



OECD International Academy for Tax and Financial Crime Investigation

*Managing Financial Investigations*



# Investigative Tools for Corruption Cases

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U.S. DEPARTMENT OF JUSTICE





# The Investigative Plan

ALL GOOD PLANS CHANGE

# Assess the Case

## ▶ Identify Conduct That May Be Criminal

- What conduct are we investigating?
- Is the conduct a crime?
- What statutes does the conduct violate?
- When did the conduct occur? → *Ongoing vs. historical; risk assessment; statute of limitations*

## ▶ Identify Subjects and Witnesses

- Who was involved in the conduct under investigation?
- Who may have information or witnessed relevant conduct?
- What is the potential criminal liability of these people?
- Who is the most culpable person?

# Assess the Information Deficit

- What do we know?
- What don't we know?
- What do we need to know?
- When do we need to know it?
- Where can we get the information we need?
  - Records
  - Witnesses
  - The subjects themselves

# The Initial Investigation

- ▶ **Initial Data Collection – What can we learn quickly without turning heads?**
  - Public records
  - Low risk process
  - Surveillance
- ▶ **Covert versus Overt**
  - Who knows about the investigation?
  - Are there opportunities to be proactive?
  - Are there public safety or other considerations?
- ▶ **Resource Assessment**



**Surveillance –  
You don't  
know what  
you don't  
know.**

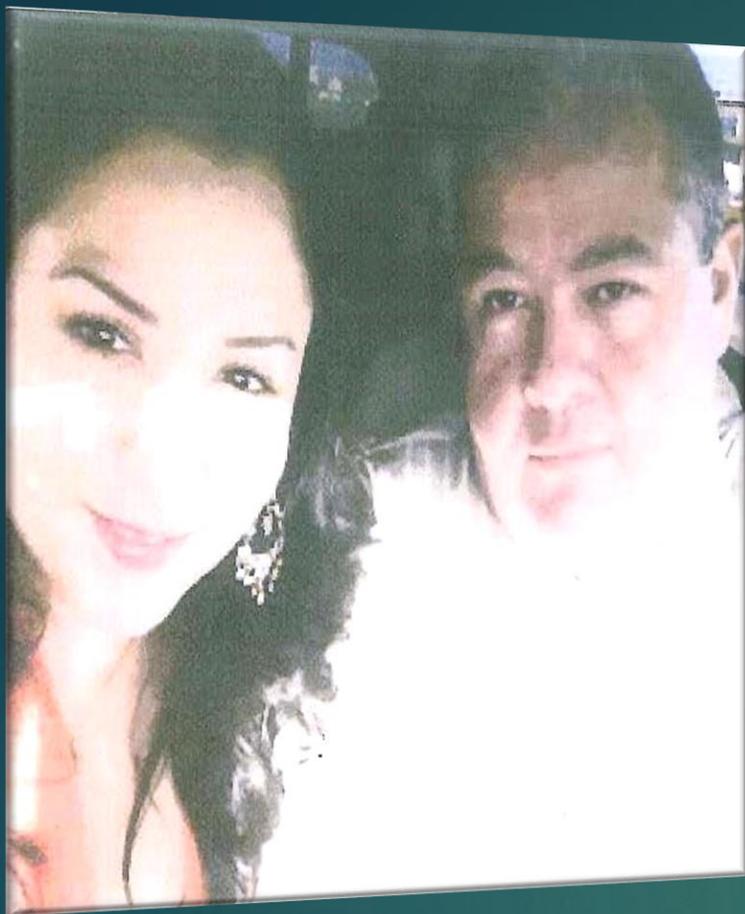
# Surveillance

Old house



New House





## Social Media

Photographs obtained from witnesses and social media can corroborate simple details – like the existence of a friendship or romance, a certain lifestyle, or an event.



# Executing the Investigative Plan

NEVER STOP REASSESSING

# Common Investigative Tools

- ▶ Covert/Proactive Steps
- ▶ Subject Interviews
- ▶ Witness Interviews
- ▶ Record Collection (Corroboration)
- ▶ Plan Now for Trial
  - Investigate Defenses
  - Discovery
  - Statutes for Indictment

# Covert Investigative Techniques

- ▶ Pen registers and wiretaps
- ▶ Recorded conversations with cooperators/victims
- ▶ Use of undercover agents
- ▶ Surveillance
- ▶ MLATs



## Covert/Proactive Investigative Activity

- Record the modus operandi as proof of guilt; don't try to change it to fit the investigation.
- Have your overt plan in place when you start covert activity.

# Subject Interviews

## ▶ Early interview

- ▶ Subjects want to talk
- ▶ Gives us something to investigate
- ▶ Narrow issues
- ▶ Early insight into defenses
- ▶ Lock in OR address  
reasonable explanation by eliminating it or shifting directions

## ▶ Delaying interview

- ▶ Investigation overt
- ▶ Time to coordinate stories
- ▶ Chilling effect
- ▶ No element of surprise
- ▶ Less chance to investigate defenses
- ▶ Wasted time investigating stuff that does not matter

## ▶ Myths

- ▶ I need to know all the answers to the questions.
- ▶ They might lie to me, and I won't know any better.
- ▶ The purpose of the interview is to get a confession.
- ▶ There is no second interview.

