



OECD International Academy for Tax Crime Investigation

Major Case Management Specialty Course



MAJOR CASE MANAGEMENT (MCM)



INSTRUCTORS – WHO WE ARE



- 1) Mona Klein
- 2) Garreth Murphy
- 3) Ralf Oberle

OBJECTIVES

- 1) Major Case Management Theory
- 2) Theory of the Case
- 3) Major Case Management Team Structure
- 4) Handling Major Cases A German Perspective
- 5) Case Planning and Business Rules
- 6) Case Management Tools, Resources and Data Analytics
- 7) Essential Interviewing
- 8) Partnerships and International Cooperation
- 9) Charging Decision and Investigation Completion
- 10) Wrap up and Graduation

PLENARY DISCUSSION

How does your Agency or Organization handle major cases?



CONDUCTING A CASE When everything goes well...

 The evidence gathered supports the charges and a conviction is obtained via:

A guilty plea or

A finding of guilt by judge/jury

CONDUCTING A CASEWhen they don't...



PAUL BERNARDO INVESTIGATION

What went wrong:

- No single person in charge / responsible
- No unified, strategic coordination
- Lack of supervisory system
- Inadequate communication between various agencies

Justice Campbell Report - Summary

PAUL BERNARDO INVESTIGATION

"The work of the most dedicated, skilful, and highly motivated investigators, supervisors and forensic scientists can be defeated by the lack of effective case management systems..."



Stephen Covey's

Habit #2

Begin with the end in mind.

Habit #1?

Be Proactive

PLENARY DISCUSSION

What challenges do you think you might encounter in conducting a major case?



CHALLENGES OF MAJOR CASES

- 1. Underestimation of investigation complexity
- 2. Volume of documents
- 3. Lack of focus
- 4. Shifting of priorities
- 5. Disrespect of the roles and responsibilities
- 6. Work in silo
- 7. Lack of case planning

CHALLENGES OF MAJOR CASES

- 8. Failure of timely reviews of case / progress
- 9. Lack of multijurisdictional accountability
- 10. No accountability to senior management
- 11. Pride of authorship / defensiveness
- 12. Interference of non-team personnel
- 13. Unsuitable file management
- 14. Absence of innovation

CHALLENGES OF MAJOR CASES

- 15. Failure to request assistance when needed
- 16. Lack of experienced investigators
- 17. Team turnover
- 18. Lack of team cohesion or performance issues
- 19. Team stress
- 20. Lack of financial or human resources
- 21. Lack of leadership
- 22. Tunnel Vision



OECD International Academy for Tax Crime Investigation

Conducting Financial Investigations



WHAT IS A MAJOR CASE?



WHAT IS A MAJOR CASE?

Criteria to qualify as a Major Case are:

- Complex tax schemes;
- Voluminous records;
- Inter-jurisdictional issues / foreign evidence
- Multiple targets;
- Potential for complex legal issues;
- Mastermind

WHAT IS A MAJOR CASE?

Case complexity:

- Not necessarily applied to volume of records
- Complex financial analysis / net worth
- Foreign evidence / cross-jurisdiction
- Complex Corporate Structures
- Number of agencies involved
- Public Interest

WHAT IS A MAJOR CASE?

Why is Major Case Management important?

- Requires strict case planning strategy
- Allows for allocation of specific resources
- Clear roles and responsibilities
- Economies-of-scale / synergize
- Different workload / work flow requirements

MAJOR CASE MANAGEMENT PRINCIPLES

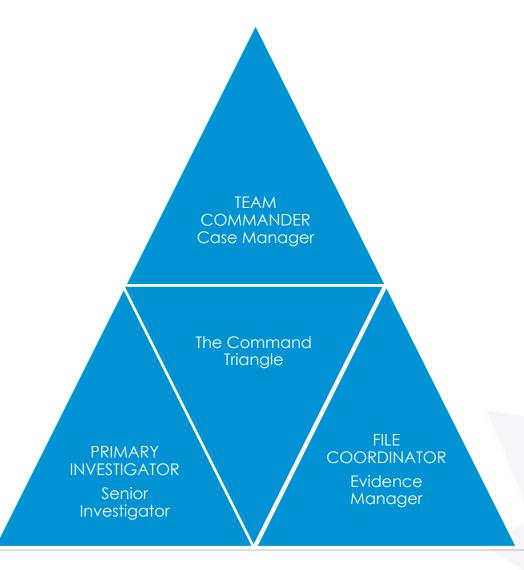
The following are principles of major case management that we have learned from our Royal Canadian Mounted Police (RCMP):

- 1. The Command Triangle
- 2. Communication
- 3. Leadership and Team Building
- 4. Investigative Strategies
- 5. Legal Considerations
- 6. Accountability Mechanisms

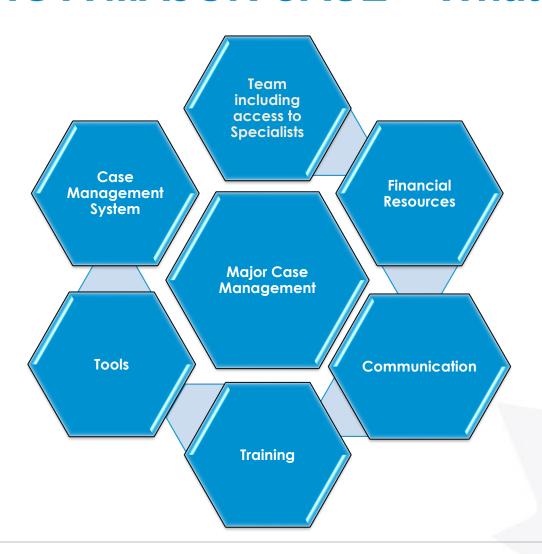
- 7. Management Considerations
- 8. Ethical Considerations
- 9. Partnerships



COMMAND TRIANGLE



CONDUCTING A MAJOR CASE – What is Needed?



THE WHAT? Tell me what is being Investigated

WHAT
IS YOUR
CASE
ABOUT?

 Before you decide the WHO you must know the WHAT

THEORY OF THE CASE

If you don't have a theory, you have no case

No theory = multiple sets of facts that are disconnected from each other

THEORY OF THE CASE

Case overview

Identify the facts that support the theory

Identify weaknesses and possible defences

WELCOME TO CORADA



You are now an investigator with the Corada Revenue Service

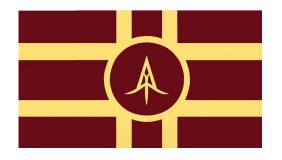


CASE STUDY (Exercise 1) Theory of the Case

BREAKOUT GROUPS



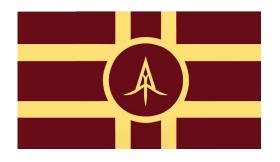
<u>Pre-req i2</u> <u>Exercise 1 – i2</u>



INCOME TAX OFFENCES

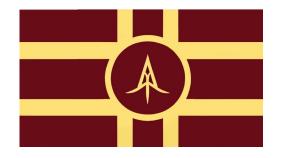
Section **239** – Every person who has:

- (a) made, or participated in, assented to or acquiesced in the making of, false or deceptive statements in a return, certificate, statement or answer filed or made as required by or under this Act or a regulation,
- **(b)** wilfully, in any manner, evaded or attempted to evade compliance with this Act or payment of taxes imposed by this Act, or
- **(c)** conspired with any person to commit an offence described in paragraphs 239(1)(a) and 239(1)(b)



FRAUD

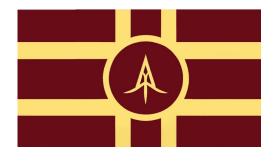
Section **380 (1)** - Every one who, by deceit, falsehood or other fraudulent means, defrauds the public or any person of any property, money or valuable security or any service where the value of the subject-matter of the offence exceeds five thousand dollars.



