

# Foundation Building: Data Collection & Enforcement Data

Walter Hekala  
Senior Associate  
Booz Allen Hamilton

Senior Customs Consultant  
USAID/Pragma  
Trade and Investment Project

The views expressed in this paper are the views of the author and do not necessarily reflect the views or policies of the Asian Development Bank (ADB), or its Board of Directors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this paper and accepts no responsibility for any consequences of their use.



USAID/TIP

Booz | Allen | Hamilton

# Cargo Selectivity vs. Compliance Management Examination

(looking for the bad guys vs. measurement)



## **Violators** have advantages over **Customs**

- ▶ More money
- ▶ Creativity
- ▶ Opportunities to be the “needle in the haystack”
- ▶ Not restricted by a rulebook

# Customs has advantages over Violators

- ▶ Trend analysis
- ▶ Multiple sources of information
- ▶ Legal Powers
- ▶ We only have to be successful once (with good laws)



# Trend Analysis

How do we find trends?

Standardized Reporting and analysis of all enforcement actions

More vs. less data



USAID/TIP

Booz | Allen | Hamilton

## Examples:

Name of Violator

Address

Description of violation

How discovered

Associates

What else???



## Where do we put this data?

(Hint)



# Enforcement

## Data Base!





# Sources of information to identify targets

## Definitions

(a) A source of information is any record, custodian of records, directory, publication, public official, or businessperson, or any other person or object, which might be of assistance to an investigation.

- (b) Information is knowledge or data acquired by study, communication, search, research and observation such as:
1. Communication with people
  2. Study of books, magazines and other publications
  3. Research of public and private records
  4. The information that physical evidence can tell us
  5. Computer data bases and the internet

# INFORMANTS

- (1) Informants, as distinguished from ordinary witnesses, are those who voluntarily furnish information which otherwise might not be disclosed to or discovered by the government. Such persons include those furnish leads or bits of information as well as those who submit detailed information regarding alleged violations.
- (2) A confidential informant is one who furnishes information on the expectation that his identity will not be disclosed. Informants, therefore, should be contacted privately.

## Business Records:

A Custodian of Records is the person charged with maintaining the Records of an Organization.

The custodian of records are persons the investigator should know, preferably on a name basis. In obtaining documentation, the best record is the original; the next best a photocopy, initialed and dated by the custodian for identification purposes, followed by a transcript, and an excerpt. IF possible, the person who prepared a document for storage should be interviewed to determine the facts surrounding the creation of the document. If, during the investigation, it is found that a document is not available, obtain a statement as to why it is not available, a description of the unavailable document, if possible, and any witnesses' recollection of the contents

# Bank Records

- ▶ ➤ SIGNATURE CARDS;
- ▶ ➤ DEPOSIT TICKETS OR SLIPS;
- ▶ ➤ CUSTOMER'S LEDGER SHEETS FOR CHECKING ACCOUNTS,
- ▶ ➤ SAVING ACCOUNTS,
- ▶ ➤ SPECIAL ACCOUNTS AND LOAN ACCOUNTS;
- ▶ ➤ REGISTERS OR COPIES OF CASHIER'S CHECKS,
- ▶ ➤ BANK MONEY ORDERS,
- ▶ ➤ BANK DRAFTS,
- ▶ ➤ LETTERS OF CREDIT,



- ▶ ➤ CERTIFICATES OF DEPOSITS;
- ▶ ➤ TELLER'S PROOF SHEETS;
- ▶ ➤ COPIES OF SETTLEMENTS WITH THE CLEARING HOUSE;
- ▶ ➤ COPIES OF CASH TRANSIT LETTERS;
- ▶ ➤ RECORDS OF THE PURCHASE AND SALE OF SECURITIES AND GOVERNMENT BONDS;
- ▶ ➤ COLLECTION IN AND COLLECTION OUT RECORDS;
- ▶ ➤ CUSTOMER'S RETURNED CANCELED CHECKS;
- ▶ SAFE DEPOSIT RECORDS.



Storage considerations have caused many banks to destroy those records not needed for their own use and not required under law to be retained. Therefore, an investigator's success in a bank will depend somewhat on its practice of, and its policy for, retention and destruction of records.



# Legal Powers

## Basic Questions:

1. Based on the identifications of the sources of information identified do you have the legal authority to access and use these sources?
2. Do you have the legal authority to maintain and use the information gathered?



# Enforcement Powers

Does your legislation include punishments to sufficiently deter violators who are caught?

