from a victim who had gone to a tax preparer and based on the information provided by the preparer the victim wrote checks to the preparer for the victim's federal and State tax return. The tax preparer then keeps those funds then prepares a different tax return. Suspect then files the tax returns in the victim's name and directs the refunds to his / the tax preparer's bank account. We have a total of eight victims including the tax preparers' ex-wife with losses over \$100,000.

We are working with the Colorado Department of Revenue and the Denver DA's office on this case. To date we have interviewed those victims, completed a court order on the tax preparer's bank account. We are looking to present this case to the Denver Grand Jury next month.

Mortgage Fraud

Weber - Completed numerous interviews, reports and Court Orders for mortgage files and bank accounts of Gunnar Weber, a real estate agent, who has been identified as being involved with 10 million in fraudulent property transactions in Larimer and Weld County. Weber in cooperation with a title officer direct over \$800,000 of kickbacks to Weber controlled companies associated with the property purchases. After the title files are received charges we will be filing charges against the realtor and title officer. We started producing the case binder in connection with the case filing.

Assistance

Citizen Requests: 1

1/13/12 Citizen assist with corporate credit scheme

Intelligence

Attended Meetings:

1/30/2012 Attended the Denver Metro Mortgage Fraud Task Force

2/15-17/2012 Attended Dun and Bradstreet Corporate ID Theft Meeting

2/27/2011 Colorado Chapter Certified Fraud Examiners

Training

Trainings Provided

1/25/2012 – Basic Identity Theft Training Colorado State Patrol (4.0 Hours)

Peggy Pingel

Intelligence

Case Work:

Agent Hyland and IS Pingel – **Business Cents:** The reporting party is divorced and as a part of the move located several documents which he knew to be fictitious. Specifically, he found W2s, paystubs and a verification of employment for his ex-wife's company for employees prior to the time they were married. The reporting party has known that his ex-wife had no employees in her business. The reporting party provided copies of those documents. The documents tie to a mortgage broker, a recruiter and a document manufacturer. In each of the instances the mortgage broker was selling properties (that he owned) to his tenants. Six properties were located and HUD loans files were obtained for those properties. Those loans files show false paystubs and fictitious verifications of employment signed by our document manufacturer and her shell corporations. In addition, the same bank account was used in multiple loans to show that the borrower had assets. To date four home buyers have been interviewed. Two claim to be victims of identity theft and only knew that a house was purchased in their names when there were problems with the homes or it showed on their credit reports. The two others said that they knew that they were buying the houses but did not know that there were false documents in their loan files. Based on the information provided, court orders have been prepared, signed by a judge, and served. The Denver DA Office is looking to prosecute this case. See spreadsheet of properties.

Agent Hyland and IS Pingel – **VIP Homes:** This case was referred to CBI by Aurora Police Department. Their original complaint was that a property manager was taking in rent payments and not making the mortgage payments. Aurora provided copies of their case file to start our investigation. Research of County Assessor Records identified twenty five properties in Adams, Arapahoe and Douglas Counties tied to the same property management scheme. This is a straw buyer scheme where the buyers were recruited to be small investors. The properties were purchased at a discount from the builders and resold to the small investors. They were told they only had to use their credit and VIP Homes would take care of renting the properties on lease/option contracts and would take care of collecting rents and paying all expenses. Nine different investors have been identified and two have been interviewed. Appointments are being scheduled with the next two investors and should be done by the end of the month. Both of the investors interviewed so far have confirmed that they never put any down payment money into the transactions and received \$5000 per transaction for the use of their credit. We have been in touch with FHFA to obtain loan files from them if possible. See spreadsheet of properties.

Training:

Training on the databases utilized by law enforcement to include CCIC/NCIC

Provide training to the unit members on rules and guideline for mortgages as required

Outreach:

Attended CBA Summit on 2/9/2012.

Attending Realtor Rally on 2/22/2012.

Elizabeth Scott Enforcement

Case Work:

Agent Scott and IS Walz – **Russian Real Estate:** This case was initiated based on a referral from the FBI as part of the Mortgage Fraud Task Force. Agent Scott took over this case upon her arrival to the unit. This group has bought upwards of fifty properties and has flipped them within the group, assumingly in order to get loans or money from refinances. They bought when the economy was up and it appears that they tried to get rid of properties quickly by short selling once they were no longer making money on the houses. Many of the transactions appear to be non-arm's length. Since the beginning of the year two interviews were conducted. One with lender and the other with an appraiser that were involved in property transaction related to the case. The interviews were documented through supplemental reports. The CBI has obtained information from the AG's office on properties purchased by the main targets and are in the process of documenting information from loan applications and settlement statements to show potential forgeries by main suspects. See spreadsheet of properties.

Agent Scott and IS Walz – **Carpe Diem:** The suspect is participating in both Short Sale Fraud and Foreclosure Rescue Schemes throughout the Denver Metro area. Approximately thirty properties have been identified in Colorado. In the Short Sale Fraud, the suspect is buying properties via short sales from distressed homeowners, allowing the homeowners to remain in the property and then deeding the house to them, either via a trust or using a different name for the original homeowners. In the Foreclosure Rescue Scheme, distressed homebuyers are deeding their homes to the suspect for nominal amounts and the homes are then either sold by the suspect in short sales or the suspect quit claims the property back to the distressed homebuyer and the property is foreclosed on. We are currently in the beginning stages and researching is being conducted on potential subjects, transactions, and victims. One of the subjects may have operated a similar type of operation in Arizona. The Arizona Attorney General's Office will be contacted to obtain any information that they may have on the subject or the business associated with him. Currently, identification of potential victims is under way. See spreadsheet of properties.

Agent Hyland/Scott and IS Walz – **Little House:** Court orders have been served for five purchases of four properties. Some of the mortgage files have been received however three are outstanding.

Bev Walz

Intelligence

Case Assistance:

Agent Hyland and IS Walz – **Weber:** Real estate in Weld and Larimer Counties. Completed reports pertaining to two interviews / partners in Weber's businesses, Front Range Real Estate Investments and Ewest located in Arizona. In the process of trying to track down Western Title Funding's files (as they went out of business), we have served three court orders to no avail. As of this board report we believe we have found the entity responsible for keeping the documents and a fourth court order is pending. The disbursement information located in these files will assist with the charges against the second suspect.

Agent Hyland – **Business Cents:** Assisting Agent Scott and IS Peggy Pingel in analyzing the data located on the property purchases associated with 1st Lending, First Lending, 1st Community Lending and First Community Lending.

Training:

Providing Peggy Pingel with training on the databases utilized by law enforcement to include CCIC/NCIC

Assistance:

Drafted a tri-fold brochure for the Mortgage Fraud Unit.

Provided Mortgage Fraud Unit information to EDO for CDPS newsletter

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
May 9, 2012

AGENDA

Identity Theft and Financial Fraud Board

Meeting of May 9, 2011
Beginning at 1:30 p.m.

Colorado Bureau of Investigation
690 Kipling Street,
1st Floor Conference Room
Denver, CO 80215

- I. Minutes – February 22, 2011 Meeting
- II. Update on Secretary of State Revenue Transfer (meeting held)
- III. Budget
 - a. February 2012 and March 2012 Financials
- IV. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- V. Grants
 - a. Victim Assistance Grant Approval
 - b. Maryland Grant

Financial Report

Colorado Department of Public Safety

Colorado Bureau of Investigation

ID Theft / Fraud Unit

Ending March 2012

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	\$ 124,777	\$ 115,234	\$ 103,351	\$ 93,131	\$ 82,644	\$ 72,875	\$ 87,598	\$ 149,613	\$ 129,083	\$ 114,304	\$ 114,304	\$ 114,304	\$ 124,777
Revenue	\$ 22,173	\$ 22,994	\$ 21,254	\$ 24,621	\$ 19,801	\$ 44,467	\$ 92,110	\$ 9,353	\$ 5,152	\$ -	\$ -	\$ -	\$ 261,925
Expenditures													
Salaries and Benefits	\$ 22,985	\$ 25,467	\$ 24,253	\$ 28,163	\$ 23,003	\$ 23,003	\$ 23,172	\$ 23,172	\$ 13,601	\$ -	\$ -	\$ -	\$ 206,819
Operating Expenses	\$ 6,351	\$ 6,964	\$ 4,494	\$ 4,101	\$ 4,244	\$ 4,418	\$ 4,495	\$ 4,329	\$ 4,956	\$ -	\$ -	\$ -	\$ 44,352
Travel Expenses	\$ 58	\$ -	\$ 404	\$ -	\$ -	\$ -	\$ 88	\$ 42	\$ -	\$ -	\$ -	\$ -	\$ 592
Indirect Cost	\$ 2,322	\$ 2,446	\$ 2,323	\$ 2,844	\$ 2,323	\$ 2,323	\$ 2,340	\$ 2,340	\$ 1,374	\$ -	\$ -	\$ -	\$ 20,635
Total Expenditures	\$ 31,716	\$ 34,877	\$ 31,474	\$ 35,108	\$ 29,570	\$ 29,744	\$ 30,095	\$ 29,883	\$ 19,931	\$ -	\$ -	\$ -	\$ 272,398
Revenues Over Expenditures	\$ (9,543)	\$ (11,883)	\$ (10,220)	\$ (10,487)	\$ (9,769)	\$ 14,723	\$ 62,015	\$ (20,530)	\$ (14,779)	\$ -	\$ -	\$ -	\$ (10,473)
Ending Fund Balance	\$ 115,234	\$ 103,351	\$ 93,131	\$ 82,644	\$ 72,875	\$ 87,598	\$ 149,613	\$ 129,083	\$ 114,304	\$ 114,304	\$ 114,304	\$ 114,304	\$ 114,304
			* Sec of State revenues have not been received for Feb or March approx \$24,000 per month last year										
								Comparison between FY2011 and 2012 as of March					
								2011	2012		Difference	% Change	
								Beginning Fund Balance	\$198,243	\$124,777			
								Revenue	\$298,159	\$261,925	-\$36,234	-12.15%	
								Expenditures					
								Salaries and Benefits	\$271,175	\$206,819	-\$64,356	-23.73%	
Budget to Actual	Budget	Actual	%					Operating Expenses	\$49,781	\$44,352	-\$5,429	-10.91%	
Revenues	\$ 365,000	\$ 261,925	72%					Travel Expenses	\$984	\$592	-\$392	-39.84%	
Expenditures								Indirect Cost	\$26,017	\$20,635	-\$5,382	-20.69%	
Salaries and Benefits	\$ 276,000	\$ 206,819	75%					Total Expenditures	\$347,957	\$272,398	-\$75,559	-21.72%	
Operating Expenses	\$ 66,000	\$ 44,352	67%										
Travel Expenses	\$ 1,500	\$ 592	39%					Revenues Over Expenditures	-\$49,798	-\$10,473			
Indirect cost	\$ 26,523	\$ 20,635	78%					Rev over Exp Apr to June	-\$24,268				

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending March 2012**

ID Theft Victims Grant 2

Awarded \$ 87,484

Expended 46,635

Remaining 40,849

Mortgage Fraud Grant

Awarded \$ 1,700,500

Expended 471,837

Remaining 1,228,663

MD ID Theft Grant

Awarded \$ 50,000

Expended 8,026

Remaining 41,974

Ralph Gagliardi

Case Work:

Military Romance / Nigerian Scam

CBI / the CFI Unit, partnered with the Colorado Attorney General's Office / Special Prosecutions Unit, the Brighton Police Department and the United State Secret Service are continuing to investigate suspects in the Brighton area and their relation to numerous victims (over 80 at present) who wire and send money to fraudsters in a Romance Scam. These Colorado suspects are utilizing many Colorado Banks (8 banks) as well as Western Union and Money Gram to launder victim money that comes first to the Colorado suspects before being wired or sent back out to suspects in Nigeria. This case is being presented to the State wide Grand Jury.

Update – Executed a Search Warrant at the suspect residence in Brighton on March 14, 2012. Seized computers and other documents relative to the scheme and conducted interviews of suspects.

Trainings Provided

4/23/2012 – Colorado College Invest

Jeff Schierkolk:

Agent Jeff Schierkolk transferred to the ID Theft Unit on April 9, 2012 (he replaces Agent Rosa Perez). Agent Schierkolk comes to the Unit by way of CBI's Pueblo Major Crimes Office where he had been assigned since August of 2007. Agent Schierkolk has been assigned several Business ID Theft Cases to include a current suspected criminal episode that includes over 15 Colorado Corporations being either hijacked or created (fraudulently) with the Colorado Secretary of State's Office. Several Court Orders have been applied for and served to further track the individuals or groups responsible. The suspect(s) continue to adapt in how this scheme is perpetrated in direct response to CBI's intervention and collusion with the Colorado Secretary of State's Office.

Carol Hee
Intelligence

Case Assistance:

AIC Gagliardi – **Military Romance / Nigerian Scam**: compiling excel spreadsheets to capture wire transaction data and victim information for Grand Jury presentation.

Victim Advocate Heckers – **Citizen Assists**, provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

Aurora PD – ID Theft, Fraud; BSA information on 2 subjects.

Aurora PD – Illegal Gambling, ID Theft, Fraud; BSA information on 2 subjects.

CO Department of Revenue, Taxation Division – Tax Fraud, Embezzlement, Theft; BSA 5 subjects.

Colorado Springs PD – Embezzlement, Theft; BSA information on 1 subject.

Colorado Springs PD – ID Theft, Fraud; BSA information on 1 subject.

Colorado Springs PD – Prostitution; BSA information on 5 subjects and 2 businesses.

El Paso County DA – Embezzlement; BSA information on 1 subject.

Thornton PD – ID Theft, Fraud; BSA information on 1 subject.

Hazel Heckers

Victim Advocacy

Direct Services:

In the last quarter (January--March, 2012), the Victim Assistance Program served **259** victims, and our 24 Hour Hotline responded to **94** victims of ID theft/fraud.

Victim satisfaction surveys demonstrate **95%** satisfied or very satisfied. The reasons given for dissatisfaction by 5% of respondents include:

- Arrests not made
- Social Security Administration not responsive
- Not able to report fraud attempts unless loss actually occurred

Training/Outreach Events:

Completed:

- Criminal Justice Class Mountain Range High School
- Forensic Sciences Class Mountain Range High School
- Jump Start (6 presentations for Jump Start Programs covering Colorado)
- College Invest Staff
- Horizon High School ESL classes
- Horizon High School College Prep class
- Heritage High School
- Mountain Range High School
- Morgan Stanley Smith Barney Investors
- McClain Community High School
- Colorado County Clerks Annual Conference (speaker)
- Colorado State Patrol Academy training
- ID Theft Hotline new staff training
- Exempla Community Resource Fair
- Maryland Crime Victims' Resource Center Webinar on use of FTC website options for Law Enforcement (speaker)
- COVA Victim Rights Week Event
- Clear Creek Surgery Center
- Optimist Club
- Morgan Stanley Smith Barney Small Business Owners

Future:

- Legal Services
- Local's Day
- Senior Service Providers Forum
- Walsenburg Police Department

Medical Identity Theft Training:

On May 11, 2012 CBI hosted a Medical Identity Theft Training featuring D.A. Scott Storey and Assistant AG Michael Daughtery as well as a national subject matter expert, Pam Dixon: founder and Executive Director of World Privacy Forum. This training was held at Denver Health and was attended by 88 professionals from the medical, law enforcement, criminal justice and victim assistance field. CBI is planning to bring Ms. Dixon back to the Denver area to facilitate a 1-2 day train the trainer session on Medical ID Theft.

Identity Theft Advocacy Network of Colorado:

CBI hosted a meeting of the newly formed Identity Theft Advocacy Network (ITAN). Members agreed to focus on the established goals of the network and to add a sub-committee to organize medical facilities across Colorado to design a unified approach to medical ID theft in their facilities. Please see ITAN goals and logo attached.

Kevin Hyland Enforcement

Case Work:

El Salvador

Case synopsis: The Colorado Bureau of Investigation (CBI) and the Jefferson County District Attorney's Office investigated a Salvadorian criminal enterprise that raided financial institutions in the United States. The group had been active in the United States since 2005 and was active in the Denver metro area in early 2009. The head of the enterprise and its members are El Salvadorian nationals. Once established they open bank accounts using real and fictitious passports. The group opens between 30 and 40 accounts and begins to deposit to those accounts real, counterfeit and stolen checks to make up the deposits.

On August 8, 2011, Frank Alfonso Diaz Chaves, the group's leader, was been arrested in Houston Texas and extradited to Illinois.

Update – Guilty Plea – Frank Diaz plead guilty to the federal case on Thursday, April 5, 2012.

Tax Preparer

The CBI received a complaint from a victim who had gone to a tax preparer and based on the information provided by the preparer the victim wrote checks to the preparer for the victim's federal and State tax return. The tax preparer then keeps those funds and then prepares a different tax return. Which he then files the tax returns in the victim's name and directs the refunds to the tax preparer's bank account. We have a total of eight victims including the tax preparers' ex-wife with losses over \$100,000. We are working with the Colorado Department of Revenue and the Denver DA's office on this case.

Update – Additional witness (found more victims). Began Denver Grand Jury.

Mortgage Fraud

Business Cents – The case involves a mortgage broker and his assistant who located distressed home buyers and promised to get them out of their homes. The mortgage broker also owned several properties and rented those properties. When the tenants were renting they provided the mortgage broker with their personal identifying information. The mortgage broker with the assistance of a document manufacturer used the indentifying information his renters, without their knowledge or permission to purchase these distressed homes.

Those properties would have new renters but because the rent was not sufficient to cover the mortgage and the foreclosure process would be started. The mortgage broker then would orchestrate a second purchase of the homes, at a profit, using the renters identity's again without their knowledge. We have identified 10 properties where this has occurred.

Update – An arrest warrant was issued for the document manufacturer and the mortgage broker's assistant. The document manufacture was arrested in April, 2012. An additional person at the title company as well as an appraiser has been identified as contributing to this scheme. We are continuing with gathering documents and complete interviews. This is a Denver grand jury case.

Worldwide Realty & Mortgage – Assisted the FBI and Small Business Administration Office of Inspector General in recovering and securing 215 boxes of abandoned mortgages files from the Office of Worldwide Realty & Mortgage located on the 16th Street Mall, Denver, CO. Business owner is suspect in a 2.3 million dollar loan fraud on the SBA and the potential for further suspicious in mortgage fraud from customers (victims) they had solicited.

Assistance

Citizen Requests: 1

3/15/12 Citizen assist with mortgage fraud concern

Law Enforcement Requests: 1

3/13/12 Hayden Police Department request for SSN

Intelligence

Attended Meetings:

4/5/2012 Attended Meeting with new Federal Agency for Freddie Mac and Fannie Mae (Federal Housing and Finance Agency)

Peggy Pingel

Intelligence

Case Assistance:

Business Cents – Working with Agent Hyland / synopsis in his brief.

Update – A number of Court Orders for the Production of Records were served in March for loan files, title files and bank records. These records are being analyzed as they arrive that include the loan file and bank records. Additional title files are expected to be returned pursuant to the court orders.

Training:

4/11/2012 - Medical ID Theft

Outreach:

4/6/2012 - Assisted Debra Hoskinson with The Community Event at St Joseph's Hospital: distributed information and answered questions about ID Theft and Mortgage Fraud with both community attendees and the other vendors present at the Event.

Bev Walz

Intelligence

Case Assistance:

Weber: A real estate broker selling properties in Weld and Larimer Counties. Received title files from The Group Guaranteed Title Company for eight properties and have located three other files at Stewart Title. These files were from Western Title Funding which went out of business in 2008. The important information contained in these files is the disbursement of the seller's proceeds. In two incidences, money received from the seller's proceeds was used for the next property purchased. This can be corroborated by the bank files that were also subpoenaed.

Agent Hyland and IS WALZ are in the process of organizing all of the exhibits for presentation of the case to the 19th Judicial District Attorney's Office in Greeley.

Carpe Diem: The suspect is participating in both Short Sale Fraud and Foreclosure Rescue Schemes throughout the Denver Metro area. Approximately thirty properties have been identified in Colorado. In the Short Sale Fraud, the suspect is buying properties via short sales from distressed homeowners, allowing the homeowners to remain in the property and then deeding the house to them, either via a trust or using a different name for the original homeowners.

Update – Victims are failing to cooperate with investigation case will be closed pending further information.

Attended Meetings:

Attended a meeting with Special Agents from FHFA Office of Inspector General.

Assistance:

Assisted with five FINCen/Gateway requests.

Assisted the Department of Corrections, Parole Division with information on a parolee potentially purchasing a \$800,000 commercial property in California through a family trust.