LAUNDERING PROCEEDS OF CRIME

Section **462.31** - Every one commits an offence who disguises in any way, any financial asset *with intent to conceal or convert* that financial asset, knowing or believing that all or a part of that financial asset was obtained or derived as a result of

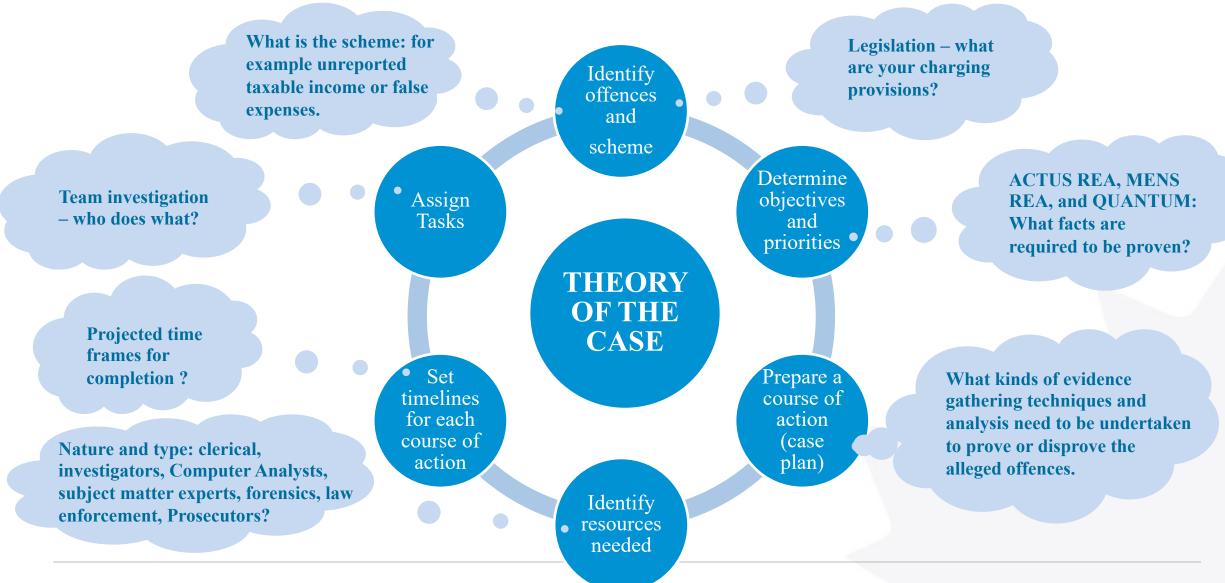
- (a) the commission in **Corada** of a designated offence; or
- **(b)** an act or omission anywhere that, if it had occurred in **Corada**, would have constituted a designated offence.



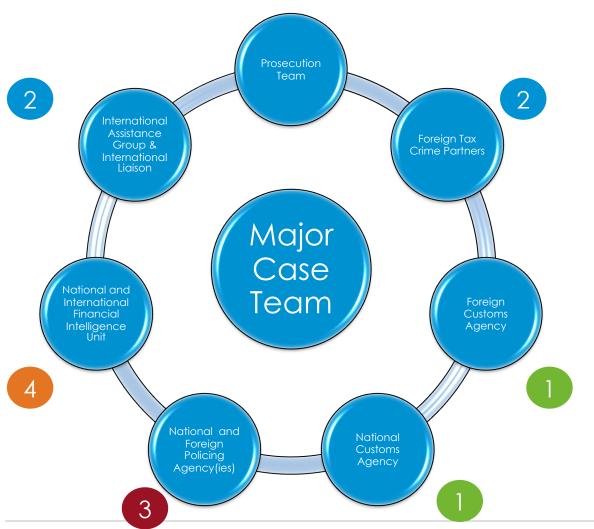
POWER TO SEIZE, RESTRAIN AND FORFEIT PROCEEDS OF CRIME

Sections 462.32 to 462.35 of the Corada Criminal Penal Code

THEORY OF THE CASE



TEAM AND PARTNERSHIPS



- 1) Discuss why the following may be a partner
- 2) Discuss how you interact differently with the following partners amongst your team (MOUs, one agency, etc)

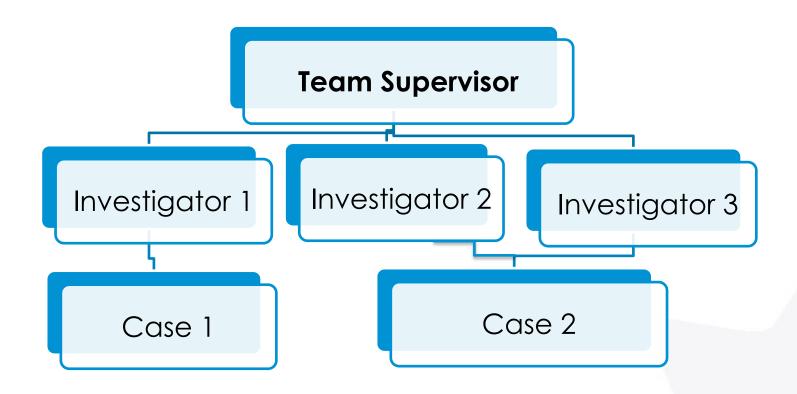
Pick 1 presenter to present your findings

THE WHO? Somebody has to do the Investigation

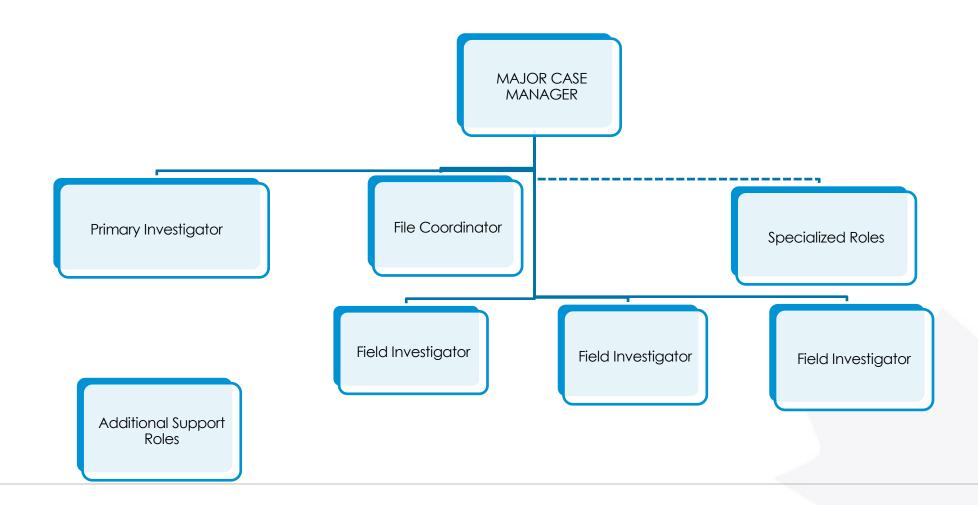
WHO IS GOING TO DO THIS CASE?

