

CRIME STOPPERS 101 - THE ABC'S

BOARD AND COORDINATOR ROLES

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LEGAL ASPECTS OF CRIME STOPPERS

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FINANCIAL: WHO'S WATCHING THE MONEY

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CRIME STOPPERS 101 – THE ABC'S

- **DET. (RET.) KEVIN BOEHM**
- **GREATER KC CRIME STOPPERS
TIPS HOTLINE**
- **SCHOLASTIC CRIME STOPPERS
COORDINATOR (SEPT. 3, 2022)**



WHY THIS COURSE?

- **FOUNDATION FOR CONFERENCE – INTRODUCTION TO “BEST PRACTICES”**
- **PROVIDES “TALKING POINTS” TO ALL CS REPRESENTATIVES (LE, COORDINATORS, BOARD MEMBERS, EXECUTIVE DIRECTORS ETC.)**
- **INTRODUCTORY “BIG PICTURE” VIEW OF OPERATING A LEGITIMATE CS PROGRAM (NEW PROGRAM, NEW TO CS FAMILY OR PERIODIC REVIEW)**
- **COORDINATOR, FINANCIAL (K. SCOTT ABRAMS) AND LEGAL (JDG. (RET.) RICHARD CARTER) PERSPECTIVE**

OBJECTIVES

- **UNDERSTAND BASIC HISTORY OF CRIME STOPPERS**
- **ABILITY TO EXPLAIN THE “CRIME STOPPERS CONCEPT”**
- **UNDERSTAND THE ROLE OF BOARD OF DIRECTORS**
- **UNDERSTAND THE ROLE OF THE COORDINATOR**
- **UNDERSTAND THE ROLE OF THE MEDIA**
- **WHY “TIP PROCESSING” (SANITIZING) IS SO IMPORTANT**
- **HOW TO PROTECT CRIME STOPPERS (YOURSELF AND YOUR PROGRAM)**

HISTORY

- **SEPTEMBER 8, 1976**
- **ALBUQUERQUE, NEW MEXICO**
- **ROBBERY/HOMICIDE – MICHAEL CARMEN (JULY 1976)**
- **DET. GREG MACALEESE**
- **CRIME OF THE WEEK**
- **3 ARRESTED WITHIN 72 HOURS – CASE WAS 4 MONTHS OLD**
- **CALLER ID'ED THE CAR – “DIDN'T WANT TO GET INVOLVED”**

ESSENTIAL ELEMENTS OF CRIME STOPPERS CONCEPT



- 
- A large, abstract red graphic on the left side of the slide, featuring flowing, ribbon-like shapes that create a sense of movement and depth. The red is a vibrant, slightly dark shade, and the shapes overlap and curve, giving it a three-dimensional appearance.
- **Why Crime Stoppers ?**
 - **Fear of Reprisal (Anonymous)**
 - **An Attitude of Apathy (Reward)**
 - **Reluctance to get Involved – “Snitches Get Stitches” “Don’t Rat” “No Tattling”**



KNOW THE COMPETITION

Someone Knows Something. We are not alone.....

Local law enforcement - Social Media; “anonymous” report by leaving a message or e-mail us. Usually, no offer of rewards

National Crime Tips - Associated with Police/Fire Magazine. Reward based on arrest & conviction

Schools - Anonymous using “Forms” for tips that often ask for your name, phone number, e-mail. May have phone lines into School offices. Sprigeo

Tip 411/Nixle - Tips go directly to subscriber, usually law enforcement agency with no review of tip info.

WeTip - For Profit, takes crime tips but moving toward services for companies.

Sandy Hook Promise – Creating an entire program for schools to include tipping programs.

RECORD KEEPING

- **DISCLAIMER**

- **THE ANONYMOUS INFORMATION CONTAINED IN THIS TIP DOES NOT CONSTITUTE REASONABLE SUSPICION OR PROBABLE CAUSE FOR ARREST AND IS THE EXCLUSIVE PROPERTY OF THE GREATER KANSAS CITY CRIME STOPPERS TIPS HOTLINE. THIS INFORMATION IS NOT TO BE INCLUDED IN ANY INVESTIGATIVE FILE.**
- **THIS FORM IS THE EXCLUSIVE PROPERTY OF CRIME STOPPERS OF _____. ANY DISCLOSURE, COPYING, DISTRIBUTION OR USE OF THIS DOCUMENT IS STRICTLY PROHIBITED. DO NOT INCLUDE THIS FORM IN ANY INVESTIGATIVE FILE.**

- **CORPORATE VS. PUBLIC RECORD (CHECK WITH YOUR STATE)**

- **CORPORATE: CORPORATE RECORDS ARE SUCH RECORDS THAT ARE REQUIRED BY A CORPORATION TO SHOW THAT IT IS FUNCTIONING ACCORDING TO THE RULES OF THE INTERNAL REVENUE SERVICE. CORPORATE RECORDS USUALLY HAVE A CORPORATE RECORD BOOK WHICH INCLUDES ALL THE REQUIRED DOCUMENTS. CORPORATE RECORDS CAN ALSO BE KEPT ONLINE OR IN A FILE CABINET. (US LEGAL, INC.)**
- **PUBLIC: PUBLIC RECORDS ARE DOCUMENTS OR PIECES OF INFORMATION THAT ARE NOT CONSIDERED CONFIDENTIAL AND GENERALLY PERTAIN TO THE CONDUCT OF GOVERNMENT. REFERENCE YOUR SPECIFIC STATE "SUNSHINE LAW" PROCEDURE. (WIKIPEDIA)**



RECORD KEEPING (CONT.)

- **OWNERSHIP: A) CRIME STOPPERS**
 - **B) LAW ENFORCEMENT**
 - **C) PROSECUTOR**
 - **D) DEFENSE ATTORNEY**
 - **E) ALL THE ABOVE**
- **CORPORATE VS. PUBLIC:**
 - **STATE TO STATE VARIANCE**
 - **RELEASE AND RETENTION DEFINED BY STATE AND/OR FEDERAL STATUTE**
 - **COULD BE BOTH – WHO TOOK THE TIP (ME VS. STAFF), WHERE IS THE TIP STORED, WAS TIP INCLUDED IN CASE FILE, DO STATE SPECIFIC PROTECTIONS EXIST?**

INCULPATORY VS. EXCULPATORY

Inculpatory

- **Inculpatory** means causing blame to be imputed to; to incriminate. For example, **inculpatory statement** is a statement which attribute liability on the person making such statement. It incriminates or places guilt or responsibility on someone. (US Legal, Inc.)

