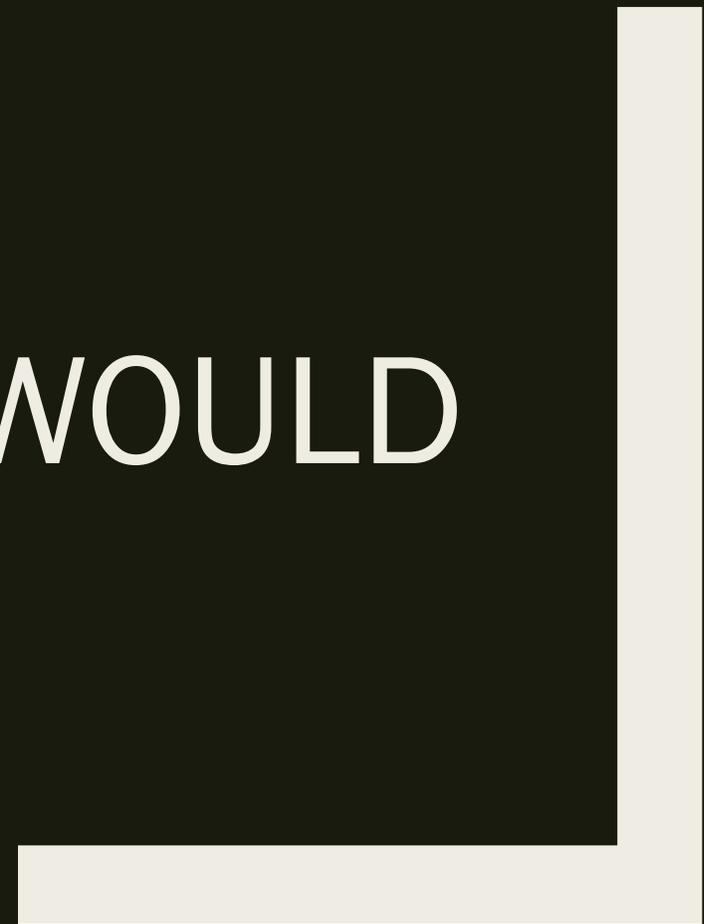


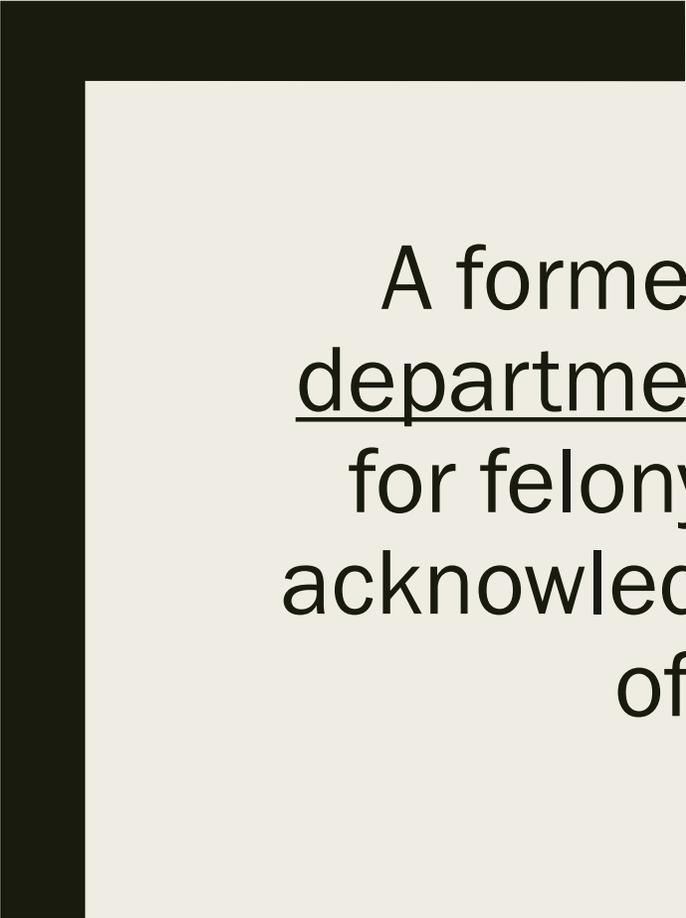
I WOULD NOT DO THAT!

