

Forensic Accounting

Paul T. Mason, CPA, CFE
Lecturer in Forensic Accounting
School of Business





Breaking News...

**At KU we've discovered how to
tell if your dog is involved in a
sex scandal using highly
complex facial recognition
software.**

Let's take a look...



Yes ... I suspect so.





Format Today

Because forensic accounting has a large footprint – I ask for your input, suggestions and questions during this session.

I've prepared some slides but can go where you want to go!



Agenda

- What is forensic accounting
- The broad field of forensics
- What we know about fraudsters
- Some conclusions from research
- Anatomy of forensic accounting
- Sample topic – ID theft / inventory
- Taxonomy of fraud
- My favorite - deception
- Well-planned retirement



What Is a Forensic Accountant?

A person trained in investigative techniques that has an in-depth knowledge of accounting and accounting systems.

They currently command salaries of \$90,000 to \$240,000 with a worldwide demand.





Is There a Demand?

Growth Opportunities

Hiring in forensic accounting services in the top firms grew 20% over the last decade.

No sign of diminishing growth.



Detecting Fraud

What is at the core of every fraud?

Occupational fraud and financial statement fraud involve the same basic component.

Deception!





Detecting Fraud

Think of forensic accounting as building a mosaic or perhaps the dot-to-dot games you played as a youth.

It's about using clues, patterns, hunches, accounting activities, people skills, trace evidence, etc. to build a case that will eventually go to court.

Evidence!



Detecting Fraud

Forensic accounting is about detecting fraud in the accounting records.



However, to suggest that forensic accounting is *limited* to the accounting records would vastly understate its role.



Topics in Forensic Accounting

Who Commits Fraud

Research in Fraud

ID Theft

Check Washing

Skimming

Inventory Fraud

Ponzi Schemes

Investment Swindles

Corporate Espionage

Loss Prevention





Topics in Forensics

Fraud Triangle
Money Laundering
Interview Techniques
Bribes and Kickbacks
Benford's Law
Computer Fraud
The Fraud Trial
Sociology/Psychology
Truth About Lie Detector
Undisclosed Assets
Surveillance Techniques

Procurement Fraud
Digital Evidence
Red Flags in Audits
F/S Fraud
Ethical Considerations
Ponzi Schemes
Case Studies
Forensic Methods
Cyber-fraud
Check Tampering
Credential Fraud
Loss Prevention



Myth Buster

Frauds are typically complex and well hidden in the general ledger or the subsidiary records.



True or False?



Myth Buster

Frauds are typically complex and well hidden in the general ledger or the subsidiary records.

False

From an accounting perspective frauds are typically not well hidden and often not very sophisticated.

Example – Madoff Ponzi Scheme





Forensic Training

Almost all U.S. business schools offer courses in subjects that lead to the specialized training necessary to practice as a forensic accountant.

Certified Fraud Examiner

Most are members of the ACFE Partners in Education Program.





New Kind of Crook

Technology - the new game

Today's white-collar crooks use sophisticated technology and accounting tricks to commit complex frauds.

This means that investigators with state-of-the-art facilities are needed to fight scam artists



Lawrence Police Chief

Help needed to fight financial crime. Khatib discusses issues department faces going forward

“To me the trend in financial crimes and forgery has become the new petty crime in Lawrence as opposed to theft,” he said. “There’s a lot of abuse of credit cards and financial instruments.

In the 2010 survey, Lawrence had the highest rate of property, financial and nuisance crime cases at 12.5 per 1,000 residents. The average among all the cities was 4.3 crimes per 1,000 residents. And Lawrence’s clearance rate in those areas was only 14.9 percent compared with the 21 percent average among all cities.

Source: LJW, July 2, 2012

In the news... Lawrence, Kansas



**Emerald
Connection**

**Drug trafficking, money laundering, id theft,
tax evasion, skimming, and more!**

Audit vs. Forensic Examination

<u>Issue</u>	<u>Audit</u>	<u>Fraud Examination</u>
<i>Timing</i>	Recurring	Nonrecurring
<i>Scope</i>	General	Specific
<i>Objective</i>	Opinion	Affix blame
<i>Relationship</i>	Non-adversarial	Adversarial
<i>Methodology</i>	Audit - GAAS	Forensic techniques
<i>Presumption</i>	Professional skepticism	Proof



Tools Used in Forensics



Observation



Expert Witness

The ultimate arena in which forensic evidence is tested is the courtroom. And very few people like accounting let alone understand it. Accordingly, the forensic auditor also has to be a good “teacher” or communicator ... or s/he will lose the jury!



Interesting?

Approximately 20% of American workers are aware of workplace fraud and, 80% would turn colleagues in – but usually don't. Why not?



Occupational Fraud & Abuse

Corruption

Conflicts
of Interest

Bribery

Illegal
Gratuities

Economic
Extortion

Asset Misappropriations

Cash

Inventory &
All Other Assets

Fraudulent Statements

Financial

Nonfinancial



Sources of Fraud?

- Theft of office items or inventory
- Embezzlement
- Selling trade information
- Claiming extra hours worked
- Skimming
- Inflating expense accounts
- Kickbacks from suppliers



REPORT TO THE NATIONS

ON OCCUPATIONAL FRAUD AND ABUSE

2012 GLOBAL FRAUD STUDY



ACFE
Association of Certified Fraud Examiners

Together. Reducing
Fraud Worldwide



Summary

The median loss caused by the occupational
frauds in this study was:

\$140,000.

Nearly one-fifth of the cases caused at least

\$1 million



Small Business Losses



The typical organization loses 7% of its annual revenues to occupational fraud.

This is 2010...

The 2012 estimate is 5%.



Tips and the Hotline

- Occupational frauds are more likely to be detected by a tip than by other means such as internal audits, external audits or internal controls.
- Certain anti-fraud controls can have a measurable impact on an organization's exposure to fraud - most notably, the fraud hotline.



Small Business

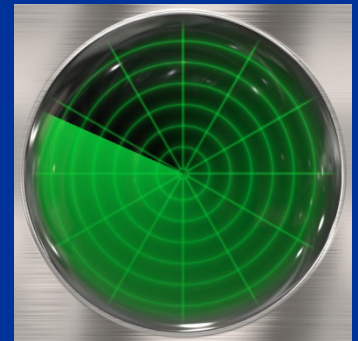
- This Report includes organizations representing a wide range of industries.
- Small businesses continue to suffer disproportionate fraud losses.

The most common occupational frauds in small businesses involve check fraud, skimming, and fraudulent invoices.



Detecting Fraud

- One reason small businesses suffer such high fraud losses is that they generally do a poor job of proactively detecting fraud.
- The size of the loss caused by occupational fraud is strongly related to the position of the perpetrator.





Background Checks?

- Most of the occupational fraud schemes in this study involved either the accounting department or upper management.
- While background checks are almost commonplace today, less than 8% of the perpetrators had convictions prior to committing their frauds.



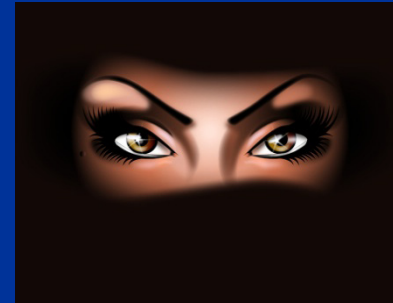


Occupational Fraud is defined as,
the use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets.



Fraud Schemes

All occupational fraud schemes have four key elements in common.
The activity:



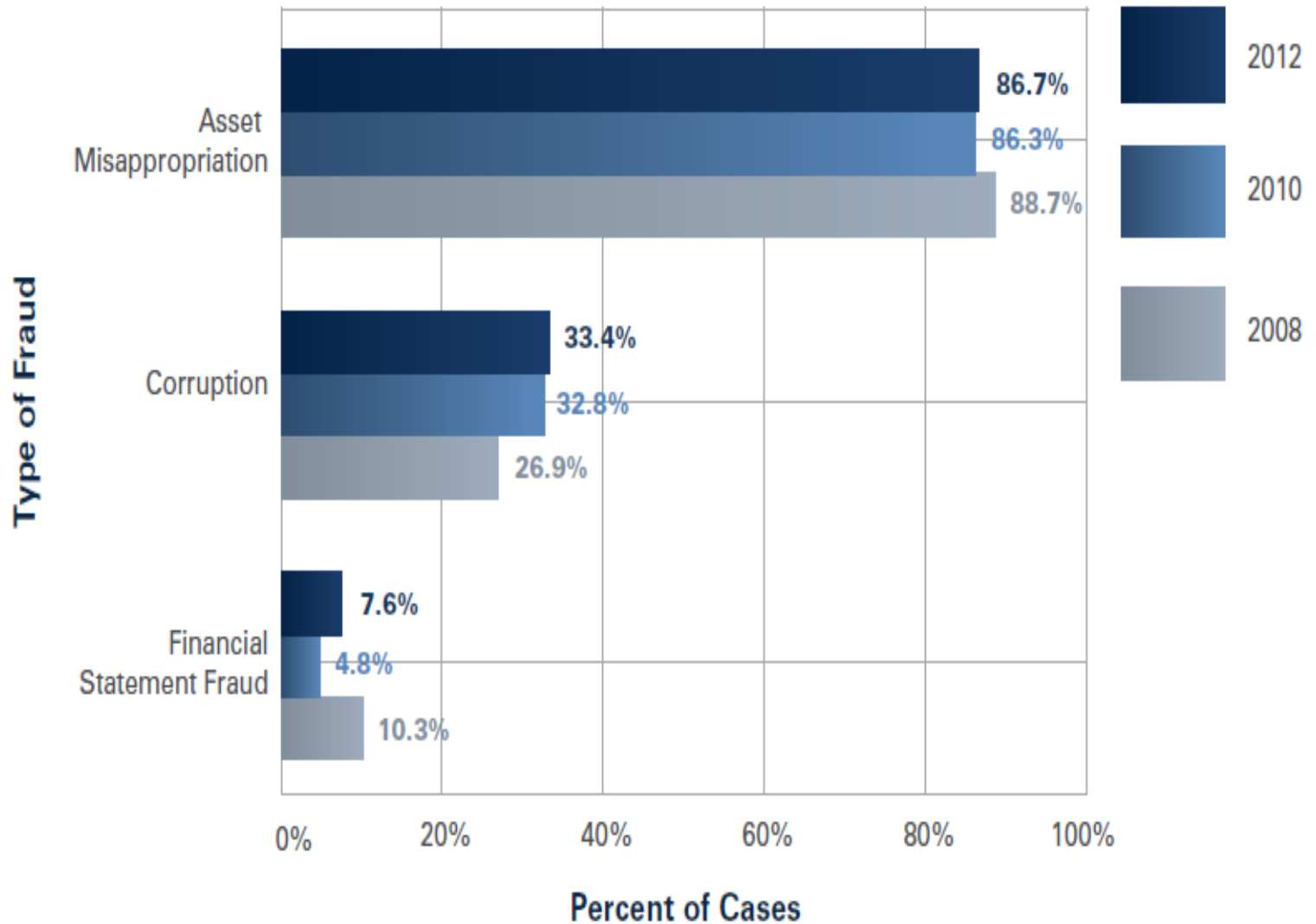
- Is clandestine;
- Violates the perpetrator's fiduciary duties to the victim organization;
- Is committed for the purpose of direct or indirect financial benefit to the perpetrator; and
- Costs the employing organization assets, revenue or reserves.