Exculpatory

- **Exculpatory evidence** is evidence favorable to the defendant in a criminal trial that exonerates or tends to exonerate the defendant of guilt. It is the opposite of inculpatory evidence, which tends to present guilt. ([Wikipedia](#))

**HOW CRIME STOPPERS WORKS?
IT'S WHAT MAKES US DIFFERENT**

ANONYMOUS VS CONFIDENTIAL TIPS

ANONYMOUS VS. CONFIDENTIAL

Anonymous Tips: The anonymous informant, however, lacks the advantages of both the professional and the lay informant. By definition, anonymous informants lack a “track record,” and they also cannot be presumed to be credible, since police have no means of gauging their possible motives for making false accusations or of holding them accountable for false tips. On their face, such informants would thus appear to have almost no credibility. Yet the Supreme Court has allowed for the use of anonymous informants’ tips in substantiating both probable-cause and reasonable-suspicion determinations, in *Illinois v. Gates* and *Alabama v. White*, respectively. The Supreme Court held that the combination of the anonymous informant’s tip and police corroboration of some of the information were sufficient to make out probable cause.

Confidential Informant: A confidential informant is a person who provides information about criminal activity to law enforcement officers. The identities of these individuals are privileged in order to protect these individuals against retribution from those involved in crime. Statements made by a confidential informant are testimonial in nature, and therefore, may not be offered by the government to establish the guilt of an accused absent an opportunity for the accused to cross-examine the informant. However, evidence that is provided merely by way of background or is offered only to explain how certain events came to pass or why the officers took the actions they did, is not offered for the truth of the matter asserted. [United States v. Warman, 578 F.3d 320 (6th Cir. Ohio 2009)]

- **PROTECT THE TIPSTER FROM THEMSELVES**
 - **REVEAL TO MUCH**
 - **TRY TO “SELL” YOU ON THE INFORMATION**
 - **GENDER NEUTRAL**
 - **BE GENERAL WHEN DISCUSSING “HOW” THE INFO. IS KNOWN**
 - **USE “THEY” AS OPPOSED TO “HE” OR “SHE”**
 - **EDIT INFO. BUT BE CAREFUL NOT TO “ADD” YOUR OWN COMMENTARY**
 - **DON'T ACCEPT E-MAIL OR SOCIAL MEDIA TIPS!**



SANITIZATION PRIMER

- **“JOHN DOE IS MY EX-HUSBAND. I HAVE BEEN LETTING HIM STAY AT MY HOUSE AT 123 MAIN STREET SINCE HE WAS RELEASED FROM JAIL IN 2011. I LEFT THE PROPERTY TWO YEARS AGO TO LIVE WITH MY NEW HUSBAND. HE LET JANE DOE MOVE IN TWO MONTHS AGO. WHEN I WENT TO COLLECT THE REST OF MY BELONGINGS FROM THE HOUSE AT 123 MAIN STREET , MS. DOE TOLD ME THAT SHE AND JOHN ARE DOING METH ON A DAILY BASIS AND SHOWED ME THE METH SHE HAD BEEN HOLDING BACK FROM JOHN. JOHN WAS ARRESTED IN 2008 FOR GROWING MARIJUANA IN THE SHED IN THE BACK OF THE HOUSE. I HAVE GOOD REASON TO BELIEVE HE IS NOW COOKING METH IN THAT SHED AS I CAN THINK OF NO OTHER WAY THAT THEY COULD AFFORD TO SMOKE METH EVERYDAY. IN ADDITION, MS. DOE WAS RECENTLY ARRESTED WITH METH AND OXYCODONE. FINALLY, WHEN I ASKED JOHN IF I COULD SEE THE HOUSE AND SHED HE SAID THE POLICE HAD ALREADY BEEN THERE FOLLOWING MS. DOE’S ARREST. I CALLED TO CONFIRM THAT THIS MORNING AND WAS TOLD THERE HAVE BEEN NO DEPUTIES CALLED TO THAT ADDRESS RECENTLY. I UNDERSTAND THAT COOKING METH CAN BE VERY DANGEROUS AS EXPLOSIONS CAN HAPPEN AND AM CONCERNED FOR MY PROPERTY. I AM CURRENTLY IN THE PROCESS OF HAVING THEM EVICTED BUT THAT MAY TAKE A FEW WEEKS. THANK YOU FOR YOUR HELP.**

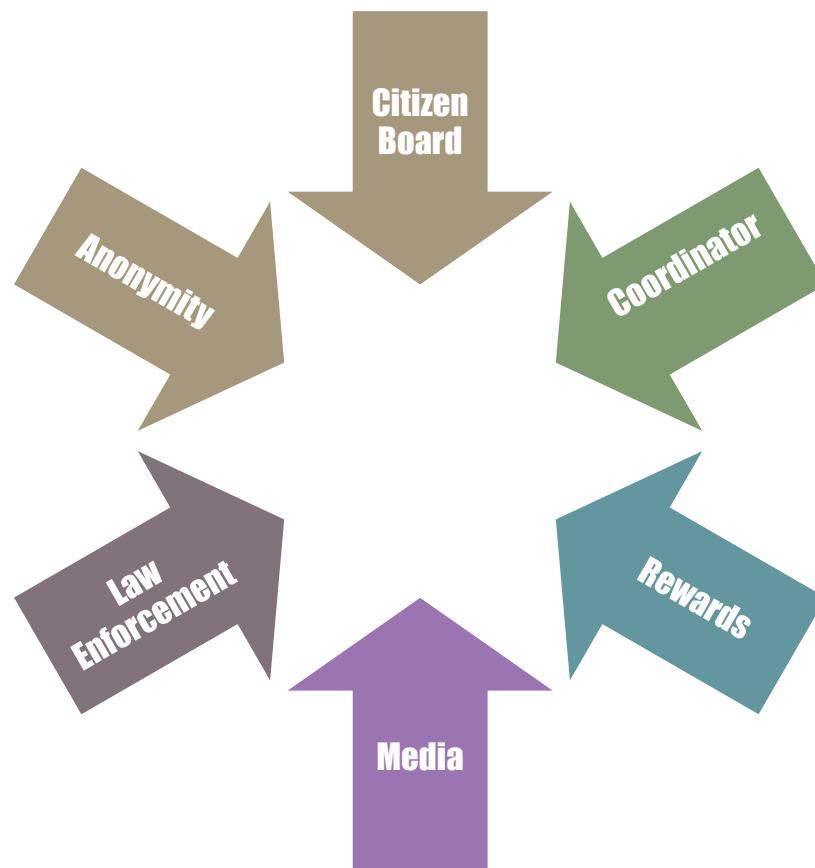
SANITIZATION (CONT.)