 WHO will you get to conduct the case (how many people, what role will they play)

EXAMPLE OF COMMON TEAM STRUCTURE



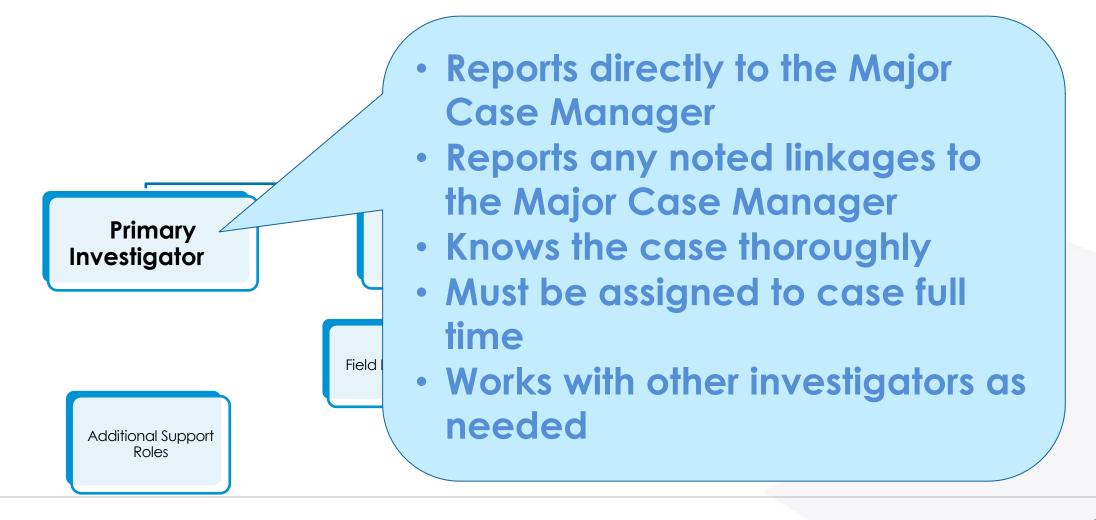
EXAMPLE OF A MAJOR CASE TEAM STRUCTURE

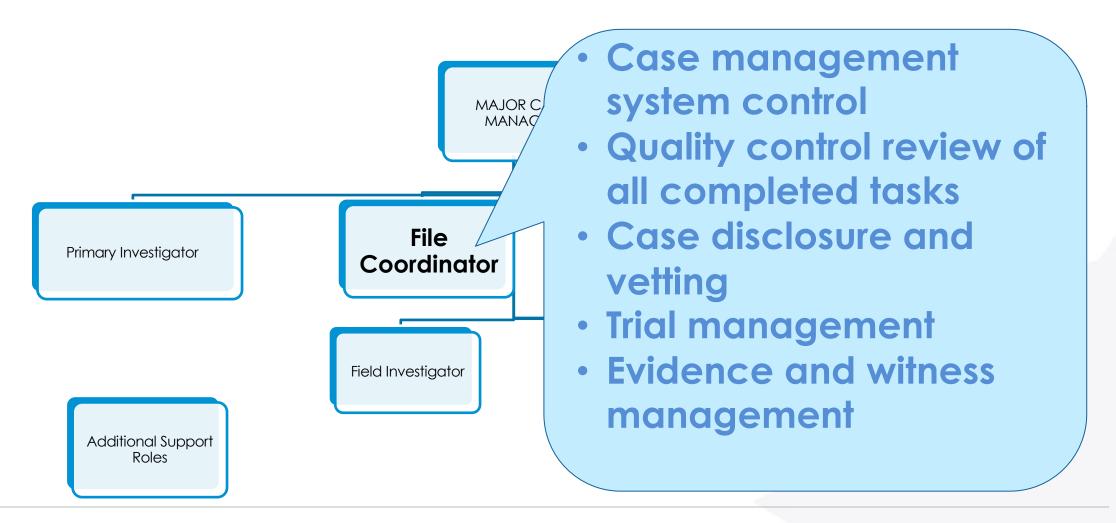


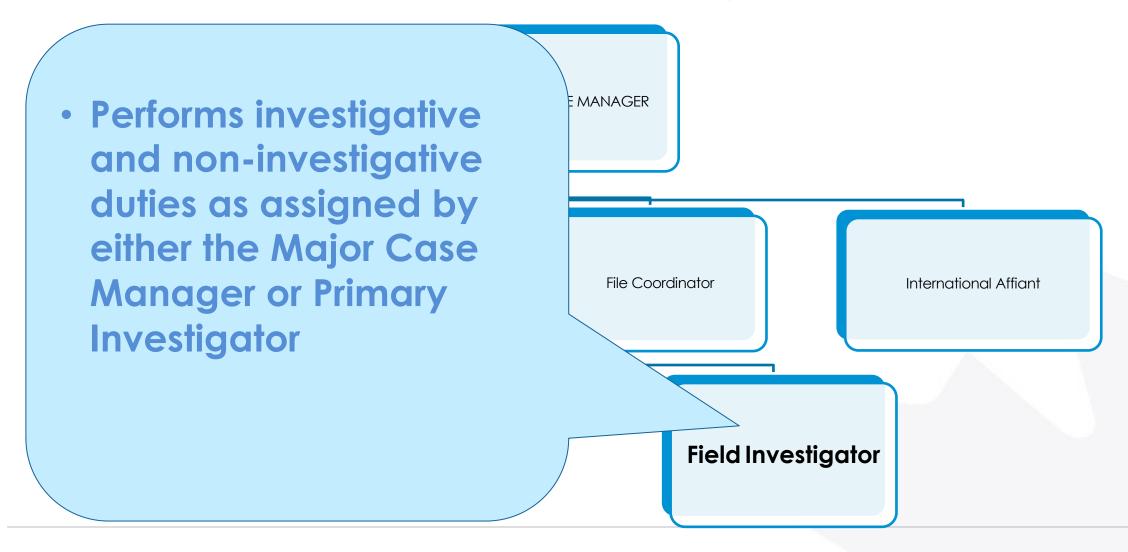
EXAMPLE OF MCM TEAM STRUCTURE

MAJOR CASE MANAGER

- Directs and leads investigators in the most complex investigations
- Develops operational strategies and objectives
- Responsible for direction and flow of the investigation
- Keeps investigation on track through regular case meetings, overseeing task assignment and completion
- Is accountable, responsible and controls the investigation
- Develops, maintains and cultivates partnerships
- Identifies potential linkages
- Identifies the need for resources
- Reviews all legal documents