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
August 8, 2012

AGENDA

Identity Theft and Financial Fraud Board

Meeting of August 8, 2012
Beginning at 1:30 p.m.
Parkway

First Judicial District Attorney
500 Jefferson County
Large Atrium
Golden, CO 80401

- I. Minutes – May 9, 2012 Meeting
- II. Introductions – New Board Members and Recognition Out-Going Board Members
- III. Budget
 - a. Financials
- IV. Secretary of State Update
- V. CFI Operational Report
 - a. Enforcement
 - b. Training/Education
 - c. Advocacy
 - d. Intelligence
- VI. Grants
 - a. Victim Assistance Grant Approval
 - b. Maryland Grant
- VII. Board Report Format Discussion

Financial Report

Colorado Department of Public Safety

Colorado Bureau of Investigation

ID Theft/Fraud Unit

Ending June 2012

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	124,777	115,234	103,351	93,131	82,644	72,875	87,598	149,613	141,083	138,315	142,536	139,922	124,777
Revenue	22,173	22,994	21,254	24,621	19,801	44,467	92,110	21,353	17,163	23,926	25,887	24,842	360,591
Expenditures													
Salaries and Benefits	22,985	25,467	24,253	28,163	23,003	23,003	23,172	23,172	13,601	13,601	21,553	21,553	263,526
Operating Expenses	6,351	6,964	4,494	4,101	4,244	4,418	4,495	4,329	4,956	4,730	4,730	2,290	56,102
Travel Expenses	58	-	404	-	-	-	88	42	-	-	41	-	633
Indirect Cost	2,322	2,446	2,323	2,844	2,323	2,323	2,340	2,340	1,374	1,374	2,177	2,177	26,363
Total Expenditures	31,716	34,877	31,474	35,108	29,570	29,744	30,095	29,883	19,931	19,705	28,501	26,020	346,624
Revenues Over Expenditures	(9,543)	(11,883)	(10,220)	(10,487)	(9,769)	14,723	62,015	(8,530)	(2,768)	4,221	(2,614)	(1,178)	13,967
Ending Fund Balance	115,234	103,351	93,131	82,644	72,875	87,598	149,613	141,083	138,315	142,536	139,922	138,744	138,744

Budget to Actual	Budget	Actual	%		2011	2012	Difference	% Change
Revenues	365,000	360,591	0.99	Beginning Fund Balance	198,243	124,777		
Expenditures				Revenue	369,129	360,591	(8,538)	-2%
Salaries and Benefits	276,000	263,526	0.95	Expenditures				
Operating Expenses	66,000	56,102	0.85	Salaries and Benefits	340,103	263,526	(76,577)	-23%
Travel Expenses	1,500	633	0.42	Operating Expenses	68,316	56,102	(12,214)	-18%
Indirect cost	26,523	26,363	0.99	Travel Expenses	1,538	633	(905)	-59%
Total Expenditures	370,023	346,624	0.94	Indirect Cost	32,638	26,363	(6,275)	-19%
				Total Expenditures	442,595	346,624	(95,971)	-22%
				Revenues Over Expenditures	(73,466)	13,967		
				Ending Fund Balance	124,777	138,744		

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending June 2012**

ID Theft Victims Grant 2

Awarded	\$	87,484
Expended		47,517
Remaining		<hr/> 39,967

Mortgage Fraud Grant

Awarded	\$	1,700,500
Expended		588,306
Remaining		<hr/> 1,112,194

MD ID Theft Grant

Awarded	\$	50,000
Expended		14,339
Remaining		<hr/> 35,661

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Budget
Ending June 2013**

Beginning Fund Balance	\$ 138,744
Revenue	\$ 360,000
Expenditures	
Salaries and Benefits	\$ 258,636
Operating Expenses	\$ 70,000
Travel Expenses	\$ 1,000
Indirect Cost	\$ 26,124
Total Expenditures	\$ 355,760
Revenues Over Expenditures	\$ 4,240
Ending Fund Balance	<u>\$ 142,984</u>

Includes CBI picking up 24 Hour Hotline cost in October

Ralph Gagliardi

Case Work:

Military Romance Scam

On June 14, 2012 the CFI received an indictment related to their investigation of suspects, TRACY and KAREN VASSEUR. The indictment was secured by the Colorado Attorney General's Office and is being prosecuted in Adams County. This 26 criminal count indictment include violations of the Colorado Organized Crime Control Act (COCCA), Theft, Money Laundering, Identity Theft, Forgery, Criminal Impersonation Conspiracy and Contributing to the Delinquency of a Minor. Tracy and her mother Karen are alleged to have been involved in a scheme that took no less than \$1.1 million from 374 victims, 29 of which were at-risk adults, over the span of 3 years. The victims are from all over the world (44 other countries). The Vasseurs opened up numerous bank accounts to initially launder money through from the various victims who sent money to the Vasseurs who in turn wired money back out (less their percentage) to their Nigerian fraudster counterparts. Tracy and Karen were booked into the Adams County Jail in lieu of \$50,000 bond.

Training

5/31/2012 Provided Basic and Advanced Id Theft training to Walsenburg Police Department

Miscellaneous:

AIC Ralph Gagliardi was asked to be take part in one of two Fellowship positions offered nationwide with the American Association of Motor Vehicle Administrators (AAMVA) and more specifically with their Card Design Standards Committee (CDS). AIC Gagliardi will represent the state law enforcement community with experience dealing with Identity Theft & Fraud. It is the CDS that recommends standards to all DMVs in the United States on Driver License Card Design standards with the goal of making counterfeit licenses difficult if not impossible. AIC Gagliardi will be participating in committee meetings, but would be a non-voting member.

Jeff Schierkolk
ID Theft/Fraud Enforcement

Case Work:

Global Off Road Engineering & 3 other LLC's

The CBI received a report from Dun & Bradstreet fraud investigators of possible corporate/business ID theft that may have been occurring. Four known Colorado LLC's primary agent information was changed without the consent of the owners of the LLC's. The suspects opened up a shell business in Golden using information from one LLC.

Court Orders were written and issued to Dun & Bradstreet and Wells Fargo on a primary suspect; however, there are multiple potential suspects involved, but no additional criminal activity has been detected in Colorado from them. There is a lot of money being moved between the suspects, but not in Colorado.

J&H Associates LLC

The CBI received a report from the owner of the LLC that her Registered Agent name and Address and the name of her LLC had been changed with the Colorado Secretary of State's database without her permission. Likely suspect was identified as her former father-in-law.

An interview with the father-in-law revealed he did change the information at the Secretary of State's website out of anger at his former daughter-in-law as a prank. Former daughter-in-law was instrumental in the death of his son, through a 911 call that resulted in his shooting death by Denver officers. Former daughter-in-law also stole over \$200,000 from his business and also changed documents at the Secretary of State's website on his company in order to perpetrate her theft of the money.

Case is pending filing with the Denver District Attorney's office.

Ideal Lending Solutions

The CBI received a report from a Denver resident that she was solicited by this company to sell her time share for an amount that made her suspicious. The company also needed money up front in order to make the sale happen and she declined. Further investigation with the Better Business Bureau and the Colorado Department of Regulatory Agencies (DORA) revealed other potential victims that reported unsolicited contact with this company, with similar offers to buy their time shares.

The company has a virtual office in Colorado Springs and does not return calls from law enforcement. The company was a "shelf company" out of Cheyenne, Wyoming and recently purchased by the potential suspects.

Sale of ID Documents and Burglary

The Pueblo CBI office was contacted by a reliable confidential informant who advised of a suspect that was looking to sell some stolen ID Documents. An undercover CBI Agent met with suspect and purchased a legitimate driver's license, Social Security Card and Birth Certificate. The suspect later contacted the undercover CBI Agent and wanted to sell items stolen from a residence in the Waldo Canyon fire evacuation area. The undercover CBI Agent met with the suspect and her accomplice and agreed to buy the stolen items. Both suspects were arrested at that time and subsequent investigation revealed the residence that was burglarized. The investigation is ongoing with Colorado Springs PD to determine additional suspects to multiple burglaries in the fire zone. There is one additional suspect from the initial sale of the ID Documents that has not been arrested yet. An interview with him is pending.

Frontier Bank Fraud

The CBI was contacted by executives at the Frontier Bank in Lamar, Colorado. They were defrauded of \$25,650.00 by an unknown suspect, who contacted them by email pretending to be a known account holder and requested that amount be wired to an account in California. The bank employee did so and a few days later, received two additional requests for wire transfers. The employee became suspicious at that time and contacted the account holder by phone, who told the bank employee there had been no wire transfers authorized.

A court order for the receiving bank records is being written.

Riggs Credit Card Investigation

An unknown suspect used the credit card of a business owner to open multiple LLC's with the Colorado Secretary of State that were similar in name to established LLC's and used the established LLC's Registered Agent and Address information.

Assistance

Citizen Requests: 2

7/17/2012 – Citizen requested assistance with multiple allegations stemming from a probate case they felt was wrongly decided. Citizen has “shopped” this case to multiple law enforcement agencies and all have advised her it isn't a criminal case.

7/17/2012 – Citizen requested assistance with a residential contractor they felt was defrauding them with substandard work. Citizen initially contacted local police department and when told it would be a civil issue, didn't like that assessment of their situation and contacted the CBI. Upon review of the documents and information provided, the issue was determined to be a civil issue and the citizen was given advice on potential avenues to deal with the situation.

Law Enforcement Requests: 3

6/12/2012 – the FBI forwarded a possible investigation of a Costco in Arvada receiving multiple calls on diabetes test strips. The pharmacist at the Costco received an email last year from the manufacturer warning of a potential fraud regarding diabetes test strips. The pharmacist notified her loss prevention who contacted the FBI.

7/11/2012 – The CBI was contacted by the Wisconsin State Patrol and advised they arrested a 16-year old male from Colorado with a stolen vehicle containing a number of fraudulent checks from several banks, to include a couple in Colorado. The suspect has not been positively identified as of their phone call. Several victims of ID Theft were identified and contacted by the WSP and they called the CBI to advise us of the situation and possible the need for local investigation. At this time, no assistance has been requested or provided.

7/11/2012 – The CBI was contacted by the Fruita PD on an investigation of a job offer related fraud. The victim reported to the Fruita PD he had put his resume on several internet sites and he was offered a job by a company out of Australia that wished him to be an intermediary between them and contract employees. They would deposit money into his account and he was to send money by Western Union to contract employees. The victim provided bank account information and a sum of money was deposited into it. The victim wired money via Western Union to two parties in Kiev, Ukraine and was later contacted by the bank and told the money deposited into his account was a fraudulent deposit and he needed to return the funds withdrawn. No assistance has been provided at this time on this situation.

Training

5/31/2012 - Provided Basic and Advanced Id Theft training to Walsenburg Police Department

Carol Hee

Intelligence

Case Assistance:

AIC Gagliardi – **Military Romance / Nigerian Scam:** produced Excel spreadsheets for Grand Jury presentation.

Agent Schierkolk - **Global Off Road Engineering & 3 other LLC's** – compiling background information on suspects and associated businesses.

Agent Schierkolk - **Ideal Lending Solutions** – compiled background information and research for victim complaints.

Agent Schierkolk - **Sale of ID Documents and Burglary** – compiled background information on the suspects.

Victim Advocate Heckers – **Citizen Assists**, provide workups for the advocate on various subjects in support of assistance to victims.

Assistance to other units, agencies and financial institutions:

Aurora PD – Homicide; BSA information on 1 subject.

AZ Department of Public Safety – Narcotics Smuggling: assisted with obtaining suspect photo.

AZ Department of Public Safety – Sexual Exploitation of a minor – assisted with obtaining suspects photos.

Boulder PD – Check Fraud; BSA information on 1 subject.

Boulder PD – Theft, ID Theft: BSA information on 1 subject.

Colorado Springs PD – Forgery, ID theft, Fraud: BSA information on 1 subject.

El Paso County DA – Embezzlement; BSA information on 1 subject.

Ft Collins PD – Elder Abuse; BSA information on 2 subjects.

Grand Junction PD – ID Theft, SSN of At-Risk Adult being used for employment.

Lakewood PD – Theft and Money Laundering: BSA information on 1 subject.

Los Angeles County Sheriff – Fraud, assist with obtaining suspect photo.

Windsor PD – Embezzlement BSA information on 1 subject.

Hazel Heckers

Victim Advocacy

Direct Services:

In the last quarter (April-June, 2012), CBI served **722** victims, and our 24 Hour Hotline responded to **49** victims of ID theft/fraud. A large number of victims came to CBI for support related to tax fraud in which an ID thief used the victim's social security number to file a fraudulent tax return and collect a fraudulent refund. Many of these victims are employees of HCA-HealthONE facilities in the Metro area. HCA-HealthONE is cooperating fully with the IRS to investigate how their employee files were compromised. The IRS has worked closely with CBI to provide updates and information for the victims. CBI's Victim Advocate coordinated the filing of reports with local law enforcement, reporting to the IRS, the filing of amended tax returns and other preventive services. CBI's Victim Advocate continues to receive a large number of calls from victims of Criminal ID theft and has also begun to receive more calls from victims of Child ID theft and Medical ID theft. The Victim Assistance Program has seen an increase in the number of callers who were referred to CBI for victim assistance from local law enforcement agencies. The agencies advise victims to inform CBI that they will continue to investigate the criminal activity, but do not provide victim services. Many victims state that the local law enforcement agency told them that CBI provided victim assistance for law enforcement throughout Colorado and often referred to CBI's Victim Advocate as "my victim advocate".

Victim satisfaction surveys demonstrate **100%** satisfied or very satisfied. Most comments indicated that access to a 24 hour hotline was valuable, and that the response from a coordinated CBI team was professional. Victims report receiving important information that helped them resolve the issues, feeling that they were treated with respect and that CBI was "the most valuable, responsive and helpful" agency contacted in relation to the crime.

Training/Outreach Events:

Completed April-June, 2012:

- Heritage High School (X2)
- Mountain Range High School (X2)
- National Victim Rights Week COVA Event
- Adams County College Assist Program
- McLain High School
- Clear Creek Surgery Center
- Optimist Club
- Morgan Stanley Smith Barney Small Business Organization
- Lowry Surgery Center
- Lincoln Surgery Center
- Legal Association Client Gathering

- Statewide Vital Statistics Training Conference
- Locals' Day Conference
- Rocky Mountain Surgery Center
- Front Range Community College (Education Cents Training)
- Senior Advisors of Colorado
- Medical Identity Theft Training
- Hotline New Staff Training
- Southern Colorado Law Enforcement Training (including Walsenburg PD, Huerfano County SO, Las Animas County SO, Lamar PD)
- COVA Victim Assistance Academy (1st time ID Theft has been addressed at this Academy)
- Met with State Department of Human Services Child Protection Team supervisor regarding appropriate response to Child ID Theft
- Met with Jefferson County Department of Human Services Child Protection Team supervisor regarding response to Child ID Theft
- Met with Colorado Legal Services regarding civil representation for ID theft victims

Future:

- Colorado State Child Protection Services Workers Conference
- Colorado Human Services Supervisors and Administrators Annual Conference
- CSP Academy Communications Officers
- Jefferson County Safety Day
- Hamilton, Faatz and Waller Attorneys
- Colorado Association of Financial Aid Advisors Annual Conference
- College Invest Education Sense
- Several College Criminal Justice Program Classes

Collaborations:

CBI's Victim Assistance Program works collaboratively with a number of agencies to provide quality services for victims. Recently, we have worked closely with the IRS to ensure an investigation into the thefts of personal identifying information from HCA-HealthONE's employees' files. The IRS often does not pursue tax return fraud cases. However, when a large number of HCA employees were unable to file tax returns due to fraudulent filings, CBI's Victim Advocate contacted IRS Special Agent Ron Loecker and requested an investigation. The IRS and CBI have identified over 100 victims. The IRS has already taken preliminary information to the US Attorney and hopes to have an identified defendant and an indictment by the end of this year. Through collaborations and advocacy, all HCA employees who qualified for a tax refund have received their refund despite the on-going investigation.

Child Identity Theft has been an issue for many years. However recent changes to the Colorado State Statutes requires a more pro-active and engaged response from the Department of Human Services in relation to children in foster and/or kinship care, and children who are victims of abuse.

CBI's Victim Advocate has been working with representatives from the Colorado Department of Human Services and the Child Protection Team members appointed to the Task Force to design a coordinated and effective response to the threat of Child ID Theft in Colorado.

Facebook:

The ID Theft/Fraud Investigations Unit received a grant from the Maryland Crime Victims' Resource Center to establish and coordinate the Identity Theft Advocacy Network of Colorado. This grant provides us with the technical support to launch a Facebook page dedicated to the issues of ID theft and fraud. While we are still refining our page, we hope that you will visit us and "Like" us. Please feel free to post information on the site as well. There will be a delay while we approve postings. We are working on adding in a chat option to our Facebook page. With this option, people could post questions about ID theft and fraud for Agents or our Victim Advocate to answer. We hope to host "live chat" sessions where staff will be available to answer questions immediately. If this is well received, we hope to invite other professionals to join us for chats to address issues in their area of expertise (like an IRS Agent, a representative from the DVM, etc.).

Visit us on Facebook: <http://www.facebook.com/IdentityTheftAdvocacyNetwork>

COVA (Colorado Organization for Victim Assistance):

The ID Theft and Fraud Unit will host an entire ID Theft Track at this year's COVA Conference. In addition to hosting workshops throughout the 3 day conference, we will have an information table and be given the opportunity to provide short "public service" style announcements at all group meetings (keynotes, networking meetings, welcoming and closing events). Workshops will be provided in collaboration with staff from Denver Health Medical Center and the Department of Homeland Security.

Kevin Hyland Enforcement

Case Work:

Tax Preparer

The CBI received a complaint from a victim who had gone to a tax preparer and based on the information provided by the preparer the victim wrote checks to the preparer for the victim's federal and State tax return. The tax preparer then keeps those funds and then prepares a different tax return. Which he then files the tax returns in the victim's name and directs the refunds to the tax preparer's bank account. We have a total of fifteen victims including the tax preparers' ex-wife with losses over \$100,000.

We are working with the Colorado Department of Revenue and the Denver DA's office on this case. To date we have interviewed those victims, completed a court order on the tax preparer's bank account. This is a Denver grand jury case.

Update – Wrote and executed a search warrant at the tax preparer's residence.

Mortgage Fraud:

Business Cents

The case involves a mortgage broker and his assistant who located distressed home buyers and promised to get them out of their homes. The mortgage broker also owned several properties and rented those properties. When the tenants were renting they provided the mortgage broker with their personal identifying information. The mortgage broker with the assistance of a document manufacturer used the indentifying information his renters, without their knowledge or permission to purchase these distressed homes.

Those properties would have new renters but because the rent was not sufficient to cover the mortgage and the foreclosure process would be started. The mortgage broker then would orchestrate a second purchase of the homes, at a profit, using the renters identity's again without their knowledge. We have identified 10 properties where this has occurred. This is a Denver grand jury case.

Update

The document manufacturer after being arrested has agreed to cooperate. An arrest affidavit was issued for the mortgage broker's assistant and she was arrested. Additionally the realtor, who was romantically involved with mortgage broker, has been identified as contributing to the scheme. We are continuing with gathering documents and complete interviews.

Assistance

Citizen Requests: 1

7/11/2012 - Citizen assist with mortgage foreclosure issue

Law Enforcement Requests: 2

7/12/2012 - Assist the Federal Bureau of Investigation with arrest of Walter Wise for securities violations, theft and forgery. Case filed in the 18th Judicial District

6/20/2012 - Assist the FBI with an inmate locate in Colorado Department of Corrections

Intelligence

Attended Meetings:

6/14/2012 - Attended Mortgage Fraud Task Force Meeting

Training

5/31/2012 - Provided Basic and Advanced Id Theft training to Walsenburg Police Department

6/08/2012 - Provided public training to College Invest program

Peggy Pingel

Intelligence

Case Assistance:

Worldwide Realty and Mortgage

Additional research into parties, properties, businesses and transactions associated with Worldwide Realty, Worldwide Mortgage and Worldwide Investments Firm.

Citizen Assistance:

On May 31, 2012, I spoke with a citizen regarding a potential mortgage fraud. After research, I referred the citizen on to the Attorney General's office because they had already looked into this matter.

Outreach:

6/22/2012 – Presentation at the Colorado Housing and Finance Authority for their Homeownership Education Advisory Board. This was a short presentation about trends in mortgage fraud that impact first time buyers and the educators who work with them.

6/27/2012 – I attended Housing Counselor Retreat at the Federal Reserve Bank. This was a day of training for Housing Counselors who are working with distressed homeowners. I introduced the Mortgage Fraud Unit to them and we talked about how we could make referrals.

Elizabeth Scott

Enforcement

Case Work:

Wilshire Holding - Initial stages of investigating a company which appears to be operating a type of foreclosure rescue scheme where the distressed homebuyers are paying a fee to deed their property to the company and the property subsequently goes into foreclosure. Interviews are currently being conducted on victims and suspects to determine the extent of loss to the victims. The victims resided in counties across the state and include Arapahoe, Adams, Denver, El Paso, Mesa, Larimer and Weld counties.

Bev Walz

Intelligence

Case Assistance:

Weber: Finalizing bank analysis report.

Carpe Diem: Interviews are being scheduled.

Little House: Received final mortgage file. Compiling information on each property for Agent Scott. Preparing for presentation to prosecutor's office.

Wilshire Holding Group: Assisting with the location of possible victims.

Worldwide: Researching DORA information obtained on primary suspects.

Intelligence/Assistance:

Assisted Douglas County with FinCEN information on burglary ring

Assisting the 11th Judicial District Attorney's Office with information on New Life Consultants

Report to the
Colorado Fraud Investigators
Board of Directors



Colorado Bureau of Investigation
Colorado Fraud Investigators Unit
November 14, 2012

AGENDA

Identity Theft and Financial Fraud Board

November 14, 2012

1:30

CBI

710 Kipling St, 3rd Floor
Lakewood, CO 80215



- Call to Order
- Approval of Meeting Minutes
- Introductions
- Budget
 - Financials
 - Grants
- Operational Report
 - Case Highlight
 - Victim Advocacy & Upcoming Training
- Secretary of State
 - Fact Sheet on Business Impact
 - Ideas for additional Unit Funding
 - AARP / Future grant applications
- Latest Scams & Industry Trends
 - Discussion by Board & CFI Unit
- Presentation
 - Attorney General's Office – Overview ID Theft statuses
- New Business
- Set Next Meeting
- Adjournment

MINUTES

Identity Theft and Financial Fraud Board
Colorado Bureau of Investigation
500 Jefferson County Parkway
Golden, Colorado
August 8, 2012

In Attendance:

Board Chairman Hon. Scott Storey, District Attorney, First Judicial District
Janet Drake, Prosecutor, Colorado Attorney General's Office
John Webster, Chief Financial Officer, Bank of Broadmoor, Colorado Springs
Mark Beckner, Chief, Boulder Police Department
Katie Carrol, Director of Media Relations, Better Business Bureau of Southern Colorado
Larry Kuntz, Sheriff, Washington County Sheriff's Office
Michael Stefanich, Senior Business Leader, VISA, Inc.
Keith Lobis, Regional President, Wells Fargo Bank
Ron Sloan, Director, CBI
Steve Johnson, Assistant Director, CBI
Ralph Gagliardi, Agent-in-Charge, CBI
Kevin Hyland, Agent, CBI
Bev Walz, Intelligence Analyst, CBI

Guests:

Dave Weaver, Sheriff, Douglas County Sheriff's Office
Randy Burrack, Senior VP, First National Bank
Blair Reeves, Chief Operating Officer, Better Business Bureau of Southern Colorado
Susan Medina, Public Information Officer, CBI

Absent:

Laura Rogers, Excused

The meeting was called to order by Janet Drake as Chairman Storey was running late. Ms. Drake asked for approval of the May 9, 2012 minutes. Motion to approve the minutes was made by Mr. Stefanich, seconded by Ms. Carrol. Minutes were approved with the no corrections.

Grants:

Hyland explained that the remaining balances on the three ID Theft grants were as of the end of June 2012. The balances are deceptive as it appears there is a lot left; however the state fiscal year ends June 30th while the federal fiscal year ends September 30th. A question was asked by Mr. Stefanich on how the period is for the funding of the grants. AIC Gagliardi explained when the grants expired and about the renewal process. The CBI is requesting an extension on the Mortgage Fraud and Maryland grants.