- **~~“JOHN DOE IS MY EX-HUSBAND. I HAVE BEEN LETTING HIM STAY AT MY HOUSE. *IS LIVING AT* 123 MAIN STREET SINCE HE WAS RELEASED FROM JAIL IN 2011. I LEFT THE PROPERTY TWO YEARS AGO TO LIVE WITH MY NEW HUSBAND. HE LET JANE DOE MOVE IN TWO MONTHS AGO. WHEN I WENT TO COLLECT THE REST OF MY BELONGINGS FROM THE HOUSE AT 123 MAIN STREET, MS. DOE TOLD ME THAT SHE AND JOHN ARE DOING METH ON A DAILY BASIS AND SHOWED ME *I HAVE SEEN THE METH* SHE HAD BEEN HOLDING BACK FROM JOHN. JOHN WAS ARRESTED IN 2008 FOR GROWING MARIJUANA IN THE SHED IN THE BACK OF THE HOUSE. I HAVE GOOD REASON TO BELIEVE HE IS NOW COOKING METH IN THAT SHED AS I CAN THINK OF NO OTHER WAY THAT THEY COULD AFFORD TO SMOKE METH EVERYDAY. IN ADDITION, MS. DOE WAS RECENTLY ARRESTED WITH METH AND OXYCODONE. I FINALLY, WHEN I ASKED JOHN IF I COULD SEE THE HOUSE AND SHED HE SAID THE POLICE HAD ALREADY BEEN THERE FOLLOWING MS. DOE’S ARREST. I CALLED TO CONFIRM THAT THIS MORNING AND WAS TOLD THERE HAVE BEEN NO DEPUTIES CALLED TO THAT ADDRESS RECENTLY. I UNDERSTAND THAT COOKING METH CAN BE VERY DANGEROUS AS EXPLOSIONS CAN HAPPEN AND AM CONCERNED FOR MY PROPERTY. AM CURRENTLY IN THE PROCESS OF HAVING THEM EVICTED BUT THAT MAY TAKE A FEW WEEKS. THANK YOU FOR YOUR HELP.~~**

SANITIZATION (CONT.)

- **“JOHN DOE *IS LIVING AT* 123 MAIN STREET SINCE HE WAS RELEASED FROM JAIL IN 2011. JOHN AND HIS WIFE ARE DOING METH ON A DAILY BASIS AND PEOPLE *HAVE SEEN THE METH*. JOHN WAS ARRESTED IN 2008 FOR GROWING MARIJUANA IN THE SHED IN THE BACK OF THE HOUSE. THERE IS GOOD REASON TO BELIEVE HE IS NOW COOKING METH IN THAT SHED AS I CAN THINK OF NO OTHER WAY THAT THEY COULD AFFORD TO SMOKE METH EVERYDAY. IN ADDITION, MS. DOE WAS RECENTLY ARRESTED WITH METH AND OXYCODONE. THANK YOU FOR YOUR HELP.**

HOW CRIME STOPPERS WORKS, WHAT MAKES US DIFFERENT (CONT.)



CRIME STOPPERS RESOLVES PROBLEMS



Apathy



Fear



Reprisal/Retribution



**Rewards – Nationally 70%
go uncollected**

CRIME STOPPERS MINIMUM STANDARDS

Legally incorporated by State

Obtain IRS tax exemption

**Establish Operating
Procedures – Best Practices**

**No law enforcement or
elected officials as voting
Board**

Members

- Maintain membership with CSUSA
- Maintain and report program statistics
- Establish reward policy
- Establish and follow good Financial Policies

Training

- Ensure basic training for Coordinator and Board

Board:

- Conflict of Interest Disclosure
- D & O Insurance
- Confidentiality Agreement
- Consent to background check
- Attendance/Periodic elections

ROLE OF BOARD OF DIRECTORS

Creates Policies and Procedures (Coord. Responsibilities, Payout and Retention & Anonymous TIP Taking Procedure)

Provide oversight for Program

Raise Reward funds

Determine Reward amounts

Keep business records

Promote to media

Develop short and long-term goals – Strategic Plan



ROLE OF THE COORDINATOR

**Multi-faceted job with multiple hats.
Often “face” of program.**

**Responsible for day-to-day operation of
program.**

**Handle tips, follow up, screen and
disseminate information.**

**Liaison between Law Enforcement
Agencies and Board of Directors.**

**Coordinates between Media, Police and
Board of Directors.**

**Maintains record keeping system for the
program.**

**Prepares reports for Law Enforcement
Agencies, Board of Directors and Media.**

ROLE OF LAW ENFORCEMENT

**Provide
Coordinator &
Department
contact**

**Screen Crime
Stoppers Tips**

**Coordinate with
Investigators**

**Maintain files &
Case Status**

**Provide
dispositions to tips**

**Select cases for
“Crime or Fugitive
of the Week”**

**Promote program
within Department**

**Member Agencies
provide
representative to
Board of Directors**

ROLE OF MEDIA

- **SOCIAL MEDIA**

- FACEBOOK

- TWITTER

- **NEWSPAPERS**

- **TELEVISION**

- **RADIO**

- **CABLE TV**

- **WANTED POSTERS**

- WEB SITE



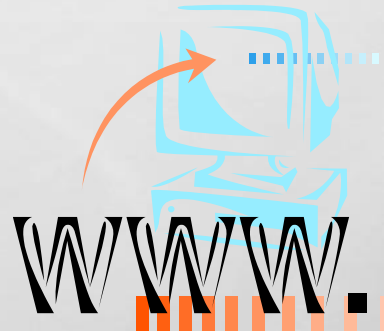
TIP TAKING

- **PHONE**

**ANSWERING SERVICE VS.
LOCAL ANSWERING**



- **WEB TIPS**



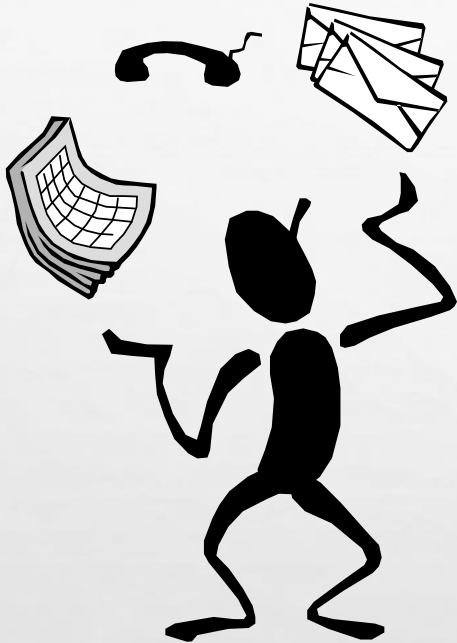
- **APP TIPS**

REWARDS



- **DETERMINING REWARD AMOUNTS**
 - **SPECIAL REWARDS**
- **PAYING REWARDS**

PARTNERSHIPS



- **STUDENT BASED/SCHOLASTIC**
- **PARTNERSHIPS -**
 - **DOMESTIC VIOLENCE**
 - **ANIMAL ABUSE**
 - **ELDER ABUSE**
 - **AUTO THEFT**
 - **CONSTRUCTION SITE THEFT**