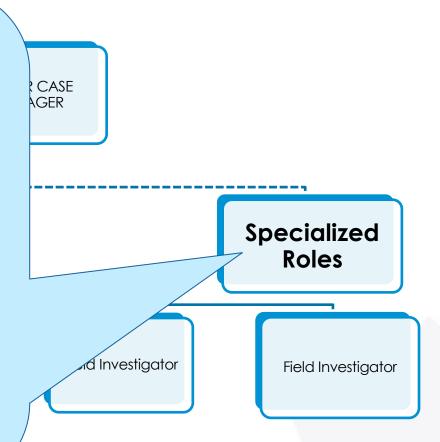






Roles can include:

- Affiant
- Evidence Management Support
- Data analyst
- Specialized technical skills in forensics or financial analysis
- International expertise

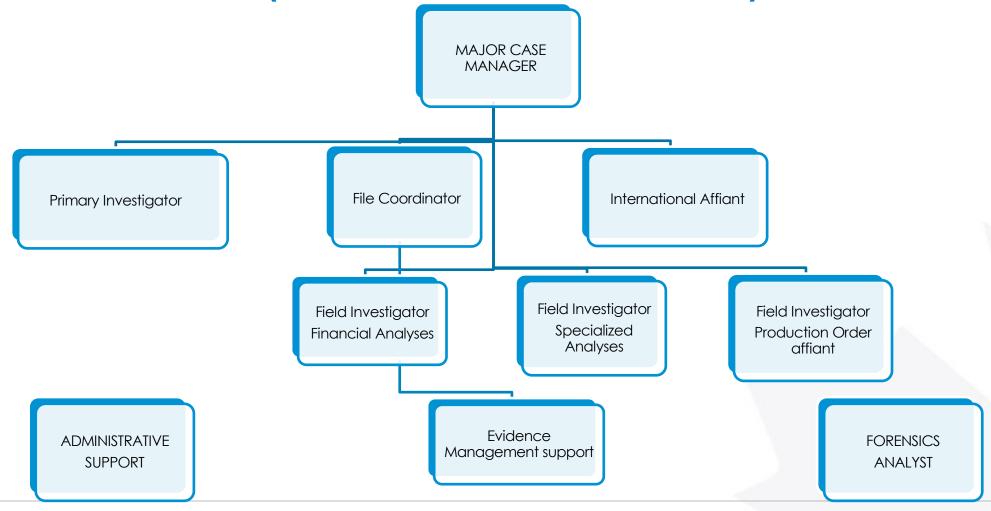


Primary Investigator **Additional** Support Roles

Roles include any type of support roles such as:

- Data input / analyst or administrative support
- Can also include access to technical skills that are not full time members of the team such as computer forensic analysts

MCM TEAM STRUCTURE (USED IN A REAL CASE)



"None of us is as smart as all of us" Ken Blanchart



Skills and personalities of team members:

- Experience and technical knowledge
- Independence
- Able and willing to work in a team environment
- Long-term commitment
- Critical thinking

Skills and personalities specific to Major Case Manager:

- Strong leadership skills AND
- Technical knowledge
- Highly organized
- Decisive
- Flexible and realistic
- Accountability
- Integrity

Different levels of management by Major Case Manager:

- General management
- Investigative management
- People and relationship management

Communication:

- Regular team meetings, no exclusions
- Senior management meetings / communication
- Stakeholders / partners

CASE STUDY (Exercise 2) Figuring out the Who

BREAKOUT GROUPS



THE HOW? This is getting complicated

HOW DO I ORGANIZE SOMETHING THIS COMPLEX? HOW do you plan to stay on track and ensure all team members are playing by the same rule book?

SOLVE THE CASE Why? Why not?



Investigators must conduct thorough and accurate investigation.

An effective investigation requires planning.

CASE PLANNINGWhat is Planning?



A plan is a determined course of action for achieving a specific goal



Planning involves a logical progression of activities, steps, actions or methods which are undertaken to achieve desired objectives.

Planning results in the "plan"

CASE PLANNINGWhy Plan?

Increases Efficiency

Reduces Risk

Facilitates proper coordination

Aids in organizing resources

CASE PLANNINGWhy Plan?

Gives Direction

Important in maintaining control

Helps achieve objectives

Motivates

Assists in decision making

CASE PLANNING You don't have time not to!







"Poor planning on your part does not necessitate an emergency on mine."

— <u>Bob Carter</u>, Professor.

"By failing to prepare, you are preparing to fail."

- Benjamin Franklin

"A goal without a plan is just a wish."

 Antoine de Saint-Exupéry, Writer.

"A good investigation starts with careful planning and preparation, a clear understanding of the parameters of the investigation, and with proper authority. Care and attention spent in getting it right at the outset will avoid considerable difficulties later on."



Log of actions (Investigator log)

Decision log



BUSINESS RULES What are they and Why are they so important?

Set Expectations

Provide Guidelines

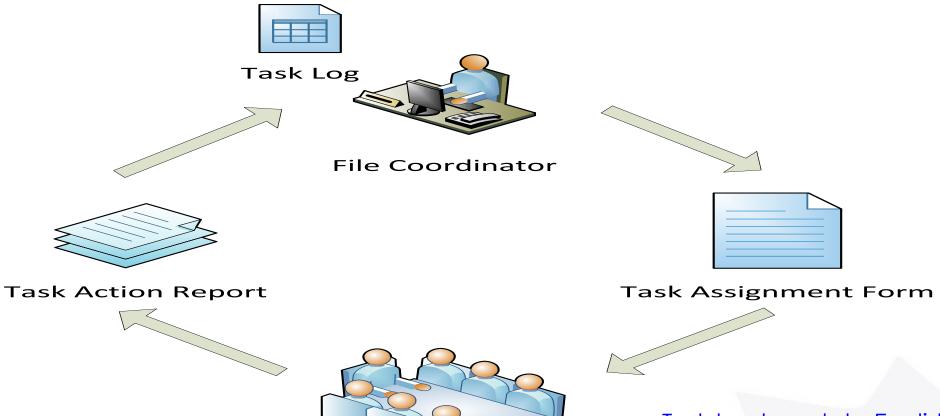
Ensure Consistency

Reduce Administrative Burden & Delays

Compliance with Practice, Policy & Legislation

MCM Business Rules Supplemental

BUSINESS RULES – Task Assignment



Weekly Task Template.xlsx
Task Report Template.xlsx

Investigation Team

Task log template English.xlsx
Task assignment form template.docx
Task action report template V1.doc
Task action report template V2.xlsx

BUSINESS RULES

Surveillance example



<u>Surveillance management worksheet.xlsx</u> <u>Surveillance report template.docx</u>

CASE STUDY (Exercise 3) Creating Business Rules

BREAKOUT GROUPS



COMMUNICATION

Weekly meetings must be attended by all team members. Minutes to be taken by the File Coordinator

ROLES AND RESPONSIBILITIES

Every team member reports directly to the Major Case Manager, who can delegate management of a particular task at their discretion to another member of the Command Triangle.