Victims of Occupational Fraud & Abuse



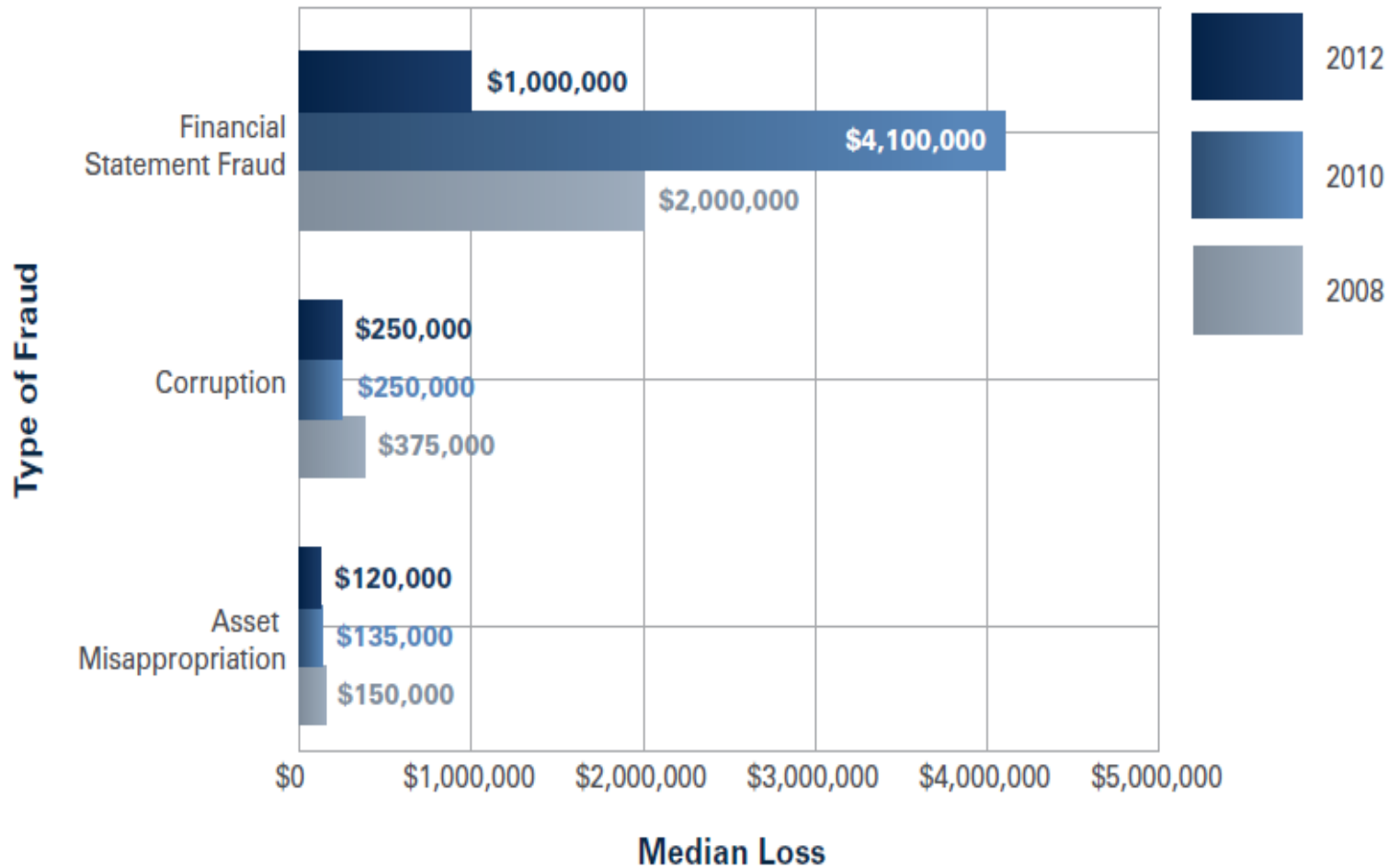


Occupational Frauds by Category — Frequency





Occupational Frauds by Category — Median Loss



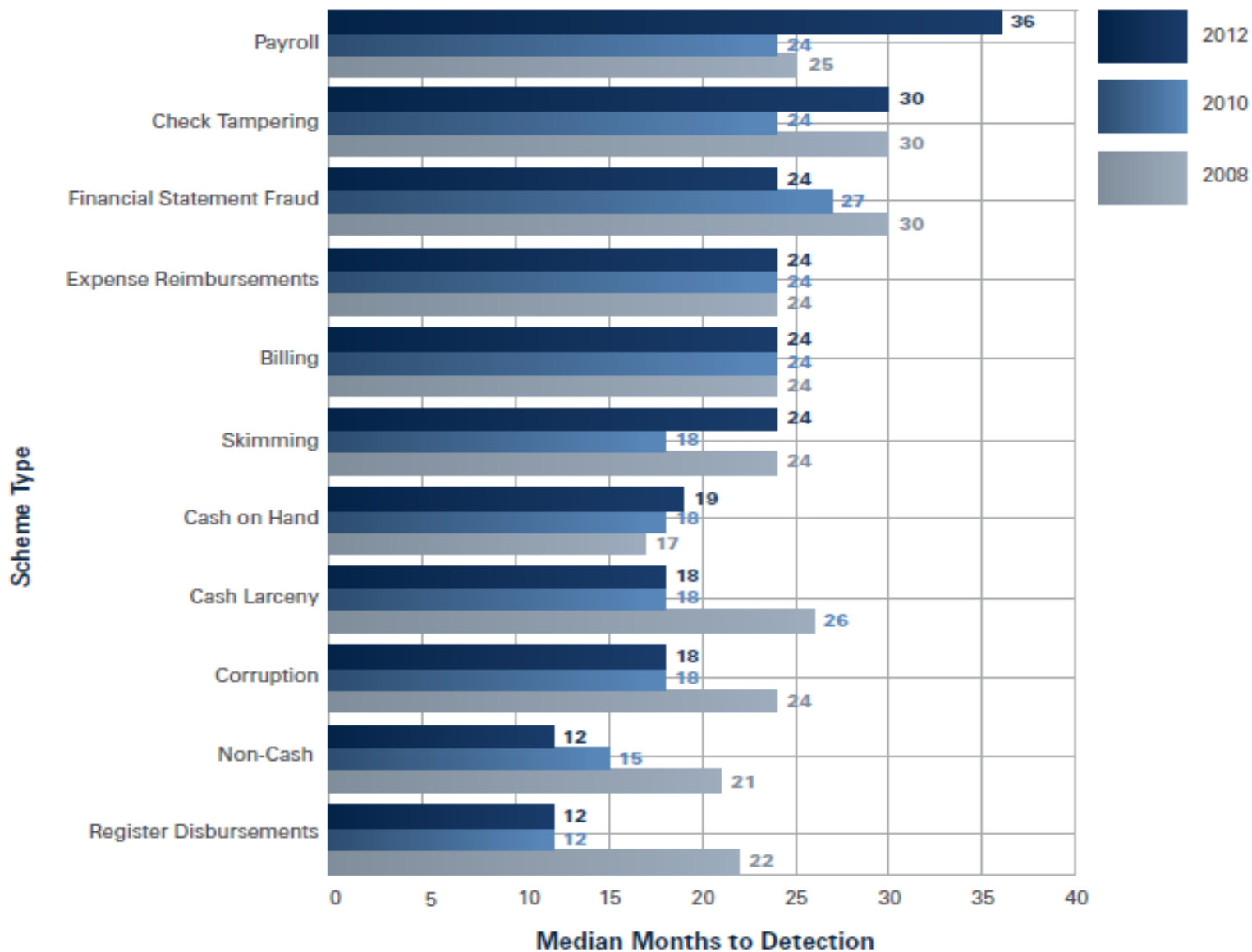


Multiple Offenses

- Within a given fraud scheme, the perpetrator or perpetrators will often engage in several different forms of illegal conduct.
- Thus, a single occupational fraud scheme might involve elements of each of the major categories.



Duration of Fraud Based on Scheme Type



Detecting Occupational Fraud

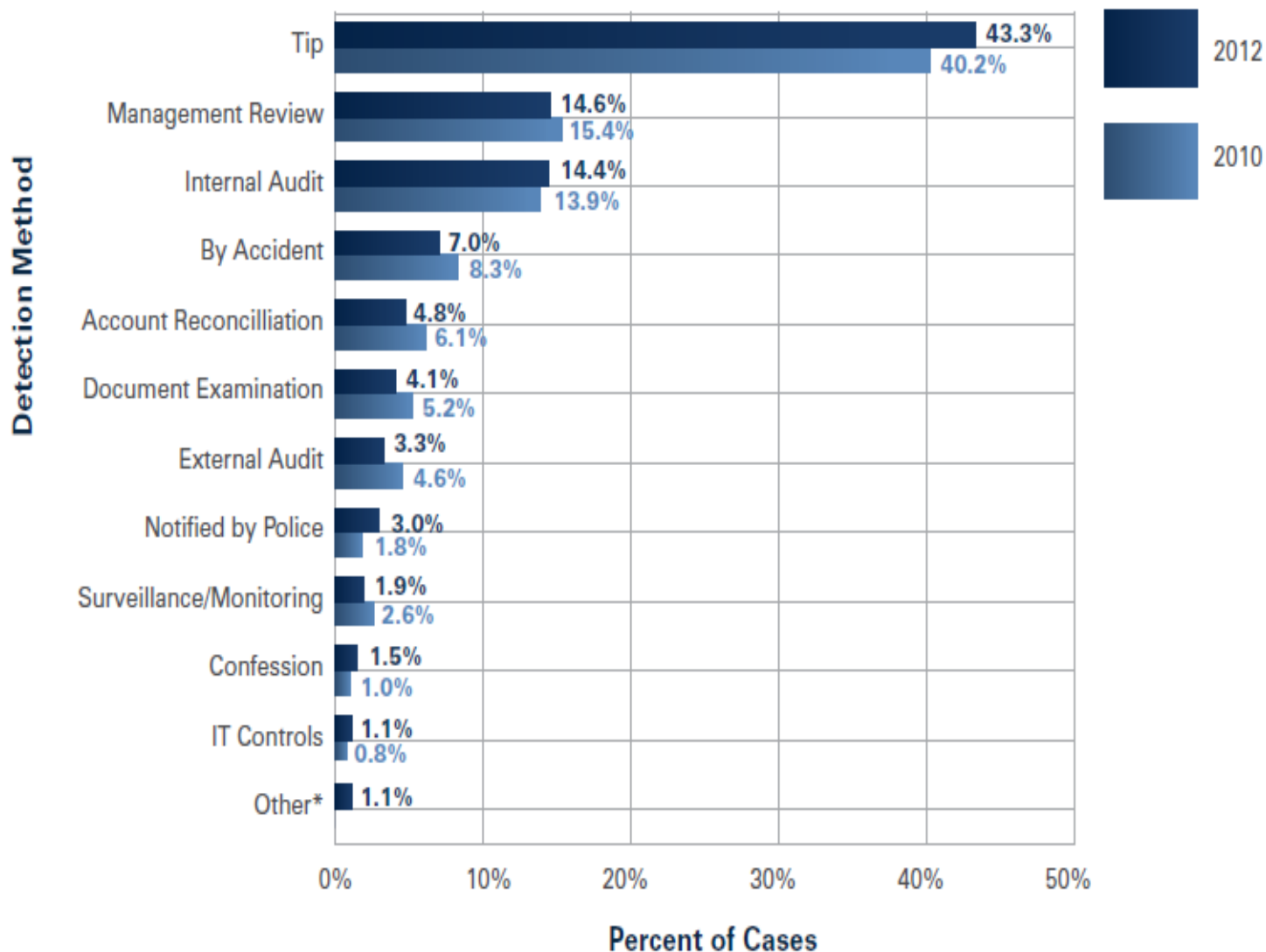
How is fraud first discovered?

The following chart shows how occupational frauds were first detected by the victim organizations. The most common method of detection was by a tip, which was also true in 2004.





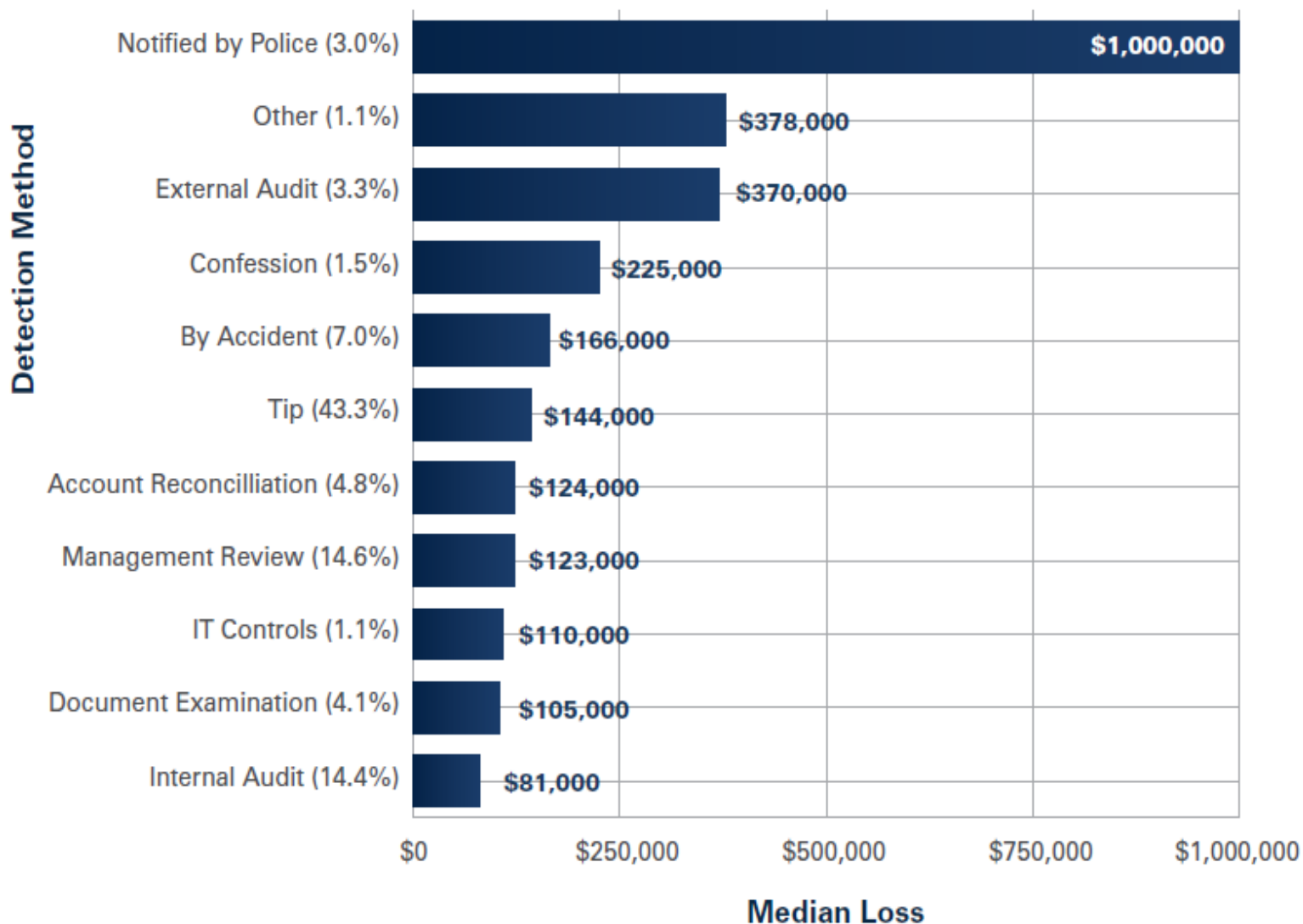
Initial Detection of Occupational Frauds



*"Other" category was not included in the 2010 Report.