PROTECTING CRIME STOPPERS

- COMPLY WITH BY-LAWS
- DO NOT PUT YOUR IRS TAX EXEMPTION AT RISK
- MAINTAIN GOOD FINANCIAL STANDING AND HAVE ADEQUATE FUNDS FOR REWARDS
- ACT CAREFULLY WHEN DEALING WITH LARGE OR SUPPLEMENTAL REWARDS
- PROTECT YOUR TIPSTERS (SANITIZE)
 - JOB # 1
 - NO CRIMES OR SCANDALS
 - HANDLE TIPS PROPERLY
- MAINTAIN ACCURATE PROGRAM STATISTICS
- PROVIDE WRITTEN BOARD REPORTS
- CONDUCT REGULARLY SCHEDULED BOARD MEETINGS
 - COORDINATE PAYMENT OF REWARDS
 - WORK WITH ALL MEDIA
- KNOW YOUR STUFF - HAVE YOUR ELEVATOR PRESENTATION READY AT ALL TIMES

CSUSA/GKCCS STATISTICS

	CSUSA	GKCCS (1982)
SUSPECTS ARRESTED	812,105	11,524
CASES CLEARED	1,160,222	25,587
HOMICIDES	14,769	673
REWARDS PAID	\$117,946,216	\$1,663,580.00
PROPERTY RECOVERED	\$1,260,430,307	\$9,039,325.50
NARCOTICS SEIZED	\$2,977,280,322	\$27,892,369.67
TOTAL RECOVERED	\$4,237,710,629	\$36,931,695.17

AS OF 11/1/2022

DON'T RE-INVENT THE WHEEL

- **CONTACT CRIME STOPPERS USA**
 - **WWW.CRIMESTOPPERSUSA.COM**
- **CSUSA REGIONAL DIRECTORS**
- **JDG. (RET.) RICHARD CARTER, CS USA LEGAL ADVISOR**
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CRIME STOPPERS ABC'S: LEGAL ASPECTS

JUDGE RICHARD W. CARTER (RET)

**DIRECTOR OF LEGAL SERVICES FOR CRIME STOPPERS
USA**

LEGAL ASPECTS

- I. WHAT IS "CRIME STOPPERS?"
- II. WHO IS "CRIME STOPPERS" (THE LEGAL ENTITY)?
- III. A BRIEF HISTORY OF "CRIME STOPPERS"
- IV. HOW THE PROGRAM IS ESTABLISHED
- V. HOW THE PROGRAM IS OPERATED
- VI. APPLICATION OF CONTRACT LAW TO THE OFFERING AND PAYMENT OF *CRIME STOPPERS* REWARDS

LEGAL ASPECTS, CONT'D

XII. ETHICAL CONSIDERATIONS

- A. PAYMENTS TO INFORMANTS WHO BECOME WITNESSES
- B. APPLICABILITY OF *BRADY V. MARYLAND*, 373 U.S. 83 (1963)
- C. DISTINGUISHING "CONFIDENTIAL" INFORMANTS FROM "ANONYMOUS" INFORMANTS
- D. CONFLICTS OF INTERESTS OF *CRIME STOPPERS* BOARD MEMBERS
- E. "FUNNELING" OF REWARD PAYMENTS
- F. AIDING AND ABETTING VIOLATORS OF FEDERAL TAX LAWS

LEGAL ASPECTS

VIII. QUESTION AND ANSWER SESSION

IX. CONCLUDING REMARKS

CRIME STOPPERS ABC'S: LEGAL ASPECTS

JUDGE RICHARD W. CARTER (RET)

**DIRECTOR OF LEGAL SERVICES FOR CRIME STOPPERS
USA**

CRIME STOPPERS ABC'S: FINANCIAL COMPLIANCE: WHO'S WATCHING THE MONEY?

K. SCOTT ABRAMS, CPA, CGMA, FHFMA

PAST CHAIRMAN – CRIME STOPPERS USA

PRESIDENT – WISCONSIN STATE CRIME STOPPERS

TREASURER – MILWAUKEE CRIME STOPPERS

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CRIME STOPPERS FINANCIAL ABC'S 7 ITEMS TO MAINTAIN COMPLIANCE

- **IRS REPORTING/COMPLIANCE**
- **STATE REPORTING REQUIREMENTS**
- **FINANCIAL STATEMENT REPORTING**
- **ANNUAL AUDIT OR FINANCIAL REVIEW**
- **HANDLING DONATIONS**
- **FIDUCIARY RESPONSIBILITIES**
- **INTERNAL CONTROLS**

IRS REPORTING COMPLIANCE AREAS

FORMS & DEADLINES

Which forms do exempt organizations file?

Most tax-exempt organizations are required to file an annual return. Which form an organization must file generally depends on its financial activity, as indicated in the chart below.

<i>Status</i>	<i>Form to File</i>
Gross receipts normally \leq \$50,000 Note: Organizations eligible to file the <i>e-Postcard</i> may choose to file a full return	<u>990-N</u>
Gross receipts $<$ \$200,000, and Total assets $<$ \$500,000	<u>990-EZ</u> or <u>990</u>
Gross receipts \geq \$200,000, or Total assets \geq \$500,000	<u>990</u>
Private foundation - regardless of financial status	<u>990-PF</u>

ANNUAL RETURN DUE DATE

- **FORM 990, FORM 990-EZ, FORM 990 T & FORM 990-N IS DUE ON THE 15TH OF THE FIFTH MONTH FOLLOWING FISCAL YEAR END**
- **ALL FORMS MUST BE FILED ELECTRONICALLY**
- **NEW STARTING LAST YEAR!**
 - **FORM 8868 UPDATED TO PROVIDE FOR AUTOMATIC SIX-MONTH EXTENSION FOR FORM 990, FORM 990-EZ & 990T**
 - **FORM 8868 APPLICATION FOR AUTOMATIC EXTENSION MUST BE FILED ON OR BEFORE ORIGINAL DUE DATE**
- **NO EXTENSION ALLOWED FOR FORM 990-N**
 - **HOWEVER, THERE IS NO PENALTY FOR LATE FILING**

WHAT HAPPENS IF WE FILE LATE OR DON'T FILE?