# Recording Subject Interviews

## Surreptitious

- ▶ Informational advantage to agent, both during and after
- ▶ No chilling or upstaging effect on subject
- ▶ May aid later investigative steps/interviews

vs.

## Overt

- ▶ Transparency
- ▶ Credibility

# Witnesses

- ▶ Identified
- ▶ Corroborated
- ▶ Accountable
  - ▶ For the truth
  - ▶ For their conduct
- ▶ Locked-in
  - ▶ To their truthful testimony
  - ▶ To the meaning and accuracy of their recordings (if applies)
- ▶ Motives/Impeach
  - ▶ Payments
  - ▶ Texts/voicemails

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**UN Sealed 10-5-12**  
Public and unofficial staff access to this instrument are prohibited by court order.

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS BROWNSVILLE DIVISION

UNITED STATES OF AMERICA )  
vs. )  
JOSE P. CANTU, )  
Defendant. )

Crim. No.:

**PLEA AGREEMENT**

The United States of America, by and through the undersigned attorney, Integrity Section, Criminal Division, United States Department of Justice, and (hereinafter referred to as the "defendant") enter into the following agreement:

United States District Court Southern District of Texas FILED JUL 18 2012 David J. Bradley, Clerk of Court

Case 1:12-cr-00587 Document 8 Filed in TXSD on 07/18/12 Page 19 of 24

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IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS BROWNSVILLE DIVISION

UNITED STATES OF AMERICA, )  
v. )  
JOSE P. CANTU, )  
Defendant. )

Crim. No.:

**FACTUAL BASIS FOR GUILTY PLEA**

The United States of America, by and through the undersigned attorneys for the Public Integrity Section, Criminal Division, United States Department of Justice, and the defendant JOSE P. CANTU, personally and through his undersigned counsel, hereby stipulate that, had this case gone to trial, the United States could have proven, through competent evidence, the following facts beyond a reasonable doubt:

**THE DEFENDANT JOSE P. CANTU, HIS CO-CONSPIRATORS, AND CONFIDENTIAL HUMAN SOURCES**

**DEFENDANT'S ACCEPTANCE**

I have read this agreement in its entirety and disclose that no additional promises or representations have been made to me by any official of the United States in connection with this matter. I understand the crimes to which I have agreed and the maximum penalties for those offenses and Sentencing Guideline penalties to them. I am satisfied with the legal representation provided to me by my attorney and I have sufficient time to meet and discuss my case. We have discussed the charges, defenses I might have, the terms of this Plea Agreement and whether I am entering into this Agreement freely, voluntarily, and knowingly because I understand the crimes to which I am pleading guilty, and I believe this Agreement is in my best interest.

Date: 6/20/2012

*Jose P. Cantu*  
JOSE P. CANTU  
Defendant

**Substantial Assistance**

14. The defendant agrees to cooperate fully with the United States by:

a. providing truthful and complete information and testimony, and producing documents, records and other evidence, when called upon by the United States, whether in interviews, before a grand jury, or at any trial or other court proceeding;

# Corroborating Records

Bank records

Cell phone records

Border crossing records

Timesheets

Contracts – Tenders – Bids

Photographs

Emails

Log on/log off

Social media

Objects

# Corroborating Records

Spend time on analysis

The FRITS E. LAWAETZ  
LEGISLATIVE CONFERENCE ROOM



**1 First Bank**

Virgin Islands

DEPOSIT  
CHECKING  
STATEMENT SAVINGS  
MAXIMIZER SAVINGS

FirstBank Virgin Islands is a Division of FirstBank Puerto Rico

FOR CREDIT TO THE ACCOUNT - PRINT FULL ACCOUNT TITLE (NAME)

Trust Acct. Law Office Natalie Nelson 10-14-09

09393 FirstBank  
726

OCT 14 2009

18000.00

DEPOSIT CHECKING  
BANK COPY

693

TELLER: VI41995

S SESS SESS DEV.  
T NUM SEQ SEQ

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-SEAL 00- TRANS.  
0011 0060 0060  
TRANS.

E 0011 9999 0062  
-SEAL 00- TRANS.  
0012 0064 0064  
TRANS.

E 0012 9999 0066  
-SEAL 00- TRANS.  
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TRANS.

E 0013 9999 0069  
-SEAL 00- TRANS.