Median Loss by Detection Method





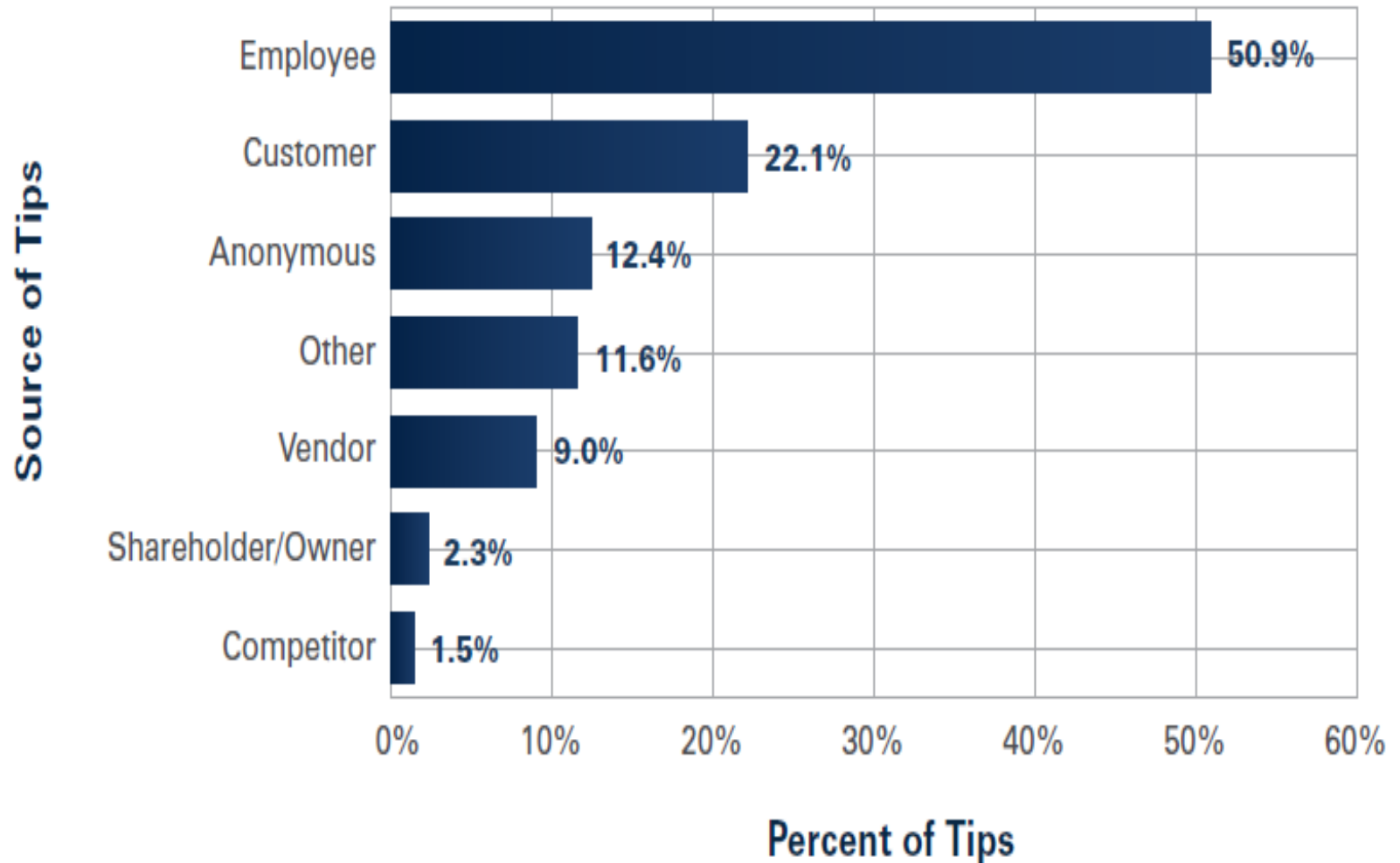
Tips are Critical!



Occupational frauds are much more likely to be detected by tips than by any other method.



Source of Tips





Detecting Occupational Fraud

Small Businesses

Frauds in small businesses (those with fewer than 100 employees) were less likely to be detected by a tip than occupational frauds in general. They were also less likely to be detected by internal audit or internal controls, which may be because many small organizations often lack strong internal control structures or any type of internal audit department.





Limiting Fraud Losses





Limiting Fraud Losses

They tested for five anti-fraud measures:

1. Did the victim have a fraud hotline or anonymous reporting mechanism?
2. Did the victim provide fraud awareness or ethics training for employees and managers?
3. Did the victim have an internal audit or fraud examination department?
4. Did the victim perform surprise audits on a regular basis?
5. Was the victim audited by external auditors?



Frequency of Anti-Fraud Controls⁸



*"Formal Fraud Risk Assessments" category was not included in the 2010 Report.

Note: The percentages for frequency of anti-fraud controls reflected in 2010 Report contained a computational inaccuracy. The percentages included in this chart have been corrected.



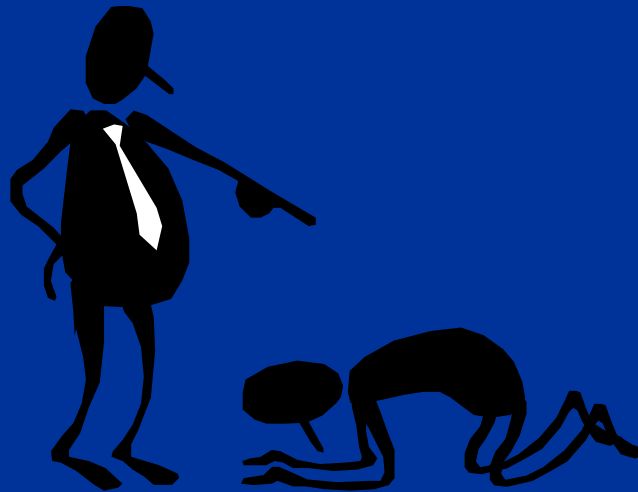
The Perpetrators





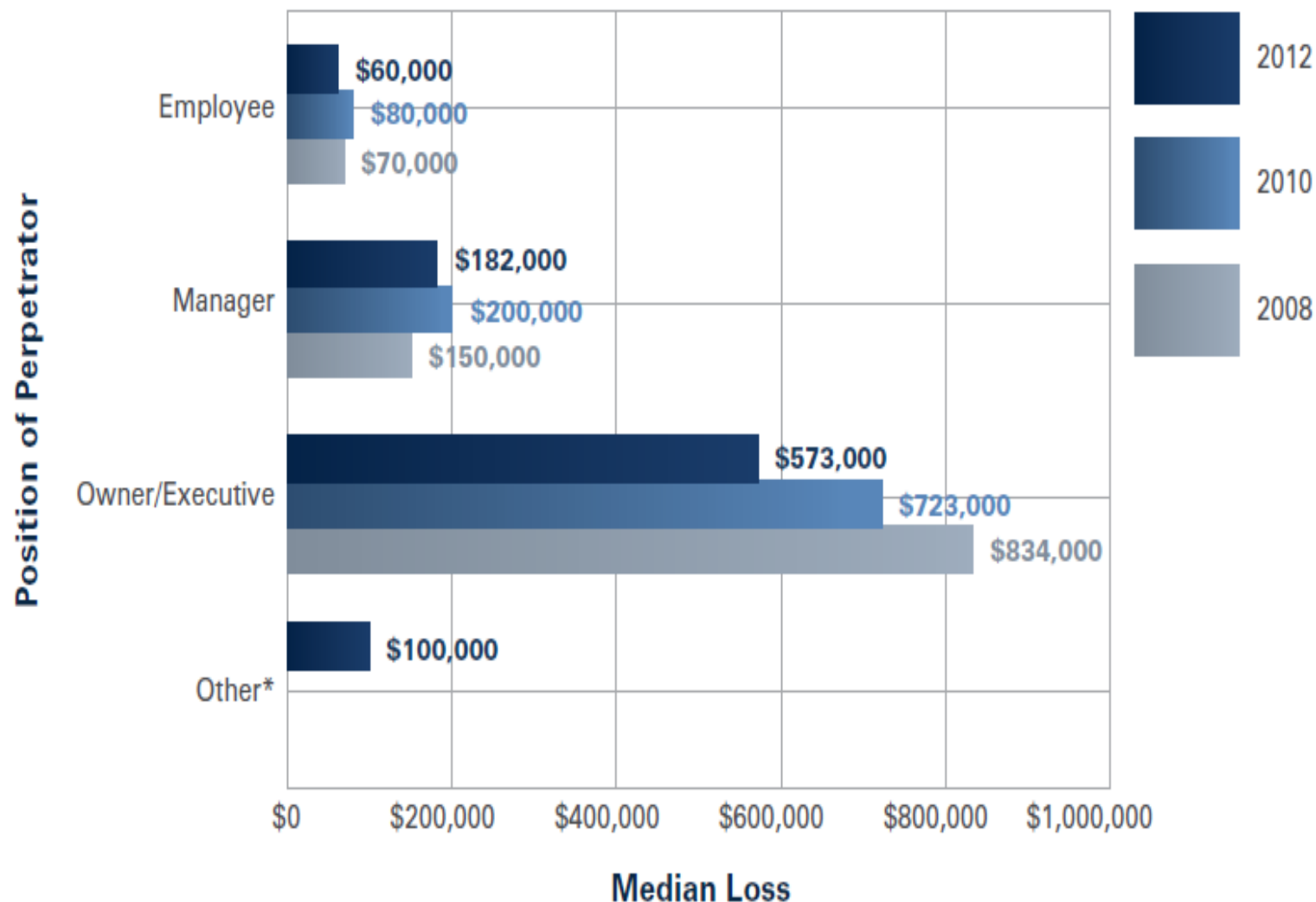
The Perpetrators

The more authority an individual has, the greater that individual's access to organizational resources, and the more ability that person has to override controls in order to conceal the fraud.





Position of Perpetrator — Median Loss



*"Other" category was not included in the prior years' Reports.



Income and Fraud Losses

The perpetrator's level of authority within an organization has a positive correlation with the perpetrators' annual income and the size of fraud losses. As incomes rose, so did fraud losses.





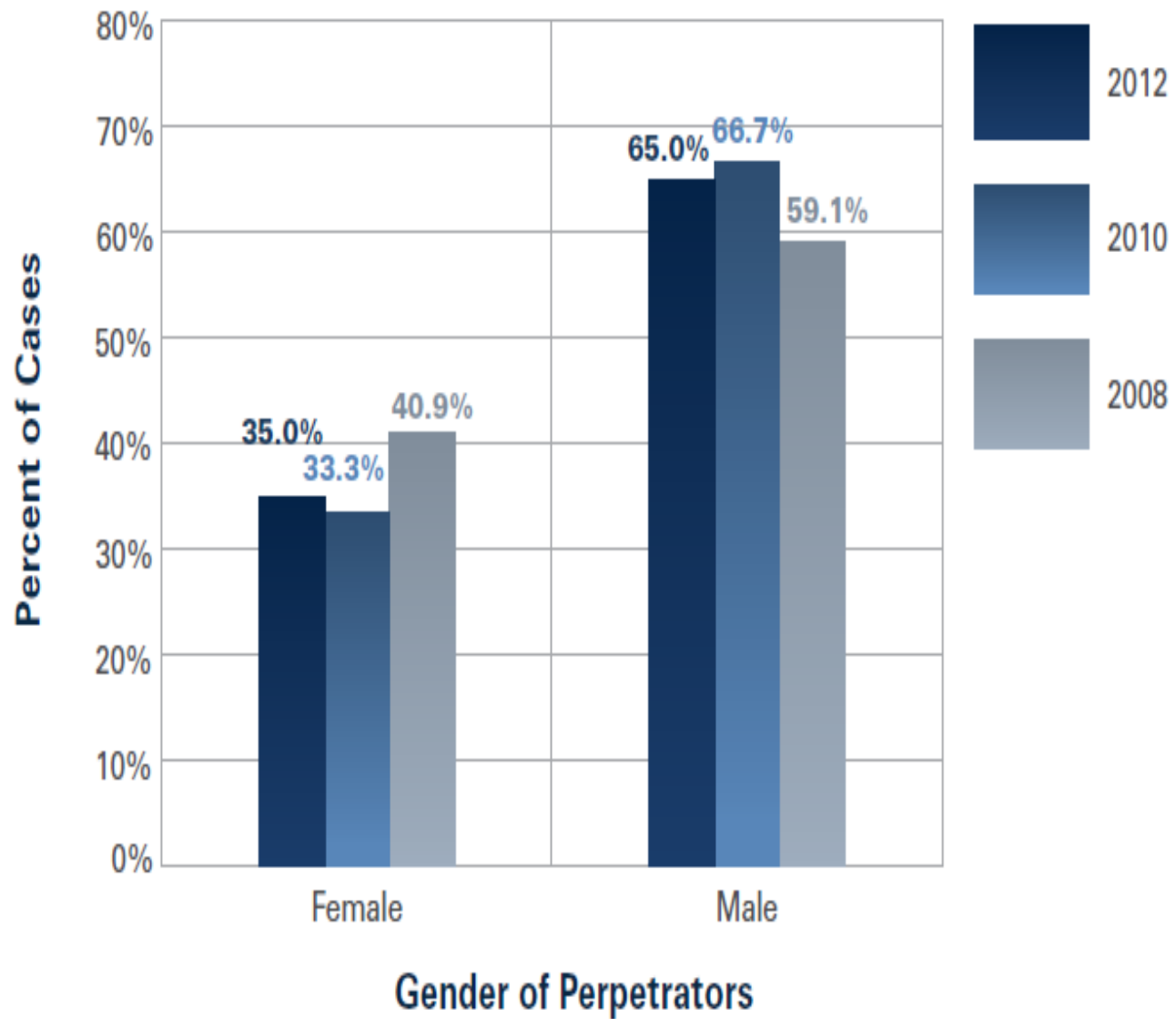
Trust and Fraud

There is a direct correlation between the length of time an employee has been employed by a victim organization and the size of the loss in the case. It is axiomatic that the more trust an organization places in an employee in the forms of autonomy and authority, the greater that employee's opportunity to commit fraud.