The ID Theft Victims Grant is at the end of second award cycle. A third cycle has been awarded. It is significantly less (that the original grant award). The amount of this third grant award /

cycle is \$66,926. The ID Theft unit will absorb the remaining cost of the 24hr hot line, which is \$1,200 per month. The hot line is a significant component of the grant award therefore it must be kept in order to keep the grant monies. The needed funds are included in the operating expense line of the financials. The victim assistance grant (as the award stands now) ends in February of 2014. The CBI will need to apply for a new grant to continue the hot line functions. If grant funds do not become available until October, there will be a gap in the funding of the staff and hot line.

CFI Operational Report:

The report highlights our most significant cases and we are willing to answer any questions on the cases. There have been conclusions to recent cases. A Nigerian scam case led to indictments and arrests (prosecuted by the Colorado Attorney General). A ID theft case in the Colorado Springs area that initially was going to be a longer term investigation, to purchase fraudulent documents stolen from auto and home burglaries. However, the suspects started burglarizing homes within the “fire area” in Colorado Springs lending the need for the case to come to a swifter conclusion – arrests made.

AIC Gagliardi provided highlights on the training and educational events over the last quarter. Training included regional training in Walsenburg and another with the Victim Advocate assisting the IRS (as they do not have a Victim Advocate). In the IRS situation CBI is merely assisting with the IRS handling the criminal offenses. In this case Advocate Heckers is working with over 100 victims and three CBI trainings held at Health One.

An overview of the components within CBI was given to the new members, as well as how the CBI fits into the Department of Public Safety. AIC Gagliardi described the Investigations Unit and the sub-units within it. AD Johnson explained some of the units and how the CBI works statutorily as an assist agency. An overview of the intelligence component for the Identity Theft and Mortgage Fraud Unit was also given.

Chairman Storey requested an update on an application to AARP Foundation. AIC Gagliardi has it under advisement and is looking for the right time to apply.

Budget:

Agent Hyland explained that unlike the other CBI units, the Identity Theft Unit is cash funded and more specifically by fees collected on UCC Filings, Money Remitter License Fees and Money Transmitter License Fees. The current year ended with the unit being in a position of having revenues in excess of expenditures. This is the first time in the last four years.

Ms. Carroll asked if we had ever received the funds from the Secretary of State (a delay of receiving these funds noted in past meetings). The budget does reflect the monies that were received before the end of the fiscal year. The Secretary of State staff was apologetic to the error and they were very quick to reconcile what they could. A discussion was also held to pursue additional funding through the Secretary of State’s Office.

The year began with a balance of \$124,777, revenues were \$360,591 to that we expended \$346,624 leaving us with a surplus of almost \$14,000 at the end of the June. The largest

expenditures are in the line items of Salaries \$263,526, Operating Costs \$56,102 and Indirect Costs \$26,363. This is the first year in the last three years in which we ended with a surplus.

Mr. Stefanich asked, since the revenue is still down about \$8,500 whether we are starting to see it come back? Agent Hyland explained that the revenue has stabilized.

Discussion was held on the detail provided on the Financials vs. the grant reports. It was agreed that in future reports that more detail will be provided to the board.

Mr. Stefanich, asked about the revenue stream as it is fairly steady however there is a spike in the December and January (amounts). Agent Hyland explained that the Money Wire Remitter Licenses are renewed annually during this time which creates this spike. The UCC filings provide the steady stream during the other months.

Chairman Storey explained that to increase the current revenue stream it would take legislation. The chairman would like to pursue this with the Secretary of State but this will need to wait until after the election. The board needs to thank the Secretary of State for working on the problem presented to him and to explore legislation to give us a little more revenue. The Secretary of State wants to know how does what we do impact business positively and advised CBI needed to gather information to reflect this (be prepared to show a positive impact on business). One of the aspects the Secretary of State is aware of is the problem with businesses getting scammed or assumed whereby people (fraudulently) assume the business name. AD Johnson indicated that two ideas were provided by the secretary were; allow businesses to donate to the unit when they do their filings and maybe an increase in the current fees.

AIC Gagliardi will have a face sheet put together on the data that the CBI has already gathered. Mr. Stefanich would like to see the face sheet at the next meeting. Chairman Storey suggested setting the next meeting in November, after the election.

Mr. Stefanich also asked if there is any idea of marrying the authentication credentials with the Secretary of State to fingerprints (a system used to verify a person via fingerprint). One of the authentications you could have is biometric with a link to the fingerprints. An explanation of the CBI's role in civilian's fingerprints was given. This would be a legislative change and would need to come out of the Secretary of State's office. A discussion has been held with them on authentication and it did not get as far as biometrics.

Board Report Format:

Ideas:

- Budget details on grants
- Highlight one investigative case
- Page Numbers
- Legislative Updates – Agenda
 - Handled by attorneys

- Brief overview; here is the law, here are the court rulings, here are the challenges and the gaps
- Roster of the Board to include the statutorily appointed
- Organizational chart of the CDPS and CBI
 - Have the Director expand on the CBI
- Information on upcoming training or events that the members of the unit will be involved in such as the community outreach
 - Can be a part of board report or an email
- Showing the exposure of lose to bank customers
- Latest Scam
- Consider applying for AARP grant

Janet Drake offered to give a 10-15 minute presentation on identity theft to include; criminal impersonation, and a couple of other statues that are used by the AG's office, a short overview some of the recent case law from the appellate courts and some of the trending with issues being seen. Storey offered to have the Economic Crime Unit to explain how the Grand jury is used to investigate and put together a case.

Presentation of Awards:

A presentation by CBI Director Sloan, AIC Gagliardi and Chairman Storey was made to acknowledge the outgoing board members. Douglas County Sheriff Dave Weaver and Randy Burrack were presented with a plaque of appreciation from the CBI as well as a CBI Challenge Coin and Pen. Tammy Keffler and Don Childers were unable to make the meeting. The two members who were unable to attend will receive theirs at a later date.

Discussion:

Mobile Phone Fraud – the use of mobile phones for depositing of checks. This led to a discussion of the endorsement rules for checks being scanned and clearing electronically. Webster says that he believes all the endorsement standards will have to be changed to accommodate this electronic processing.

Mr. Stefanich offered to provide some information on how mobile payments work and how digital laws might help in order to spearhead a discussion. Korea and Europe are already doing a lot of this type of banking.

Next Meeting:

Wednesday, November 14, 2012 at 1:30
 *710 Kipling St,
 3rd Floor Conference Room
 Directions to be provided by email.

Meeting Adjourned

Financial Report

Colorado Department of Public Safety Colorado Bureau of Investigation

ID Theft / Fraud Unit
Ending Sept 2013

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	Year to Date
Beginning Fund Balance	138,744	127,632	124,655	118,679	118,679	118,679	118,679	118,679	118,679	118,679	118,679	118,679	138,744
Revenue	22,404	26,888	23,398	-	-	-	-	-	-	-	-	-	72,690
Expenditures													
Salaries and Benefits	22,177	22,177	22,177	-	-	-	-	-	-	-	-	-	66,531
Operating Expenses	9,105	5,471	4,979	-	-	-	-	-	-	-	-	-	19,555
Travel Expenses	16	-	-	-	-	-	-	-	-	-	-	-	16
Indirect Cost	2,218	2,218	2,218	-	-	-	-	-	-	-	-	-	6,653
Total Expenditures	33,516	29,866	29,374	-	-	-	-	-	-	-	-	-	92,755
Revenues Over Expenditures	(11,112)	(2,978)	(5,976)	-	-	-	-	-	-	-	-	-	(20,065)
Ending Fund Balance	127,632	124,655	118,679	118,679	118,679	118,679	118,679	118,679	118,679	118,679	118,679	118,679	118,679

Comparison June FY2012 and 2013

Budget to Actual	Budget	Actual	%		2012	2013	Difference	% Change
Revenues	360,000	72,690	0.20	Beginning Fund Balance	198,243	124,777		
Expenditures				Revenue	66,421	72,690	6,269	9%
Salaries and Benefits	258,636	66,531	0.26	Expenditures				
Operating Expenses	70,000	19,555	0.28	Salaries and Benefits	72,705	66,531	(6,174)	-8%
Travel Expenses	1,000	16	0.02	Operating Expenses	17,809	19,555	1,746	10%
Indirect cost	26,124	6,653	0.25	Travel Expenses	462	16	(446)	-97%
Total Expenditures	355,760	92,755	0.26	Indirect Cost	7,091	6,653	(438)	-6%
				Total Expenditures	98,067	92,755	(5,312)	-5%
				Revenues Over Expenditures	(31,646)	(20,065)		
				Ending Fund Balance	166,597	104,712		

**Colorado Department of Public Safety
Colorado Bureau of Investigation
ID Theft / Fraud Unit
Grant Report
Ending September 2012**

ID Theft Victims Grant 2

Awarded	\$	87,484	
Pers Servc	\$	(53,869)	
Travel	\$	(2,506)	
Operating		(1,068)	
Prof Services		(15,000)	
Remaining		15,040	Extended to Nov 30, 2012 New Grant Award Dec 1, 2012

Mortgage Fraud Grant

Awarded	\$	1,700,500	
Pers Servc	\$	(548,445)	
Travel	\$	(1,272)	
Operating	\$	(24,344)	
Vehicles	\$	(8,975)	
Police Supp	\$	(1,800)	
Indirect	\$	(184,634)	
Remaining		931,030	Extended to Sep 30, 2013

MD ID Theft Grant

Awarded	\$	50,000	
Pers Servc	\$	(14,123)	
Travel	\$	(451)	
Operating	\$	(9,113)	
Other	\$	(3,097)	
Remaining		23,216	Extended to Dec, 31, 2012

CASE HIGHLIGHT

Mortgage Fraud

Business Cents – Update with Arrests

A completed investigation resulted in two indictments by a Denver Grand Jury for violating Colorado's racketeering law along with other charges. The indictment, filed on Wednesday October 24, 2012 in Denver District Court, was the result of a combined effort of CBI, the Denver District Attorney's Office, United States Office of Housing and Urban Development Officer of Inspector General and the Federal Bureau of Investigation.

WILLIAM WILSON and DIANA AGUILERA are each charged with violating the *Colorado Organized Crime Control Act* (COCCA) a class two felony and multiple counts of identity theft, forgery and offering a false instrument for recording. WILSON and AGUILERA are charged with 30 separate counts. The enterprise involved numerous properties with losses in excess of \$383,000 (to the banks) and \$290,000 of profit to the suspects with an additional \$60,000 garnered in commissions.

The indictment generally alleges WILSON, a mortgage broker, found homeowners facing foreclosure and convinced them to sell their property. The buyers that WILSON located were a combination of straw buyers and names / identities of WILSON's renters or mortgage clients. These victims were unaware that their identities had been used to purchase homes. The charges further allege that he and AGUILERA would then "buy" the properties in many cases using phony documents. WILSON would then quit claim the property from these intermediate home buyers to a company controlled by WILSON who would then sell those properties either to person(s) not qualified to buy the property or to the names / identities of WILSON's renters or mortgage clients. Again these victims were unaware that their identities had been used to purchase homes.

The person who manufactured the false documents needed to qualify these persons was also charged and pled to two counts of forgery in association with this case.

VICTIM ADVOCACY

Direct Services:

Last quarter (July-September, 2012), CBI served **240** victims. In October, CBI provided services for an additional **50** victims. Our 24 hour hotline received **6** new ID theft related calls (July-September), and **25** calls from previous callers and those seeking only information and referral. Criminal ID Theft and Child ID Theft made up a large portion of the calls with several pertaining to Medical ID Theft. The most frequently reported scams were; Romance, Home Repair, and Loan Scams. Also reported was the 'FBI Warning' Scam (computer virus).

24hr ID Theft Hotline

CBI's 24hr ID Theft Hotline contract with the Denver Center for Crime Victims was completed in September, 2012. CBI did not renew the contract.

CFI Unit staff has been answering hotline phones since October 1, 2012. There have been **21** ID theft/fraud related phone calls in October, and an additional 30-35 calls seeking information or assistance on other matters.

Victim satisfaction surveys demonstrate **95%** satisfied or very satisfied. Most respondents expressed appreciation for CBI's response and willingness to take the time to create a plan of action.

CBI has entered into a contract with the Victim Assistance Program of the Elbert County Sheriff's Office to provide coverage of the 24 hour hotline. Training and transition details are in progress.

Training/Outreach Events:

Completed July-October, 2012:

Victim Advocacy Program conducted 18 trainings / conferences relative to ID Theft and Fraud. Groups included were both from the private and public sectors. The CFI hosted four sessions at the COVA Conference in October. Topics included Medical ID Theft as well as Trends and Updates relative to ID Theft. In total XX amount of persons were trained and approximately 6000 attended the ID Theft Fair sponsored by the Jefferson County District Attorney.

Future Training:

11-15-12	AARP Fraud Fighters Conference
11-20-12	ID Theft in Foster Care Webinar (panelist with FTC)
11-29-12	Senior Advisors Organization Webinar (Ba-Hum-Bug Proof Your Holidays)
12-07-12	Exempla Community Forum
12-17-12	Delta Law Enforcement Training

FACT SHEET

CBI IMPACTS ON CORPORATE / BUSINESS IDENTITY THEFT

I. Identification

- a. Problem unknown in 2009. CBI worked to identify problem to include extent, methodology and reasons.
- b. Networked with invested stake holders.
- c. Identification of significant criminal groups operating in the United States.

II. Positive Business Impact

- a. Notification and correction of compromised businesses. Utilized CFI Unit resources to include victim advocate for business repair.
- b. Coordination with Dun & Bradstreet resulting in early detection and mitigation for victim corporations and those who extend credit.
- c. Dun & Bradstreet providing information to CBI on Colorado corporations falsely established in other states.
- d. Based on information CBI provided to Colorado Secretary of State, an improved system security for Colorado Corporations was added. This included email alerts as well as statute change for business account password protection.

III. Cases Worked

- a. CBI has identified and worked on 338 compromised businesses, (out of a total of 447 known to date).
- b. CBI has intercepted merchandise obtained during the commission of corporate identity theft and disrupted several other schemes.
- c. Apprehend individuals participating in corporate identity theft.
- d. Continue to identify new trends and techniques used by the groups committing identity theft and share this information with stake holders.

IV. Education

- a. Participated in producing a corporate ID repair tool kit.
- b. Educate virtual offices.
- c. Educate federal, state and local investigators on scope of problem and investigative techniques.
- d. Educate Chambers of Commerce groups.

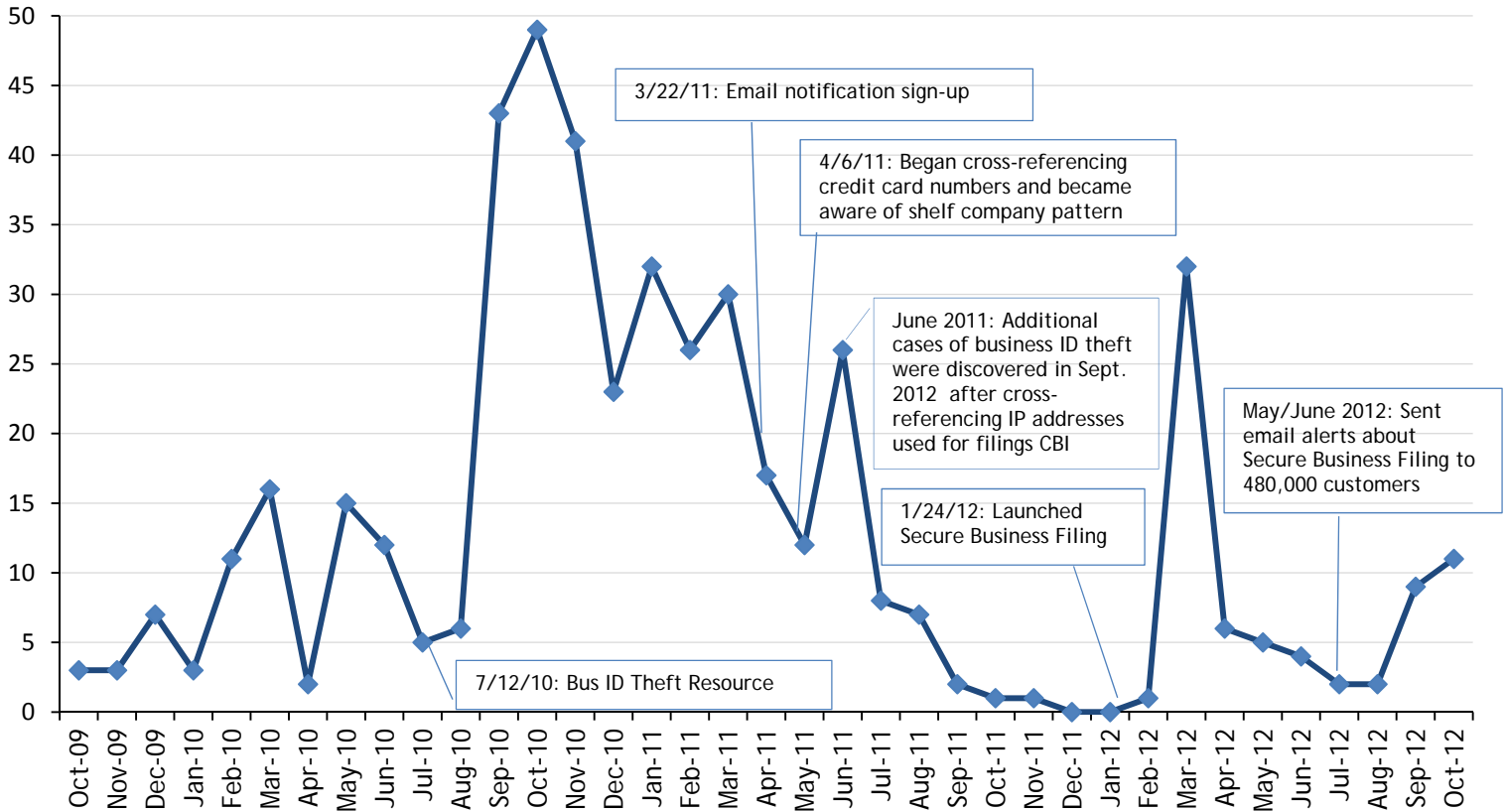
BUSINESS ID THEFT FACT SHEET CONTINUED

# of Bus ID Theft Targets (114 of which not from Delinquent Businesses)	477	
# of DISS/DLNQ Targets	363	76%
Avg # of Years from DISS/DLNQ to ID Theft	2.70	
# of Entities Stolen within 1 year of DISS/DLNQ	68	19%
# of Entities Stolen within 2 years of DISS/DLNQ	147	40%
# of Entities Stolen within 3 years of DISS/DLNQ	208	57%
# of Entities Stolen within 4 years of DISS/DLNQ	274	75%
# of Entities Stolen within 5 years of DISS/DLNQ	332	91%
# of Entities Stolen more than 5 years after DISS/DLNQ	363	100%

(Diss = Dissolved) (DLNQ = Delinquent)

Business ID Thefts per Year	
2008	2
2009	15
2010	226
2011	162
2012	72
Total	477

Reported Business ID Theft Cases Per Month



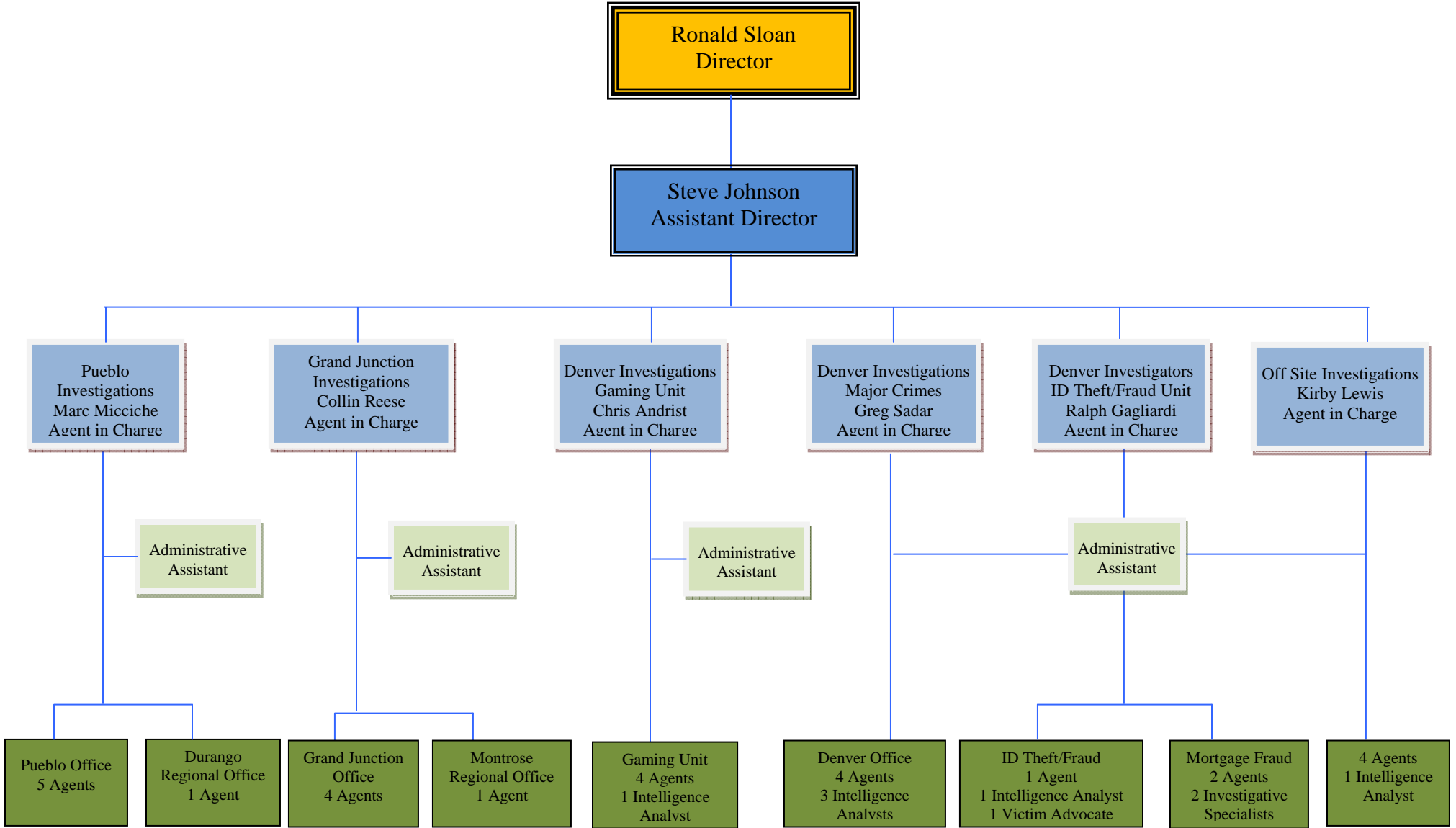
*Per Colorado Secretary of State

BOARD ROSTER

Name	Board Position	Office Phone	Email Address
Statutorily Required			
James Davis	Executive Director of CDPS	(303) 239-4400	James.Davis@state.co.us
KathySasak	<i>Deputy Director CDPS (Designee of EX Dir on Occasion)</i>	(303) 239-4400	kathy.Sasak@state.co.us
John Suthers	Coloardo Attorney General	(303) 866-4500	john.suthers@state.co.us
Janet Drake	<i>Senior Asst AG (Designee of AG on Occasion)</i>	(303) 866-5873	janet.drake@state.co.us
Scott Storey	Executive Director of CDAC	(303) 271-6800	SStorey@co.jefferson.co.us
	<i>District Attorney Jefferson County</i>		
Governor Appointments			
Keith Lobis	Rep of Depository institutions	(303) 863-6041	Keith.a.lobis@wellsfargo.com
1st Term Exp 6-30-14	<i>Regional President - Wells Fargo</i>		
Michael Stefanich	Rep of Payment Processor	(303) 389-7750	mstefani@visa.com
1st Term Exp 6-30-14	<i>Sr. Business Leader, Global Info Security Visa Inc</i>		
Mark Beckner	Rep of Police department	(303) 441-3310	Becknerm@bouldercolorado.gov
1st Term Exp 6-30-14	<i>Chief of Police - Boulder Police Department</i>		
Katie Carrol	Rep of Consumers or Victims advocates	(719) 636-5076 ext115	katiec@bbbsc.org
1st Term Exp 6-30-14	<i>BBB Director of Media Relations and Communications</i>		
Laura Rogers	Rep of Depository institutions	(303) 235-1357	Laura.Rogers@efirstbank.com
1st Term Exp 6-30-15	<i>Senior Vice President Support Services 1st Bank</i>		
John Webster	Rep of Depository institutions	(719) 633-2695	jwebster@bankatbroadmoor.com
1st Term Exp 6-30-15	<i>Chief Financial Officer The Bank at Broadmoor</i>		
Larry Kuntz	Rep of Sheriff's department	(970) 345-6865	lkuntz@co.washington.co.us
1st Term Exp 6-30-15	<i>Sheriff - Washington County</i>		