Adam Lippe
Chief, Economic Crime Unit
Baltimore County State's Attorney's Office

BUT SOMEONE ELSE WOULD



'If it wasn't so serious, you'd think it was a SNL skit': Man is arrested for stealing \$1.2MILLION of FAJITAS in scam which lasted nine years



A former South Texas juvenile justice department employee has been arrested for felony theft after authorities say he acknowledged stealing **\$1.2 million** worth of fajitas over nine years.



A former South Texas juvenile justice department employee has been arrested for felony theft after authorities say he acknowledged stealing \$1.2 million worth of **fajitas** over nine years.

A fajita /fə'hi:tə/
is a term found in Tex-Mex cuisine,
commonly referring to any grilled meat usually served
as a taco on a flour or corn tortilla.

The term originally referred to the cut of beef used in
the dish which is known as skirt steak.

The northern Mexican variant of the dish name
is Arrachera.



Mexican Food 101

The Burrito:

- ✓ Fully-enclosed in a large tortilla
- ✓ May contain rice/beans
- ✓ May be doused with sauce (a.k.a. a "wet burrito")



The Taco:

- ✓ Traditionally uses a palm-sized tortilla
- ✓ May be served open-faced or folded in half
- ✓ Contains a protein + vegetable garnish



The Fajita

- ✓ Actually a type of taco
- ✓ Usually served with grilled meat
- ✓ Tortilla and condiments usually on the side





Gilberto Escaramilla was
fired and arrested
after authorities obtained a
search warrant
and found packages of the Tex-Mex food
in his refrigerator.



Gilberto Escamilla, an employee with the Juvenile Justice Department, was charged with a first-degree theft, a felony, and is the subject of an ongoing investigation



The Juvenile Justice Department where Escamilla worked is pictured above



Investigators checked vendor invoices and determined he would intercept county-funded food deliveries and deliver them to his own customers.

The scheme imploded when he missed work one day in August for a medical appointment and a delivery driver showed up with **800** pounds of fajitas, but officials said the juvenile department didn't serve fajitas.

For a little perspective, the retail price for inside skirt steak at Pete's Fine Meats is **\$7.99 per pound**. Central Market charges **\$10** for unmarinated fajitas meat and **\$10.99** for marinated.

[See: Fajitas Price Index: Pricey & cheap meat at Houston Tex-Mex treasures](#)

Time for High School Math!

$\$1.2 \text{ million} / \$7.99 \text{ per lbs} = 150,187 \text{ lbs!}$
 $800 \text{ lbs for one shipment} = 187 \text{ shipments}$
 $187 \text{ shipments} / 9 \text{ years} = 20 \text{ shipments}$

How much does a pound of fajitas feed?

Two **fajitas** is the usual estimate per person if you have the usual sides of rice, beans, and salad.

For a two **fajita** serving for 4 people, you need:
1 **pound** of lean boneless raw meat per 4 persons.

So each person would eat a $\frac{1}{4}$ lb of meat per fajita.



MEXICAN GRILL

BURRITOS, TACOS & SALADS



BURRITO

Tortilla, choice of rice, beans, meat, salsa and cheese or sour cream. Add peppers and onions instead of beans for a fajita burrito.

CALORIES: 350-930



BURRITO BOWL

Just like a burrito, but served in a bowl with no tortilla.

CALORIES: 160-640



TACOS

Your choice of three crispy corn, soft corn or soft flour tortillas with meat, salsa, cheese or sour cream and romaine lettuce.