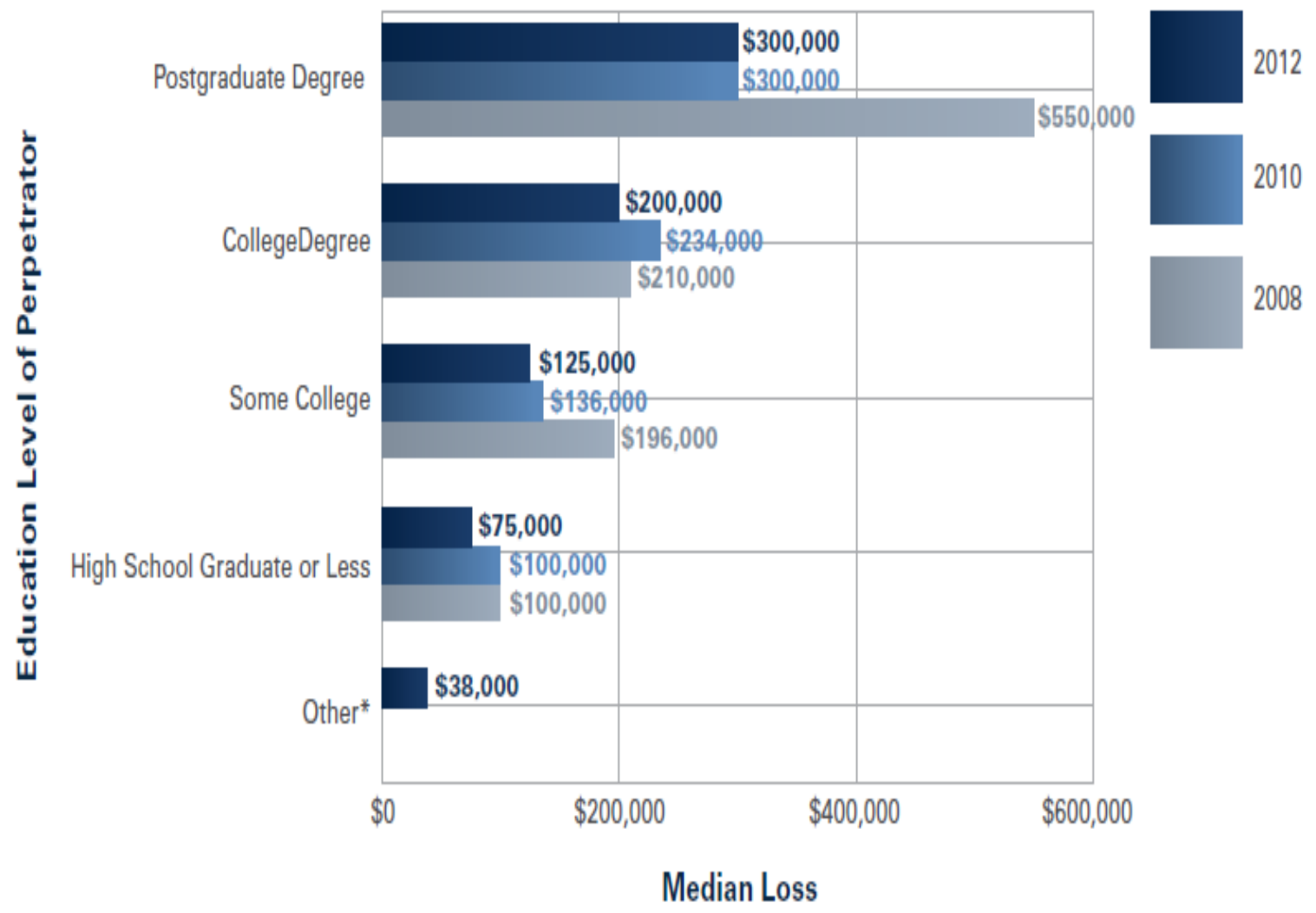


Gender of Perpetrator — Frequency





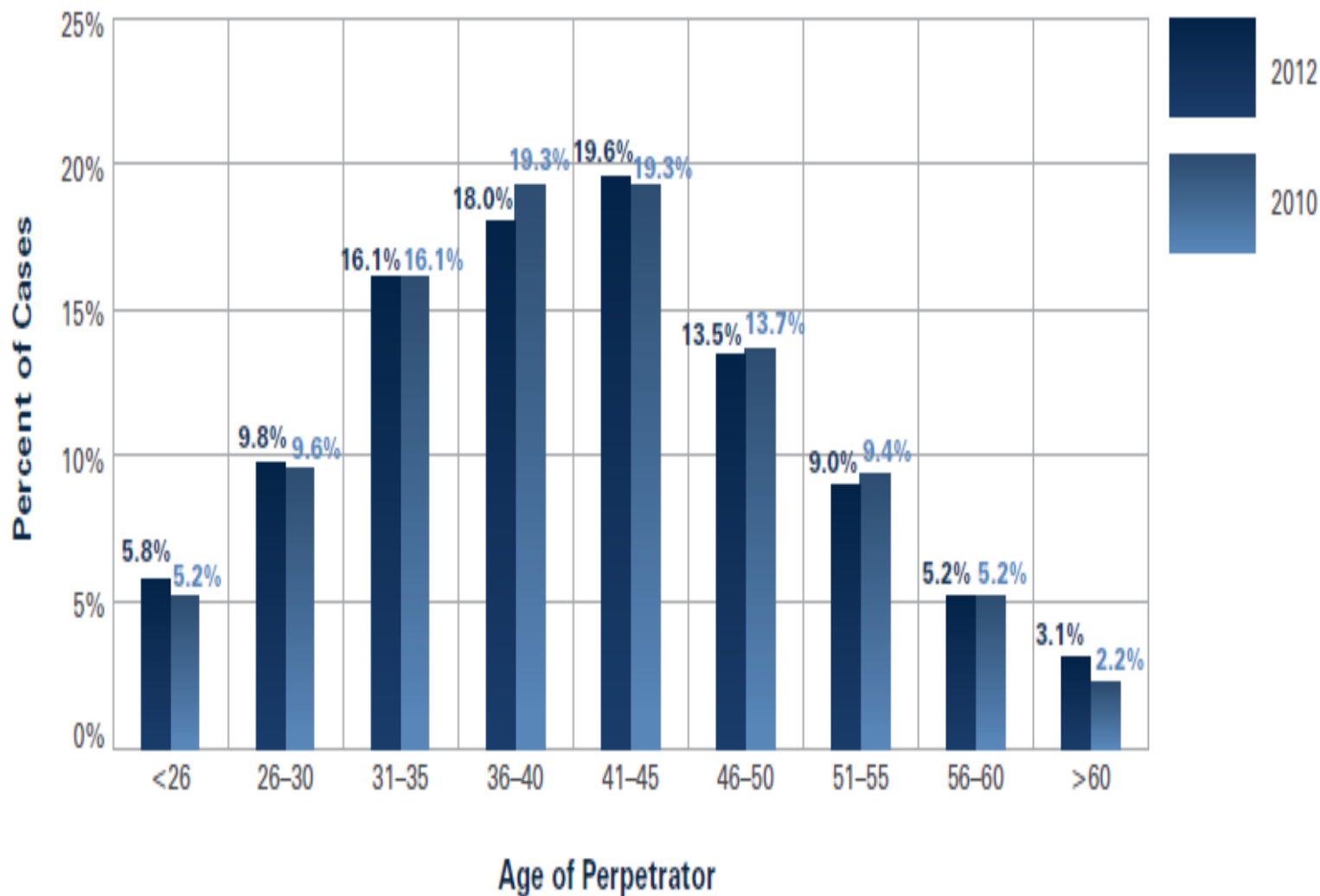
Education of Perpetrator — Median Loss



*"Other" category was not included in the prior years' Reports.

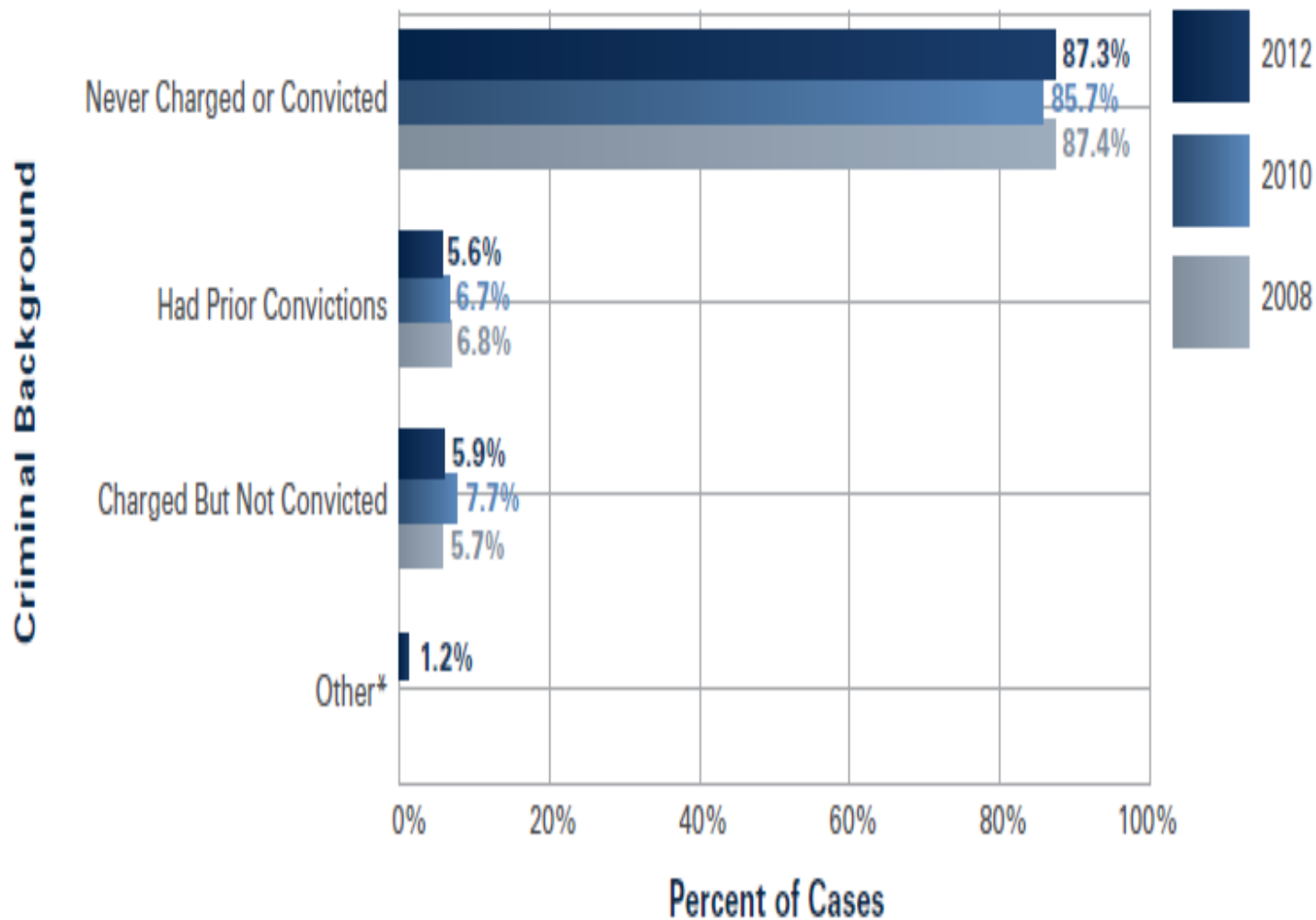


Age of Perpetrator — Frequency





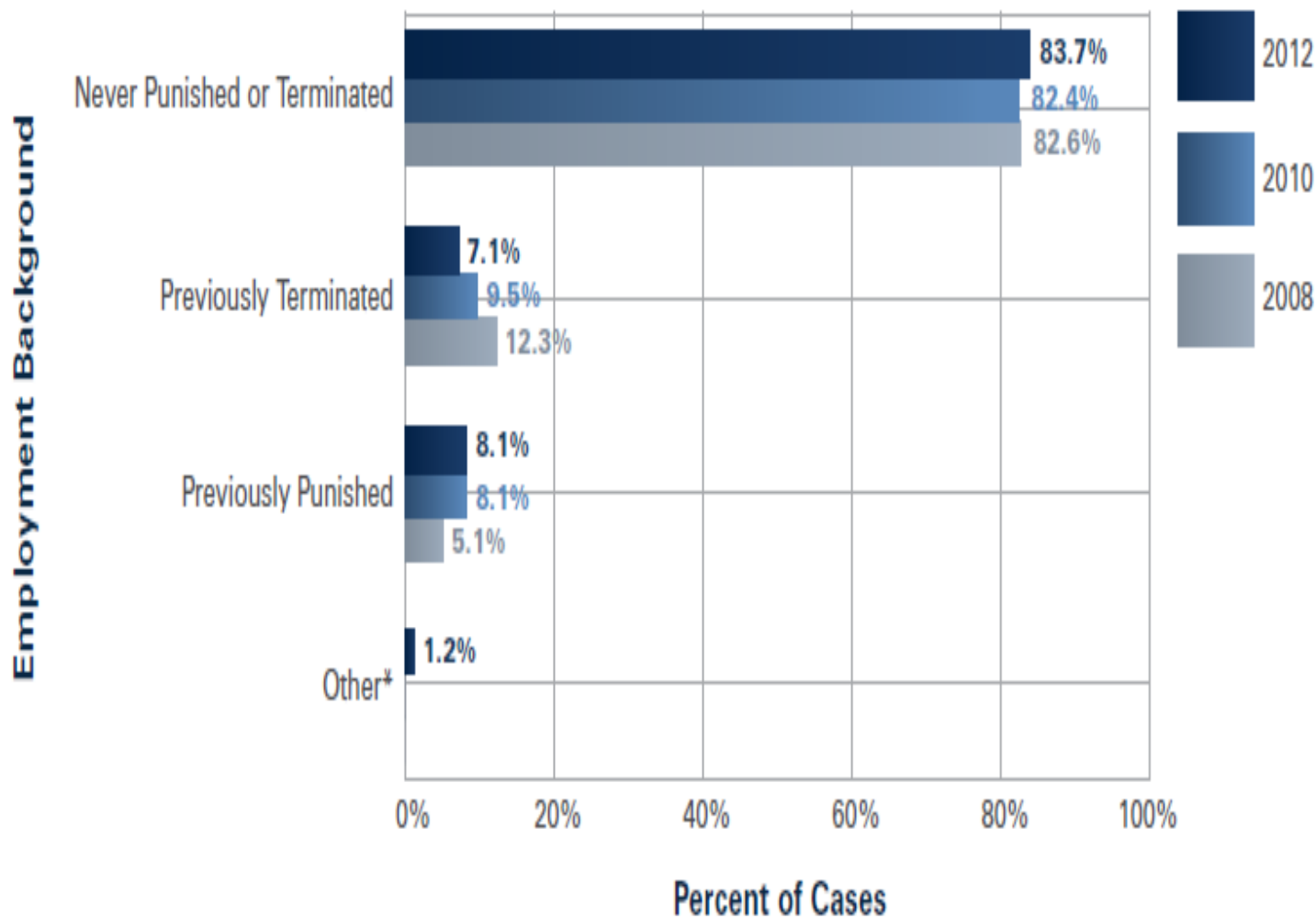
Perpetrator's Criminal Background



*"Other" category was not included in the prior years' Reports.