COLORADO BUREAU OF INVESTIGATION

INVESTIGATION'S ORGANIZATIONAL CHART



Training and Outreach Curriculum:

The CFI Unit has created a series of curricula and presentations to assist in professional training and community education. The presentations used most often by our staff include:

- Basic & Advanced Identity Theft and Fraud Training for Law Enforcement
- Identity Theft Investigations
- Identity Theft and Fraud for Communications Officers and Dispatch
- Fraudulent Document Detection (in collaboration with the Department of Homeland Security)
- Responding to Identity Theft & Fraud Victims (for Victim Advocates)
- Human Services Response to Child/Youth Identity Theft
- Identity Theft & Fraud Training for Hotline
- Identity Theft & Fraud Training for Financial Institutions
- Medical Identity Theft
- Business Identity Theft
- Fraud Trends
- Identity Theft Trends
- Understanding Identity Theft for Foster/Kinship Parents
- Understanding Identity Theft for Financial Aid Advisors
- Financial Planning and ID Theft/Fraud
- ID Theft Detection and Prevention for College Students
- Scams, Schemes and Predators
- New Year's Resolutions for ID Theft and Fraud Prevention
- Financial Literacy
- Senior Scams and ID Theft
- Avoiding the Predators (for youth)
- Avoiding the Predators (for Seniors)
- Vital Statistics, Registrars and County Clerks ID Theft Training
- ID Theft and Fraud Prevention and Detection for Landlords
- How to Bah Hum Bug Proof Your Holidays
- Privacy Task Force Training-Balancing Privacy Rights and Public Domain Needs
- Identity Theft & Fraud Prevention (General)
- Disaster Related Identity Theft and Fraud

Help for Victims

Identity Theft is the fastest growing crime in the US today. If you or someone you know has been a victim of Identity Theft, there is help available for you.

At the Colorado Bureau of Investigation, we are dedicated to providing victims of Identity Theft with the quality advocacy and assistance needed to restore their good names.



Colorado Bureau of Investigation

Identity Theft/Fraud
Investigation Unit
710 Kipling Street Suite 200
Denver CO 80215

24 Hour Toll Free Hotline
1-855-443-3489

Victim Assistance Program:
303-239-4649
ReportFraud@state.co.us

www.cbi.state.co.us

Visit us on Facebook

[www.facebook.com/
IdentityTheftAdvocacyNetwork](http://www.facebook.com/IdentityTheftAdvocacyNetwork)



Colorado Bureau
of Investigation

IDENTITY THEFT



**Identity Theft/Fraud
Investigation Unit**
303-239-4211

Identity Theft



Victims spend hundreds of hours and thousands of dollars clearing their names.

Identity Theft is the fastest growing crime in America.

Experts tell us that 50% of the population will become the victim of an Identity Theft in their lifetime.

If you or someone you know has been a victim, you need support.

The Colorado Bureau of Investigation (CBI) has specialists that are available to support victims in reporting the crime and beginning the process of restoring their good names.

How We Help

- ◆ Assistance Reporting
- ◆ Emotional Support
- ◆ Plan of Action
- ◆ Understanding the process
- ◆ Advocacy with
 - *Banks or Credit Unions
 - *Credit Card Companies
 - *IRS
 - *Social Security
 - *Employers
 - *Law Enforcement
 - *Prosecutors
 - *Much More



If you or someone you know has been a victim of Identity Theft, please call.



Our Victim Advocate is here to help.

**24 Hour Toll Free
Identity Theft Hotline
1-855-443-3489**

Victim Assistance Program
303-239-4649
ReportFraud@state.co.us



**Colorado Bureau
of Investigation**

Mortgage Fraud

The definition of Mortgage fraud is:

A material misstatement, misrepresentation, or omission relied on by an underwriter or lender to fund, purchase, or insure a loan.

This type of fraud is often defined as loan origination fraud. Mortgage fraud also includes schemes targeting consumers, such as foreclosure rescue, short sale, and loan modification.



**Colorado Bureau
of
Investigation
Mortgage Fraud Unit**



**CBI
INVESTIGATION UNIT
710 KIPLING ST, STE 200
DENVER, CO 80215
(303) 239-4211**

**EMAIL:
ReportFraud@cdps.state.co.us
www.cbi.state.co.us**

**Mortgage Fraud Tip Line
(720) 544-2252**

Help Us Help You!

Mortgage Fraud Facts

- Colorado ranked 10th in the nation for mortgage fraud in 2008
- Mortgage Fraud continued at elevated levels in 2010 and into 2011
- CoreLogic estimates that in 2010, more than *\$10 Billion* in loans originated with fraudulent applications
- Prevalent fraud schemes in 2010/2011 include: Foreclosure rescue, short sales, property flipping, commercial loans and builder bailout schemes



What we do

Collaborate with:

- Federal Agencies: FBI, U.S. HUD, FHA, FHFA and the United States Attorney's Office
- State Agencies: Dept. of Regulatory Agencies, Secretary of State and the Attorney General's Office
- Local law enforcements
- Banks and Lending Institutions
- Participate in the FBI's Mortgage Fraud Task Force



Investigate:

- Complaints of fraud through the purchasing and selling of property in the State of Colorado.
- Complaints stemming from the refinancing of loans.
- Foreclosures and short sale abnormalities.

Industry Professionals:

- Brokers
- Lenders
- Appraisers
- Title Agents

Contact us with tips and or complaints.



Colorado Bureau of Investigation
710 Kipling St, Suite 200
Denver, CO 80215

Phone: 303-239-4211
Fax: 303-239-5788
E-mail:
ReportFraud@cdps.state.co.us

First Steps for Victims of Identity Theft

Colorado Bureau of Investigation Identity Theft/Fraud Investigation Unit



Colorado Bureau
of Investigation
ID Theft/Fraud Unit
710 Kipling Street
Suite 200
Denver CO 80215
303-239-4649

24 Hour Identity
Theft/Fraud Hotline

1-855-443-3489
(Toll Free
English/Spanish)

First Steps for Victims of Identity Theft

This project was supported by Grant # 2009-DJ-BX-0002 awarded by the Bureau of Justice Assistance. The bureau of Justice Assistance is a component of the Office of Justice Programs, which also includes the Bureau of Justice Statistics, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention and the Office for Victims of Crime. Points of view or opinions in this document are those of the author and do not represent the official position or policies of the United States Department of Justice.

Step # 1

Report to Law Enforcement

- Report to your local Law Enforcement Agency. This can be a Police Department or Sheriff's Department. You may report on-line or in person. Some Police Agencies have Cop Shops in the community that will take your report.
- As a victim, you may need advocacy to report as some law enforcement agencies do not know that they must take a report or do not understand what kind of report to initiate. Your victim advocate will be able to help with this process.
- Colorado law states that the crime may be reported in the jurisdiction in which the victim lives or where any portion of the crime occurred:

C.R.S. 16-5-103

*"A person who knows or reasonably suspects that his or her identifying information has been unlawfully used by another person may initiate a law enforcement investigation by contacting the local law enforcement agency that has **jurisdiction over the victim's residence** or **over the place where a crime was committed**.*

*Such agency **shall** take a police report of the matter, provide the complainant with a copy of that report, and begin an investigation of the facts.*

If the suspected crime was committed in a different jurisdiction, the local law enforcement agency may refer the matter to the local law enforcement agency where the suspected crime was committed for investigation of the facts."

- This vital first step will help to protect you and assist you as you move forward with the next steps. Banks, credit reporting agencies and others may require a report from law enforcement in order to support you as a victim of crime.

If you have any problems or questions, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

1st Steps For Victims of Identity Theft

Step # 2 Report to Banks & Credit Card Companies

- Contact your bank or credit union and report the theft.
- Contact all of the credit card companies where you have a credit or debit card.
- This step is critical and must be done **quickly** to avoid a situation in which you as the victim become responsible for fraudulent charges.
- Talk with your bank/credit union representative and the staff from your credit card companies. They may suggest that you:
 - * Close existing accounts, including checking, savings, accounts with debit cards, credit card accounts
 - * Put stop payment orders on all outstanding checks or debits that have not been authorized (bank staff will work with you to ensure payments of authorized expenses)
 - * Open new accounts that are password or PIN protected and that have “fraud alerts” included
- Please take these precautions when creating new passwords or PINs
 - * Do not use the same password or PIN as on the original accounts
 - * Do not use common numbers such as your own or a family member’s date of birth, social security number, address or phone number (remember the thief may already have these)
 - * Do not use commonly chosen words or names such as the name of your child, spouse or pet—especially if you have a Facebook page or Blog in which you talk about them

Step # 2

Report to Banks & Credit Card Companies

Page 2

- Ask that closed/cancelled accounts be processed as “account closed at customer’s request” or contain another message that indicates that you initiated the closure. This will avoid negative “closed with balance” reporting to credit bureaus
- If banking or paying bills on-line, change passwords
- If you have regularly paid auto-deducts from checking/credit account, those agencies will need to be notified of account changes to avoid late fees or unpaid bills (this includes auto-deduct child support payments, insurance payments, taxes, student loans, utilities or other payments)
- Ask staff at financial institution for assistance in contacting the major Check Verification Companies and notifying them that checks have been stolen and might be misused. The companies most often contacted are:

TeleCheck: (800) 710-9898

International Check Services: (800) 631-9656

Certegy, Inc.: (800) 437-5120

If you have any problems or questions, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

1st Steps For Victims of Identity Theft

Step # 3 Report to the Federal Trade Commission

- File a report with the Federal Trade Commission (FTC).
- This report can be very helpful as a you attempt to recover from the ID Theft. Many of the agencies with which you will be working will ask for a copy of your FTC Report or your notarized FTC Affidavit. Both forms may be found on the FTC website or you may call the CBI Victim Advocate to obtain copies and assistance in completing.
- The FTC maintains an ID Theft Data Clearinghouse, and aids ID Theft investigations by collecting complaints/reports and sharing the information with law enforcement, credit bureaus, government agencies and businesses where the crime occurred.
- Secure reporting on the web
 - * www.ftc.gov/idtheft
 - * Toll free phone number
 - * 1-877-ID-THEFT (1-877-438-4338)
- Follow directions for report, print and submit.
- You will need to print and sign the Affidavit and have it notarized.
- Make copies of this report/affidavit
- Download and/or print any number of helpful guides on this website
- If you have any problems or questions, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

1st Steps For Victims of Identity Theft

Step # 4 Report to the Credit Reporting Bureaus

- Contact Major Credit Reporting Bureaus.
- Report criminal victimization, using the term “Identity Theft Victim”.
- A fraud report filed with one bureau will be shared with the other bureaus, so you only need to contact one of the bureaus to report the crime.
- Provide Police Report and FTC Affidavit.
- Ask that a “fraud alert” be placed on file.
 - * Fraud Alerts notify agencies that ID Theft has occurred and that credit applications may be fraudulent
- Review copy of credit report from **all 3** Credit Reporting Bureaus.
- Report anything that is suspicious or fraudulent according to the Credit Reporting Bureau’s policies. The process is identified on the credit report.
- Consider a Security Freeze.
 - * Similar to a fraud alert, a freeze helps prevent anyone from opening new credit accounts using the victim’s ID
 - * With a freeze, even someone with the victim’s SS# will not be able to get credit in the person’s name
 - * There is a cost:

The initial freeze is free of charge, however, there is a fee to temporarily or permanently remove the freeze (for employment, credit, buying a car or home, etc.). There is also a fee to reinstate the freeze. This fee may be charged by all 3 bureaus

Step # 4

Report to the Credit Reporting Bureaus

- Credit Reporting Bureaus:

Equifax

www.equifax.com

PO Box 740241

Atlanta GA 30374-0241

1-888-766-0008

Experian

www.experian.com

PO Box 9532

Allen TX 75013

1-888-EXPERIAN (1-888-397-3742)

TransUnion

www.transunion.com

PO Box 6790

Fullerton CA 92834-6790

1-800-680-7289

If you have any problems or questions, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

1st Steps For Victims of Identity Theft

Step # 5 Report to Agencies

- Notify agencies involved
- Your victim advocate will be able to help you with phone numbers, forms and websites for these agencies.
- A report will need to be filed with the agency involved if you know or suspect that the ID Theft involved:

Misuse of telephone or cell phone

Stolen or diverted mail

Stolen Social Security Number (see Theft of a Social Security Number Instructions at end of this report)

Stolen passport or creation of false passport

Stolen drivers license/state ID or creation of false license or ID

Stolen school ID or creation of false ID

Purchase of property in victim's name

Health care services or ID number misuse

If you have any problems or questions, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

1st Steps For Victims of Identity Theft

Step # 6 Correct Criminal History

- If the Identity Thief is using your name for criminal activity
 - when perpetrating crime
 - being arrested for a crime
 - to purchase materials to make methamphetamines
 - violation of laws governing child pornography
 - avoidance of child support payments
 - traffic violations or
 - any other type of criminal activity
- Initiate a Records Challenge with the Colorado Bureau of Investigation (if appropriate).
- It is best to contact the Colorado Bureau of Investigation Victim Advocate (303-239-4649) for assistance with this process.
- To initiate a Records Challenge:

To challenge a record, first obtain a copy of the criminal history record from the CBI (Internet or manual search). Once the criminal history record has been obtained and discrepancies are detected, a challenge of any of those discrepancies may be conducted by presenting in person, a copy of the CBI criminal history record in question and a valid driver's license or government issued photo ID to the CBI.

Fingerprints will be taken of the person disputing the criminal history record, which will then be searched through the CBI fingerprint database. Should the criminal history record presented not belong to the individual fingerprinted, a letter stating the person fingerprinted is not the same person as the individual in the criminal history record will be given to that person.

Step # 6

Correct Criminal History

Page 2

The record challenge process is completed at the CBI at 690 Kipling Street, Lakewood, Colorado during regular business hours, Monday through Friday, 8:00 AM to 4:30 PM.

Any person residing outside the Denver metro area may contact their local law enforcement agency to assist in obtaining fingerprints to conduct a record challenge. The fingerprints and the criminal history record being challenged must be sent to the CBI by the law enforcement agency.

- You may also request an Order of Factual Innocence. This document is processed through the Courts, and provides you with a document that states that you are not the party who committed the crimes. If your case has already been referred to a Prosecutor, that office may be able to help you with this document. Or you may contact the Colorado Bureau of Investigation Victim Advocate for assistance.
- Often, the ID Theft involves misdemeanor crimes, traffic violations or warrants. Each case is addressed differently. Therefore, it is critical to have an advocate assist you with clearing your good name. Call your victim advocate or the Colorado Bureau of Investigation Victim Advocate for help.

If you have any problems or questions, or for assistance in clearing your name, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

1st Steps For Victims of Identity Theft

Step # 7 Don't Give Up

- There is a lot for a victim to do after an Identity Theft.
- It can feel daunting , challenging , time consuming and unfair to address all of these issues.
- At times, you may feel overwhelmed and be tempted to just stop.
- Please remember, these are necessary steps to restore your good name and to ensure your safety in the future
- There are a few things that you can do to make it easier for you:
 - * Keep good records of who you call and what you discuss
 - * Follow up phone calls with a written letter or email so that you have a copy of what was said
 - * When sending information, send copies. You should keep the originals. If a law enforcement officer or prosecutor needs an original, ask them to sign that they have it, and keep a copy of the document in your files
 - * When mailing information, take the letter to the post office and request a return receipt or send using certified mail
 - * Keep a file in a secure and accessible location with all of the information related to the crime
 - * When you feel frustrated or confused, call your victim advocate for help and support
 - * Don't forget to take care of yourself. Try to get enough sleep, exercise and healthy foods. Call on your family and friends to support you through this challenging time. Spend time doing activities that help you feel peaceful and renewed.

Step # 7

Don't Give Up

Page 2

If you have any problems or questions, please call the Colorado Bureau of Investigation Victim Advocate (303-239-4649).

**"Take the first step in faith. You don't have to see the whole staircase.
Just take the first step."**

Martin Luther King Jr.



Contact Information

**For assistance, please contact the
Colorado Bureau of Investigation**

Victim Advocate: Hazel Heckers

303-239-4649

hazel.heckers@state.co.us

24 Hour Identity Theft and Fraud Hotline

1-855-443-3489

(Toll Free, English/Spanish)





Business Identity Theft Resource Guide

A Guide to Protecting Your Business and
Recovering from Business Identity Theft

January 24, 2012

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Introduction:

Identity theft is a crime that affects over 9 million people and costs over \$56 billion to the economy every year, according to the [Better Business Bureau](#). Identity theft impacts many consumers around the country and in Colorado. However, consumers are no longer the only targets of identity thieves.

Business identity theft (also known as corporate or commercial identity theft) is a new development in the criminal enterprise of identity theft. In the case of a business, a criminal will hijack a business's identity and use that identity to establish lines of credit with banks or retailers. With these lines of credit, the identity thieves will purchase commercial electronics, home improvement materials, gift cards, and other items that can be bought and exchanged for cash or sold with relative ease.

The damage can be devastating to the victim's business. The damage to the victim's credit history can lead to denial of credit, which can lead to operational problems. The cost to clean up and correct the damage can be hundreds of dollars and hours of lost time.

The Colorado Secretary of State, the Colorado Attorney General, and the Colorado Bureau of Investigation ID Theft Unit have developed this Business Identity Theft Resource Guide to provide businesses with the information necessary to avoid and reduce the threat of business identity theft and to help those businesses that have already fallen victim to these crimes.

Tips on Preventing and Detecting Business Identity Theft

The goal of preventing identity theft is to put in place the best possible “lock” to defend against thieves. However, preventing identity theft is like preventing any other crime: there are no 100% foolproof methods to prevent the theft from occurring. If those locks fail, the goal is to detect the theft as quickly as possible so that corrective action can be taken.

The following tips are some of the methods that will help you prevent business identity theft and detect theft in the event that your business’s identity is stolen.

Have a Plan

A business plan is a critical component of operating and running a successful business. An important, and often overlooked, aspect of a business plan is a security strategy. It is helpful to create a business protection plan that includes steps to prevent and deal with identity theft.

Protect Your Business Records and Information

Although identity theft can be a high-tech crime affecting those people who shop, communicate, or do business online, the majority of identity theft takes place offline. Stealing wallets and purses, intercepting or rerouting mail, and rummaging through garbage are some of the common tactics that thieves use to obtain sensitive information.

Therefore, it is important to maintain only those records that are necessary to run or operate your business and to shred those records that are not necessary. If you have not done so, take an inventory of the documents that you maintain. The inventory will help you to determine your exposure to risk and manage that risk.

Any documents or records that you must maintain or need to keep to run your business should be maintained in a secure location. You should also limit the amount of mail and paper with financial information printed on it to reduce the chance of criminals stealing it. If possible, you should consider signing up for electronic statements for bank accounts, credit cards, and bills whenever possible.

Never provide an employer identification number (EIN), social security number, financial information, or personal information to anyone unless you have initiated the contact and have confirmed the requesting business or the person's identity.

If a credit or debit card is lost or stolen, cancel the card immediately. Also, if a check is not processed in a reasonable amount of time, contact the payee and consider canceling the check.

Finally, if you reach the point of moving on or retiring from your business and dissolve your business, contact the credit reporting bureaus to notify them that you are closing your business and will no longer be applying for credit.

Protect Your Business On-line

Do not share financial documents, sensitive personal information, or account numbers via e-mail or other Web-based services. If you must provide this sensitive information over a website, ensure that the site is secure. A secure website is indicated with “https” in the website’s URL.