- **INTERNAL REVENUE SERVICE WILL IMPOSE A LATE PENALTY OF:**
 - **ORGANIZATIONS WITH LESS THAN \$1 MILLION IN GROSS RECEIPTS = \$20 PER DAY UP TO \$10,000, OR A 5% OF THE ORGANIZATION'S GROSS RECEIPTS, WHICHEVER IS LESS.**
 - **ORGANIZATIONS WITH MORE THAN \$1 MILLION IN GROSS RECEIPTS = \$100 PER DAY, UP TO A MAXIMUM OF \$50,000.**
- **INTERNAL REVENUE SERVICE WILL REVOKE TAX-EXEMPT STATUS IF NO ANNUAL RETURN IS SUBMITTED FOR THREE CONSECUTIVE YEARS ON THE DATE THAT THE THIRD ANNUAL RETURN IS DUE**
- **WHAT IMPACT DOES THIS HAVE?**
 - **FOR ANY EXCESS REVENUES OVER EXPENSES, CORPORATE INCOME TAXES MAY BE DUE**
 - **ANY OTHER STATE OR FEDERAL TAX BREAKS FOR TAX-EXEMPT ORGANIZATIONS WOULD NO LONGER BE APPLICABLE, I.E. STATE SALES TAXES**
 - **ORGANIZATION MAY NO LONGER HOLD ITSELF OUT AS A CHARITABLE ORGANIZATION AND RECEIVE TAX DEDUCTIBLE DONATIONS**
 - **PUBLICITY THAT MAY ARISE WITHIN THE COMMUNITY ON LOSS OF TAX-EXEMPT STATUS**

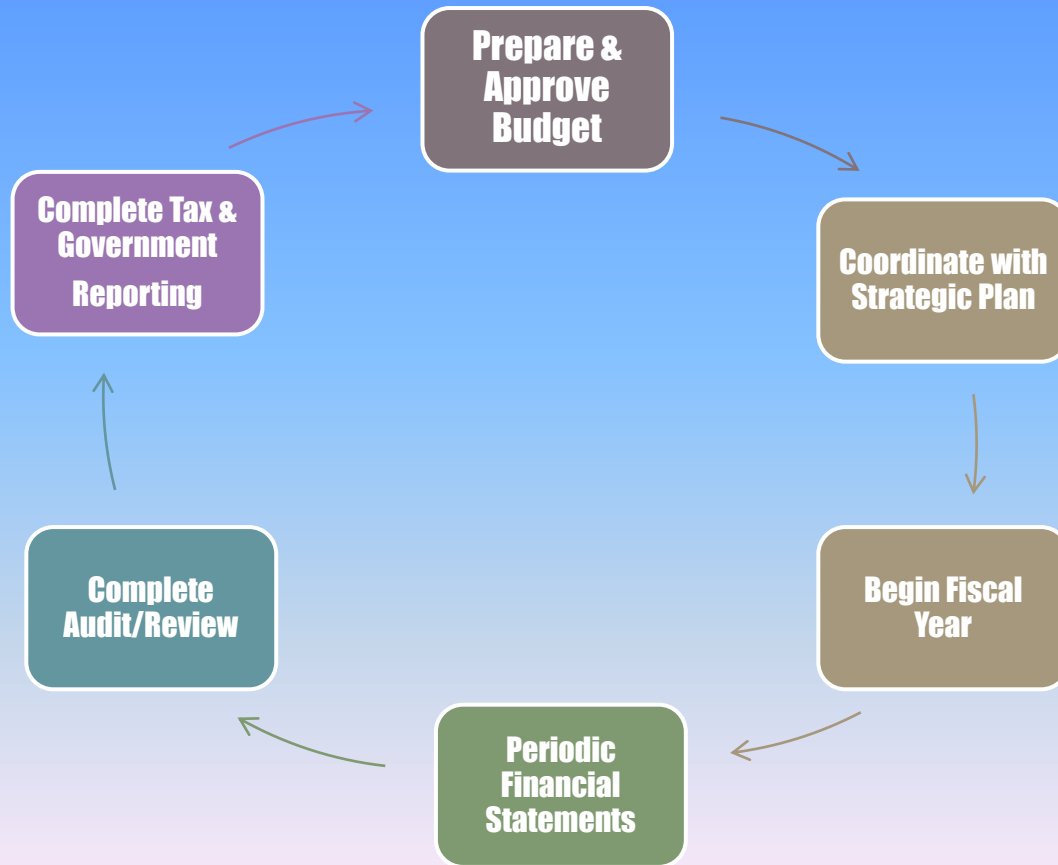
STATE REPORTING REQUIREMENTS

STATE REPORTING REQUIREMENTS

- **IMPORTANT TO CHECK STATE TAXING AUTHORITIES TO VERIFY REGISTRATION AND REPORTING REQUIREMENTS**
- **MOST REQUIRE AN ANNUAL REPORT OR FILING**
- **MAINTAIN COMPLIANCE WITH STATUTES**
- **REQUIRE COPY OF FORM 990?**
 - **SOME STATES MAY REQUIRE FORM 990**
- **MOST STATES HAVE CHARITABLE REPORTING AND FILING REQUIREMENTS**
- **CHECK YOUR STATE REQUIREMENTS AND REGULATIONS**

