



COMMUNITY NEWS

Downtown District

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In the wake of the recession, all businesses are facing a growing financial threat: employee theft. New research shows that employers are now seeing an increase in internal crime. This crime ranges from fictitious sales transactions, illegal kickbacks, theft of office equipment and retail products meant for sale to customers.

Workers knowledgeable of the systems, controls and weaknesses can exploit a business. The U.S. Chamber of Commerce estimates, given enough opportunity, up to 75% of employees will steal. Based on FBI files, a third of all business bankruptcies can be traced to employee theft.

What's more, it's often the most trusted workers who are committing the thefts. They are the people being given access to systems and information that allow them to commit fraud. Their crimes – typically theft of small amounts of money over long periods of time – often go unnoticed.

Missing inventory is a major problem for retailers. According to national statistics, employee theft causes more loss than theft from supposed customers. There are all sorts of gimmicks. Store owners and managers should check the trash regularly to make sure it doesn't contain merchandise employees intend to pick up at the end of the shift. This is one of the oldest and least detected ways employees steal.

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From The Desk Of Johnny Cervantes

The Scottsdale Police Department is offering a new tool called Nixle to provide direct communications with residents such as Police/Fire situations, traffic alerts and community notifications. The Scottsdale Police Department became the first law enforcement agency in the state to offer this free service.

Nixle fills a critical emergency notification need by allowing the department to send out simple, direct messages to wireless devices and/or email. People who register for the Nixle service can choose to receive secure and reliable messages that will include public safety, weather, traffic and other similar types of information from the Scottsdale Police Department.

Registering for Nixle is easy. You just have to tell the service what wireless number you want the messages to go to, what area of town you are interested in and your email address. Nixle does not use your information for any marketing or unwanted solicitations. Scottsdale residents, or those who choose to register within the Scottsdale area, will be alerted to information of a geographically targeted area via wireless text message, through emails and/or through web access.

Residents are encouraged to sign up for the alerts at www.nixle.com.

Commander Johnny Cervantes
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Employee Theft (Continued)

The following are recommendations for business owners and managers to prevent theft:

- Set up systems that discourage theft and fraud before hiring. Before hiring anyone, perform a background check, including a review of criminal and civil cases to detect employment problems or criminal convictions.
- Require job applications. A formal application will show gaps in employment history that might be glossed over in a resume. Lying on a job application is a criminal offense; padding a resume is not.
- Set a good example. If you grab a ream of paper from the supply closet for your home computer, employees might think its okay to do the same.
- Consider investing in theft-prevention devices. Digital technology has improved surveillance equipment, computer software, and computer tracking equipment. Low cost covert surveillance cameras can help identify thieves.
- Spell out the rules. Establish a company employee theft policy and adhere to it. Make sure everyone on the payroll understands it and what the consequences are if they violate it.
- Require employees to take vacation. Covering for an absent employee is one of the surest ways to detect theft or lapsed procedures.
- Implement a system of checks and balances. The person who makes up the bank deposit should not be the same person entering the checks. Require two signatures on larger checks. More important is to have at least two sets of eyes scrutinizing every financial transaction.
- Hire an independent auditor. Fresh eyes and a critical perspective can help discover discrepancies and spot the most likely ways employees are covering their tracks.

Business owners should be realistic about the problem. It is impossible to eliminate all theft even with the most sophisticated security and system of checks and balances. The goal is to identify where a business is vulnerable to theft and implement measures to minimize that vulnerability.

For more information on crime prevention or additional opportunities to get involved in YOUR community contact Crime Prevention Officer Craig Abernethy at (480) 312-2594 or cabernethy@scottsdaleaz.gov, or District 2 Police Aide Randee Short at (480) 312-2074 or rshort@scottsdaleaz.gov.

Resources:

- www.fbi.gov/page2/april07/retail040607.htm - FBI's webpage on retail theft.
- www.rila.org – Retail Industry Leader's Association
- <http://washingtontimes.com/news/2009/may/11/shoplifting-growing-in-poor-economy/> - May 11, 2009 Washington Times article on increase of shoplifting during the economic downturn.
- www.nrf.com/ - National Retail Federation website.
- www.jsonline.com/watchdog/pi/46556727.html - Milwaukee Journal Sentinel on theft at the malls.
- www.ncpc.org – The National Crime Prevention Council has a section on police working with business to prevent retail crime.

Upcoming Events:

FREE Fraud Prevention for Business. – Learn about employee theft, forged checks, credit card/gift card fraud, shoplifting, organized retail crime and strategies for reducing the amount of money lost to fraud. The Scottsdale Police Department's Business Watch program will be held on June 9, 2009 from 2:00 pm to 3:00 pm at the Granite Reef Senior Center, 1700 N. Granite Reef Road, Scottsdale. Scottsdale business owners and managers are invited to attend the presentation. For more information, please contact Officer Craig Abernethy at (480) 312-2594 or cabernethy@scottsdaleaz.gov.

FREE Wet N' Wild Water Day – This free event will occur on June 26, 2009 between 11:00 a.m.-3:00 p.m. at Chaparral Pool, 5401 N. Hayden Rd, Scottsdale and presented by the Parks and Recreation staff. It will include an underwater obstacle course, raft races, relays, and more. It's a great opportunity to get out, catch some rays, and stay cool in the pool. Call (480) 312-2771 or email DMiller@ScottsdaleAZ.gov for further details.

Public Safety Community Contact Numbers and E-mail Links

- **Scottsdale Police Non-Emergency** 480-312-5000
- **Scottsdale Fire Department Non-Emergency** 480-312-8000
- **SPD Drug Enforcement Hotline** - Suspected illegal activity, 480-312-TIPS (Hot lines are not monitored)
- **SPD Traffic Enforcement Hotline** - chronic traffic problems, 480-312-CARS
- **Code Enforcement** 480-312-2546
- **Child Safety Seat Installation** 480-312-BABY
- **CPR/First Aid Classes** 480-312-1817