Business Records Filed with the Colorado Secretary of State

If you have registered your business with the Colorado Secretary of State, you should do the following:

- Maintain the “Good Standing” or “Effectiveness” of the business;
- Note your reporting or renewal month on a calendar;
- Timely file your reports or renewals;
- Sign up for e-mail notification for your entity or trade name (For more information about e-mail notification, go to www.sos.state.co.us/biz/businessFunctionsEmailNotification.do); and
- Periodically check your entity’s or trade name’s history.
- Sign up for Secure Business Filing. You can learn more at www.sos.state.co.us/pubs/business/ProtectYourBusiness/secureFiling.html.

Monitor Activity

The best method to detect possible identity theft is to monitor activity around your business.

You should:

- Monitor your business's credit report and, if possible, sign up for a credit monitoring service.
- Subscribe to the Colorado Secretary of State's business entity e-mail notifications service at www.sos.state.co.us/biz/businessFunctionsEmailNotification.do.
- Sign up for e-mail alerts for your accounts.
- Monitor your accounts and bills. If an unexpected bill, charge, credit card, or account shows up or a regular bill doesn't arrive, contact the billing company.

Information for Victims of Business Identity Theft

Resolving the problems caused by identity theft is a time-consuming process that will require patience and focus. When resolving identity theft problems, government agencies, financial institutions, and the credit bureaus commonly suggest the following steps:

1. Immediately contact your bank(s) and credit card provider(s).
2. Immediately report any issue to the credit reporting agencies: [Dun & Bradstreet](#), [Equifax](#), [Experian](#), and [TransUnion](#).
 - a. You should speak to the fraud department at each credit bureau. The credit bureaus can put a "fraud alert" on your file that will tell creditors to contact you before they open any accounts in your name.
 - i. [Dun & Bradstreet](#): 1-800-234-3867
 - ii. [Equifax](#): 1-800-525-6285
 - iii. [Experian](#): 1-888-397-3742
 - iv. [TransUnion](#): 1-800-680-7289
 - b. Compare the EIN of the hijacked business to the EIN of your business. Report any discrepancy to the credit reporting agencies.
 - c. You may also want to contact a list of other business credit reporting bureaus. A list of some of the other top business credit reporting bureaus is available at <http://bit.ly/bizcreditbureaus>.
3. File a report with local law enforcement and the [Colorado Bureau of Investigation](#).
4. Contact other creditors and billing companies to notify them of the identity theft.
5. Correct any incorrect information filed with the Colorado Secretary of State by filing a Statement of Correction.

- a. You may wish to include information in an attachment to the Statement of Correction that your business was the victim of identity theft.
6. Document all contacts and take notes about the conversations. Ask for names, department names, and phone extensions, and record the date you speak with each person.
7. Follow up. Make sure creditors and credit reporting agencies receive everything they have requested. It is always a good idea to place a follow-up call or send a letter for confirmation.
8. Don't throw away files. Keep all notes and correspondence in an accessible file in case they are needed in the future.
9. Continue to monitor your accounts and credit report.

Protecting Your Customers

When thinking about identity theft, a business must also think about protecting the personal and sensitive information of its customers. The following resources will help you protect your customers' personal and sensitive information:

“Facts for Business” from the Federal Trade Commission (FTC):

<http://www.ftc.gov/bcp/edu/pubs/business/idtheft/bus59.shtm>

FTC's Business Identity Theft website:

<http://www.ftc.gov/bcp/edu/microsites/idtheft/business/index.html>

“How to Protect Your Customers” from the Colorado Attorney General's Identity Theft Resource Guide:

http://www.coloradoattorneygeneral.gov/initiatives/identity_theft/how_protect_your_customers

“Protecting Personal Information: A Guide for Business” from the FTC:

<http://www.ftc.gov/infosecurity/>

Prevention Checklist

The following tips will help you to protect your business, your employees, and your customers from becoming victims of identity theft.

- Create and follow a security strategy in your business plan.
 - Designate a top-level manager to implement the plan if you become a victim.
 - If you need assistance in designing a plan, enlist an expert.
- Protect your business records on file with the Colorado Secretary of State by taking the following steps:
 - Assign a trusted person to be responsible for maintaining and monitoring your business record with the Secretary of State.
 - Sign up for e-mail notification about changes to your business record at <http://www.sos.state.co.us/biz/businessFunctionsEmailNotification.do>.
 - Sign up for Secure Business Filing. You can learn more at www.sos.state.co.us/pubs/business/ProtectYourBusiness/secureFiling.html.
 - Note your renewal/reporting dates in your business calendar and file the renewal/report on time.
 - File any changes to your business in a timely fashion (such as address, registered agent, name changes, or other changes.)
 - Periodically check your business details on the Colorado Secretary of State's website.
 - If changes have been made without your permission or knowledge, report the fraud to the Colorado Secretary of State immediately and correct your business record. Please see the "Checklist for Victims" for additional steps to protect your business.
 - Dissolve your business on the Secretary of State's website if you determine that you will no longer be doing business. However, don't unsubscribe

from e-mail notification in order to monitor the business record for unauthorized activity.

- Report any lost or stolen credit cards immediately to law enforcement and the credit card provider.
- Monitor your accounts and bills and immediately report any suspicious activity to the originating company.
- Protect your EIN (employer identification number), account numbers, and other personal information.
- Create and follow a policy for carrying, using, and reporting a lost or stolen business credit card.
- Inventory documents that you maintain.
 - Store only those documents you must keep, and keep them in a safe and secure location.
 - If you plan to discard documents, shred them using a cross cut or “confetti” shredder.
- Treat the personal information of your customers and employees with as much concern as you would treat your own.
- Do not share any sensitive information in e-mails or on any Web based service.
 - If you must share sensitive information over the Web, check that the website is secure by looking for “https” in the website address.
- Provide employees with a safe and secure location to keep their personal items (wallets, purses, car keys, etc.) while at work.
- Store employee information such as personnel files, tax, and payroll information in a secure location and limit the number of people who have access to these files.
- Use passwords to protect sensitive information.
- Avoid creating “master” users who have complete access to all of the business’s sensitive information.
- Also check out the “Protecting Your Customers” section of the Business Identity Theft Resource Guide for more information and resources.

Checklist for Victims

Resolving issues caused by business identity theft can be a time-consuming and challenging process. The following tips will help you if you are a victim.

- Remember, you are the victim. You are not to blame for the crime.
- Immediately contact your local law enforcement agency or the CBI-Denver Identity Theft Unit at 303-239-4211.
- If you need support, contact the Colorado Bureau of Investigation and request the help of a Victim Advocate.
- Immediately contact your bank(s) and credit card provider(s) and report the theft.
- Contact the largest credit reporting agencies and speak with their fraud departments to report the crime and view your business credit report.
 - Dun & Bradstreet: 1-800-234-3867
 - Equifax 1-800-525-6285
 - Experian 1-888-397-3742
 - Trans Union 1-800-680-7289
- Place a fraud alert on your business accounts.
- Compare your EIN with the EIN of the hijacked business and report any differences to the credit reporting agencies.
- For a list of other business credit reporting bureaus, see the “Information for Victims” section of the Business Identity Theft Resource Guide.
- Contact your business creditors and billing companies, and notify them of the criminal activity perpetrated in the name of your business.
- Contact creditors where fraudulent accounts were opened, and request copies of all documentation used to open or access the account(s).
- Go to the Colorado Secretary of State’s website and correct any fraudulent information by filing a Statement of Correction.

- Attach a copy of a police report and letter from law enforcement, prosecutor, or legal counsel that verifies the identity theft.
- Contact the Secretary of State's Business Division, describe the identity theft, and ask to speak with a supervisor who will assist with correcting your business information.
- Document contacts, including names, titles, phone numbers, and extensions. Include the names and numbers of all law enforcement officers you contact. If you are transferred a number of times, ask the person you eventually speak with for a direct phone number.
- Follow up all calls with a letter (with a return receipt). Also, follow up and make sure that agencies or institutions have received all documents that they need in order to assist you.
- Maintain information. Do not throw away files related to the identity theft. Keep all notes, correspondences, print outs of e-mails, copies of reports, and other documents in a secure and accessible file.
- Monitor your credit report and your business record with the Secretary of State regularly.
 - If you have not already signed up for e-mail notification with the Secretary of State, sign up at <http://www.sos.state.co.us/biz/businessFunctionsEmailNotification.do> now.
 - Sign up for Secure Business Filing. You can learn more at www.sos.state.co.us/pubs/business/ProtectYourBusiness/secureFiling.html.

Additional Identity Theft Resources

The following are important and useful resources for understanding, preventing, and correcting identity theft:

General Resources

Colorado Attorney General Identity Theft Resources:

http://www.coloradoattorneygeneral.gov/initiatives/identity_theft

Colorado Bureau of Investigation Identity Theft Unit:

http://cbi.state.co.us/inv/ID_Theft/Index_IDTheft.html

Identity Theft Resource Center – Colorado resources website:

<http://www.idtheftcenter.org/artman2/publish/states/Colorado.shtml>

Federal Deposit Insurance Corporation (FDIC): <http://www.fdic.gov/consumers/theft/index.html>

FTC's Identity Theft website: <http://www.ftc.gov/bcp/edu/microsites/idtheft/index.html>

Identity Theft Victims Advocacy Network:

http://webstarts.com/sites/0128/rbliss@spike.dor.state.co.us/s_1227910257416/index.html

Resources from the Government: www.identitytheft.gov

Social Security Administration: <http://go.usa.gov/iwT>

Social Security Fraud Hotline: 1-800-269-0271. If you suspect that someone is using your Social Security number for fraudulent purposes, call the hotline.

U.S. Department of Justice: <http://www.justice.gov/criminal/fraud/websites/idtheft.html>

U.S. Postal Service: <http://www.usps.com>.

If you believe your mail has been stolen or redirected, notify your local post office.

U.S. Postal Inspection Service: <https://postalinspectors.uspis.gov/>

U.S. Secret Service: <http://www.secretservice.gov/>

Consumer Resources

Experian Credit Freeze Information:

http://www.experian.com/consumer/security_freeze.html#state

Experian Credit Freeze Information for Colorado:

<http://www.experian.com/consumer/help/states/co.html>

The Office of the Comptroller of the Currency (OCC) publication “How to Avoid Becoming a Victim of Identity Theft”: <http://www.occ.treas.gov/idtheft.pdf>

Colorado Department of Public Health and Environment website regarding “Identity Theft and Vital Records”: <http://www.cdph.state.co.us/certs/idtheft.html>

Social Security Administration publication “Identity Theft and Your Social Security Number”: <http://www.ssa.gov/pubs/10064.html>

Social Security Administration publication “Your Social Security Number and Card”: <http://www.ssa.gov/pubs/10002.html>

Wells Fargo fraud prevention tips:

https://www.wellsfargo.com/privacy_security/fraud/protect/fraud_tips

Wells Fargo online, mobile, computer and e-mail security tips,

https://www.wellsfargo.com/privacy_security/fraud/protect/online_tips

Business Resources

Bank of America, Small Business Online Community, Play It Safe- How to Protect Your Customers' Confidential Info:

<http://smallbusinessonlinecommunity.bankofamerica.com/blogs/TechnologyManagement/2008/09/30/play-it-safe>

Bank of America, Small Business Online Community, Protect Your Business:

<http://smallbusinessonlinecommunity.bankofamerica.com/blogs/TechnologyManagement/2007/10/21/protect-your-business>

Better Business Bureau, Data Security – Made Simpler: <http://www.bbb.org/data-security/>

Colorado Division of Motor Vehicles:

<http://www.colorado.gov/cs/Satellite/Revenue-MV/RMV/1177024843128>

Call if any of your business's vehicles may have been subjected to identity theft.

FDIC publication “A Crook Has Drained Your Account. Who Pays?”:

<http://www.fdic.gov/consumers/consumer/news/cnsprg98/crook.html>

FDIC publication “Classic Cons”:

<http://www.fdic.gov/consumers/consumer/news/cnsprg98/cons.html>

FDIC publication “Your Wallet: A Loser’s Manual”:

<http://www.fdic.gov/consumers/consumer/news/cnfall97/wallet.html>

Federal Trade Commission Red Flags Rule Guidance: <http://ftc.gov/redflagsrule>

Federal Trade Commission Red Flags Rule How-to Guide:

<http://www.ftc.gov/bcp/edu/pubs/business/idtheft/bus23.pdf>

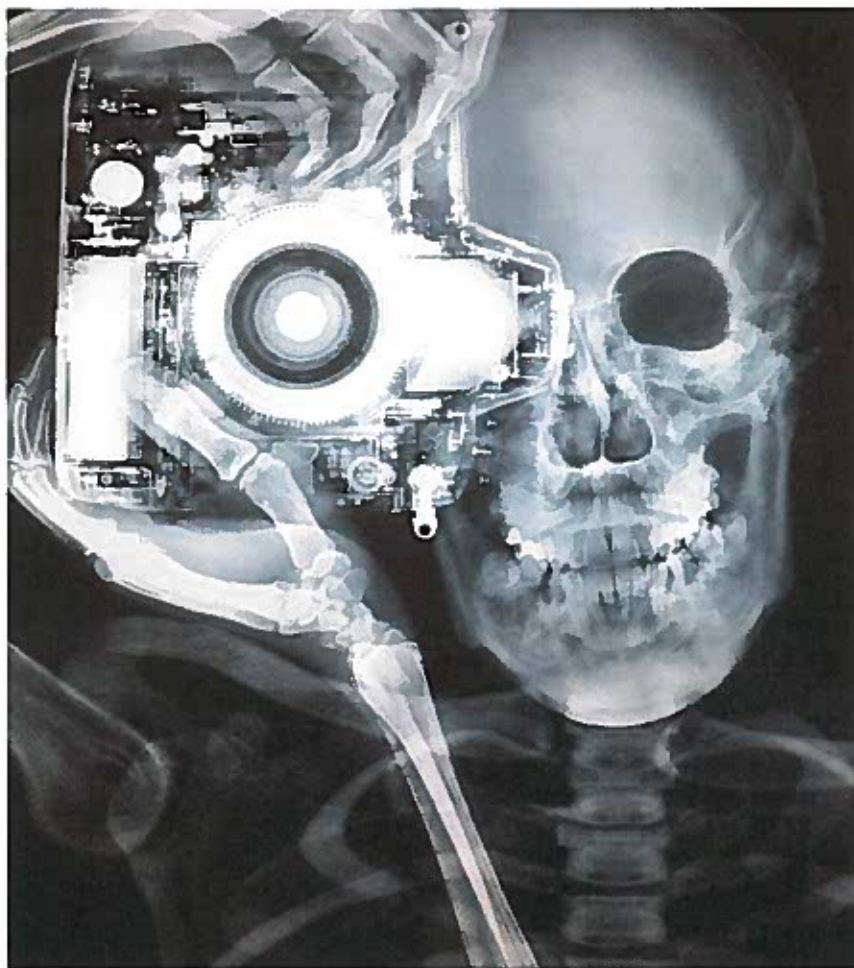
Fraud.org, Scams Against Businesses:

<http://www.fraud.org/scamsagainstbusinesses/bizscams.htm>

OCC publication “Check Fraud: A Guide to Avoiding Losses”:

<http://www.occ.treas.gov/chckfrd/chckfrd.pdf>

Medical Identity Theft: Diagnosing the Problem Seeking the Cure



Featured Speaker: Pam Dixon
Founder and Executive Director World Privacy Forum

**Medical Identity Theft:
Diagnosing the Problem Seeking the Cure**

April 11, 2012

Denver Health Medical Center

What the newest research reveals about detecting,
preventing, and curing medical identity theft in Colorado.

This training is presented to you by:

National Identity Theft Victims Assistance Network Project

Identity Theft Advocacy Network of Colorado

Denver Health Medical Center

Colorado Bureau of Investigation

For more information about the
Identity Theft Advocacy Network of Colorado

please contact the

Colorado Bureau of Investigation

303-239-4649

or by email

hazel.heckers@cdps.state.co.us

ralph.gagliardi@cdps.state.co.us



Training Agenda

9:30 am

Welcome: Denver Health Medical Center
Chief Financial Officer
Peg Burnette

9:40 am

National Identity Theft Victims Assistance Network Project
Russell Butler & Laura Ivkovich

9:50 am

Opening Remarks: Colorado Attorney General's Office
Deputy Attorney General Criminal Justice Section
Michael Dougherty

10:10 am

Opening Remarks: District Attorney First Judicial District
Scott Storey

10:30 am

Medical ID Theft from the Victim's Perspective
Lisa Rue, Ph. D

11:00 am to 1:00 pm

Medical Identity Theft
National Expert
Founder and Executive Director World Privacy Forum
Pam Dixon

Presenter Biographies:

Featured Speaker, Pam Dixon, Founder and Executive Director World

Privacy Forum: Pam Dixon founded the World Privacy Forum in November 2003. An author and a researcher, she has consistently broken critical new ground in her work. She has written highly respected and influential studies in the area of privacy; she researched and wrote the first report to exist on medical identity theft (May 2006), identifying and bringing that topic to the public for the first time.

Medical identity theft is now a widely acknowledged issue. In 2008, a California law was passed based on Dixon's research. She has written other influential studies in the area of workplace and job search privacy as well as financial privacy and Internet privacy. Dixon is a board member of HITSP, a national-level board for determining health information technology standards. In 2008, Dixon won the Consumer Excellence Award.

Dixon was formerly a research fellow with the Privacy Foundation at Denver University's Sturm School of Law. There, she researched and wrote about technology-related privacy issues. Dixon has written extensively about technology both as a book author and as a former columnist for the San Diego Union Tribune. Ms. Dixon has written seven books for major publishers, including two critically acclaimed books about technology and consumers. Her books include titles for Random House / Times Books, among other major publishers. Dixon's first book was a finalist for the Computer Press Awards. Her book on distance education is a classic and is used in college classrooms today. Dixon is frequently quoted in the media regarding privacy and security issues.

Peg Burnette, CPA, Chief Financial Officer Denver Health Medical Center:

Peg Burnette is the Chief Financial Officer (CFO) for Denver Health (DH), and has served in this role for eight years with nine previous years at Denver Health as Associate CFO/Controller. She has held an active Certified Public Accountant license since 1991 and holds a B.S. in Business Administration and Accounting from the University of Kansas. Ms. Burnette received the "CFO of the Year" award in 2010 from the Denver Business Journal and is certified as a Fellow in the Healthcare Financial Management Association, only one of 2,400 people nationwide to receive this designation. Colorado's governor appointed her to serve on a statewide commission on health care reform in 2007 and most recently appointed her to serve on the Provider Fee Oversight and Advisory Board for the State in 2011.

Michael Dougherty, Deputy Attorney General Criminal Justice Division : Michael Dougherty is the Deputy Attorney General of the Criminal Justice Section for the Colorado Attorney General's Office. He supervises several units, including Financial Fraud, Securities Fraud, Insurance Fraud, Special Prosecutions, Homicide Assistance, Environmental Crimes, Medicaid Fraud, and the Peace Officer Standards and Training. Through the use of the Statewide Grand Jury and the experience of the staff, the Criminal Justice Section is uniquely equipped to handle complex fraud and theft cases.

Mr. Dougherty came to the Colorado Attorney General's Office in 2010 after serving as Assistant District Attorney in the Manhattan District Attorney's Office. He served as the supervisor of the Colorado DNA Justice Review Project in the review of post-conviction cases of forcible rape, murder, and non-negligent manslaughter to determine whether biological evidence may exist that might, through DNA analysis, demonstrate actual innocence.

Mr. Dougherty has provided many trainings and workshops, on a wide variety of topics, to a diverse groups. In 2006, he lectured to investigators and prosecutors at the Supreme Prosecutor's Office of South Korea. As an adjunct professor at Fordham University, Mr. Dougherty taught courses on Constitutional Law and Criminal Procedure, as well as, a course entitled Judicial Behavior.

Mr. Dougherty is currently serving as an Adjunct Professor for the University of Denver School of Law.

Laura Ivkovich: Office for Victims of Crime: Laura Ivkovich is the lead Policy Analyst with the Office for Victims of Crime (OVC), Office of Justice Programs (OJP), U.S. Department of Justice, where she has worked for 20 years to improve the rights and services for victims of crime. Laura oversees programs designed to assist victims of financial fraud and identity theft at the national, regional, state, and local levels and currently serves as co-chair for the Victims' Rights Committee to a government-wide Task Force on Financial Fraud. Laura has twice received the Assistant Attorney General's Award – first in 1995, for her work on revising the *Attorney General Guidelines for Victim and Witness Assistance* and again in 2007 for her national policy work on identity theft.

Laura previously held positions with the Arizona Attorney General's Office – serving as Senior Legal Research Specialist, Assistant Director of Special Operations, and Director of the Attorney General's Victim/Witness Assistance Program, where she initiated the first volunteer driven, prosecutor-based, state victim/witness assistance and appellate notification program of its kind in the country.

Presenter Biographies:

Scott Storey, District Attorney First Judicial District: Scott Storey was elected District Attorney by the citizens of Jefferson and Gilpin counties in November, 2004. He has been a prosecutor for 25 years, 22 of those with the First Judicial District Attorney's Office. A Colorado native, Storey graduated from Littleton High School and received his undergraduate degree from the University of Denver. He earned his law degree from the Gonzaga University School of Law Scott to law school in 1980 and shortly thereafter found that his true calling was prosecution. An experienced prosecutor, Storey believes that it is important not to simply seek convictions, but to do justice. He understands the value of community involvement and is committed to the rights of all crime victims

DA Storey is the Chairman of the Statewide Identity Theft and Financial Fraud board and Vice Chairman of the Child Youth Leadership Commission. In addition, Storey serves on the Tony Grampas Youth Crime Services board, the Seniors' Resource Center board, the West Metro Drug Task Force board and the Jefferson County Community Corrections board. He is also on the Development Committee for Jefferson County's Boys & Girls Club, the Juvenile Services Planning Committee and the Criminal Justice Strategic Planning Committee. Storey lives in Lakewood, has two daughters and four grandchildren.

Lisa A. Rue, Ph.D.: Dr. Rue has a degree in Educational Leadership and is a certified health educator with 23 years of experience in public education. Currently, Dr. Rue specializes in program evaluation as an Assistant Professor in the Applied Statistics and Research Methods program in the College of Education and Behavioral Sciences at the University of Northern Colorado. She specializes in teaching evaluation courses to graduate students who are completing their degrees in Applied Statistics and Research Methods. She has extensive experience conducting internal, external and cross-cultural evaluations for projects across the United States and in South Africa. She has worked as Principal Investigator or Co-Principal Investigator of 10 state or national evaluation projects. She has published 14 articles and technical manuals in the field of research and evaluation, and her work is frequently presented at professional conferences.