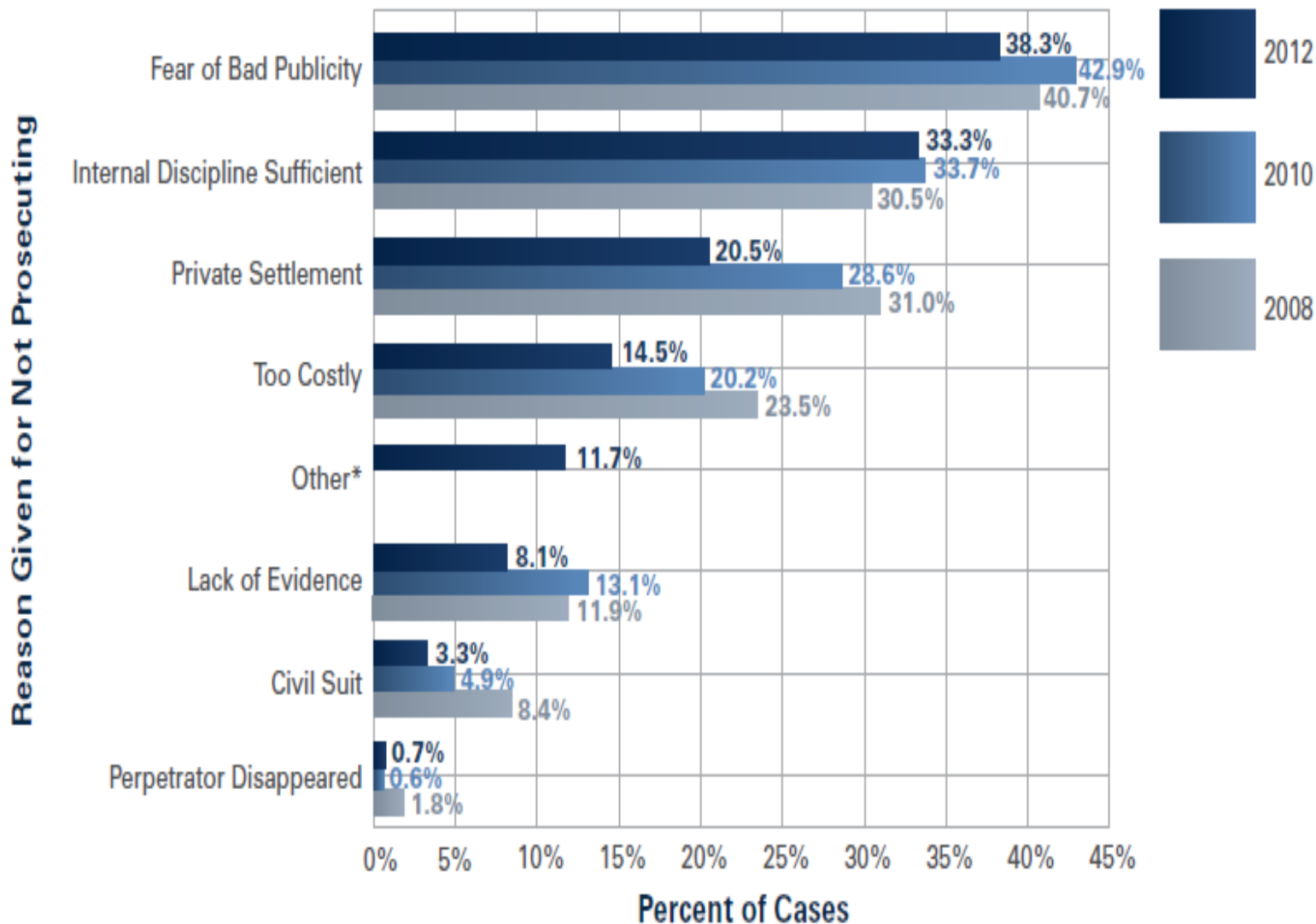
Perpetrator's Employment Background



*"Other" category was not included in the prior years' Reports.



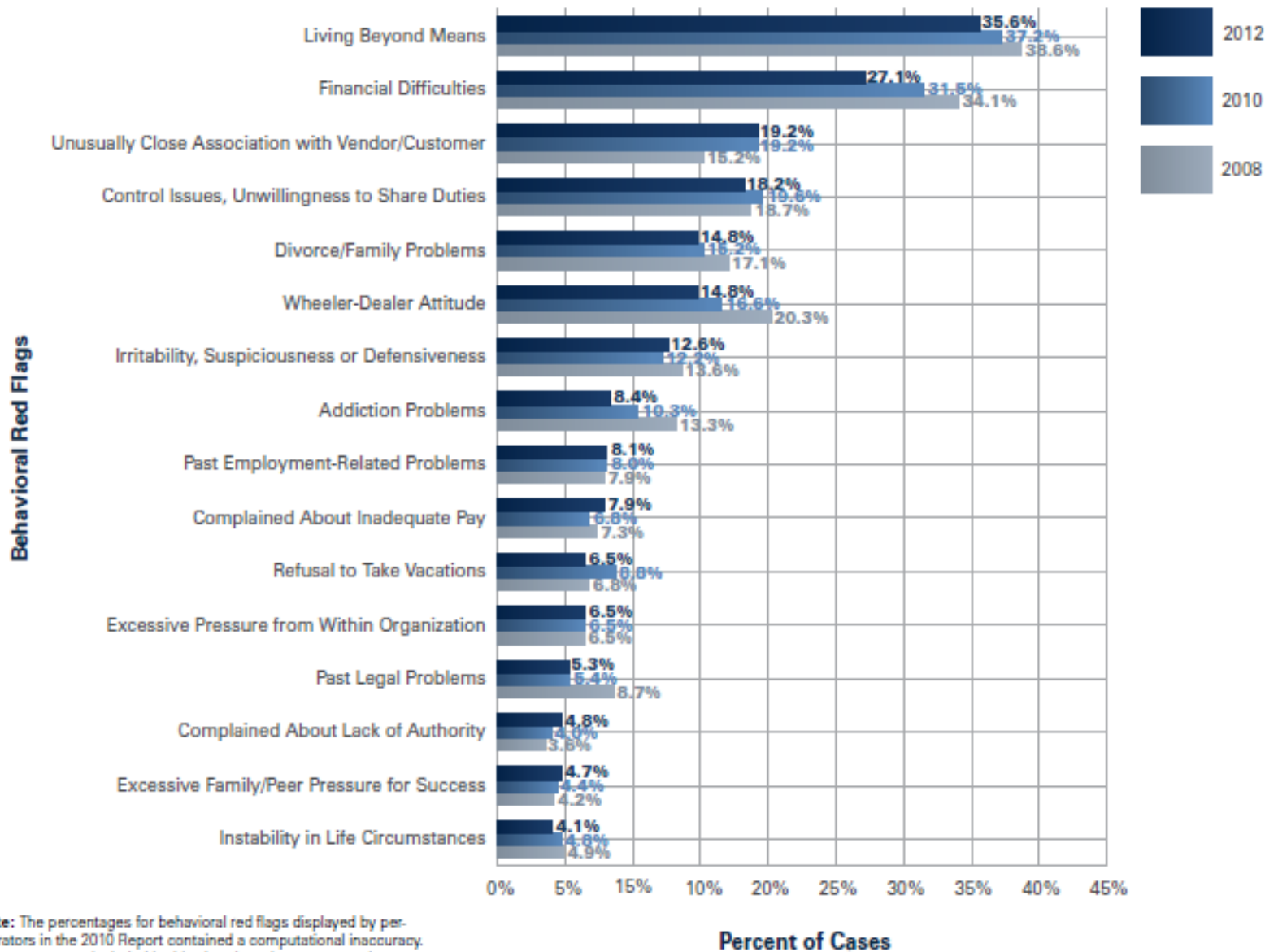
Reason(s) Case Not Referred to Law Enforcement



*"Other" category was not included in the prior years' Reports.



Behavioral Red Flags of Perpetrators



Note: The percentages for behavioral red flags displayed by perpetrators in the 2010 Report contained a computational inaccuracy. The percentages included in this chart have been corrected.



What We Know...





Crime and Deception

First defined “white-collar crime”

- Criminal acts of corporations
- Individuals in corporate capacity

Theory of differential association

- Crime is learned
- Not genetic
- Learned from intimate personal groups

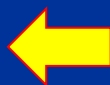
Who taught you to deceive?



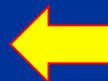
Fraud Model

An expanded model
might include:

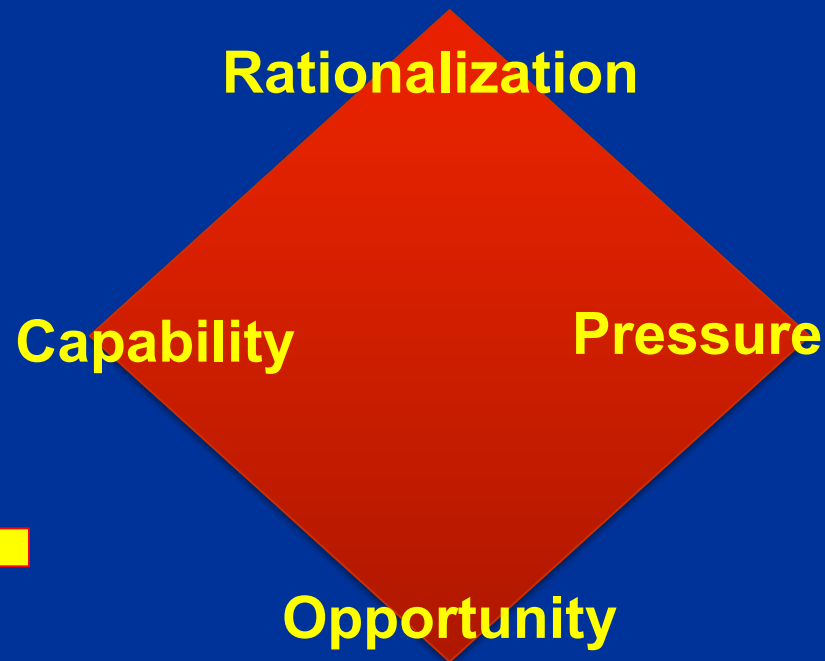
Integrity (Moral
Compass)



Cost-Benefit Analysis

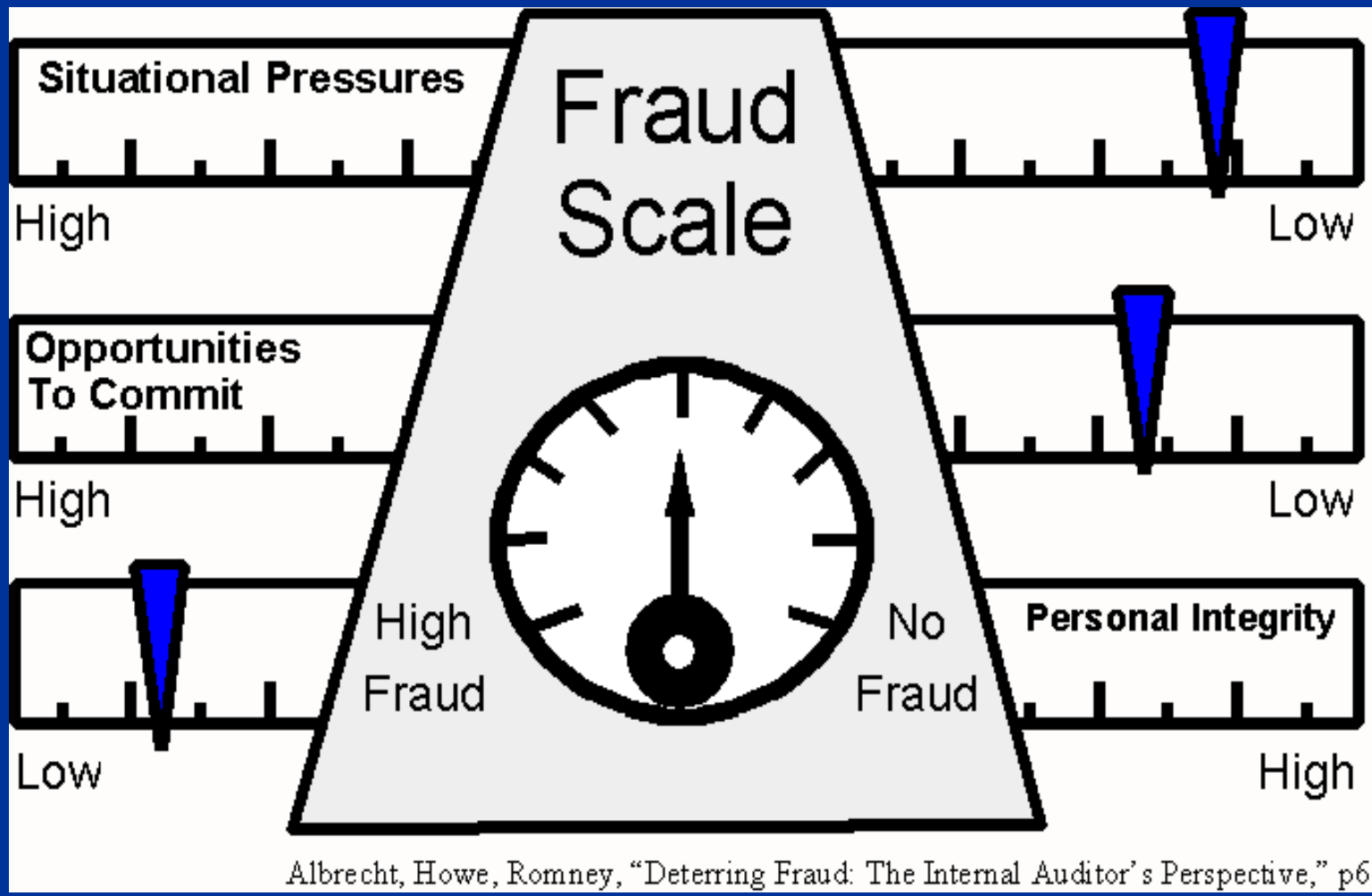


Others?????