Date 10-14-2009 Account 7121002273 Amount 18000

7121002273

⑆2215

**LAW OFFICE OF NATALIE NELSON PLLC**

TRUST ACCOUNT  
PH. 340-773-0378  
27 & 28 KING CROSS ST.  
CHRISTIANSTED, VI 00820

**1FIRSTBANK**  
SUNNY ISLE BRANCH  
ST. CROIX, VI

693

101-7265-2216

10/14/2009

PAY TO THE  
ORDER OF Clerk of the Court - District Court

\$ \*\*18,000.00

Eighteen Thousand and 00/100

DOLLARS

Clerk of the Court - District Court

MEMO Case No. 05-CV-90 -James vs. Victoria, House, Inc.

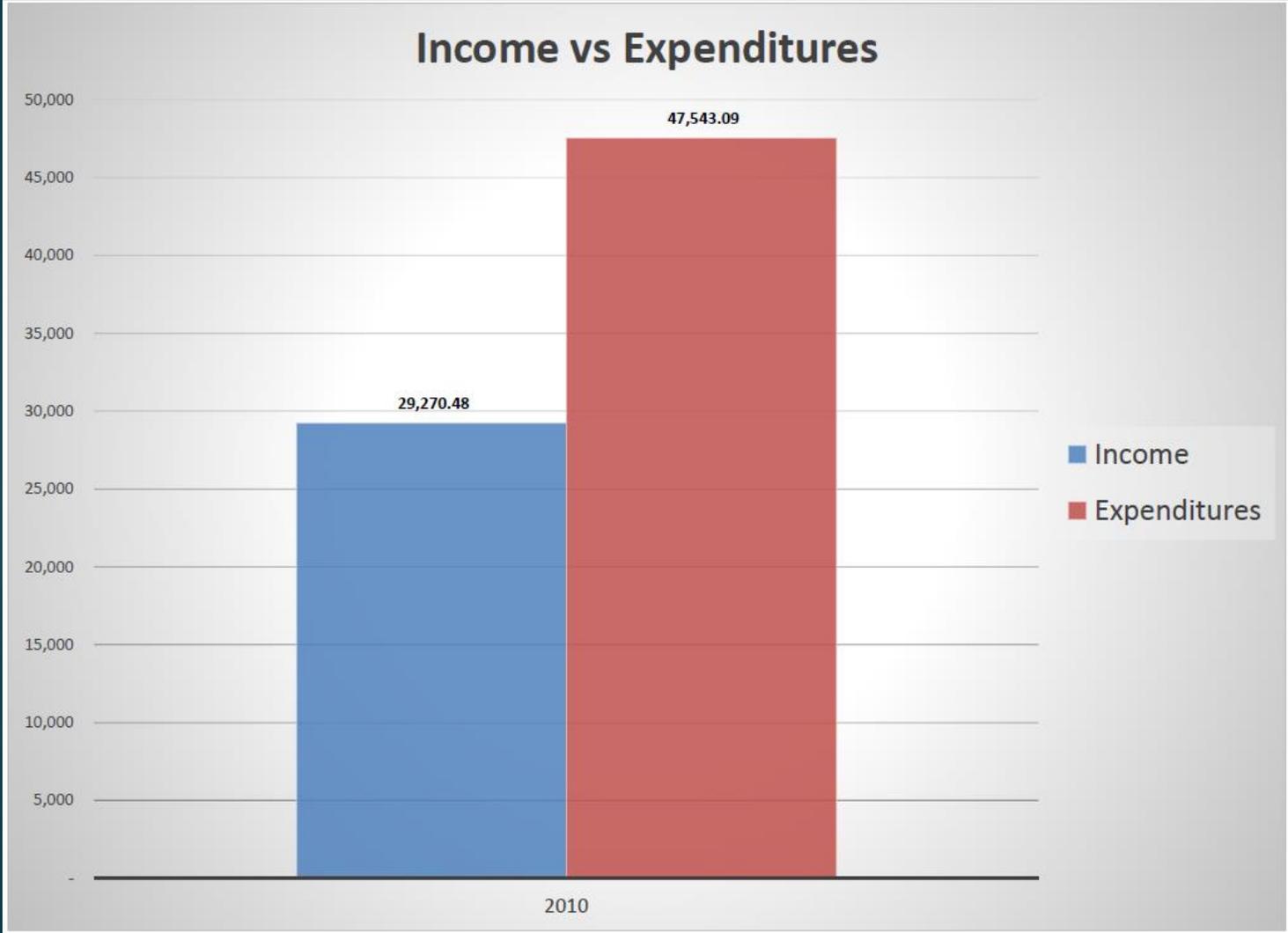
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07261003421370 16

Date 10-15-2009 Account 7121002273 Amount 18000.00 Serial 693 Sequence 6012610 TR 221672651 TranCode 0 DBCR D

# Corroborating Records

Spend time on analysis



# Final Investigative Tips



- ▶ Investigate defenses
- ▶ Do not take identification for granted
- ▶ Multiple agencies – multiple policies
- ▶ Plan for discovery early

1. Revisit your evidence.  
2. Don't stop investigating.





# Questions?

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