CALORIES: 320-670



SALAD

Chopped romaine lettuce with choice of beans, meat, salsa and cheese, with or without chipotle-honey vinaigrette.

CALORIES: 170-780

CHICKEN

Naturally raised, marinated in our chipotle adobo, then grilled.

\$6.37

STEAK

Naturally raised, marinated in our chipotle adobo, then grilled.

\$6.84

BARBACOA

Naturally raised beef. Braised for hours, then shredded.

\$6.84

CARNITAS

Naturally raised pork. Braised for hours, then shredded.

\$6.84

VEGETARIAN

Includes our fresh guacamole and vegetarian black beans.

\$6.37

SALSAS

Fresh Tomato (Mild) Calories: 20

Roasted Chili-Corn (Medium) Calories: 80

Tomatillo-Green Chili (Medium Hot) Calories: 15

Tomatillo-Red Chili (Hot) Calories: 40

EXTRAS & DRINKS

- Chips & Guacamole : Serves 2 (Cal: 360 ea/720 tot) \$3.07
Chips & Salsa : Serves 2 (Cal: 295-325 ea/590-650 tot) \$2.12
Guacamole (Calories: 150) \$1.89
Chips: Serves 2 (Calories: 285 ea/570 tot) \$1.18
Bottled Drinks (Calories: 0-280) \$2.12 / \$2.59
Soda (Calories: 0-290) \$1.65 / \$1.89
Kid's Drinks (Calories: 100-150) \$1.65 / \$2.12

KID'S MENU

All Kid's Menu items served with kid's chips and a drink.

Kid's Drinks: Juice, Organic Milk (plain or chocolate)

- 1 Small Cheese Quesadilla \$3.30
With a side of rice and beans
Calories: 620-670
2 Small Meat & Cheese Quesadilla \$3.77
With a side of rice and beans
Calories: 680-730
3 Single Taco \$3.77
Soft or crispy shell, and a choice of any three items (one meat or guacamole) and a side of rice.
Calories: 470-630
4 Taco Kit (they build it) \$4.24
Choose any three ingredients (one meat or guacamole) and two soft or crispy shells. Served on a tray for easy building.
Calories: 420-610

You can also order online at chipotle.com on your iPhone or by fax. Additional nutrition information is on the back of this menu.