The Fraud Scale



Albrecht, Howe, Romney, "Deterring Fraud: The Internal Auditor's Perspective," p6



Nonsharable Problems

- Violation of ascribed obligations
- Personal failures
- Business reversals
- Physical isolation
- Status gaining
- Employer-employee relations



Offender Types

Independent businessmen

- “Borrowing”
- Funds really theirs

Long-term violators

- “Borrowing”
- Protect family
- Company cheating them
- Company generally dishonest



Offender Types

Absconders

- Take the money and run
- Usually unmarried, loners
- Blame “outside influences” or “personal defects”



Nine Motivators of Fraud

- Living beyond means
- Overwhelming desire for personal gain
- High personal debt
- Close association with customers
- Pay not commensurate with job
- Wheeler-dealer
- Strong challenge to beat the system
- Excessive gambling
- Family or peer pressure



Age and Theft

- Direct correlation
- Younger employees less committed
- But, higher position = bigger theft
- Opportunity is only a secondary factor



Job Satisfaction and Deviance

Dissatisfied employees

- More likely to break rules
- Regardless of age/position
- Trying to right perceived inequities

Wages in kind



Organizational Controls

Five factors to help reduce fraud...

- **Company policy**
- **Selection of personnel**
- **Inventory control**
- **Security**
- **Punishment**



Conclusions

- Employee perception of controls is important
- Increased security may hurt, not help
- Employee-thieves exhibit other deviance
Sloppy work, sick leave abuses, etc.
- “Hydraulic effect”
- Management should be sensitive to employees
- Pay special attention to young employees



Embezzlement

The “crooked bookkeeper”

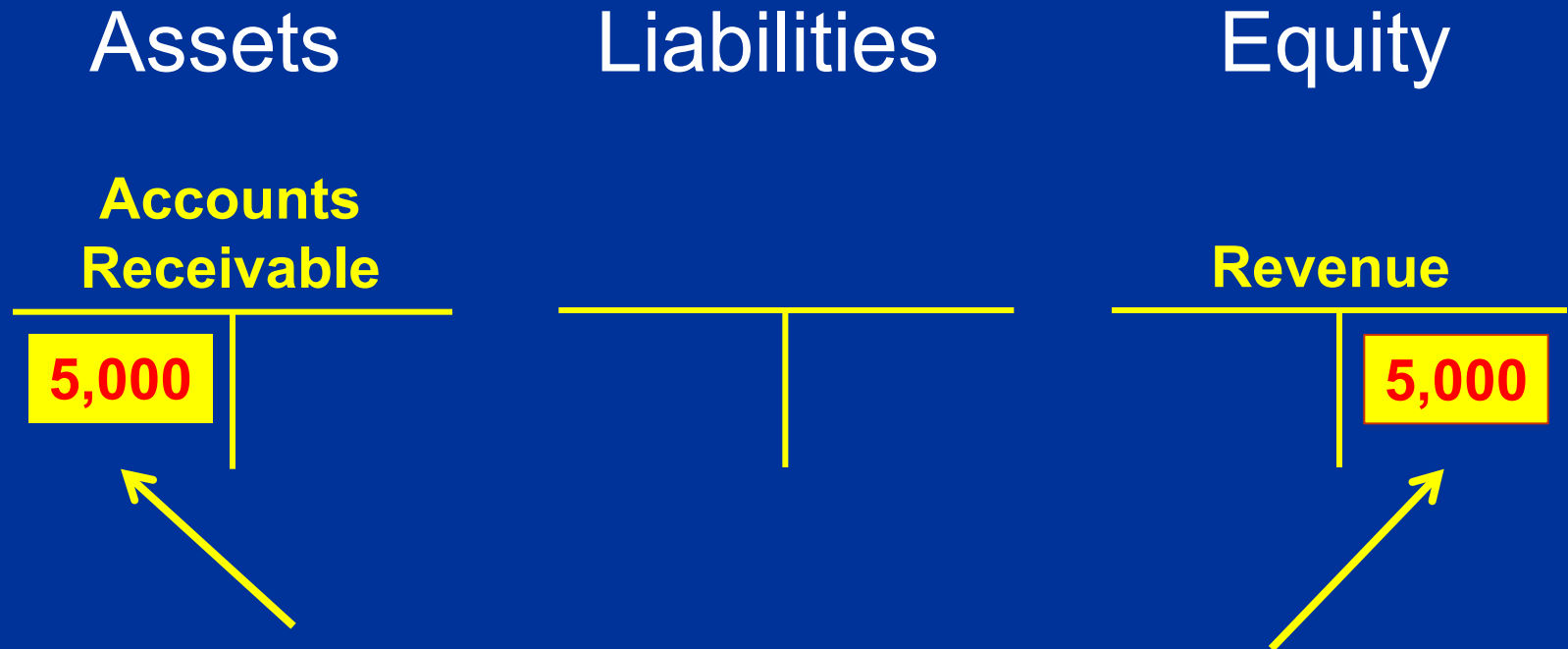
Cash	Expense
10,000	10,000

In this scheme the fraudster could use either a fictitious company name and cash the check at a bank where s/he has an account or use a “void” check and use his or her own name!

E-checks make this fraud even easier!



ZZZZ Best Fraud



Barry Minkow learned quickly that setting up fake receivables has the additional benefit of increasing revenue. America is a great place!



WorldCom

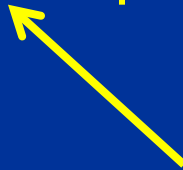
Assets

Liabilities

Equity

Line Charges

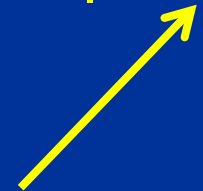
10,000



Line Expenses

100,000

10,000



A first-year auditor could have observed that the company “capitalized” line costs that historically had been expensed. The result lowered expenses and increased profits.



Enron

Assets

Contracts

70,000

10,000

Liabilities

Equity

Revenue

90,000

10,000

Whenever someone tells you the transaction is “complex” you need to pay attention. It can often mean that there is something lurking below the surface. Many frauds are hidden among convoluted transactions.



Identity Theft





Identity Theft



Oskaloosa, Kansas

Osceola, Missouri





Flagging



One of the most dangerous activities in I/D theft. What is it?



Identity Fraud

If current trends continue, 1 out of 5 Americans will be a victim of identity fraud in the next three years.

And it's not the theft that's the hard part.... It's fixing the damage!



Identity Fraud

What is identity fraud and how can we prevent it?

The first is easy - someone “steals” your identity.

The second is the bad news...



Identity Theft

According to law enforcement
and government officials,
identity fraud is
characterized as:

Unavoidable

Undetectable

Unstoppable



Identity Fraud

An identity thief needs one valuable possession of the potential victim. This item opens up a whole world of opportunities for nefarious activities.

***The Social Security
Number (SSN)***





Why Steal ID?

Obtain credit cards

Obtain work documents and licenses

Create new or multiple identities

Obtain telephone, internet and related services

Obtain benefits such as unemployment, worker's compensation and welfare

Open bank accounts with stolen SSN

Obtain medical services or reimbursements

Use bogus SSN to avoid paying child support payments





Identity Fraud Example

Southern California law enforcement pros found a threat to personal security. Guess what's on your room key at "DoubleTree" hotel chain.

Name

Home address

Room Number

Check in and check out date

CC # and expiration date



What did you do with your card at checkout?

What does the hotel do with your card?



Identity Fraud

How is a person's identity stolen?

Some examples...

Internet - "page jackers"

Mail and correspondence

Key-stroke loggers

Trash – Overland Park Incident

Infant death method (next slide)

Company employees



Identity Fraud

How could you steal (assume) an identity this weekend – you know, for fun?

While it's a federal crime punishable by fine and imprisonment, it's actually fairly easy to do.

In fact, let's also start a shell company, that's owned by another shell company that's owned by another.... you get the point.

Why do this?



Protecting Private Information

- Don't keep ATM or PIN information in your purse or wallet
- Avoid using easily discovered passwords such as birth dates, initials, phone numbers
- Keep a list of all your credit cards and bank accounts in a secure place such as a lock box, safe or locked file cabinet
- Secure all tax records, cancelled checks and paid bills in a safe place
- Use only secure server when ordering on the internet





Protecting Private Information

- Never throw your credit card receipts in the wastebasket
- Don't share your password with anyone
- When approaching an ATM machine, be watchful of others. ***Telescope scheme***
- Avoid telemarketing commitments
- Don't use credit cards on a phone
- Change passwords often
- Use a home shredder





Protecting Private Information

- Completely destroy pre-approved credit offers that you don't intend to accept
- When mailing personal information, use only secure mailing points (the Post Office)
- Don't write account number on your on the outside of the envelope
- Install locked mail boxes at your home
- Don't have checks mailed to your home - pick them up at the bank
- Don't let mail accumulate if you travel - have a friend secure your mail





Protecting Private Information

- Order credit reports annually to ensure data is accurate
- Register your cards with a credit card protection agency and place stickers on card
- Check credit card statements as soon as you receive them
- Add a fraud alert to the three major credit reporting bureaus

Equifax

Experian

Trans Union





Protecting Private Information

- Consider having the previous credit agencies put a restriction on your accounts
- Use a photo credit card and/or write “ask for identification” on the back of the credit card.
- Never, never, never, give anyone your SSN - especially at a business. They have no right to it!!!!



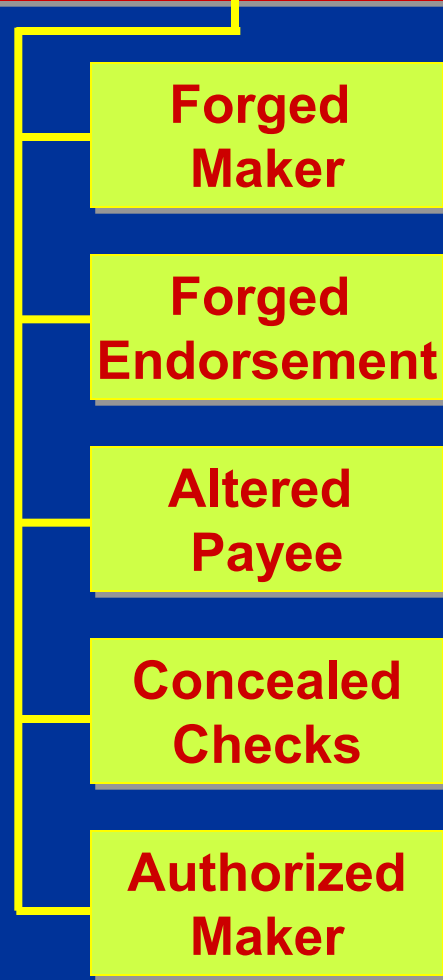


Check Tampering





Check Tampering





Altered Payee Schemes

Checks *not* prepared by perpetrator:

- Check washing
- White-out payee name
- “Tacking On” (I.R.S. becomes I. R. Stevens)

What solution is good for check washing?



Forged Maker Schemes

To whom is the check made payable?

- To the perp
- To an accomplice
- To “cash”
- To legitimate vendors (purchasing personal items)
- To fictitious person or entity



The Perfect Crime?

Let's see if we could devise the perfect crime – one in which there is a big payoff and where the likelihood of being caught is minimal...

Interested?