Russell Butler, National Identity Theft Victims Assistance Network, Executive Director of the Maryland Crime Victims' Resource Center, Inc: Mr. Butler has been an adjunct professor at the University of Baltimore Law School since 2005. He served as the chair of the Maryland State Bar Association's Section on Criminal Law and Practice from 2004 to 2005, and as co-chair of the Victim Committee of the American Bar Association's Criminal Justice Section from 2006 to 2010. .

Special Thanks

We would like to offer our special thanks to the behind the scenes people who have made this training possible.

Please join us in thanking:

Melissa Remund, Denver Health Medical Center

Larry Whitted , Denver Health Medical Center

Tammy Chasteen, Denver Health Medical Center

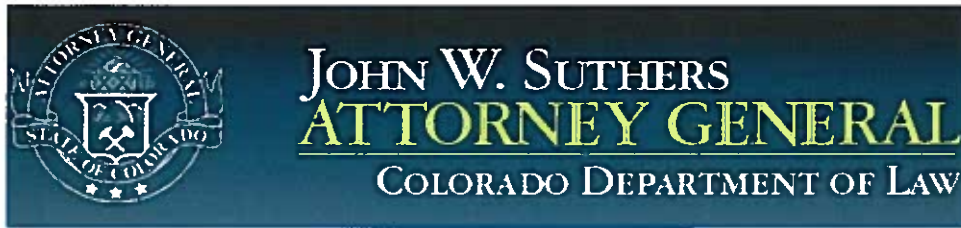
The Identity Theft Investigations Unit of the
Colorado Bureau of Investigation

Merry O'Brien, National Identity Theft Victims Assistance
Network Project

Keith Gethers, National Identity Theft Victims Assistance
Network Project

A large, elegant cursive signature that reads "Thank You". The letters are fluid and connected, with a prominent loop at the end of the word "You".

This training is provided by the Colorado Bureau of Investigation and the Identity Theft Advocacy Network of Colorado under award # 2010-VF-GX-K030, awarded by the Office for Victims of Crime, Office of Justice Programs, U.S. Department of Justice. The opinions, findings, and conclusions or recommendations expressed in this training are those of the contributors and do not necessarily represent the official position or policies of the Maryland Crime Victims' Resource Center, Inc. (MCVRC) or the U.S. Department of Justice.



DATA BREACH

**Colorado
Bureau of
Investigation
Identity Theft
&
Fraud Unit**

**24 HOUR
IDENTITY THEFT
& FRAUD
HOTLINE
1-855-443-3489
(TOLL FREE)**

**VICTIM
ADVOCATE
303-239-4649**

**EMAIL
REPORTFRAUD@
STATE.CO.US**



Tips Following A Data Breach

Identity Thieves are creative when it comes to obtaining information your business may keep stored in a computer system. Theft of computers, hacking into systems or infecting computers with viruses all put your business at risk. Prevention is the best option. But what happens if your best efforts are not enough to keep the ID thief at bay?

Under Colorado Law, your business has an obligation to notify potential victims of the Data Breach. Here are some tips you could provide that will help potential victim protect their identity:

- ◆ Report the ID Theft to the Federal Trade Commission and complete an Identity Theft Affidavit. Many agencies you will deal with will ask for this Affidavit. This may be done on-line at <http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers/filing-a-report.html>
- ◆ Contact one of the three credit reporting bureaus and notify them that you may be a victim of Identity Theft. Place a Fraud Alert on your credit. You only need to contact one of the three bureaus. That agency will contact the other two and add an alert on your behalf
- ◆ Consider placing a temporary Credit Freeze on your credit account. While speaking with the credit reporting bureau, you may ask for information about placing a freeze. You must request a Credit Freeze in writing, so placing the initial Fraud Alert will help protect your credit while you process the Credit Freeze
- ◆ Obtain a copy of your credit report so that you will know what is on your report before any potential ID theft has occurred. Placing Fraud Alerts, Credit Freezes and obtaining your credit report are free to you in Colorado as a victim of ID Theft
- ◆ Contact your bank or credit union, especially if the data breach included any of your financial information, such as information for direct deposit. Discuss your options with your financial institution. Some will suggest closing accounts, while others have extensive fraud protection programs and will closely monitor your accounts for fraudulent usage

DATA BREACH

**Colorado
Bureau of
Investigation
Identity Theft
&
Fraud Unit**

**24 HOUR
IDENTITY THEFT
& FRAUD
HOTLINE
1-855-443-3489
(TOLL FREE)**

**VICTIM
ADVOCATE
303-239-4649**

**EMAIL
REPORTFRAUD@
STATE.CO.US**



Tips Following A Data Breach

- ◆ If your health insurance or other benefit program information was compromised, contact your carriers and alert them of the breach.
- ◆ If the data breach included a copy of your drivers license or state ID, notify the Division of Motor Vehicles of the theft
- ◆ Be alert to any unusual mail or emails that you receive. Communications about your loan application, your new credit card or an overdue payment on accounts that you do not have may indicate ID theft
- ◆ If the IRS notifies you that someone has filed tax returns in your name, call the Colorado Bureau of Investigation for help right away
- ◆ Report any suspicious activity to your local law enforcement agency or to the Colorado Bureau of Investigation immediately
- ◆ Learn more about Identity Theft and ways to protect yourself by contacting the Colorado Bureau of Investigation Victim Assistance Program at 303-239-4649 or by visiting the following website: www.FTC.gov

**For more information or a community presentation please
contact**

Colorado Bureau of Investigation

303-239-4649

Email: ReportFraud@state.co.us

DATA BREACH

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Colorado state law requires businesses to take action and notify effected employees or customers if a data breach occurs.

This notification may take on a number of forms.

Notification may be delayed if requested by Law Enforcement who has determined that notification would impede investigation of the breach.

A business may be required to make notification to consumer reporting agencies that compile and maintain files on consumers.

Violations of this state statute may result in action taken by the Colorado Attorney General.

While not required by the law, it demonstrates adherence to Best Practices for a business to provide employees or customers whose information has been potentially compromised with some information about ID Theft and some tips for preventing ID Theft from occurring. Please see the attached alerts for assistance with this information.

Colorado Revised Statutes 6-1-716 Notification of Security Breach is attached,

**For assistance or questions, please contact the
Colorado Bureau of Investigation
Identity Theft & Fraud Investigations Unit:
303-239-4211**

DATA BREACH

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**C.R.S. 6-1-716
COLORADO REVISED STATUTES**

*** This document reflects changes passed at the Second Regular Session and First Extraordinary Session of the Sixty-Eighth General Assembly of the State of Colorado (2012) ***

**TITLE 6. CONSUMER AND COMMERCIAL AFFAIRS
FAIR TRADE AND RESTRAINT OF TRADE
ARTICLE 1. COLORADO CONSUMER PROTECTION ACT
PART 7. SPECIFIC PROVISIONS
C.R.S. 6-1-716 (2012)**

6-1-716. Notification of security breach

(1) Definitions. As used in this section, unless the context otherwise requires:

(2)

(a) "Breach of the security of the system" means the unauthorized acquisition of unencrypted computerized data that compromises the security, confidentiality, or integrity of personal information maintained by an individual or a commercial entity. Good faith acquisition of personal information by an employee or agent of an individual or commercial entity for the purposes of the individual or commercial entity is not a breach of the security of the system if the personal information is not used for or is not subject to further unauthorized disclosure.

(b) "Commercial entity" means any private legal entity, whether for-profit or not-for-profit.

(c) "Notice" means:

- (I) Written notice to the postal address listed in the records of the individual or commercial entity;
- (II) Telephonic notice;

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(d) (I) "Personal information" means a Colorado resident's first name or first initial and last name in combination with any one or more of the following data elements that relate to the resident, when the data elements are not encrypted, redacted, or secured by any other method rendering the name or the element unreadable or unusable:

- (A) Social security number;
- (B) Driver's license number or identification card number;
- (C) Account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to a resident's financial account.

(II) "Personal information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records or widely distributed media.

(2) Disclosure of breach. (a) An individual or a commercial entity that conducts business in Colorado and that owns or licenses computerized data that includes personal information about a resident of Colorado shall, when it becomes aware of a breach of the security of the system, conduct in good faith a prompt investigation to determine the likelihood that personal information has been or will be misused. The individual or the commercial entity shall give notice as soon as possible to the affected Colorado resident unless the investigation determines that the misuse of information about a Colorado resident has not occurred and is not reasonably likely to occur. Notice shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement and consistent with any measures necessary to determine the scope of the breach and to restore the reasonable integrity of the computerized data system.

(b) An individual or a commercial entity that maintains computerized data that includes personal information that the individual or the commercial entity does not own or license shall give notice to and cooperate with the owner or licensee of the information of any breach of the security of the system immediately following discovery of a breach, if misuse of personal information about a Colorado resident occurred or is likely to occur. Cooperation includes sharing with the owner or licensee information relevant to the breach; except that such cooperation shall not be deemed to require the disclosure of confidential business information or trade secrets.

DATA BREACH

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(c) Notice required by this section may be delayed if a law enforcement agency determines that the notice will impede a criminal investigation and the law enforcement agency has notified the individual or commercial entity that conducts business in Colorado not to send notice required by this section. Notice required by this section shall be made in good faith, without unreasonable delay, and as soon as possible after the law enforcement agency determines that notification will no longer impede the investigation and has notified the individual or commercial entity that conducts business in Colorado that it is appropriate to send the notice required by this section.

(d) If an individual or commercial entity is required to notify more than one thousand Colorado residents of a breach of the security of the system pursuant to this section, the individual or commercial entity shall also notify, without unreasonable delay, all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis, as defined by 15 U.S.C. sec. 1681a (p), of the anticipated date of the notification to the residents and the approximate number of residents who are to be notified. Nothing in this paragraph (d) shall be construed to require the individual or commercial entity to provide to the consumer reporting agency the names or other personal information of breach notice recipients. This paragraph (d) shall not apply to a person who is subject to Title V of the federal "Gramm-Leach-Bliley Act", 15 U.S.C. sec. 6801 et seq.

(3) Procedures deemed in compliance with notice requirements. (a) Under this section, an individual or a commercial entity that maintains its own notification procedures as part of an information security policy for the treatment of personal information and whose procedures are otherwise consistent with the timing requirements of this section shall be deemed to be in compliance with the notice requirements of this section if the individual or the commercial entity notifies affected Colorado customers in accordance with its policies in the event of a breach of security of the system.

(b) An individual or a commercial entity that is regulated by state or federal law and that maintains procedures for a breach of the security of the system pursuant to the laws, rules, regulations, guidances, or guidelines established by its primary or functional state or federal regulator is deemed to be in compliance with this section.

DATA BREACH

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(4) Violations. The attorney general may bring an action in law or equity to address violations of this section and for other relief that may be appropriate to ensure compliance with this section or to recover direct economic damages resulting from a violation, or both.

The provisions of this section are not exclusive and do not relieve an individual or a commercial entity subject to this section from compliance with all other applicable provisions of law.

HISTORY: Source: L. 2006: Entire section added, p. 536, § 1, effective September 1. L. 2010: (2)(d) amended, (HB 10-1422), ch. 419, p. 2064, § 9, effective August 11.



2012 New Year's Resolutions to reduce risk of Identity Theft and Fraud

Provided by the Colorado Bureau of Investigation
Identity Theft & Fraud Investigations Unit



For more information, please contact
Colorado Bureau of Investigation
Identity Theft & Fraud Unit
Victim Advocate: 303-239-4649



RESOLUTIONS? ME??
JUST WHAT ARE YOU
IMPLYING? THAT I NEED
TO *CHANGE*?? WELL, BUDDY,
AS FAR AS *I'M* CONCERNED,
I'M PERFECT THE WAY
I AM!



2012 NEW YEAR'S RESOLUTIONS

To Reduce Risk of Identity Theft & Fraud

Obtain a FREE copy of your credit report

Free copies of your credit report are available once a year from Annual Credit Report Request at

www.annualcreditreport.com or by calling 1-877-730-4104

If you do not know how to read a credit report, ask your personal banker or a financial advisor to help you read and understand it

If anything on your credit report is inaccurate, follow the instructions with your report to dispute and correct entries

OPT OUT

Opt Out of prescreened credit card offers by contacting 1-888-567-8688 or www.optoutprescreen.com

Do Not Call Lists:

Colorado: 1-800-309-7041 or 303-776-2678

www.coloradonocall.com

National: 1-888-382-1222 or www.ftc.gov/donotcall

Junk Mail and Junk Email Opt Out: 212-768-7277 x1500 or www.dmachoice.org

Opt out of promotions with your existing credit card companies (like courtesy checks) by calling the company's customer service

By opting out, you reduce the risk of ID thieves and scam artists getting your personal information



Review and update computer security systems

Consult with a professional if possible and make sure all of your computer security systems are up to date and functioning properly

Keep your computer safe from hackers by following safe computer practices like:

- Log off after each session
- Change passwords frequently
- Take caution when opening emails
- Do not click on links contained in emails or on websites you do not trust
- Shop only on secure websites
- Never have your computer remember your passwords

For more cyber security tips, visit www.onguardonline.gov

Vow to never wire money to strangers

Many scams ask you to wire money and cash checks.

Remember: NEVER wire money to a stranger!

- You have not won a lottery
- Your new employer does not need you to cash a check and wire money overseas
- Your loved one is not stranded or in jail
- The love of your life you met online does not need your money
- Legitimate buyers do not overpay for purchases on Craigslist

Clean up

Clean out your wallet to remove anything that contains your social security number (with exception of Military ID)

Remove extra credit cards that are not in use from your wallet or purse, and leave the checkbook at home when not in use

Create a safe and secure place at home to store anything that contains any personal identifying information or financial information



Carefully review ALL credit card and bank statements AS SOON AS THEY ARE AVAILABLE

Your credit and debit card information can be stolen without your knowledge. The use of skimmers, electronic pick pocketing and server hacking allows thieves to steal your information while you still have possession of your card

By carefully reviewing your statements and immediately reporting any problems to your financial institution, you can stop the thieves from cleaning out your accounts

Go to the Post Office or Pay Online

ID thieves will steal outgoing mail from your mailbox in the hopes of obtaining checking account or credit account information

Instead of paying bills by placing checks in your home mailbox, take your mail to the Post Office or pay online through secure sites, like your bank or credit card website

Change all passwords and PIN

Most of us use the same password and PIN year after year. Sometimes we even use the same password or PIN for multiple accounts. ID thieves are very good at figuring out your passwords and PIN's putting you at risk

Change your passwords and PIN's regularly to reduce risk. Do not use the last 4 digits of your social security number, family member birth dates, your address or phone number as PIN's or the names of your children, spouse or pets for passwords

The best passwords contain words, numbers and symbols

Never keep passwords or PIN's written down in your wallet, next to the computer or in a file labeled "Passwords" in your computer files



Check medical and health insurance records

Medical Identity Theft is a growing problem. Medical ID Theft occurs when someone uses your ID to access medical treatment. It is hard to prevent this type of ID Theft, but you can correct records so that you do not have long term problems related to the theft

Contact your health insurance carrier and your physician and ask to review your records. If you notice procedures that you did not receive report it immediately

Read your PEBES

Every year, the Social Security Administration sends a Personal Earnings and Benefits Estimated Statement (PEBES). This report shows any earnings connected with your social security number.

If you notice any earnings or activities that are not accurate, contact the Social Security Administration immediately to report

Update security settings on Facebook and other social media sites

Social media is great for sharing information about our lives with friends and loved ones. ID thieves and scam artists also access this information and use it to their advantage.

To reduce your risk, be careful about what you post and make sure your security settings are updated

Remember: never "friend" someone you do not know or allow people you do not know to access your "Friends Only" information



Disable the location readings on mobile device photo sharing programs

Do you share photos on mobile devices? Did you know that those great photos of you and your BFF might contain information that would allow a stalker or scam artist to track your actions?

Check your “settings “ or “options” application and disable the location readings. This is especially important if you have been a victim of domestic violence or stalking.

Check your children’s mobile devices as well to offer additional protection from predators

Make a charitable giving plan

Making a charitable giving plan at the beginning of the year allows you to plan your giving for the year reducing your risk of being taken in by a charity scam

Check out a charity before you give at:

www.charitynavigator.org or www.give.org

Consider including your personal faith community or a local food bank or other charity where you will be able to see your donation at work

Never give to a charity calling on the phone or going door to door, even if they say they are with a police or fire agency. Always ask for written materials to be mailed to you so you may make a wise decision about giving

Call the Colorado Bureau of Investigation (CBI)

Call CBI for more information on crime prevention or to schedule a presentation in your community.

CBI Identity Theft/Fraud Unit Victim Advocate: 303-239-4649

BLACK FRIDAY GREAT DEALS FOR THE SCAM ARTISTS AND ID THIEVES!

Black Friday and Cyber Monday are known as the biggest shopping days of the year. There are some great deals. BUT buyers must beware of scams and the tricks Identity Thieves will use!

Here are some tips to stay safe and enjoy a happy holiday season.

- Read ads carefully. The item pictured may not be the item that is actually on sale, or you may have to purchase multiple items to get the great price
- Always keep your receipts, not just the gift receipt
- Check your receipts carefully and make sure everything on the receipt is correct before you leave the store
- Ask about the store's return or exchange policy BEFORE you purchase. Some stores will not allow returns of items purchased on sale or will give you only a few days to return items
- When using credit or debit cards, swipe your card only after the purchases have been totaled. That way, if you have a dispute, it can be resolved before anything is charged to your account
- Shield your hands when entering your PIN number to preserve your privacy, and never use a point of sale machine or ATM machine that looks as if someone has tampered with it
- AS SOON as you get home, check your credit and debit accounts. Make sure that the purchases listed match up with your actual purchases. If anything is incorrect, contact your financial institution IMMEDIATELY.

BLACK FRIDAY GREAT DEALS FOR THE SCAM ARTISTS AND ID THIEVES!

Prefer to shop online? Here are some tips to increase safety when cyber shopping:

- Beware of “One Day Only” or “Buy in the Next Hour” deals
- Purchase gift cards directly from the merchant or authorized retail merchants, not through online auctions or Craigslist/EBay sales
- Guard against phishing emails that indicate there is a problem with your account and ask you to contact them or click on a link to find out what is wrong
- Never open email receipts for items you did not purchase
- Log on directly to the official Web site for businesses rather than clicking on links
- Do not complete forms that require personal identifying information
- Shop on well known and trusted sites
- Always look for “https” in the site’s address. A trusted site might also include a picture of a locked padlock
- Do not trust photos of items. Read the item description to ensure you are ordering the item you want
- Understand the site’s return policies before you purchase
- Don’t be taken in by offers to provide free shipping if you sign up for a preferred customer account. These accounts are not always free, and you may pay much more than you would have for shipping

BLACK FRIDAY
GREAT DEALS FOR THE SCAM ARTISTS AND ID
THIEVES!

- Consider using bank issued prepaid credit cards for online purchases. They will not contain any personal identifying information
- Obtain tracking numbers for shipments and determine the carrier who will deliver (Post Office, Fed-EX, UPS, etc.)
- Print out and save your order so that you have documentation of the sale
- Do not have your computer remember your bank account or credit card information
- AS SOON as you complete your shopping, check your credit and debit accounts. Make sure that the purchases listed match up with your actual purchases. If anything is incorrect, contact your financial institution IMMEDIATELY.
- Always log off of sites and remember to log off and shut off your computer when you have finished shopping

**For all of your holiday shopping, take precautions to ensure you are safe, and remember, whether shopping in person or online...
If it looks too good to be true, IT IS!**

**For more information, please contact
Colorado Bureau of Investigation Identity Theft/Fraud Unit
303-239-4649
Or call our 24 hour ID Theft/Fraud Hotline
1-855-443-3489
(Toll Free, available 24 hours, including holidays and weekends)**



Safe Holiday Online Shopping



Do you plan to shop on Craigslist or other online community marketplaces this holiday season? So do the scam artists and identity thieves. Here are a few simple tips to decrease your risk of becoming a victim:

Buyer Beware!

- **Beware of hard sell tactics and too good to be true deals**
- **Do not give out personal information. No one should need your social security number or other personal details for a transaction**
- **Do not buy items from an individual in another country**
- **Try to purchase items sold close to home so that they may be inspected before purchase**
- **When inspecting items, meet the seller in a public place and take a friend with you. Always carry a cell phone and call 911 if you feel threatened in any way**
- **Request written agreement from seller that if item is not as expected, it may be returned for a full refund**
- **If an item is being shipped to you, make sure you are very clear about what method of shipment will be used (Post Office, UPS, etc.), who will pay for shipping, when the item will be shipped, and how the item will be insured in the event it is damaged or does not arrive**
- **When possible, pay with a reputable third party like Pay Pal**
- **Remember, even a legitimate sale can turn into a scam. Never cash a check or money order and wire the money to a stranger. These transactions are scams**
- **Making online purchases from these community marketplace sites is often risky. If you are a victim, report the crime immediately to the police *****



Safe Holiday Online Shopping



Sellers Be Cautious!

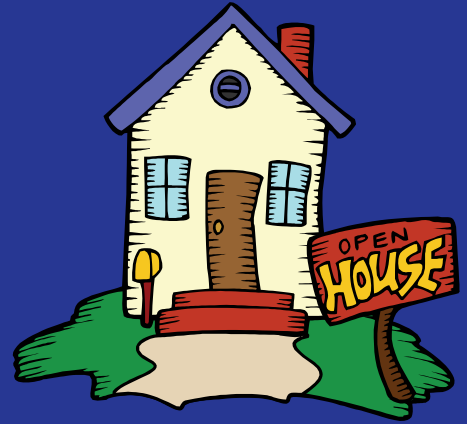
- **Do not ship items before you have received payment**
- **Ensure that a payment has cleared both your bank and the issuing bank before shipping an item (this may take several weeks)**
- **Remember, even money orders and cashiers checks can be fraudulent**
- **Include shipping costs in your agreement with the buyer**
- **Do not accept overpayment for items**
- **Do not wire money to a buyer for any reason**
- **Notify potential buyers that :**
 - * **Items will be shipped only when payment has cleared**
 - * **Will not accept overpayments**
 - * **Under no circumstances will money, overpayments or refunds be wired**
- **Never include personal information in your ad**
- **Whenever possible use a reputable third party like Pay Pal**
- **If potential local buyers want to inspect items before purchase, arrange to meet them in a public place, invite a friend to accompany you to the meeting and take a cell phone. Notify police immediately if you feel threatened in any way**
- **If you discover that you have been a victim of a scam, contact law enforcement immediately*****

**For more information contact the
Colorado Bureau of Investigation ID Theft/Fraud Unit
303-239-4649 (Victim Advocate)
24 Hour ID Theft/Fraud Hotline
1-855-443-3489(toll free, English/Spanish)**





Hosting A Holiday Open House ? Don't Invite the Identity Thief!