Tex-Mex food authority reference guide

The original classic
CHICKEN FAJITAS

**ON THE
BORDER**
MEXICAN GRILL
& CANTINA



\$11.99

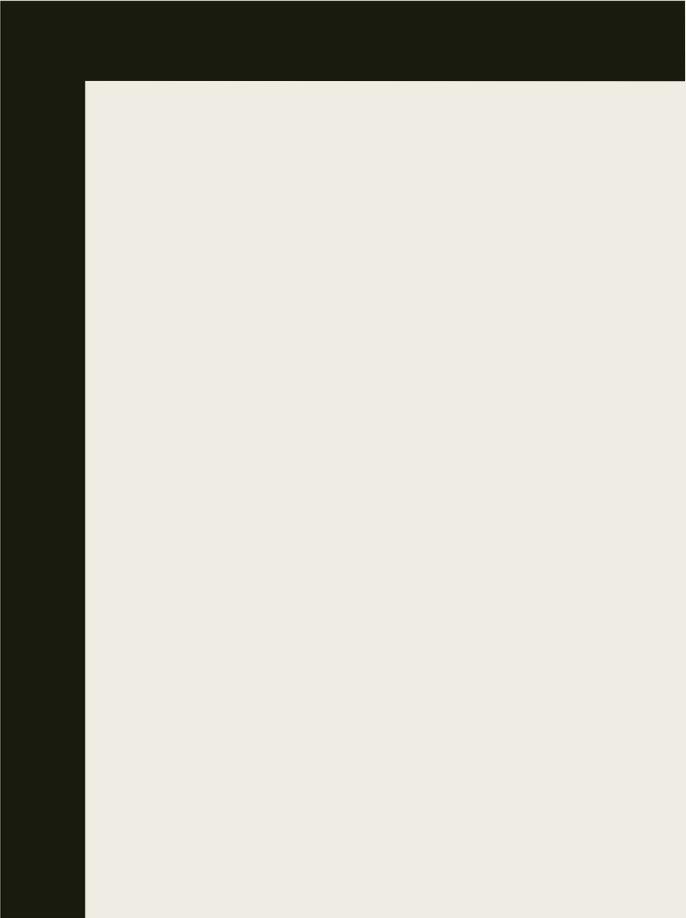
★ **CLASSIC PRICE** ★
LIMITED TIME ONLY

*For a limited time. Participating locations only. Price may vary.

Time for High School Math!

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 $\frac{1}{4} \text{ lb per fajita} = 600,748 \text{ fajitas served}$

$600,748 @ \$11.99 = \$7,202,968?$



For Review

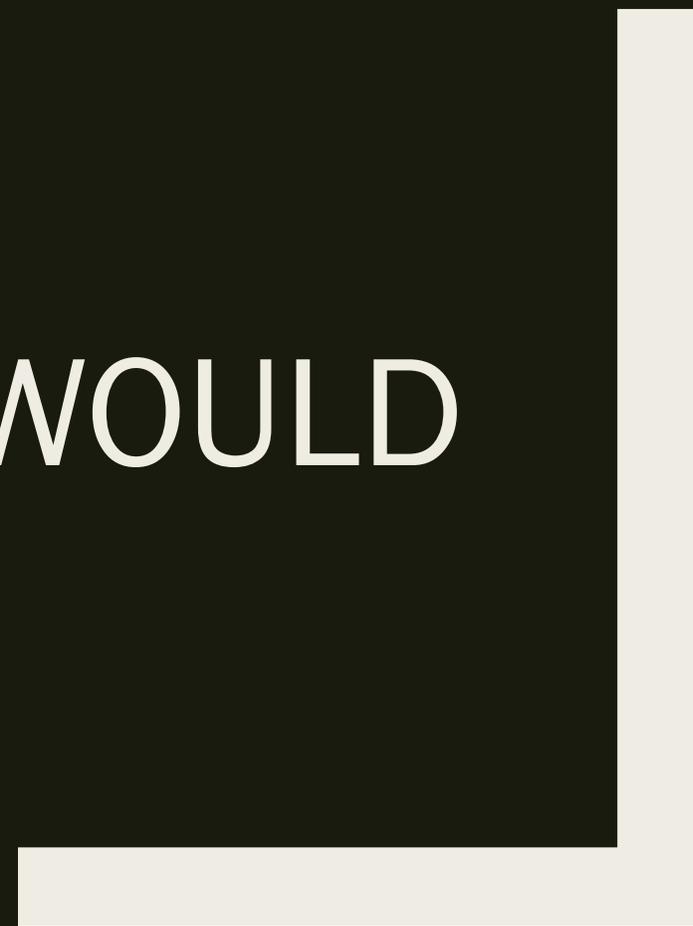
Lessons Learned?

1. Government Fraud is real and current
2. Defendants are entrepreneurial and creative
3. Defendants should never take a day off of work
4. Texas Department of Juvenile Justice does not offer fajitas
5. Defendant's fajitas must have cheated customers out of the $\frac{1}{4}$ of real meat

Questions to be asked:

1. Who approved the original contract for food vending and was supposed to monitor purchases?
2. Who was responsible for reviewing procurement contracts and accounts?
3. How does one divert 800lbs of fajita meat?
4. Should government employees be subject to background checks about other employment with a focus on potential conflicts of interest?
5. Why doesn't the Texas Department of Juvenile Justice serve fajitas?

