

Forensic Accounting: A Key to Helping Victimized Elders

Dr. Jay Leiner, CFE, CFS

Florida Atlantic University

jleiner1@fau.edu

I have worked 35 years in law enforcement and was the supervisor of the economic crime unit of one of the largest sheriff's offices in the United States. I prepared myself for the world of forensic accounting by obtaining an accounting degree, a Master's degree in Management and a Doctorate in Business as well as a Certified Fraud Examiner (CFE) and Certified Fraud Specialist (CFS). After 40 years of working in the field of law enforcement and fraud investigations, I have often found that my education and law enforcement experience have been the perfect blend in the investigation of forensic accounting cases. These experiences have provided the foundation to solving real world problems through forensic accounting.

The case I describe here was investigated by me in my capacity as a sworn law enforcement officer in the state of Florida. The case was initiated by a report of elderly exploitation and theft or fraud from an elderly person's bank account. After meeting with the victim's neighbor, I visited the victim at her residence. I found that the victim had advanced dementia and her family was not local and rarely visited her. My observations after meeting with the victim, a female in her 80's, was that she lived in squalor with little food and garbage all over the residence. I noted a large amount of mail, open and unopened, on the counter and briefly perused the pile while the State of Florida Elder Abuse investigator spoke with the victim. In that pile of documents, I noted a recent bank withdrawal slip from a local bank along with a flyer about roof repair. It has been my experience in fraud cases, that some suspects target the elderly by offering repairs services, taking the money, and never doing the work. In my past forensic investigations involving the elderly, I have found victims to be uncooperative for a variety of reasons, such as embarrassment, dementia, lack of understanding of their finances and well-being, feeling of loss of control, etc. After speaking with the neighbor, I found out that the day before, a man in a pick-up truck took the victim somewhere and returned about an hour later. The neighbor said that they thought the man was a local repairman, as the home was in need of repairs and when he returned with the victim, he went into the home for a few minutes and then left. I went back into the residence, looked at the date of the bank withdrawal slip, noting it was the same date the neighbor saw this strange man with the victim. As a result, I took the information I gathered and asked the state investigator to remain with the victim, while I took the withdrawal slip and flyer to the bank.

After explaining the situation, the branch manager allowed me to interview the bank teller. The teller reported that the victim had come into the bank the day before, with a male who the victim said was her "son." Further, the victim withdrew \$8,000 and handed it to her "son." The teller advised that she was very uncomfortable with this interaction and followed the two to a pick-up truck, copying down the tag number, and a description of the vehicle and the accompanying male. In addition, at my request the bank manager provided video of the teller transaction. At this point, I had to prepare for logging in the evidence, completing property receipts etc., to obtain all the evidence I needed to identify and arrest this suspect. I took photographs of the victim's home and contacted her family. Identifying the suspect entailed computer checks, reviewing jail records, conducting a photographic line-up from the witnesses to obtain an arrest

warrant, and taking statements from the witnesses. Once probable cause was established, the search for the suspect began.

In this case, the suspect had fled to New York but I was fortunate to find that the suspect was due in court the next day and arranged with local authorities to take him into custody at the courthouse in New York. Ultimately, the suspect was charged, arrested, and prosecuted in this case, in Florida. The suspect was very familiar with preying on the elderly and had an extensive criminal history of elderly exploitation and fraud. The suspect did pay the victim back the monies he stole, a practice he did in other cases, to mitigate his jail time.

This case was not about “how big the loss” was, but the case stuck out in my mind because of the age of the victim and the harm done to an innocent person. All I could think of was what if this was my mother or relative. I knew I would want someone to investigate the case. I knew this woman had been defrauded based on my experience and expertise in forensic accounting and fraud cases, meeting with the neighbor and victim, finding the withdrawal slip, and observing the victim’s living conditions.

Working suspected fraud is not about the dollar loss, who worked the biggest case, or what case got the most media attention. Sometimes a forensic accounting case will be about human dignity. Sometimes it is about the satisfaction, no matter big or small, that you were able to help another person, when they need it most. It’s about putting all the pieces into place and solving the puzzle. I have found in working forensic accounting cases that if you understand the person, you will understand the fraud. This point applies to both victims and suspects.