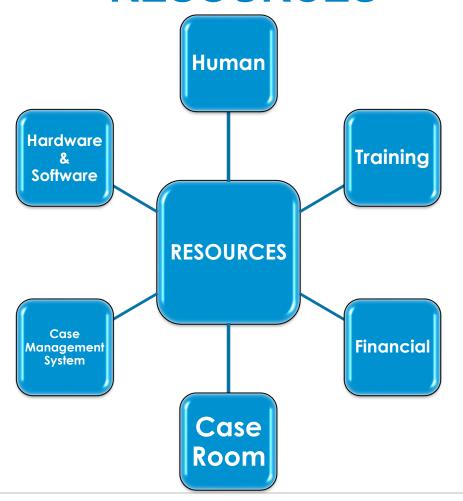
CASE MANAGEMENT/TECHNOLOGY/DISCLOSURE

Monthly investigator logs of the previous month must be submitted to the File Coordinator by the 5th of each month. Once ingested by the File Coordinator, each investigator is responsible for redaction of their own logs.

CASE PLANNING / INVESTIGATIVE STRATEGIES

Monthly case plan must be finalized by the Command Triangle by the 5th of each month, and discussed with the team during the first monthly case meeting.

CASE MANAGEMENT TOOLS AND RESOURCES



PLENARY DISCUSSION

How does your Country manage and work with large amounts of information / data / evidence?



CASE MANAGEMENT SOFTWARE What is it?

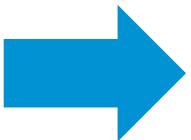
Manages documents and processes that require action and resolution.



A to Z File Structure
Adobe File Structure

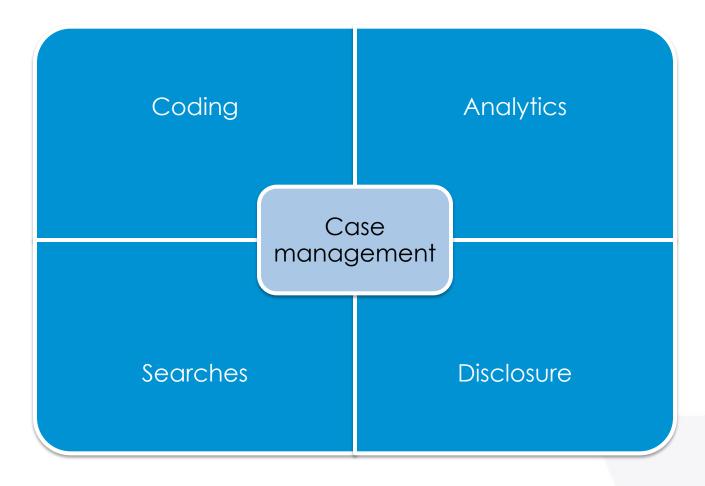
CASE MANAGEMENT SOFTWARE What is it?



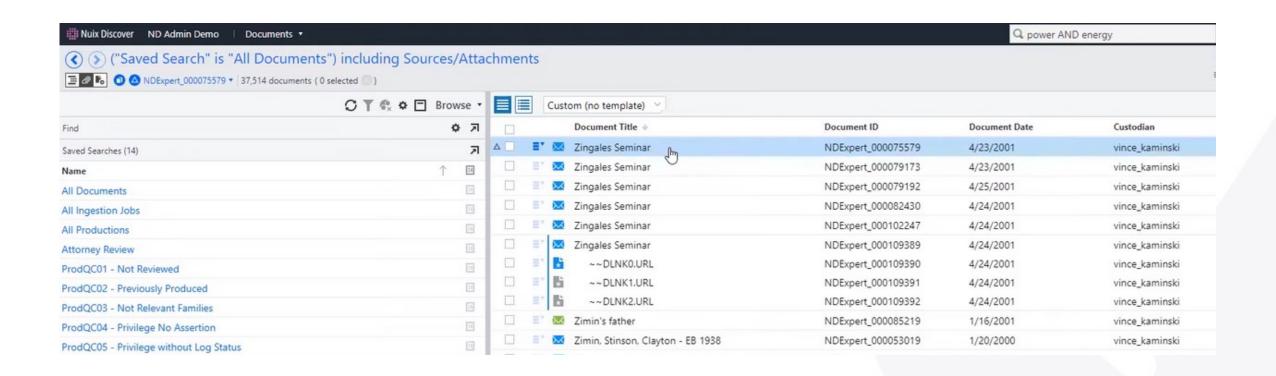


- Record notes
- Manage tasks
- Workload management / workflows
- Templates
- Approvals

WHAT IS AN E-DISCOVERY TOOL?

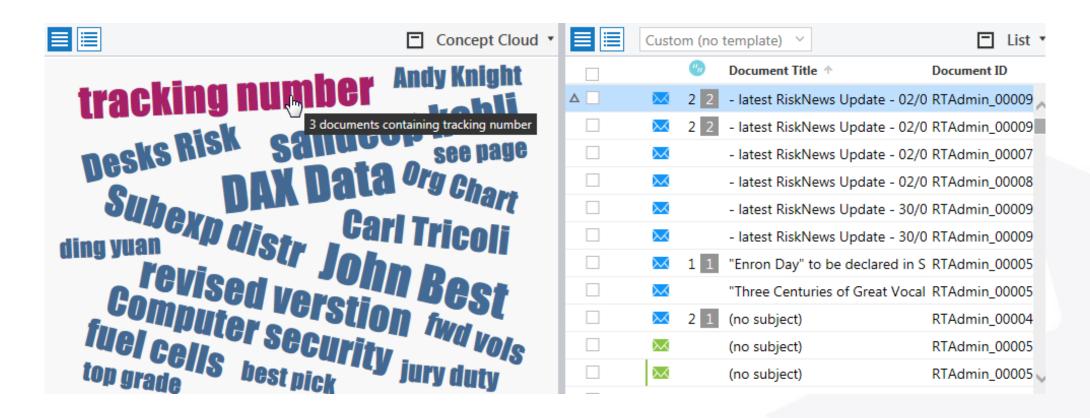


I HAVE E-DISCOVERY SOFTWARE - NOW WHAT?