BUT SOMEONE ELSE WOULD



Cash Embezzlement

Holding cash from a transaction instead of placing the cash in a register, vault or safe

Taking cash from an unsecured “petty cash” container
“Short-changing” customers at the time of the
Transaction

Refunding stolen items for cash

Account Credit Embezzlement

- Inactive or dormant accounts, particularly senior citizen, foreign customer and conservator ship accounts;
- Unauthorized transfers between general ledger accounts;
- “Ghost” employees for payroll fraud;
- Loans and lines of credit for fictitious borrowers;
- Deposit accounts for fictitious persons or entities to receive stolen or forged checks;
- Deposit accounts for check kiting.

Embezzling Delivered or Received Items

- Sweat-hearting
- Property by placing items in the company's garbage for retrieval by a confederate;
- Property by misusing an "employee discount privilege" to benefit friends and others;
- Raw materials and scrap used in the production process;
- Equipment and supplies.

Wire Transfer Embezzlement

- . The company's own accounts or transfer instructions; and
- . Faxed transfer instructions received from an unauthorized source; and
- . Customer accounts or transfer instructions falsified by an employee.

Computer Embezzlement

- Customer account information to “skim?” the account for re-sale, or other criminal use;
- “Salami?” or “trap door” techniques, to “skim” a small amount of money from each transaction processed, electronically transferring the amount to another account;
- “Data diddling” schemes to alter the manner in which a computer program works, or to neutralize control mechanisms;
- “Trojan horse” programs, to insert extra commands into a computer program, causing the computer to perform authorized and unauthorized functions simultaneously; and
- “Logic bomb” commands, or a set of instructions programmed to perform various functions at appropriate or periodic times. This technique is used to shift funds, erase data, or shut down the entire system at a given time.

Using company assets for personal gain

- Using the company's telephones, copy machines, and mail services for personal business.
- Using the company's equipment, machinery, vehicles, supplies, and computer programs for personal business.
- Using the company's expense accounts and credit cards to pay for personal expenses.
- Creating cash loans from one's own area of control to pay personal expenses on a temporary basis.

Stealing company assets

- Wiring funds from the company's or customers' accounts to secret personal accounts.
- Stealing cash or negotiable documents from another employee's area of control.
- Creating "ghost" or non-existent employees for the company's accounting system for payroll purposes.
- Converting titles to "double-ordered", abandoned or stored company property, then selling the property; Burglarizing the company's premises, dual-custody containers, and safety deposit boxes.

Forging or altering company's documents

Particularly signature cards at financial institutions, powers of attorney, money orders, travelers and cashier's checks made payable to the company.

Manipulating account balances

Using on-line computer systems, and making "adjustments" to accounts, particularly dormant accounts.

Hiding assets

Merchandise, cash, computer data and account information can be hidden in the company's garbage container for retrieval by a confederate.

Establishing fictitious accounts

This includes phony loans, lines of credit, and other related types of credit frauds.

Accepting and holding favors

Holding “favorite customers” and employees’ post-dated checks, until they can make a corresponding deposit to the paying financial institution, for a fee.

Assisting a friends in operating credit for a fee

Assisting a customer or another employee in operating credit, interest and check kites, and “bust-out” schemes, for a fee.

Short-changing customers during any transaction.

Not counting out exact change correctly is obvious, but a ticket taker can take your ticket and then resell it later.

Effective accounting internal controls for preventing these crimes are:

- Developing and enforcing written policies and procedures governing cash handling and cash station security;
 - Requiring strict dual control over cash drawers and keys;
 - Secure all containers used to store or transfer cash;
 - Require that all refunds be approved by a supervisor and that the refund of more than a small dollar amount be accomplished by a company check instead of cash;
 - Conducting frequent, unannounced cash counts;
 - Rotating tasks among personnel at unpredictable intervals;
- (!) Requiring employees to remain off the company's premises for at least five (5) uninterrupted business days annually**



THANK YOU

Adam Lippe

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