Forged Endorsement Schemes

Intercepting the check:

- Perp's duties involve handling signed checks
- Signed company checks not secured
- Checks returned to company (incorrect address)
- Alter delivery address – check mailed to perp





Altered Payee Schemes

Checks prepared by the perpetrator

- Perp obtains signatures on blank checks (perp highly trusted)
- Check typed or written in erasable ink
 - Perp gets authorized person to sign check
 - Signed check given to perp to mail
 - Change payee and/or amount
 - When cashed check returned with bank statement, perp restores original name, amount



Concealing Check Tampering

If perp reconciles the bank statement:

- Code fraudulent check “void”
- When statement arrives, destroy bogus checks
- Force totals on reconciliation (add wrong)

If payee/amount were altered:

- Re-alter cancelled checks to match postings





General Check Tampering Red Flags

- Excessive number of voided checks
- Missing checks
- Non-payroll checks payable to employees
- Altered or dual endorsements on returned checks
- Alterations to payee, amount on returned checks
- Questionable payees or payee addresses
- Duplicate or out-of-sequence check numbers





Check Tampering Controls

- Keep accounts payable records secure from tampering
- Have bank statements delivered, unopened, to two or more independent employees
- Bank statements reconciled by more than one person
- Periodically rotate personnel who handle and code checks

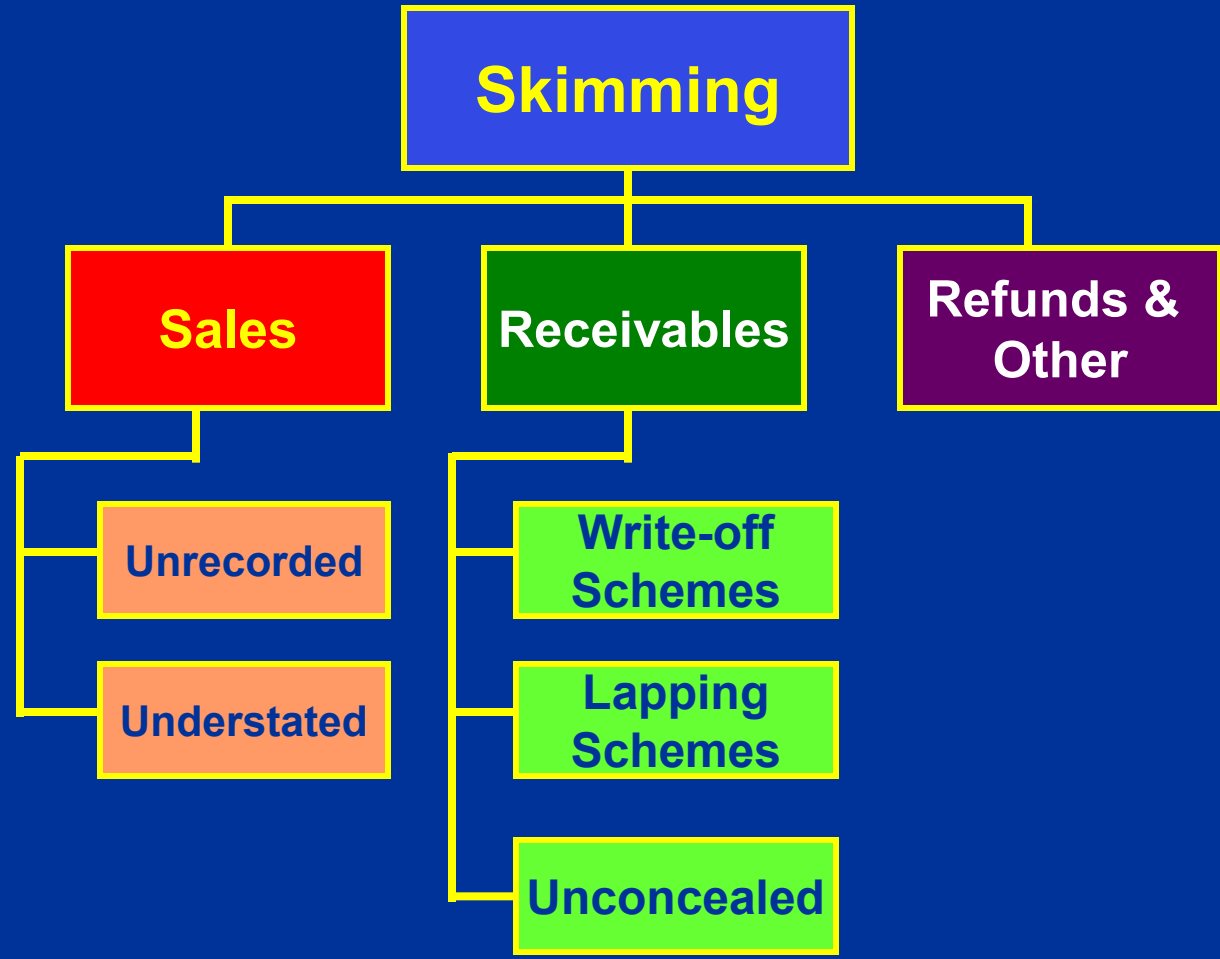


Skimming





Skimming Schemes





Skimming

- Theft of cash from a victim entity prior to its entry in an accounting system – “off-book”
- No direct audit trail
- Its principal advantage is its difficulty to detect



Sales Skimming

- Employee makes a sale of goods or services, collects the payment, and makes no record of the transaction
- Pockets the proceeds of the sale
- Without a record of the sale, there is no audit trail



Real World Perspective

Paper Warehouse in “Let’s Make a Deal”





Real World Perspective

Mama Leone in “Two Finger Register”





Preventing and Detecting Skimming

- Maintain a viable oversight presence at any point
- Perception of detection
- Install video cameras
- Utilize customers to detect and prevent fraud
- All cash registers should record the log-in and log-out time of each user



Inventory Fraud





Discussion Question

How does a company create a culture that discourages theft? In other words, do you believe that inventory fraud (in a broad sense) occurs in every firm. What are the best practices?



Examples of Inventory Fraud

Cable Caper...

Customer requests cable service. Once installed, the Perp “cancels” the order and collects the monthly service fee.



Examples of Inventory Fraud

Layering

Some employees that have “dressing room duty” collect the clothes s/he wants, removes the security tab, put it on and walk out the door – right in front of a security guard.



Examples of Inventory Fraud

Short Sales

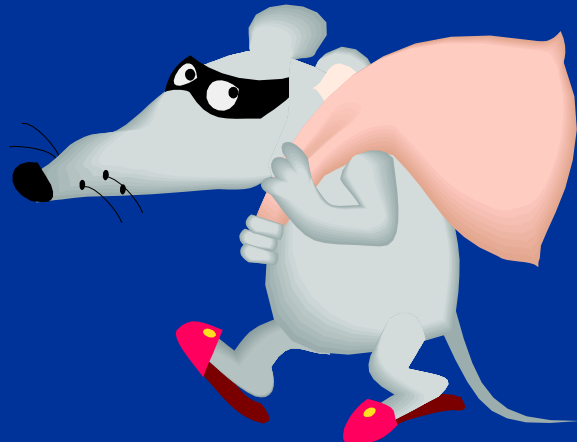
Driver of beer truck “shorts” delivery and sells the excess. For example, Perp says he delivers 50, but only leaves 45 cases.



Examples of Inventory Fraud

Body Shop

Worker began stealing cars parts for personal use but quickly found how profitable this can be.





Inventory Fraud

Larceny

**Requisitions
and Transfers**

**Misappropriation of
non-cash Assets**

False Shipments

**Purchase
and Receiving**



Larceny - Countermeasures

- Restrict access to merchandise
- Merchandise in guarded, locked area
- Surveillance cameras
- Access logs for those who enter restricted areas
- Access codes for employees who are able to open warehouses, storerooms, etc.





The Art of Deception

**What every auditor needs to
know about deception.**



Deception

- What is it?
- Can anyone deceive?
- Is it possible to detect deception?
- Is there a science to this or is the idea of catching deception through “tells” just a parlor game?
- Are you good at deception?
- How important is it for us to be able to detect deception – even at a basic level?



Discussion Question

Are you good at deception?

Can you spot it in others?

What are some cues to deception?

Have you discovered any techniques that aid in detecting deception?



NLP

- What is it?
- What does it have to do with deception and ultimately with interviewing?
- Here's a hint: It is the basis of stress analysis and polygraph testing.
- Can you tell if someone is untruthful?
 - The Human Lie Detector?



What is Deception?

- A method to portray a belief that is not true, or not the entire truth.
- Can use distraction, camouflage, or concealment to help disguise the truth.
- On a given day, most human beings will either deceive or be deceived by another person.





Types of Deception

Lies

Providing information that is the opposite or significantly different from the truth.

Equivocations

Making an indirect, ambiguous, or contradictory statement.

Concealments

Omitting information that is vital in understanding a given situation, or engaging in behavior that helps hide relevant information.

Exaggeration

Overstatement or stretching the truth to a degree.

Understatement

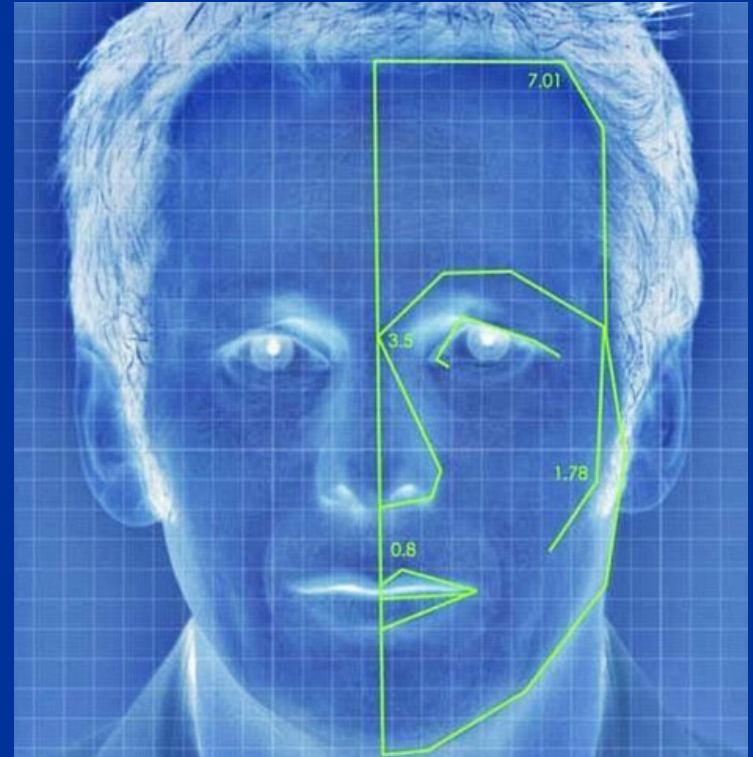
Minimizing or downplaying aspects of the truth.

Facial Recognition Software

Matches human face
against database of
pictures

- Distance between eyes
- Width of nose
- Depth of eye sockets
- Shape of cheekbones
- Length of jaw line

Next? 3D and micro-expressions





Polygraph Test

Do not detect lies

**Instead, detect
when a person is
attempting to
deceive.**

**Examines heart
rate, blood
pressure,
respiratory rate,
and sweatiness in
comparison to
normal levels.**





What Does a Polygraph Measure?

- **Respiratory rate:** two rubber tubes filled with air are placed around the chest and abdomen.
 - **Muscles expand and displaces the air in the tubes.**
- **Blood pressure/heart rate:** a blood-pressure cuff is placed around the upper arm.
- **Galvanic skin resistance (GSR):** measures the sweat on an individual's fingertips.





Reading the Polygraph...



Results are
seldom admissible
in court.

- False Positive: truthful response is determined to be deceptive.
- False Negative: deceptive response is determined to be truthful.



Beating the Box?

It is possible to “beat the box” by
employing a simple procedure.
Does anyone know what that
procedure is?



Lies and Deception

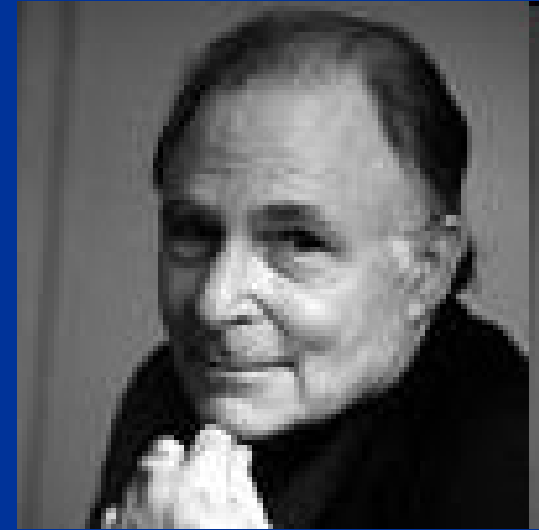
- Liars choose to mislead their target and the target is not informed of the liar's intention to mislead.
- 2 forms of lies: concealment and falsification
- Why do lies fail?
- Why people fail to detect lies?