FINANCIAL STATEMENTS & REPORTING TO THE BOARD

FINANCIAL CYCLE



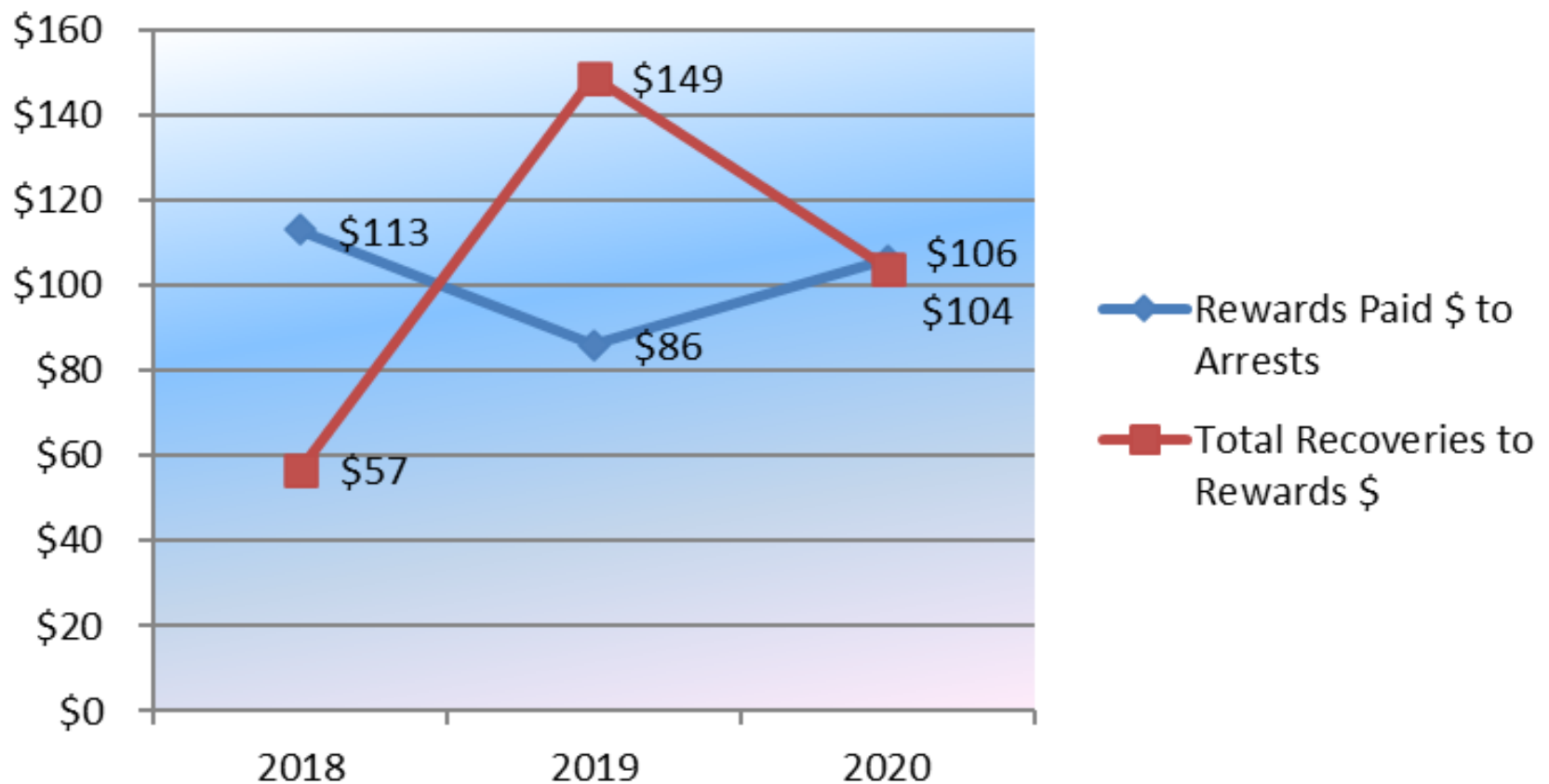
STATISTICS

	Crime Stoppers Statistics			
		2018	2019	2020
1	Calls Received	1,152	1,344	1,260
2	Arrests Made	161	163	185
3	Cases Cleared	250	236	279
4	Rewards Paid #	87	72	98
5	Rewards Paid \$	\$18,270	\$14,040	\$19,600
6	Property Recovered	\$213,325	\$296,008	\$647,500
7	Drugs Seized	\$821,905	\$1,793,326	\$1,388,610
8	Total Property and Drugs	\$1,035,230	\$2,089,334	\$2,036,110
	¹ Required Reporting Statistic to CSUSA			

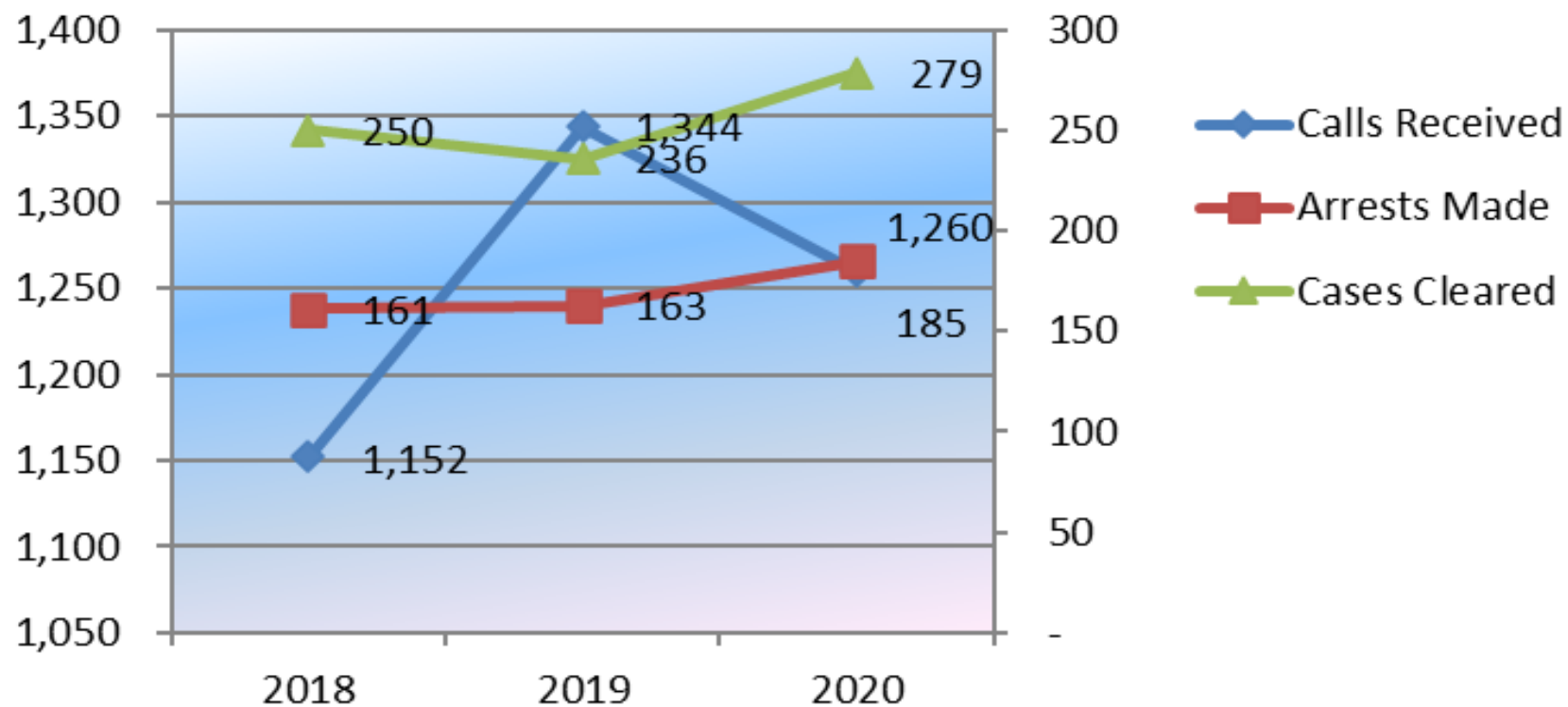
STATISTICS

	Crime Stoppers Statistics					
		2018	2019	2020	CSUSA	Calculation
9	Calls per Day	5.2	6.1	5.7		L1/220
10	Arrests to Calls Received	14.0%	12.1%	14.7%		L2/L1
11	Cases Cleared to Arrests	1.55	1.45	1.51	1.687	L3/L2
12	Rewards Paid # to Arrests	54.0%	44.2%	53.0%		L4/L2
13	Reward \$ to Reward #	\$210	\$195	\$200		L5/L4
14	Rewards Paid \$ to Arrests	\$113	\$86	\$106	\$149	L5/L2
15	Property Recovered to Arrests	\$1,325	\$1,816	\$3,500	\$2,230	L6/L2
16	Drugs Seized to Arrests	\$5,105	\$11,002	\$7,506	\$6,514	L7/L2
17	Total Recoveries to Arrests	\$6,430	\$12,818	\$11,006	\$8,744	L8/L2
18	Total Recoveries to Rewards \$	\$57	\$149	\$104	\$59	L8/L5
	CSUSA Benchmark	\$149	\$149	\$149		