Identity Thieves could strike at any time. Follow a few simple steps to keep your next open house safe for you and for the home owners.

If the home owners still live in the home:

- Lock up laptop computers before the first guests arrive
- Log off of desk top computers and shut the computer off
- Lock all personal identifying and financial information as well as any valuables (such as jewelry) in a safe place
- Remove any wall hangings or objects in a home office that display a professional license number



Consider your safety during the Open House:

- Keep your purse or wallet locked safely inside the home (not in your car)
- Log off of your laptop computer when you are not using it
- If possible, try to ensure people enter and exit through the same door so you know who is in the home with you





- Always notify someone of your plans including where you will be, what time you will arrive, when you expect to be finished
- Whenever possible, have at least one other person with you during the Open House
- Notify the local police department that you will be in their community hosting an Open House and invite patrol officers to stop by for coffee
- If the neighborhood has an active Neighborhood Watch ask the home owners to notify the Neighborhood Watch Captain of the Open House dates and times
- Keep your cell phone with you at all times
- If anyone looks suspicious or frightening to you, call for support and assistance
- When leaving the home, stay alert to your surroundings and mindful of your personal safety



Enjoy! Knowing that you have taken the extra steps to protect yourself and the home owners, you will be able to relax and enjoy the excitement of your Open House Event!



**For more information, please contact the
Colorado Bureau of Investigation at 303-239-4649**



OPT OUT

Colorado No Call List

◆1-800-309-7041

◆303-776-2678

◆www.coloradonocall.com

National Do Not Call List

◆1-888-382-1222

◆www.ftc.gov/donotcall

Credit Card Offer OPT OUT

◆1-888-567-8688

◆www.optoutprescreen.com

Junk Mail and Junk E-mail

◆212-768-7277 x1888 (Ask for Angela)

◆www.dmchoice.org

**For assistance or if you have any questions, please call the
Colorado Bureau of Investigation Identity Theft/Fraud Unit at
303-239-4649**

24 Hour Identity Theft/Fraud Hotline

1-855-443-3489

or email our Victim Advocate at

hazel.heckers@state.co.us



OPT OUT

Frequently Asked Questions

No-call Lists

- Q.** There are two no-call lists – a Colorado list and a national list. Must I register my telephone numbers on both lists?
- A.** Yes. To ensure you do not receive calls you must register your phone numbers in both locations. Registration only takes a couple of minutes.
- Q.** What's the difference between the state and national no-call lists?
- A.** The Colorado no-call list is used by Colorado-based telemarketers to stop calls to your numbers. The Federal Trade Commission's National Do Not Call list blocks telemarketers from other states from calling you.
- Q.** Can I register my cell phone and fax numbers on the no-call lists?
- A.** Yes, you can register all your personal numbers.
- Q.** Can I register my business telephone number?
- A.** No, the Colorado no-call list is available only for personal telephone numbers.
- Q.** Does caller ID show correct caller information?
- A.** Yes, most of the time. In 2004, the federal government required telemarketers to transmit information to caller ID subscribers. In some areas of the country, however, the technology prevents some caller ID information from being sent. As technology improves in these areas, better caller ID information may result. But beware: some companies operate under multiple names, sometimes a name you might not recognize.
- Q.** Once I register my phone numbers, will I have to renew my registrations?
- A.** No. Once you have registered a phone number, it will stay on the no-call list until you remove it. This is true for both the Colorado list and the National list.

OPT OUT

Frequently Asked Questions

No-call Lists

Q. Do no-call lists work?

A. The lists work for most telemarketers, but not all. Federal law exempts certain types of telemarketers from adhering to no-call registrations. Exemptions include charities, political campaigns and polling operations, and companies with whom you have an established relationship, such as your current credit card issuers and companies you may have contacted for mortgages, insurance and other services, even if you are not a current customer. Scam artists and criminals do not obey no-call lists. You should assume that a caller could be a fraud artist if the call is from an organization or company you do not know. If you have doubts about a caller, you can contact the CBI identity theft victim advocate for advice.

Q. I registered on the no-call lists, but still get telemarketing calls. Why?

A. Organizations with whom you have a relationship are exempt from the no-call list restrictions. Often you establish relationships with agencies without even knowing it. For example, you might make a donation to a local charity, then receive calls from the charity's national office or affiliated organization. You might buy a raffle ticket or enter a contest and provide your phone number. You might make a purchase and provide contact information on a survey. When you receive these calls, ask the caller to remove your number from their call lists.

Q. What should I do if I continue to receive unsolicited calls?

A. Websites for the Federal Trade Commission and the Colorado Attorney General provide some options for reporting telemarketing abuses and filing complaints. You may file complaints on the No Call List websites. You could also call the CBI ID Theft/Fraud Unit and ask the Victim Advocate for assistance.

OPT OUT

Frequently Asked Questions

Credit Card Opt Out Registrations

Q. I get convenience check solicitations from my credit card company. They could be used fraudulently. I don't want them. Can I stop them?

A. Yes. You must contact your credit card company's customer service department to have them stopped.

Q. I get solicitations for new credit cards in the mail. I don't want any more credit cards. How can I stop the solicitations?

A. In order to stop new solicitations for credit cards from companies you do not already patronize, you must register with a service maintained by the credit bureaus. The website is shown on CBI's Opt Out sheet, or www.optoutprescreen.com.

Q. How long will my name be included in the prescreen opt out?

A. When you sign up for the Opt Out Prescreen list, you will be given an option to sign up for 5 years or to sign up for a permanent opt out. If you have chosen the 5 year option, you may begin receiving prescreen offers as soon as your registration expires.

Q. By registering on the credit card opt-out list, will other kinds of credit offers be stopped too?

A. Most other credit offers should end, too. Because companies obtain contact information from credit reporting agencies, registering in the credit opt-out list should prevent most unwanted calls. However, remember that if you establish a relationship with a company, they may begin to solicit your business with additional credit offers. You might also get new offers if you start a new business, apply for a loan or begin classes at a higher education institution. Simple ask these companies to remove you from their lists.

OPT OUT

Frequently Asked Questions

Junk Mail

- Q.** I want to stop as much junk mail as possible. Is registration free?
- A.** No, the fee is \$1. The fee is charged by the Direct Marketing Association, a trade group. It is not the only organization that offers to remove your name from senders, but it is the largest. You may still get unwanted mail from other senders.
- Q.** How can I opt out of junk email?
- A.** You may register your information at the same website as you do for other junk mail. Registration is free and is good for six years.
- Q.** Why would I need to stop junk mail, especially if I opt out of credit card offers?
- A.** Many retailers that sell products by mail offer pre-approved credit if you order from a catalogue sent out as “junk” mail. Someone stealing the mail from your mailbox could use that catalogue to open up a line of credit. Other junk mail contains personal information, such as your birth date, affiliations or family relationships. It is best to receive only mail that you want.
- Q.** Is there any way to stop junk mail addressed to “occupant” or “current resident”?
- A.** No, unfortunately junk mail addressed to occupant or current resident will not be stopped by opting out. The good news is that the junk mail that is addressed to occupants does not contain any of your personal identifying information, and does not place you at a higher risk of being a victim of Identity Theft or Fraud.

For more information or assistance in Opting Out, please contact

Colorado Bureau of Investigation Identity Theft/Fraud Unit

303-239-4649

24 Hour Identity Theft/Fraud Hotline

1-855-443-3489

or email our Victim Advocate at

hazel.heckers@state.co.us



Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation
Contact us at 303-239-4649

- **Guard your Social Security number**

Do not carry your Social Security card or your birth certificate in your wallet or purse

Be cautious with Military ID cards, replacing any that still include your Social Security Number

If your Social Security number is on your Driver's License, get a new license that does not include the number

Make a photocopy of your Medicare card and blackout all but the last 4 digits of your Social Security number. Carry this instead of your Medicare card

NEVER give your Social Security number to someone you do not know and trust

ALWAYS ask why it is needed if someone requests your Social Security number. Some agencies (like the IRS or credit reporting bureaus) will need it, but most do not

- **Reduce the items you carry in your wallet or purse**

Leave extra credit cards and the checkbook at home and carry only what you need with you

Consider downsizing to a close-fitting or neck pouch and carrying your wallet in a front pocket

Copy the front and back of everything you carry in your wallet and keep in a safe place at home for reference

Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation

- **Be careful with Credit/Debit Cards and Bank Account information**

NEVER give your credit or debit card and PIN number to someone else to use

If someone calls, emails or sends a text message saying they are with your credit card company or bank, they should already know your account numbers. **DO NOT** give out those numbers to the caller. Hang up and call your financial institution using the number printed on the card

Carefully review your credit card and bank statements every month to ensure everything listed is a legitimate charge. Call **IMMEDIATELY** if you see anything that is questionable, even if it is only for \$1

If you lose your credit card, debit card or checkbook, contact your financial institution right away and report it missing

Consider asking for a Fraud Alert on your accounts so that you are notified of any unusual charges

Let your credit card companies and bank know if you plan to travel and where you will be going. They will be better able to look out for unusual card uses if they are informed

Consider bank issued prepaid credit cards for travel and children in college

Pay inside when getting gas instead of using pay at the pump

Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation

- **Be careful with Credit/Debit Cards and Bank Account information, continued**

Be cautious when using an ATM machine

Try to use ATM's that are located at your bank, attached to the bank or in the bank lobby

Whenever possible, conduct bank business during business hours in the bank

Check the ATM before using for anything that looks suspicious

Shield your hand when entering your PIN to prevent onlookers or hidden cameras from recording you PIN number

Always review your bank or credit card company statements carefully to ensure that everything is correct. If you do not recall an ATM transaction, contact your financial institution immediately

If your credit or debit card is stolen or compromised in anyway, report it to the police and to your financial institution right away. You must act quickly to protect your accounts

Remember: **NEVER** give out your PIN number

Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation

- **Be careful with mail and other documents**

Bring mail in as soon as possible and consider a locking mailbox

Shred all mail and other documents that contain personal identifying information. A cross-cut shredder is best

Take any mail that contains checks, credit card information or other personal identifying information to the Post Office to mail rather than leaving it in a mailbox to be picked up

Ask your financial institution to have new boxes of checks or new debit cards delivered to them and go in to pick them up

When giving a loved one a gift of cash, consider sending a gift card instead of a check or money order

Keep Social Security cards, Medicare cards, extra Military ID cards, copies of tax returns, statements, bills and other critical information in a safe place in your home—preferably in a locked container

NEVER sign a document you have not read or do not understand

Seek the advise of a professional before naming an agent on a Power of Attorney to ensure you understand how much control the agent will have to make decisions for you

Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation

- **Review your credit report on a regular basis**

You may request a **FREE** credit report from each of the three major credit reporting bureaus once a year

Annual Credit Report Request is a free service recommended by the Federal Trade Commission as a safe and reliable source. Contact them for copies of your credit report at: www.annualcreditreport.com or by calling 1-877-322-8228

Review your credit report and contact the credit reporting bureau if there is anything on the report that does not belong to you

If you have concerns, consider a Fraud Alert or Credit Report Freeze

- **OPT OUT**

Consider Opt-Out options for credit card solicitations, credit card convenience checks and junk mail. Check out our OPT OUT! Handout that includes numbers, web addresses and frequently asked questions

- **Ask the Experts**

Contact the Colorado Bureau of Investigation if you have been a victim or would like to discuss a personal crime prevention plan that fits with your lifestyle.

Colorado Bureau of Investigation

Identity Theft Victim Advocate: 303-239-4649

24 Hour Toll Free ID Theft & Fraud Hotline: 1-855-443-3489

Or email us: ReportFraud@state.co.us

Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation

Prevention Checklist

- Remove anything that has your Social Security number on it from your wallet or purse
- Downsize your wallet or purse
- Guard your credit/debit card and bank account information
- Know who you are talking with before giving any information
- Report any fraudulent activity or the loss or theft of your credit/debit card or checkbook immediately
- Take mail to the Post Office
- Shred all documents with personal information
- Never sign a document you have not read or do not understand
- Get a copy of your credit report for free
- Opt-Out

If you have been a victim or would like additional information, call the Colorado Bureau of Investigation

Victim Advocate : 303-239-4649

24 Hour Hotline : 1-855-443-3489

(toll free-English & Spanish)

Email: ReportFraud@state.co.us

Identity Theft Prevention

Provided by the
Colorado Bureau of Investigation

Fraud Prevention Checklist

- ✓ Read all documents carefully BEFORE you sign
- ✓ Make a charitable giving plan and stick with it, donating only to charities you know and trust
- ✓ Do not give personal information or financial information over the phone
- ✓ Do not wire money to people you do not know, no matter how compelling the story
- ✓ If a friend or family member requests a wire of money, check it out to make sure you are really sending money to your loved one
- ✓ Do not wire funds to anyone who overpays for something sold on line or sends a check or money order then cancels the deal asking you to cash the check and wire money
- ✓ Give checks or money orders you receive from strangers time to clear your accounts before you use the funds. Check with your financial institution for some guidelines
- ✓ You have not really won that sweepstakes if you are asked to pay to collect your winnings
- ✓ Foreign lotteries are illegal—You have not won
- ✓ Consult with a professional before using a Power of Attorney to ensure that you understand the document and maintain a good set of checks and balances
- ✓ Remember...If it sounds too good to be true...IT IS

When in doubt, call the Colorado Bureau of Investigation

303-239-4649

24 Hour ID Theft & Fraud Hotline 1-855-443-3489

Email: ReportFraud@state.co.us



SCAM WATCH

**Colorado
Bureau of
Investigation
Identity Theft
&
Fraud Unit**

**24 HOUR
IDENTITY THEFT
& FRAUD
HOTLINE
1-855-443-3489
(TOLL FREE)**

**VICTIM
ADVOCATE
303-239-4649**

**EMAIL:
REPORTFRAUD@
STATE.CO.US**



HELP! I NEED MONEY!

It happens far too often. You receive an urgent phone call, email or text message from someone claiming to be your grandchild. The situation is dire! Your grandchild has been arrested, in an accident or has lost a passport and all money. They need help right now! Oh and please don't tell Mom and Dad, they would be so upset. Please just wire money to help out. **This is a scam!** By following a few simple steps, you will be able to save your money and make sure your family is safe.

- **ESTABLISH** a secret password with your family members so that you are able to verify it is truly a family member calling
- **CHECK OUT** the story before you send the money. Call your grandchild at home or check with his/her parents
- **NEVER** wire money to someone you do not know
- **REPORT** the phone call to the police and to the Colorado Bureau of Investigation
- **JUST HANG UP!** The scam artists may try to call you back, so be prepared to say "No" and hang up

**For more information or a scam prevention presentation,
please contact the Colorado Bureau of Investigation**

Victim Advocate

303-239-4649



SCAM WATCH

**Colorado
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Identity Theft
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**24 HOUR
IDENTITY THEFT
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HOTLINE
1-855-443-3489
(TOLL FREE)**

**VICTIM
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303-239-4649**



BEWARE OF LOAN COLLECTION CALLS!

Loan scams are common in Colorado with scam artists taking Colorado citizens for thousands of dollars! Calls vary in details however usually include common elements:

- Caller says he/she works for a government agency like the Colorado Department of Law or even the FBI
- Caller identifies self as an agent, officer, detective or investigator
- Threats of arrest for non-payment are made
- Caller often knows your address and may even have your social security number

What can you do to stay safe and stop the scam?

- **HANG UP** on the callers
- **DO NOT** wire money or provide your credit card or bank account information
- **REPORT** the scam to the Colorado Bureau of Investigation (24 hour Hotline 1-855-443-3489)
- **REPORT** phone harassment to your local police and your phone carrier
- **LEARN** more about staying safe from scams by calling the Colorado Bureau of Investigation Victim Advocate (303-239-4649)



SCAM WATCH

**Colorado
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Identity Theft
&
Fraud Unit**

**24 HOUR
IDENTITY THEFT
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HOTLINE
1-855-443-3489
(TOLL FREE)**

**VICTIM
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303-239-4649**



LOVE IS IN THE AIR... AND SO ARE THE SCAMS!

Romance scams effect thousands of people every year. Follow a few simple steps to reduce your risk of being scammed by a Con-artist Casanova:

- **DO NOT** trust someone you meet online just because you meet on a faith based website. Scammers will fake their faith to win your trust
- **BE SUSPICIOUS** if your new love suggests leaving the website and chatting by email or instant messages
- **QUESTION** “love at first sight” proclamations
- **BE CAUTIOUS** if your love claims to be a US Citizen living or working in another country
- **NEVER** wire money to someone you have not met—even if he or she claims to be the love of your life
- **NEVER** cash checks or money orders for your new love and wire the money
- **BE WARY** of hard luck stories that can be remedied by you sending money
- **DO NOT FORGET** that you do not know the person you are talking with online. That picture he or she sent could be a FAKE



SCAM WATCH Page 2

**Colorado
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**24 HOUR
IDENTITY THEFT
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1-855-443-3489
(TOLL FREE)**

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303-239-4649**



LOVE IS IN THE AIR...

- **DO NOT SEND MONEY** for travel so your new love can meet you face to face. Chances are you will never see your love or your money again
- **DO NOT SEND MONEY** as a loan to your new love
- **DO NOT SEND MONEY** to bribe corrupt officials or pay off criminals so that your new love can escape a country in turmoil
- **DO NOT SEND MONEY** to anyone you have not met and do not know
- **BE SUSPICIOUS** if stories change or become more desperate
- **DO NOT** try to contact your new love if he or she stops contacting you after you refuse to send money
- **REPORT** any suspicious activity to law enforcement

LEARN more about reporting and staying safe from scams
by contacting the

Colorado Bureau of Investigation Victim Advocate

303-239-4649

hazel.heckers@state.co.us

24 Hour Identity Theft & Fraud Hotline

1-855-443-3489



SCAM WATCH

**Colorado
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**VICTIM
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303-239-4649**



BEWARE OF STORM CHASERS!

Recently Colorado has seen some severe weather! The damage done by the weather isn't the only thing effecting our communities. Scam Artists and Identity Thieves are out there chasing the storms and trying to take advantage of innocent victims.

Take a few simple steps to reduce your risk of being a victim:

- **INSIST** on seeing ID for anyone claiming to be a government official or representative from your insurance company. Check it out by calling the agency they represent
- **CONTACT** your insurance company before you have any storm related repairs done on your home or vehicle. They may require an adjuster's approval and will be able to provide tips on choosing a safe contractor
- **ASK** the property owner which company was hired to complete repairs if you rent your home. Don't forget to ask the workers to show ID before they gain access to your home
- **SECURE** valuables including anything containing personal identifying information before workers are allowed in your home



**Colorado
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Identity Theft
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**24 HOUR
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HOTLINE
1-855-443-3489
(TOLL FREE)**

**VICTIM
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303-239-4649**



BEWARE OF STORM CHASERS!

- **CHECK OUT** a contractor with the Colorado Attorney General's Office, the Better Business Bureau and the Department of Regulatory Agencies. Carefully read complaints and ensure that any licenses are up to date
- **DO NOT** hire a contractor just because the business is listed on a social networking page or has the BBB or a government symbol on their webpage (symbols can be fake)
- **SHOP** around. If possible, obtain three (3) estimates for the work so that you have options to compare
- **ASK** for proof that the contractor is licensed, bonded and insured
- **GO LOCAL.** If you are dissatisfied with the work or have problems in the future, a local contractor will be available to respond
- **GET IT IN WRITING!** Always insist on a written contract that includes work to be done, who pays for supplies, expected start date, expected completion date and ALL costs
- **OBTAIN** a lien waiver as part of your contract so that you will be protected if the contractor fails to pay workers or suppliers
- **BEWARE** of contractors going door to door soliciting work or arriving in out of state vehicles



**Colorado
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**24 HOUR
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303-239-4649**



BEWARE OF STORM CHASERS!

- **NEVER** pay up front. Have the work inspected and approved before you pay or turn over your insurance check. A reasonable down payment may be required. Ask your local BBB what is considered reasonable in your community
- **NEVER** pay in cash. Pay by check or credit
- **DO NOT** invite workers into your home. They are not your friends, do not need to use your phone, use your bathroom or take breaks inside your home
- **PASSWORD** protect your computers and make sure that you log off and shut down your computers when not in use, especially when strangers are around your home
- **REMEMBER** that FEMA and other government based disaster assistance programs do not charge application fees. Contact the agency to verify employment of anyone claiming to represent these organizations
- **WATCH OUT** for charity scams! Scam Artists use disasters to steal money and information
- **NEVER** give your bank account information or your social security number to anyone you do not know. This information should not be required by a charity
- **REPORT** any suspicious activity to police immediately



SCAM WATCH

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**VICTIM
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303-239-4649**



BEWARE OF STORM CHASERS!

- **TAKE** the same precautions when getting your vehicle repaired. Check out the business, contact your insurance company, get written estimates and pay only after the work is completed
- **RESEARCH** contractors, auto body repair shops and charities. Ask trusted friends and family for referrals and look to the experts for information:

Colorado Attorney General: 303-866-4500

<http://www.coloradoattorneygeneral.gov/>

Department of Regulatory Agencies:

303-894-7855 or 1-800-886-7675

<http://www.dora.state.co.us/>

Better Business Bureau Colorado: 303-758-2100

http://denver.bbb.org/colorado_bbb/

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LEARN more about staying safe from scams
by contacting the

Colorado Bureau of Investigation Victim Advocate

303-239-4649

hazel.heckers@state.co.us

24 Hour Identity Theft & Fraud Hotline

1-855-443-3489

How to HUM BUG Proof Your Holidays

Don't let Identity Thieves Steal Your Holiday Spirit!
Here are some simple tips to lower your risk of Identity Theft during the Holiday Season.



Travel Light

When out shopping or enjoying festivities, carry only what you need. Leave all of the extra credit cards and the checkbook at home, and carry only the cards you plan to use and a limited number of checks. Do not carry anything with your social security number on it, or any precious photos that could not easily be replaced. Carry only as much cash as you need.

Consider carrying your wallet in your front pants pocket or using a neck pouch or fanny pack worn with the pack in the front.