Dr. Paul Ekman

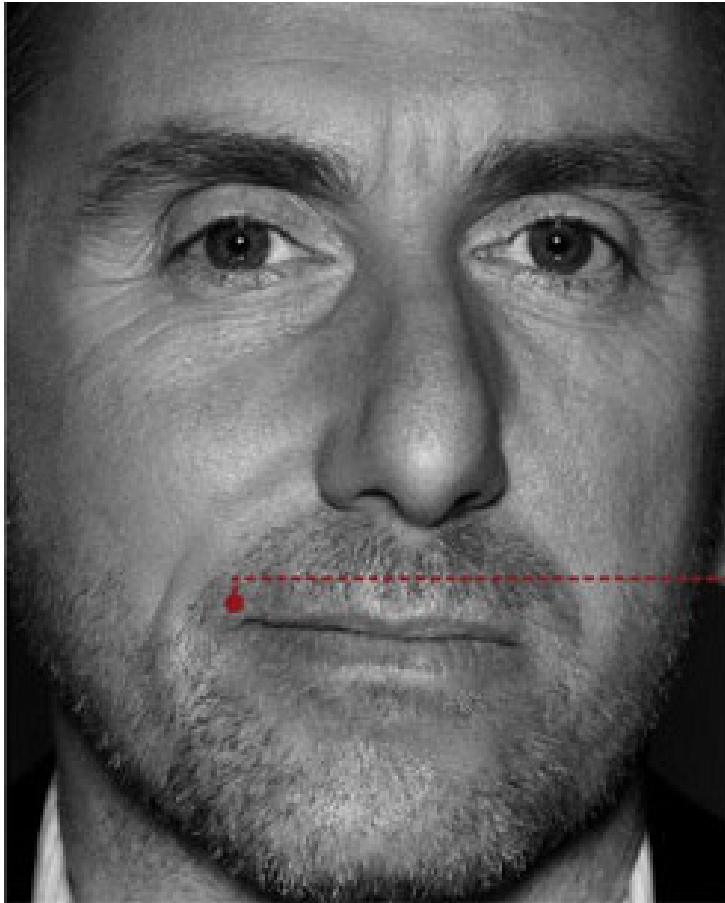
- Ph.D. in clinical psychology
- Officer in the U.S. Army
- Researches emotion and expressions
- Numerous awards, TV appearances and published work





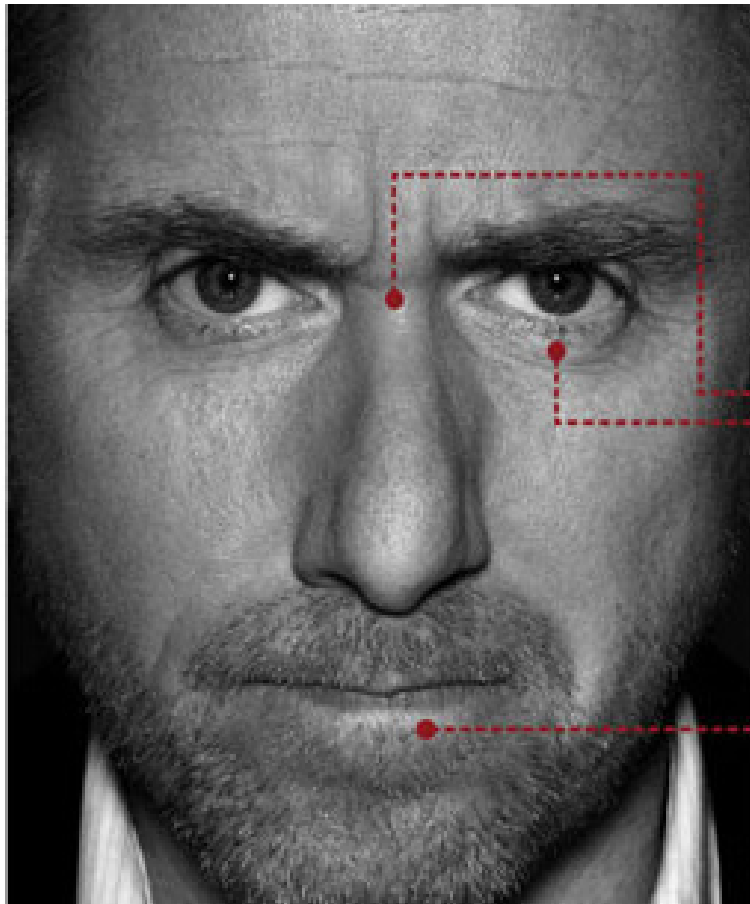
Universal Expressions

- Contempt
- Anger
- Fear
- Surprise
- Sadness
- Disgust
- Happiness



contempt

① lip corner tightened
and raised on only
one side of face



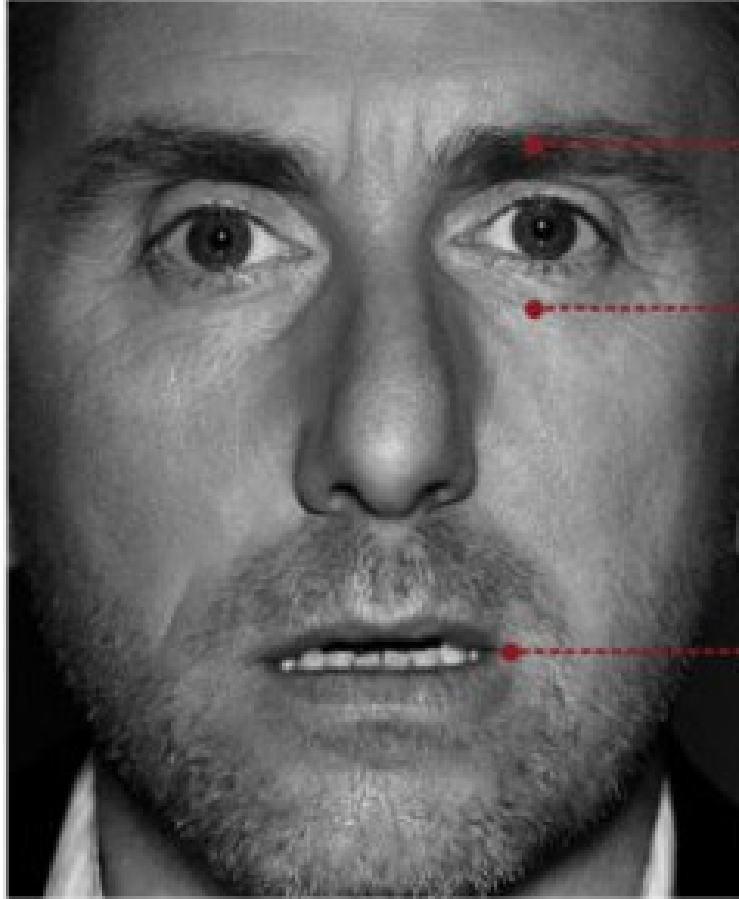
anger

- ① eyebrows down and together
- ② eyes glare
- ③ narrowing of the lips



fear

- ① eyebrows raised and pulled together
- ② raised upper eyelids
- ③ tensed lower eyelids
- ④ lips slightly stretched horizontally back to ears



surprise

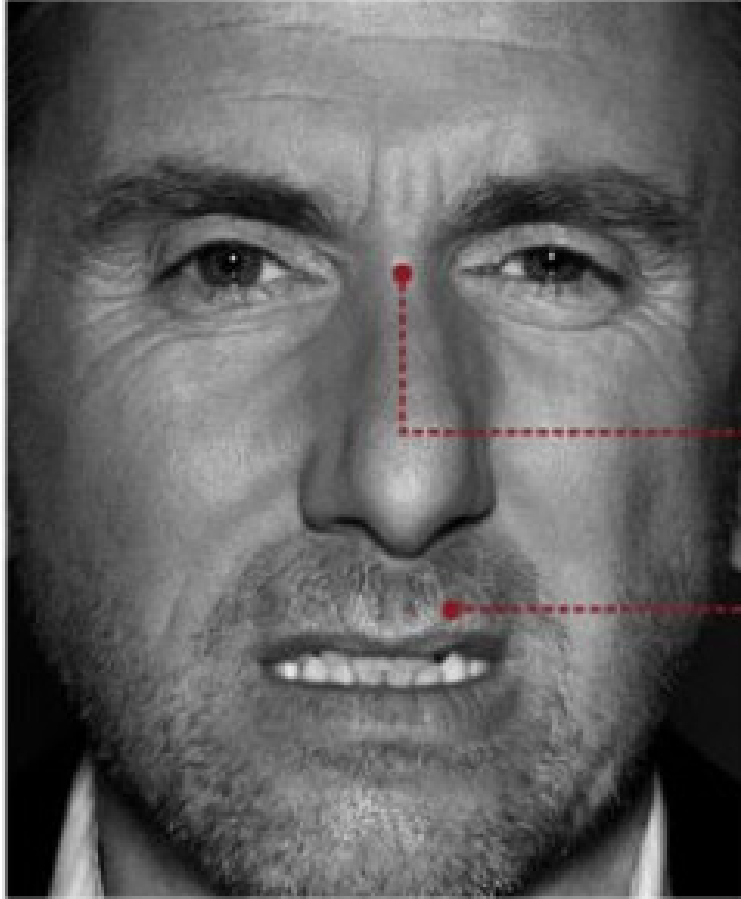
Lasts for only one second:

- ① eyebrows raised
- ② eyes widened
- ③ mouth open



sadness

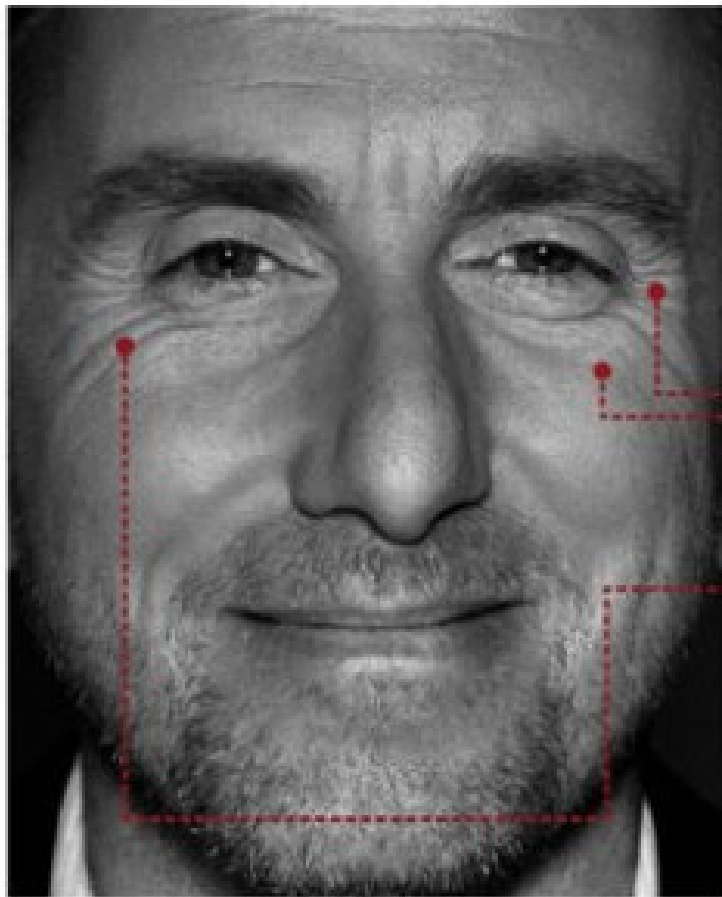
- ① drooping upper eyelids
- ② losing focus in eyes
- ③ slight pulling down of lip corners



disgust

① nose wrinkling

② upper lip raised



happiness

A real smile always includes:

- ① crow's feet wrinkles
- ② pushed up cheeks
- ③ movement from muscle that orbits the eye

A. Rod Example





Examples



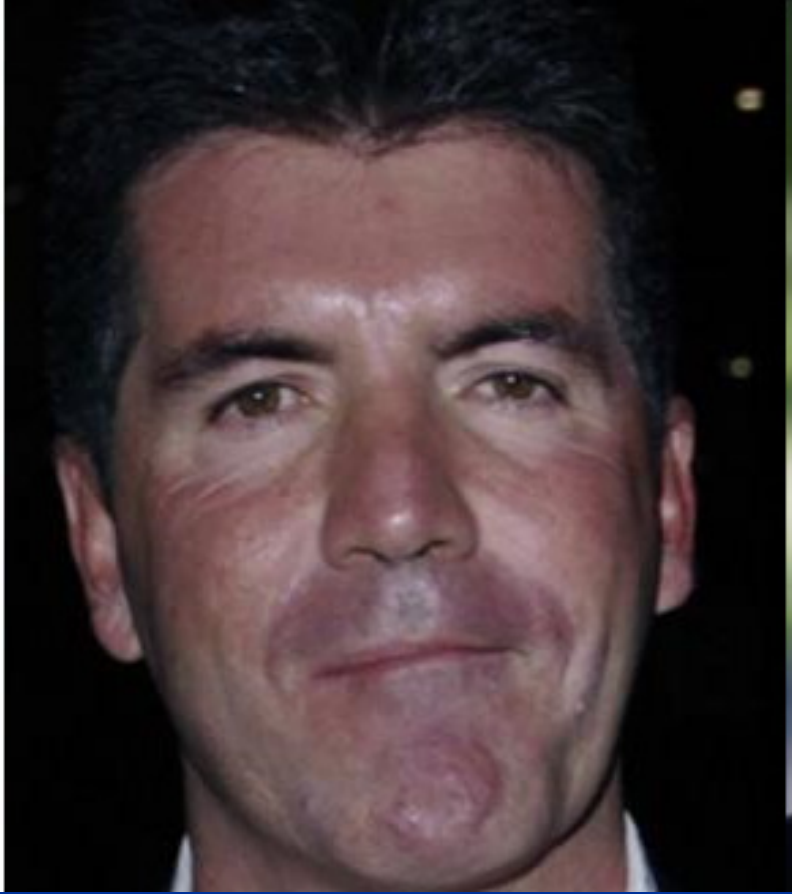


Mid-America Intergovernmental Audit Forum





Mid-America Intergovernmental Audit Forum





Easy Give Away in a Lie!

Temporal Lacuna



Verbal Clues to Deception

- Changes in speech patterns
- Repetition of the question
- Comments regarding the interview
- Selective memory
- Making excuses
- Oaths
- Character testimony
- Answering with a question



Verbal Clues to Deception

- Overuse of respect
- Increasingly weaker denials
- Failure to deny
- Avoidance of emotive words
- Refusal to implicate other suspects
- Tolerant attitudes
- Reluctance to terminate interview
- Feigned unconcern



Nonverbal Clues

- Full-body motions
- Anatomical physical responses
- Illustrators
- Hands over the mouth
- Manipulators
- Fleeing positions
- Crossing the arms
- Reaction to evidence
- Fake smiles



From The London Times: A Well-Planned Retirement



Outside England's Bristol Zoo there is a parking lot for 150 cars and 8 buses. For 25 years, its parking fees were managed by a very pleasant attendant. The fees were 1 Euro for cars (\$1.40), 5 Euro for busses (about \$7).





Then, one day, after 25 solid years of never missing a day of work, he just didn't show up; so the Zoo Management called the City Council and asked it to send them another parking agent.





The Council did some research and replied that the parking lot was the Zoo's own responsibility. The Zoo advised the Council that the attendant was a City employee. The City Council responded that the attendant had never been on the City pay role.





Meanwhile, sitting in his villa somewhere on the coast of Spain (or some such scenario), is a man who'd apparently had a ticket machine installed completely on his own; and then had simply begun to show up every day to collect and keep the parking fees, about \$560/day -- for 25 years.



Assuming 7 days a week, this amounts to just over \$7 million dollars!



And no one even knows his name!