Crime Stoppers Return on Investment



Crime Stoppers Calls, Arrests & Cleared Cases



STATISTICS – CONT'D

- **GRAPH AND TREND STATISTICS FOR THE PROGRAM**
- **DEVELOP STATISTICAL RELATIONSHIPS AND TREND**
- **COMPARE TO NATIONAL AND INTERNATIONAL BENCHMARKS, IF AVAILABLE**
- **THIS INFORMATION IS INVALUABLE WHEN PREPARING MARKETING MATERIALS, DEALING WITH THE MEDIA AND PROMOTING YOUR PROGRAM IN THE COMMUNITY AND WITH LAW ENFORCEMENT**
- **CAN ALSO TREND POTENTIAL SIGNIFICANT ISSUES**

FINANCIAL STATEMENTS

- **INCOME STATEMENT OR OPERATING STATEMENT**
- **BALANCE SHEET**
- **PURPOSE OF BUDGET**
- **ANNUAL AUDIT OR REVIEW OF FINANCIAL STATEMENTS**

INCOME/OPERATING STATEMENT

- **REFLECTS THE FINANCIAL ACTIVITIES OF THE ORGANIZATION FOR A PERIOD OF TIME**
- **PERIODIC REPORT SUMMARIZING THE RECEIPTS RECEIVED AND DISBURSEMENTS MADE FOR THE ORGANIZATION**
- **ACTIVITY CAN BE REPORTED IN MONTH AND YEAR TO DATE**
- **MAY INCLUDE COMPARISON TO BUDGET OR PREVIOUS YEAR TO DATE**

BALANCE SHEET

- **REPORT THAT PROVIDES THE FINANCIAL ACCUMULATION OF FUNDS, INVESTMENTS AND PROPERTY CALLED ASSETS**
- **IDENTIFIES AMOUNTS OWED AND OUTSTANDING DEBT AS LIABILITIES**
- **THE NET OF THE ASSETS LESS LIABILITIES IS TERMED AS NET ASSETS IN TAX EXEMPT, CHARITABLE ORGANIZATIONS**

OPERATING STATEMENT

	Crime Stoppers				
	Operating Statement				
	For the Fiscal Year Ended December 31, 2020				
		Actual	Budget	Variance	% Variance
1	Revenues and Support:				
2	Individual Contributions	5,600	4,000	1,600	40.0%
3	Corporate Contributions	9,600	10,000	(400)	-4.0%
4	Court Ordered Restitution	5,400	6,000	(600)	-10.0%
5	Fund Raising Events	21,000	20,000	1,000	5.0%
6	Total Revenues and Support	41,600	40,000	1,600	4.0%
7	Expenses:				
8	Rewards	19,600	18,000	(1,600)	-8.9%
9	Marketing/Promotional	5,700	4,000	(1,700)	-42.5%
10	Administrative Costs	2,980	3,000	20	0.7%
11	Fund Raising Expenses	10,120	9,000	(1,120)	-12.4%
12	Insurance	1,000	1,000	-	0.0%
13	Miscellaneous	3,600	2,000	(1,600)	-80.0%
14	Total Expenses	43,000	37,000	(6,000)	-16.2%
15	Changed in Unrestricted Net Assets	(1,400)	3,000	(4,400)	-146.7%
16	Unrestricted Net Assets - 1/1/20	21,260	21,260		
17	Unrestricted Net Assets - 12/31/20	19,860	24,260		

OPERATING STATEMENT

	Crime Stoppers				
	Operating Statement				
	For the Fiscal Year Ended December 31, 2020				
		2020	2019	Variance	% Variance
1	Revenues and Support:				
2	Individual Contributions	5,600	3,700	1,900	51.4%
3	Corporate Contributions	9,600	10,700	(1,100)	-10.3%
4	Court Ordered Restitution	5,400	6,500	(1,100)	-16.9%
5	Fund Raising Events	21,000	19,000	2,000	10.5%
6	Total Revenues and Support	41,600	39,900	1,700	4.3%
7	Expenses:				
8	Rewards	19,600	14,040	(5,560)	-39.6%
9	Marketing/Promotional	5,700	3,800	(1,900)	-50.0%
10	Administrative Costs	2,980	2,400	(580)	-24.2%
11	Fund Raising Expenses	10,120	9,600	(520)	-5.4%
12	Insurance	1,000	1,000	-	0.0%
13	Miscellaneous	3,600	1,900	(1,700)	-89.5%
14	Total Expenses	43,000	32,740	(10,260)	-31.3%
15	Changed in Unrestricted Net Assets	(1,400)	7,160	(8,560)	-119.6%
16	Unrestricted Net Assets - 1/1/20	21,260	14,100		
17	Unrestricted Net Assets - 12/31/20	19,860	21,260		

OPERATING STATEMENT

	Crime Stoppers		
	Balance Sheet		
	December 31, 2020		
		2020	2019
	Assets		
1	Current Assets		
2	Cash	3,205	3,700
3	Investments	16,655	17,560
4	Total Current Assets	19,860	21,260
	Liabilities and Net Assets		
5	Net Assets - Unrestricted	19,860	21,260

PURPOSE OF BUDGET

- **A FINANCIAL PLAN OR ROADMAP.**
- **CONSIDERED GOVERNANCE BEST PRACTICE**
- **CONSTRUCT GUIDELINES AGAINST WHICH TO MEASURE OUTCOMES.**
- **GENERALLY, COVERS 12 MONTHS.**
- **PERIODICALLY REVIEW, REVISE AND UPDATE.**
- **BUDGET MAY BE APPROVED AT BEGINNING OF FISCAL YEAR, ALLOWING FOR ORDERLY PAYMENT OF EXPENSES**

