



NORTH BAY POLICE SERVICE

2009 Annual Report Fraud Coordinator



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A. Mandate of the Unit

The Mandate of the Fraud Coordinator is:

1. To receive and investigate fraud and fraud related complaints within the City of North Bay and Callander.
2. Refer fraud and fraud related complaints to other members of the police service for investigation.
3. Provide specialized investigative resources to members of the police service.

B. Executive Summary

In 2009, 143 fraud complaints were received by the North Bay Police Service's Fraud Coordinator. This was an increase of twenty-two percent over 2008 and a forty three percent increase over 2007. Upon review the fraud complaints consisted of fraudulent and non-fraudulent complaints, which included unsolicited e-mails and civil violations.

In 2009, the Fraud Coordinator processed 26 complaints that were deemed as internet crime investigations. These complaints were of a variety of types of fraud such as advance fee fraud, fraudulently placed advertisements as well as unsolicited emails offering employment or business opportunities.

Electronic mail (e-mail) and web pages were the two primary mechanisms used by fraudsters to lure local victims.

Of the 143 fraud complaints received, 61 were referred to the Uniformed Patrol and/or Investigative Support Section of the Police Service. The majority of these cases were fraudulent in nature and involved some form of financial loss on the part of the victim. The Internet based frauds, however, showed an increase in monetary loss over 2008 and may be attributable to the economy.

The Fraud Coordinator was also assigned occasional non-fraudulent Investigations to assist the Criminal Investigation Section. i.e. Sudden Death, Assaults, Sexual Assault, and a Child Abuse Investigations.

C. Activities

Fraud and Fraud related complaints are primarily submitted to the Fraud Coordinator through the Platoon Resource Officer (PRO) and/or Communications personnel. However, once again numerous complaints were made directly to the Fraud Coordinator via telephone.

Once a Fraud complaint is filed with the Fraud Coordinator, the complaint is reviewed, categorized and either referred to Uniformed Patrol/Investigative Support Section or investigated by the Fraud Coordinator.

The Fraud Coordinator referred specific fraud types to the Uniformed Patrol or the Investigative Support Section of the police service based on the complexity that each investigation required. Complaints referred include those crimes where the reported monetary loss was low or complaints that did not fall within the mandate of the Fraud Coordinator (i.e. internal thefts). In total, 61 of the 143 complaints filed in 2009 were referred.

There were 82 complaints received and investigated by the Fraud Coordinator in which:

- a) 48 Criminal Charges were laid, and
- b) 23 Production Orders were executed.

Internet fraud was again the most reported offence. The most common being advance fee fraud, counterfeit cheques and or money orders. Unlike 2008, a number of the fraudulent referrals involving the Internet or similar on-line service involved a victim who reported a monetary loss. The complainants that did not file a loss, reported the occurrence to the North Bay Police Service prior to being victimized by the most common and recognized internet frauds (i.e. Nigerian Scam, phishing emails and advance fee frauds).

The majority of suspects made contact with the victims by responding to classified advertisements published on numerous free Internet classified sites. The suspects most often respond via e-mail and eventually send a fraudulent cheque to the victim with a value that exceeded the listed price of the item. The excess money was then sent back to the suspects using a money service. The common denominator in all of the internet scams was that the suspects received the fraudulently obtained funds from victims using Western Union, Money Gram, Credit Card and Wire Transfers. 2009 showed an increase in the use of internet sites such as Autotrader to lure local victims to part with their money for vehicles that are fraudulently advertised or did not exist.

The victims in most cases never met or spoke to the suspects via the telephone or in person.

Six investigations from 2009 will carry into 2010 for completion.

D. Performance Indicators

See Appendix A

E. Anticipated Issues for the Future

Once again credit and debit card fraud; forged documents and internet fraud are on the rise. In 2009, like in 2007 and 2008, computer related frauds were by far the most reported complaint.

Unlike traditional crimes, these modern fraud schemes (i.e. advance fee fraud, Nigerian Scam) impede investigations and prosecution of offences due to their often complex geographical nature, and the anonymity offered by the World Wide Web. In most cases the criminal receives the fraudulently obtained funds in a foreign country using a false identity, making it almost impossible to solve.

Identity theft continues to be a concern to law enforcement agencies globally and due to the current technology used by criminals, North Bay has seen its' fair share of individuals having their personal information compromised, and used to obtain credit.

The continued sharing of information by local and national policing agencies through the Canadian Anti-Fraud Call Centre (PhoneBusters) continues to be an important part of the fight against fraud. The use of the Canadian Bankers Association facial recognition software will surely assist in identifying repeat offenders as the database is increased annually with images of the criminals caught in the act of using fraudulently obtained debit/credit cards at debit machines and during store purchases.

F. Performance Objectives for the Next Year

Internet based frauds were once again the most reported fraudulent offence in 2009. The increased ability of offenders to reach potential victims continues to increase with the availability of modern technology and the increased usage of wireless internet based devices. These types of crimes pose difficult and unique challenges for police to locate, identify, and prosecute offenders who are offered anonymity by the World Wide Web and are often thousands of miles away from their intended victims.

The Fraud Coordinator's main focus related to these Internet based frauds is educating the public and continued strategic media releases related to crime trends and ongoing internet based schemes. The Fraud Coordinator is currently in the process of having the Canadian Anti-Fraud Call Centres "Most Common Fraud Scams" linked to North Bay Police Service's Web site with a premise to educate local citizens in familiarizing themselves with current fraudulent trends.

In relation to traditional fraudulent crimes, the main focus will be to offer suggestions to prevent and protect individuals from falling prey to schemes that often are "too good to be true".

G. Other

N/A

H. Appendices

Appendix 'A'- Fraud Section Performance Indicators

APPENDIX A

Fraud Section Performance Indicators

	2006	2007	2008	2009
Occurrences	82	100	117	143
Criminal Code Charges	81	43	37	48
Fraudulent Use of Credit Card	11	0	0	0
Fraud under	10	13	8	17
Other Criminal Code	10	13	16	16
Utter Forged Document	23	12	6	4
Forgery	19	0	0	1
False Pretences	2	0	0	0
Fare/Fraud Accommodation Fraud	3	0	0	0
Fraud Over	5	5	7	10
Attempt Fraud	3	0	0	0
Search Warrants	6	8	13	23
Ongoing Investigation	4	4	3	6