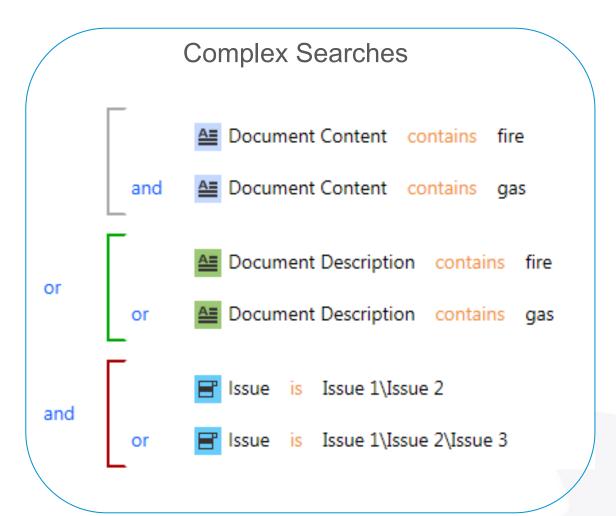


WHAT CAN IT DO

 A CONCEPT CLOUD displays a word cloud of concepts that were found in a specific document set.

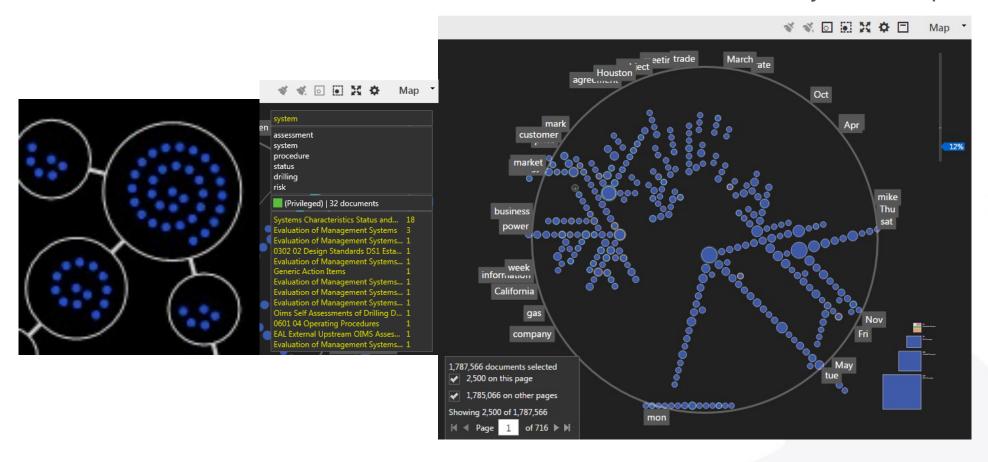


WHAT CAN IT DO?



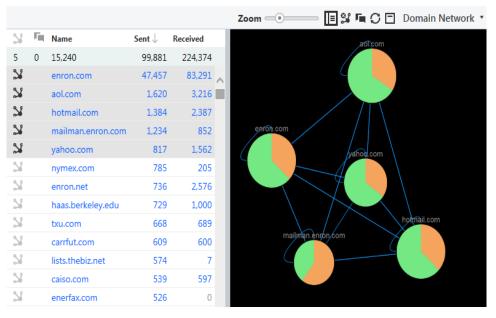
WHAT CAN IT DO?

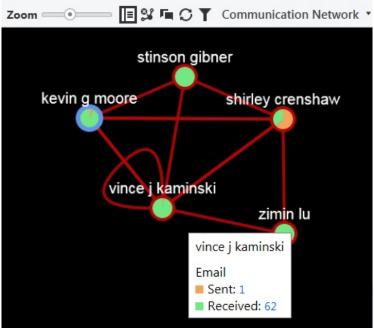
A MAP PANE is an alternate view of documents based on the similarity of concepts.



WHAT CAN IT DO?

 SOCIAL NETWORK ANALYTICS can view email communication patters between people and organizations.





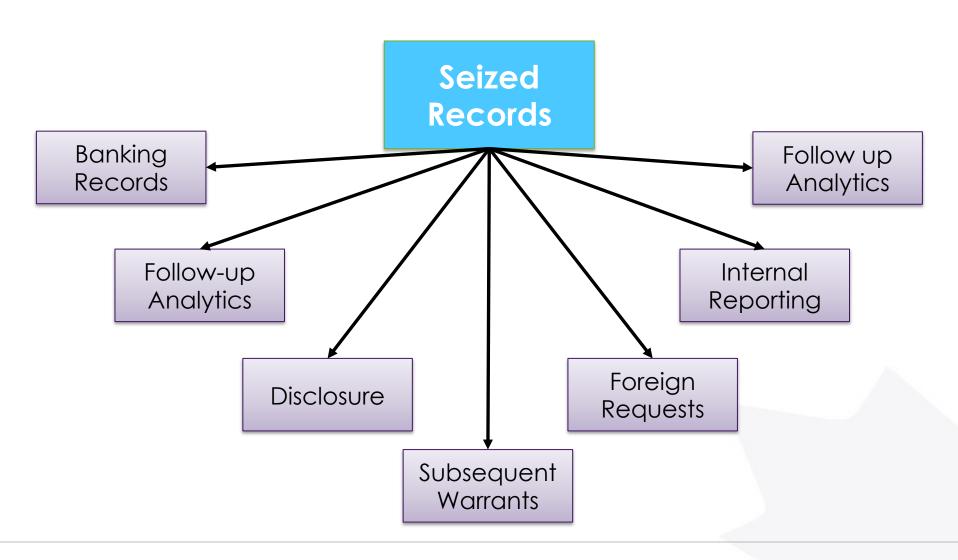
DATA ANALYTICS



MAJOR CASE ANALYTICS

- 1. Plan! Plan! Plan!
- 2. Quality of Data
- 3. Navigating a Sea of Data
- 4. Automation
- 5. Presentation of Results

PLAN! PLAN! PLAN!



QUALITY OF DATA

Important Questions

- How was this dataset created?
- What is the source of data?
- Are there any obvious errors?
- Can I share this data?

SPOTTING ERRORS

Important Review Items

- Does this make sense?
 - Filter checks
 - Pivot table review
 - Spot Check
- Can you use the information sourced?