NEVER leave your purse or wallet unattended in a shopping cart, on the counter, on a restaurant table, in a fitting room or on the sink counter in a public restroom.

Before you leave home, photocopy the front and back of all of the cards you plan to carry and note the check numbers you are carrying. Store this in a safe place at home so that you have it if your wallet is stolen.

Party Wisely

If you carry a purse to a gathering, keep it with you. Do not leave it in a bedroom with the coats or at your table while you dance or visit the restroom. Do not leave your wallet or car keys in a coat pocket in the coat check area, a bedroom or hanging near-by.

Do not leave your wallet or purse under the seat or in the trunk of your car while you go to party, stroll to look at lights or ski the slopes.

Lock your car.

How to HUM BUG Proof Your Holidays



If you are hosting a party, lock your purse, wallet and other personal identifying and financial information in a desk drawer or other safe area.

Lock up your laptop computers.

Log off and shut down your desk top computers before the party starts.

Before the party, notify your local police department and your Neighborhood Watch that you are planning a party. Ask your Neighborhood Watch Captain to report it if people claiming to be party goers are discovered wandering around or in a neighbor's yard or driveway.

Do not allow children or youth to host a party at your house without adult supervision.

If you and your friends are having a progressive party or going out to sing carols or look at lights, secure your home before leaving. Always ensure that you or another adult family member are the last to leave your home.

Remember, your garage, especially an attached garage, is part of your home. Keep it locked and secured as you do the rest of your home.

If you plan to drink at a party, designate a driver before the party starts.



Be Careful at the ATM

If possible, go into your bank for your transactions.

Use ATM's in well-lit areas, and do not use an ATM if you see anyone that seems threatening or suspicious close-by.

Do not give anyone your ATM card or PIN.

Take your receipt and keep it safe. If you dispose of it, make sure you shred it.

How to HUM BUG Proof Your Holidays



Protect Your Home

If your home looks occupied, the burglars may look elsewhere. Add timers to lights, radios, even TV sets so that while you are out, it will appear that someone is home.

Install motion activated outdoor lighting. If you cannot afford this, make sure you leave outdoor lights on to deter crime.

When decorating your home, do not give burglars easy places to hide their entry. Large outdoor decorations placed in front of windows provides an excellent spot for a burglar. Remember to remove and store ladders that are used to decorate in a locked garage or shed. You don't want to provide easy access to second floor windows.

An active Neighborhood Watch is a wonderful support. If you do not have a Neighborhood Watch Program in your community, this might be a great time to start one. Your local police department can help.

Notify your police department if you plan to travel away from home for the holidays. Most police departments will add extra patrols and check on your home while you are away. Make sure you provide a description of your pet or house sitter and his/her vehicle.

When leaving home for a vacation or just for an evening on the town, leave on lights and lock all of your personal identifying and financial information is a safe place.



Give Generously, but WISELY

Make a charitable giving plan in advance and stick to it.

NEVER donate to someone going door to door or calling you on the phone, even if they say they are from the police or fire department. If the charity interests you, ask for information to be mailed to you.

How to HUM BUG Proof Your Holidays

Check out a charity **BEFORE** you make your donation at www.give.org or www.charitynavigator.org

NEVER give your social security number to a charity. They do not need it. Legitimate charities will send you a letter or receipt for tax purposes.



Be a Scrooge with Personal Information

NEVER give out your social security number, bank account number or credit card number to someone calling you on the phone, emailing you or sending a text message.

If someone contacts you and says they are from your bank or credit card company and need your account number and your password/PIN, hang up! Your bank and credit card companies already have your account numbers. If you are concerned about your accounts, call the number listed on the card itself or on your checkbook and ask if there is a problem.

If giving a gift of money, consider a gift card instead of a check. Checks have a lot of information that could be used by an ID Thief if they get into the wrong hands.

Take all outgoing mail to the Post Office, and check your own mailbox daily.

Shred any mail or other document that includes any personal information. A cross-cut shredder is best, so if you don't have one, put it on your holiday gift wish list.

Pay for gas inside instead of using pay at the pump options

Consider using a bank issued pre-paid credit card when traveling rather than using your regular credit card. The pre-paid cards do not include personal identifying information

How to HUM BUG Proof Your Holidays



Use Your Computer Wisely

Shop on secure websites that display the locked padlock image on the browser's status bar or look for the "https://" in the browser window. Sites that have "http://" are not always secure.

Use strong passwords that include both letters and numbers.

Shop only on sites that you know are legitimate.

Beware of "For a limited time" or "Must buy today" sales pitches. Many are scams.

Do not open emails from unknown addresses. Check incoming addresses carefully. Some might look similar to your sister's address, for example, but really be from a party looking to infect your computer with a virus or Trojan Horse.

Do not open email receipts for goods you did not order. If you are concerned, check out the website and call the customer service number to ask if any items have been purchased in your name.

Do not trust emails that state a family member or loved one is stranded and needs you to wire money immediately. Check it out first.

Make sure your computer anti-virus and anti-spyware programs are up to date and that your computer is protected.

Be cautious about what information is posted on your Facebook page, blogs and other social networking sites. The criminals read these sites

How to HUM BUG Proof Your Holidays



Take Care at Faith Community Gatherings

Do not leave purses or wallets unattended while attending faith community events. This includes when going up to the altar for Communion or while visiting in a Fellowship Hall.

Use an envelope when making a donation by check during a service. Most communities will provide offering envelopes either in the pews or when you come in the front doors.

When in a new environment, MapQuest your route to and from the event to reduce your risk of getting lost. If you are lost, try to find a police or fire station or a well-lit gas station to ask directions, or call the local police on your cell phone.

When visiting a new faith community, introduce yourself to the greeters at the door and ask to be shown around. Being aware of your environment is a great way to get to know a new community and watch out for your own safety

Be careful and alert in the parking lot

Do not leave your purse, wallet or other valuables in the car

Lock you car



How to HUM BUG Proof Your Holidays



After the Holidays

As soon as possible, check your credit card statements and bank account transactions to ensure that everything is accurate.

Contact your financial institution immediately if you have any questions or concerns.

Do not assume your spouse or child used the credit card to purchase something you did not. Check it out and make sure the charge is legitimate.

If you suspect that any of your personal information has been compromised, check it out immediately.

Start out the new year by getting copies of your credit report by going to www.annualcreditreport.com. This service is free once a year.

If anything on your credit report is inaccurate, report it right away.



Don't let the Identity Thief Scrooge steal your holiday cheer. By taking a few simple steps, your holiday season can be filled with joy and peace of mind!

If you have any questions about protecting yourself, or if you think you may have been a victim of Identity Theft, please contact the **Colorado Bureau of Investigation Identity Theft/Fraud Unit at 303-239-4649.**

The Colorado Bureau of Investigation will provide a free educational presentation for your group or community. Just give us a call to schedule at **303-239-4649.**

**Information provided for you by the Colorado Bureau of Investigation
Identity Theft/Fraud Unit.**

303-239-4649

How to HUM BUG Proof Your Holidays

Your Holiday Identity Theft Prevention Checklist



Travel Light: When out shopping or enjoying festivities, carry only what you need: your ID, one credit or debit card, medical insurance card, limited number of checks. Consider a neck pouch and carry wallets in front pockets. And **NEVER** leave your purse or wallet unattended.

Party Wisely: When out celebrating, keep your purse or wallet with you. Do not leave it in the car, in a coat check area or at your table while you dance or visit the restroom. If hosting a party, lock all of your financial and personal identifying information in a safe place—this includes laptop computers. Log off and turn off desktop computers. Always lock your car.

Take Care at the ATM: Go in the bank whenever possible. Only use ATM's in well lit areas, and do not use an ATM if you see anyone threatening or suspicious hanging around. Keep your receipt in a safe place. **NEVER** give your ATM card or PIN to anyone else to use.

Protect Your Home: Consider adding lights and radios on timers so that your home always looks occupied. Install motion activated lights outdoors if possible. Turn on outdoor lights after dark. Do not display holiday decorations that block your windows or give burglars a place to hide while breaking in. Always lock your home and garage. Notify your local police department if you are going on vacation. Don't forget to let them know who will be house or pet sitting for you. When leaving home, secure your financial and personal identifying information in a safe place (including laptop computers).

Give Wisely: Make a charitable giving plan and stick to it. Do not donate to anyone calling on the phone or going door to door. If the charity is legitimate, they will mail you information. **NEVER** give your social security number to a charity. Check out a charity before donating by going to www.give.org or www.charitynavigator.org.

How to HUM BUG Proof Your Holidays



Protect Personal Information: **NEVER** give out your social security number, bank account or credit card account information or your passwords and PINS to callers or people who send you text messages or emails. Consider giving gift cards instead of writing a check. Take out-going mail to the Post Office to mail. Shred all documents and mail containing any financial or personal information.

Be Computer Savvy: Shop on secure websites that display the locked padlock image or include “https://” in the browser window. Use strong passwords. Shop only with sites you know and trust. Do not open emails from addresses you do not recognize or emailed receipts for merchandise you did not order. If receiving an email asking for money to be wired to help a family member, friend or soldier; it is a scam. Do not wire the money without first checking out the request. Update your anti-virus and anti-spyware programs.

Protect Yourself at Faith Community Events: Do not leave purse or wallets unattended; this includes when going up to the altar, going for Communion or visiting in the Fellowship Hall. Use an envelope when making a donation by check.

HUM BUG! HUM BUG! HUM BUG!

Don't let the Identity Thief Scrooge steal your holiday cheer! By taking a few simple steps your holiday season can be filled with joy and peace of mind!

If you have questions about protecting yourself from Fraud and ID Theft, please call us at the Colorado Bureau of Investigation. We will answer your individual questions or provide a free educational presentation for your group or community. Just give us a call at the number listed below.

Colorado Bureau of Investigation Identity Theft/Fraud Unit.

303-239-4649

CFI Brief

Breaking News

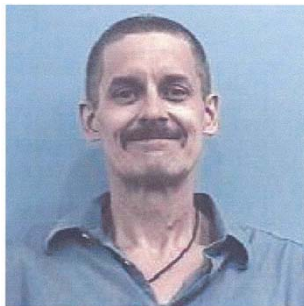
Can You Identify This Subject

On June 3, 2010, the president of The Weisburg Group, Inc located in Colorado Springs filed a police report after learning that several counterfeited checks drawn on the company's Key Bank business account had been passed at various locations.

On June 17, 2010, Thornton Police Officers responded to the Costco located at 16475 N. Washington Street regarding one of the forged checks. The reporting party at Costco was contacted by Key Bank and informed that a counterfeit check was passed at that location on May 28, 2010 written in excess of \$2,700.00 dollars. The suspect had signed up for a Costco membership using the business owner's name, Jeffrey Weisburg, prior to making the purchase with the check.

Detective Joe Acker from the Thornton Police Department learned that on the same date similar counterfeit checks were passed at the Home Depot located across the street from the Costco in the amount of \$784.05 dollars. Video footage from this incident indicates this to be the same subject from Costco. A Colorado driver's license number written on this check is not valid. A third counterfeit check was passed at an unknown Office Max store for \$1,121.28 dollars.

It is unknown at this time how the checking account was compromised and no one at The Weisburg Group, Inc. recognizes the suspect from Costco. If you recognize the below subject or if you have further information, please contact Detective Acker at 720-977-5077 or joe.acker@cityofthornton.net reference Thornton Police Department case #2010-008204.



Costco Membership photo



Credit Card Skimmer Fraud

On July 9, 2010, two males were observed removing a skimming device from an Aurora area gas station pump. The descriptions of the suspects are:

Suspect 1: white male, 30-35 years of age, weighing about 240lbs, walked with a noticeable limp.

Suspect 2: white male, about 30 years of age with short dark hair. Both subjects were wearing baseball caps and were reported to be in a silver/gray Chrysler Sebring with Colorado Fleet partial plate of 610???.



Example of Colorado Fleet Plate



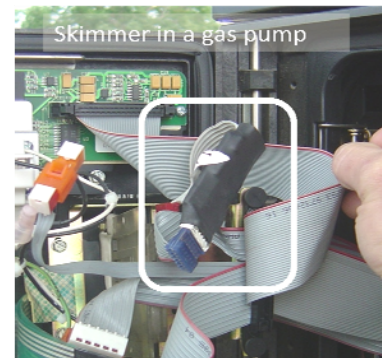
Example of a Chrysler

According to the United States Secret Service, there has been an increase in credit card skimmer related activity in the Denver area. Though most of the activity is related to gas pump skimmers there have also been several cases involving ATM parasite skimmers and point of sale (POS) terminal skimmers.

Skimmers are installed in gas pumps and POS (point of sale) terminals to record credit and debit card account numbers. Suspects either return to pick up the skimmer or to swap out with another skimmer. Some skimmers are WiFi or Bluetooth enabled allowing the suspect to download account numbers through a laptop computer without removing the skimming device. Patrol officers should consider the possibility of illegal activity when persons are observed using laptop computers in the proximity of businesses (probably within 50 yards).

Credit card skimmers look just like the machines that merchants and ATMs use to legitimately swipe credit and debit cards. At ATMs or self-serve kiosks, high-quality skimmers may be attached on the outside of the legitimate card slot and thieves may also install a tiny camera that will attempt to record PINs as they are entered. In addition to ATMs, gas pumps and POS terminals, skimmers are also being discovered in public transit ticket machines, movie theater ticket kiosks and Red Box DVD rental machines.

If you have information or would like further information, please contact SA Mark Gallick at 303-519-3255 or mark.gallick@ussf.dhs.gov.



Help To Identify

The subject pictured below passed counterfeit checks in the name of Gleb Dombrovskiy/ Dombrovskiy Inc. on a US Bank account. The checks have been passed in various locations in Thornton including Lowe's on 062410 in the amount of \$1,597.53 dollars, Big 5 on 062510 in the amount of \$601.15, Napa Auto Parts on 062510 where he purchased parts for a 1999 Chevrolet Blazer and 1995 GMC 1500 ½ ton 4 wheel drive truck for \$568.33 and at the Loaf N Jug on 062610 for \$108.86.

If you have further information or would like more details, please contact Northglenn Police Detective Cinidi Grein at 303-450-8856 or cgrein@northglenn.org.



Surveillance video from Napa Auto Parts

New Account Fraud

Subject Ayman Sayed YOUSSEF has currently opened bank accounts at six different banks in the Grand Junction area. Mr. YOUSSEF presented a Permanent Resident Card, temporary Georgia driver's license and temporary Colorado driver's permit and claims to have just moved to Grand Junction from Georgia. He also claims to own the Italian Garden Restaurant at 16 Skelton Street, Royston, GA 706-245-0113 which is no longer in business. The building is currently for sale and the phone number no longer in service.

According to bank personnel, Mr. YOUSSEF will open new accounts, wait 30 days, than writes \$500.00 checks on each of the accounts, in multiples, withdrawing the funds via ATMs and WalMart as fast as he can. In addition, he wrote checks off of two Georgia bank accounts which have come back either NSF or account closed.



Ayman Sayed YOUSSEF

DOB/041979

SOC/493XXX3385

CO OLN/101520885

LKA/3029 ½ Colorado Ave, Grand Junction, CO 81504



CFI Brief

Breaking News

Looking for Similar Reports

Between Thursday, January 20, 2011 and Wednesday, January 26, 2011, the below pictured males used cloned credit cards issued on banks in Italy, Spain, Andorra, Eahrain, France, Sweden, Finland, Brazil, India, Malaysia, and the Netherlands to purchase merchandise and gift cards at a total of 9 sporting goods stores (all the same franchise thus far) located in the following Colorado cities: Grand Junction, Glenwood Springs, Aurora, Longmont, Lone Tree, Fort Collins, Colorado Springs and Denver. The merchandise purchased included Xbox's, Wii's and gift cards in amounts ranging from \$200 to \$500. Total value of gift cards purchased was \$9000 and the total value of merchandise purchased was \$9700. A vehicle associated with the suspects was captured on surveillance video in Glenwood Springs, Colorado, however, license plate detail is unreadable. The vehicle appears to be a 4-door, maroon colored, GMC Jimmy or Chevrolet Blazer or Ford Explorer.

We are seeking information from other stores and/or financial institutions that may have experienced similar fraudulent transactions. If you have or need further information, please contact CBI Agent Rosa Perez, at 970-248-7444 or Rosa.Perez@cdps.state.co.us or CBI Analyst Carol Hee at 303-239-4601 or carol.hee@cdps.state.co.us.

Taken from surveillance video. The names do not reflect the true identities of the subjects pictured and are not the names of the card holders whose cards were used fraudulently.



MIGUEL SOLANO



EFRAIN ESCOBOZA



ALFREDO BADILLA
and JULIO JAUREGUI



ARNULFO CABRERA



Medical Identity Theft

A female in Larimer County reported that since 2000, someone has used her social security number to obtain medical treatment and prescriptions in TX, MN, CA, WA, NV, and PA and that she had been receiving collection notices in regards to the payment of those services. The victim maintains to have never been in those states. In addition, the victim reported that a subject worked for a short period of time in 2003 under her social security number.

The names, dates of birth and/or addresses on the billing statements for the medical treatment and prescriptions along with the victim's SSN number include:

Lisa Ann STEWART DOB/110164

Lisa STEWART of 1924 Marshall St, Houston, TX and 7919 N Flintlock Rd, Kansas City, MO

Lisa Ann TOOSON DOB/011162 of 8100 W. Airport Rd, Houston, TX and 10925 Beamer, Apt 155, Houston, TX

Lisa Elaine GARVIN DOB/011162 & 111662 of 1801 Fellows Rd, Houston, TX and 3609 Balch Springs Rd, Balch Springs, TX

Lisa GAMBINO DOB/011162 of 1150 North Ocean Avenue, Seaside Park, NJ

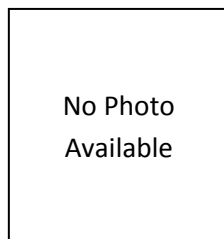
Lynda GAMBINO-BEARD

The subject is described as a bleached blond female weighing approximately 300 pounds and believed to be addicted to pain pills which she gets by going to urgent care or other emergency type clinics. In addition, pain medication is also obtained through workmen's compensation claims. The victim reported that she believes Stewart to be the subject's married name (Robert Stewart possible husband), with Garvin being her maiden name. Robert, Linda and Lisa typically work for repossession, trucking or moving companies.

Through further research, numerous names, addresses, dates of birth and social security numbers associated with the suspect(s) have been found. We have identified two siblings; Lisa Elaine GARVIN and Linda Eileene GARVIN as possible suspects whose numerous addresses and SSNs link to Robert Kennard STEWART and Linda's daughter, Elsie GARVIN. We've also identified numerous SSNs, AKAs and addresses used by Robert and Elsie. There has been contact with these subjects throughout the metro area.



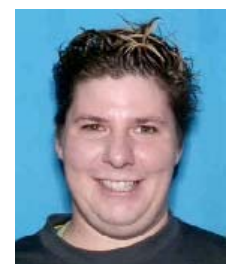
Lisa Elaine GARVIN
DOB/01XX62 & 11XX62



Linda Eileene GARVIN
DOB/11XX64, 11XX65, 11XX62
& 11XX57
SOC/523112119
FBI #112946JA8
Currently wanted by
Brown County SO, KS
NIC/W926175785



Robert Kennard STEWART
DOB/07XX65 & 07/XX64
SOC/459552294
OLS/PA
FBI #882747WA8
Currently wanted by the
Douglas County Sheriff,
CO CCIC/66949116
OCA/0704523



Elsie GARVIN CARREON MENDEZ
DOB/07XX82
SOC/513847185
OLS/CO
FBI #836143VC8



Following is a list of the names, and addresses used by the subjects. All use variations of their own and/or family member's social security numbers including each others. We've been able to verify the SSNs belonging to Linda, Robert and Elsie, but have not been able to determine Lisa's true SSN. To date, we've identified two SSN's used by the subjects that belong to deceased persons and believe that at least 5 others belong to minors. For a complete list of the associated SSNs, please contact Carol Hee.

Lisa GAMBINO
Linda M SURETTE
Elaine STEWART
Lisa Stewart
Lesa GARVIN
Lesa PALMENTERI
Linda Ileen RICHARDS
Lisa E BARTILINO
Elsie STEWART
Linda TOOSON
Lynn STEWART
Lisa Elain GAMBINO
Lynda GAMBINO

Lisa SHELTON
Lisa Elaine DIXON-GARVIN
Lisa E JACKSON
Linda E STEWART
Lynda STEWART
Linda STUART
Lisa E SPENCE
Lisa GAMBINOSTEWART
Lisa BROOKS
Linda E PALMENTERE
Lisa Elaine GARVIN-DIXON
Lynda GAVIN
Elsie M CONNELLY

Elaine MATHEWS
Lisa OWENS
Lynda CAPONETTO
Garvin Mae ELSIE
Raymond STUART
Kennard STUART
Robert STEWART
Robert RAY
K Stewart ROBERT
James STEWART
Roberto STEWART

13850 W 80th Ave, Arvada, CO
5530 Carr St, Arvada, CO
6087 Wadsworth Blvd #202, Arvada, CO
6161 Dover St, Arvada, CO
1308 Boston St, Aurora
1381 Boston St, Aurora, CO
1388 Boston St, Aurora, CO
1398 Boston St, Aurora, CO
1830 Boston St, Aurora, CO
3956 S Sable Cir, Aurora, CO
6741 Krameria St, Commerce City, CO
1801 Broadway, Ste 204. Denver, CO
5991 W 48th Ave #111 Denver, CO
7901 E Arapahoe Rd, Greenwood Village, CO
PO Box 172, Highland, KS

1801 Antioch, Kansas City, MO
7919 N Flintlock Rd, Kansas City, MO
1150 North Ocean Avenue, Seaside Park, NJ
109 Pine Dr #11, New Stanton, PA
119 Pine Dr, New Stanton, PA
1924 Marshall St, Houston, TX
4650 Ironton St, Beaumont, TX
4504 Stassen St, Houston, TX
8800 Airport Blvd, Houston, TX
10925 Beamer, Apt 155, Houston, TX
1801 Fellows Rd, Houston, TX
1880 Balch Springs Rd, Mesquite, TX
3204 Balch Springs Rd, Mesquite, TX

We are seeking information from other agencies that might have similar reports or medical facilities that may treated these subjects. If you have or need further information, please contact CBI Agent Rosa Perez, at 970-248-7444 or Rosa.Perez@cdps.state.co.us or CBI Analyst Carol Hee at 303-239-4601 or carol.hee@cdps.state.co.us.