NAVIGATING VOLUMINOUS DATASETS

- Proper tools
- Combining datasets
- Major case tools



INVESTIGATIVE TOOLS

Case Management

Data Analysis

Data Exploration

Data Processing

Document Viewer

TOOLS

Category	Function	Software
■Case Management	□ File Repository	Adobe Acrobat Pro
		Caseware Working Papers
		CUSTOM IMPLEMENTATION
		Excel
		Nuix
■ Data Analysis	□ Cryptocurrency Tracing	Chainalysis
		Cipher Trace
		TRM
	■ Custom	Scripts
	⊟ Database	Caseware IDEA
		Microsoft Access
	□ Spreadsheets	Excel
		Google Docs
	⊟Visualizer	Gephi
		i2
		Maltego
		Microsoft Power BI
		Palantir
		Tableau

Category	Function 🔻	Software
■ Data Exploration	■eDiscovery	Nuix
		Relativity
		Summation
■ Data Processing	□OCR	Abby Fine Reader
		Adobe Acrobat Pro
		Altia
		Simple OCR
	■Transcription	Solutions available
	■Translation	Solutions available
	■ Data Ingestion	Microsoft Power Pivot
■ Document Viewers	■ PDF Readers	Adobe Acrobat Pro
		Foxit

AUTOMATION

```
::=d6d6d6}.sort-box-container(mary)
 solid #b5b5b5;display:flex;min-dur
wpw.glm-left:0;margin-right:6px;font-welgm
 content: close"; position: absolute; right &
  :24px;line-height:1;letter-spocing
settings:liga;font-feature:mobile-filter
  #b5b5b5;dtsploy8
  padding:5px;border-color:
      my: height: 500px; overflow-y: hiddens
      wodosject-fit:cover; width: 100%; h
        :leex;height:calc(100% - 47px
         top:-30px;margin-bottom:5px
          stag:0 5px; margin-right:5px
              note-discount{color
```

LEVERAGING DATA



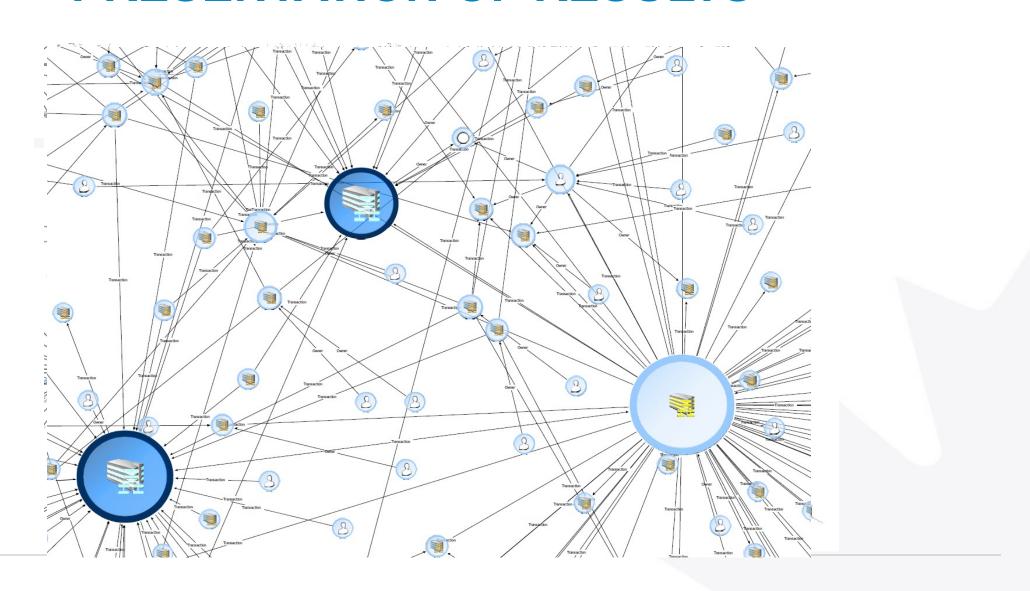
• Phone #, user ID, bank account, IP addresses, representative

Financial inconsistencies

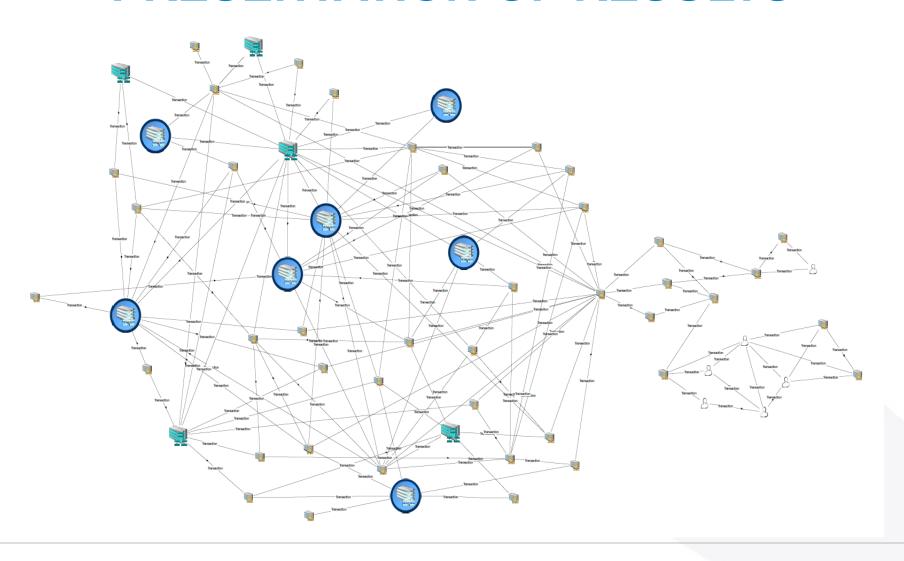
• Gross margin analysis, unusual FS captions

Timelines

PRESENTATION OF RESULTS



PRESENTATION OF RESULTS



PLENARY DISCUSSION

- 1. How do you make sure that the analysis / results are accurate?
- 2. What are the biggest concerns with the analysis / results?
- 3. In what ways can you remedy the situation? How do you provide comfort to the prosecutor and the judge that the conclusion is correct?



DATA INTEGRITY











CASE STUDY (Exercise 4) Conducting the Investigation – Analyzing Data

BREAKOUT GROUPS

1) How has theory of the case changed2) 3 KEY FACTS learned



Exercise 4 - i2

INTERVIEWS AND MAJOR CASES

Some interview basics that still apply in major cases:

Preparation is vital

Interview sequencing

Familiarity with the case

Outline vs. Questionnaire?

HOW ARE INTERVIEWS DIFFERENT IN A MAJOR CASE?

- Number of interviews
- Inconsistency in interviewer(s)
- Theory of the case / facts can be complex to follow
- Administrative aspect can be a burden



WHAT CAN WE DO TO MITIGATE THESE RISKS?

An Interview Coordinator can assist in Major Case Interviews



WHAT CAN WE DO TO MITIGATE THESE RISKS?

Knowledge of case facts by all interviewers will help focus the interview to "what we need to know"

Regular team meetings and discussions should include the topic of ongoing witness interviews, what we have learned, where the new information will take us (what's different?)

CASE STUDY (Exercise 5) New Information...

- Interview of Gabriella Cross
 - Owner of Arc Windows
 - Created Gallium Investments (Pacifica)
- Friend of Francois Le Blanc and she knows:
 - Antonio Robbins is Francois' contact in Pacifica
 - Antonio and another person (female) own Bluewater and Latitude
 - Bluewater and Latitude are Corporate Service Firms
 - Antonio often sails with Francois and Hanz on Hanz' yacht

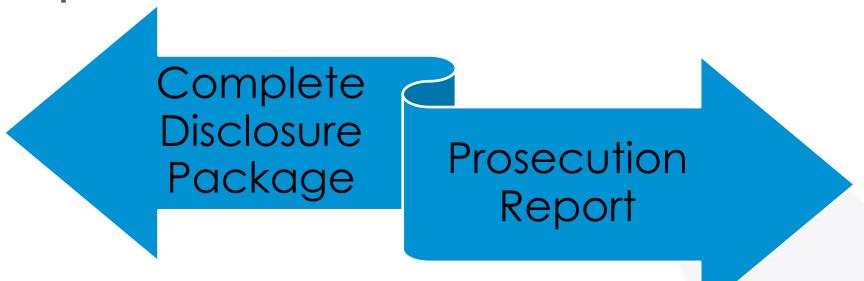
CASE STUDY (Exercise 5) Conducting the Investigation – Witnesses

BREAKOUT GROUPS

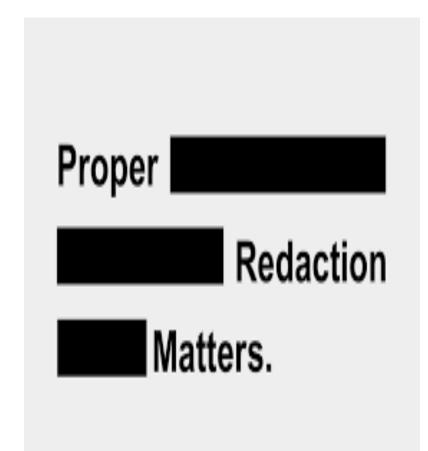


CHARGING DECISION The beginning of the end...

At the end of all criminal investigations the prosecutor requires the following to proceed with a case...



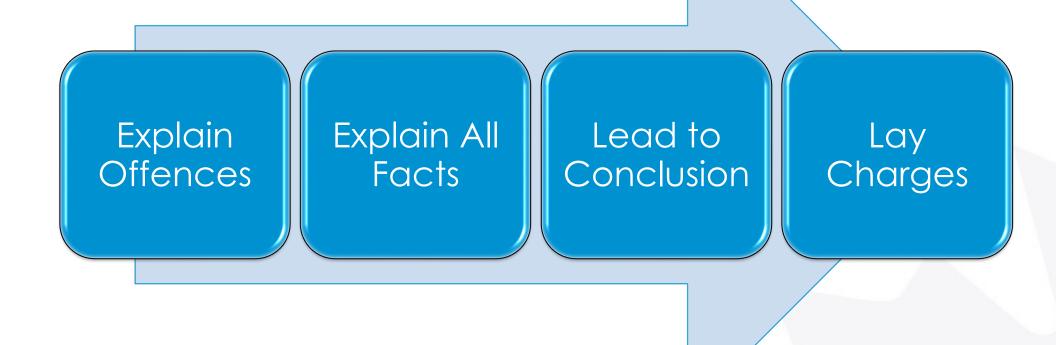
REDACTION AND DISCLOSURE



Redaction - The censoring or obscuring of part of a text for legal or security purposes (Oxford Dictionary)

Disclosure - The process and rules governing the exchange of information between the parties to prepare for legal proceedings.

CHARGING DECISION



YOUR FINAL REVIEW Ask yourself: Does your report...?

Give the reader the context for the investigation?

 Explain how the evidence was collected?

 Tell the story of the fraud/scheme under investigation? and

Provide a basis for the conclusion?

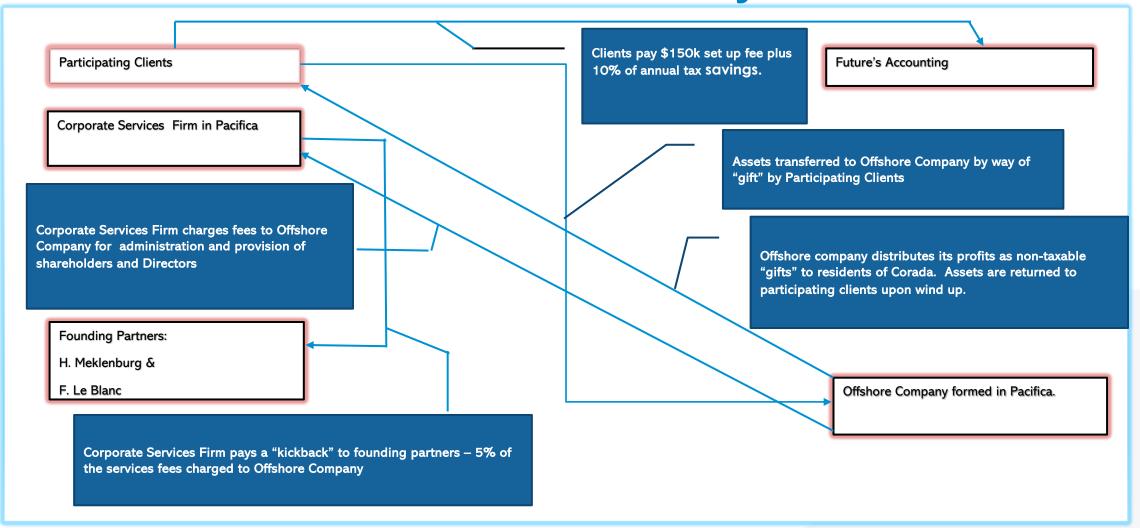
CASE STUDY (Exercise 6) Conducting the Investigation – Charging Decision

BREAKOUT GROUPS

Exercise	Document	Password
4	TAX FILE.zip (5 - Exercise 4 Data Analysis\Seized Items\Futures Accounting)	<u>*T@xP!an</u>
5	5-1 Will Say of Alessandro Kerr	AK*WillSay
	5-2 Will Say of Antonio Robbins a partner in the corporate service firms	WillSay*AR
	5-3 Will Say of Kelly Fairbank a director of the offshore companies	KF?WillSay
	5-4 Will Say of Marcia Yeung Pacifica Tax Dept	WillSay?MY

Exercise 6 – i2

CASE STUDY Follow the Money



PRINCIPLES OF MAJOR CASE MANAGEMENT



SUCCEEDING Who can help you get better and succeed?



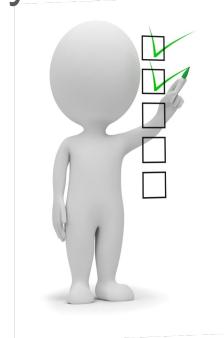
It's not what you've <u>learned</u>... it's what you <u>use</u> and <u>how you use it</u>.



IMPLEMENTING WHAT YOU HAVE LEARNED Be proactive

 Make note of the learning and / or best practices that you will

- Adapt
- Adopt
- Apply



FINAL THOUGHTS

Remain calm, have fun



Always – I repeat always "tell the truth" - You only have one reputation

QUESTIONS?





OECD International Academy for Tax Crime Investigation

Conducting Financial Investigations