DEVELOPMENT OF ANNUAL BUDGET

- **STATISTICS**

- **ESTIMATE VOLUME GOAL CALLS, NUMBER OF REWARDS**

- **REVENUE**

- **FORECAST REVENUE SOURCES SUCH AS DONATIONS, GRANTS, COURT ORDERED, INVESTMENT EARNINGS**

- **DISBURSEMENTS**

- **FORECAST EXPENSES TO ACHIEVE REVENUE GOALS.**
 - **IDENTIFY EXPENSES TO SUPPORT PROGRAM, SUCH AS REWARDS AND ADMINISTRATIVE COSTS**

ANNUAL REPORTING AUDIT OR REVIEW

ANNUAL AUDIT

- **FINANCIAL AUDIT**

- **FOLLOWS GENERALLY ACCEPTED AUDITING STANDARDS.**
- **INCLUDES EXAMINING, ON A TEST BASIS, EVIDENCE SUPPORTING AMOUNTS AND DISCLOSURES.**
- **INCLUDES ASSESSING THE ACCOUNTING PRINCIPLES AND ESTIMATES.**
- **PROVIDES AN OPINION ON THE FINANCIAL STATEMENTS.**
- **AN AUDIT MAY BE REQUIRED BY A DONOR, A PRIVATE OR GOVERNMENTAL GRANT, OR OTHER EXTERNAL SOURCES.**

ANNUAL REVIEW

- **FINANCIAL REVIEW**
 - **SUBSTANTIALLY LESS IN SCOPE THAN AN AUDIT.**
 - **A REVIEW CONSISTS OF INQUIRIES OF ORGANIZATIONAL PERSONNEL.**
 - **ANALYTICAL PROCEDURES ARE APPLIED TO FINANCIAL DATA.**
 - **NO OPINION IS RENDERED ON THE FINANCIAL STATEMENTS.**
 - **USEFUL IN PROVIDING TO DONORS AND GRANTORS, AS REQUESTED**

REVIEW COMMITTEE

- **CRIME STOPPERS FINANCIAL ANALYSIS COMMITTEE**
 - **SOME ORGANIZATIONS UTILIZE THIS COMMITTEE AS AN OVERSIGHT OF THE FINANCES.**
 - **PERIODIC REVIEWS OF THE BANK STATEMENTS, DEPOSITS, CHECKS ISSUED ARE MADE TO THE SUPPORTING DOCUMENTATION.**
 - **MATCH PAYMENTS MADE TO BOARD MINUTES FOR AUTHORIZATION**
 - **A REPORT IS MADE TO THE FULL BOARD OF ANY DISCREPANCIES UNCOVERED.**

HANDLING DONATIONS

DONATION DISCLOSURES FOR \$250 OR MORE

- **IS A DONOR DISCLOSURE REQUIRED FOR DONATIONS?**
 - **FOR IRS PURPOSES, A BUSINESS OR INDIVIDUAL CAN CLAIM A DONATION ON THEIR TAX RETURN ONLY IF THEY HAVE DOCUMENTATION FROM THE CHARITY REGARDING THE SPECIFICS OF THE DONATION.**
 - **THE CONTEMPORANEOUS CORRESPONDENCE MUST INCLUDE THE NAME OF THE ORGANIZATION, DATE OF THE CONTRIBUTION AND THE CASH CONTRIBUTION AMOUNT OR DESCRIPTION OF ANY NON-CASH CONTRIBUTIONS.**
 - **DECLARE IN A STATEMENT THAT NO GOODS OR SERVICES WERE PROVIDED BY THE ORGANIZATION IN RETURN FOR THE CONTRIBUTION**

DONATION DISCLOSURES FOR \$250 OR MORE

- **EXAMPLE OF AN ACKNOWLEDGMENT LETTER:**
 - **THANK YOU FOR YOUR CASH CONTRIBUTION OF \$300 THAT CRIME STOPPERS RECEIVED ON 6/25/2021. NO GOODS OR SERVICES WERE PROVIDED IN EXCHANGE FOR YOUR CONTRIBUTION.**
- **GOOD BUSINESS PRACTICE**
 - **SENDING THANK YOU NOTES TO ALL DONORS!**



FINANCIAL FIDUCIARY RESPONSIBILITIES

TRANSPARENCY/ACCOUNTABILITY

- **REVIEW ANNUAL TAX FILING OF FORM 990, FORM 990 – EZ, OR FORM 990-N**
- **FINANCIAL STATEMENTS AND FORM 990 ON PROGRAMS WEBSITE**
- **ASK QUESTIONS**
 - **BOARD HAS ULTIMATE RESPONSIBILITY AND ACCOUNTABILITY FOR ALL FINANCIAL TRANSACTIONS**
 - **FIDUCIARY RESPONSIBILITY BY BOARD FOR FUNDS DONATED TO CRIME STOPPERS BY THE COMMUNITY**

FINANCIAL FIDUCIARY RESPONSIBILITIES

- **CRIME STOPPERS BOARD IS ULTIMATELY RESPONSIBLE FOR PRESERVING AND MAINTAINING THE FINANCIAL ASSETS OF THE ORGANIZATION.**
 - **COMMUNITY TRUST**
- **INSIST ON CURRENT OPERATING STATEMENT AND READ AND INTERPRET IT. ASK QUESTIONS.**
- **PERIODICALLY REVIEW POLICIES AND PROCEDURES RELATING TO FINANCIAL ACTIVITIES (INTERNAL AUDIT)**
- **COMPLY WITH LAWS AND REGULATIONS**
 - **FILING OF TAX RETURNS**

INTERNAL CONTROLS

RISK ASSESSMENT

- **INTERNAL RISKS**

- **ACCESS TO FUNDS**
- **RECEIVING ADEQUATE FINANCIAL INFORMATION**

- **EXTERNAL RISKS**

- **EXTERNAL CONTRACT/ – ACCESS TO INFORMATION, CONFIDENTIALITY**
- **PROTECTING TIP CODE NUMBERS**

- **CONTROL ACTIVITIES**

- **DEVELOPMENT OF CHECKLISTS, POLICIES AND PROCEDURES ESTABLISHING APPROPRIATE CONTROLS OVER ORGANIZATIONAL ACTIVITIES**

INTERNAL CONTROLS AREAS

- **CONTROLS OVER CASH RECEIPTS**
- **CONTROLS OVER CASH DISBURSEMENTS**
- **SEGREGATION OF DUTIES**

SEGREGATION OF DUTIES - EXAMPLES

- **CASH RECEIPTS/CHECKS ARE RECORDED AND DEPOSITED BY AN INDIVIDUAL NOT HAVING SIGNING AUTHORITY ON CHECKS**
- **HAVE TWO SIGNATURES REQUIRED ON CHECKS OVER A STIPULATED AMOUNT**
- **HAVE BANK STATEMENT MAILED DIRECTLY TO PRESIDENT FOR REVIEW AND APPROVAL BEFORE SENDING TO TREASURER**

REVIEW & MONITOR

- **MONTHLY FINANCIAL STATEMENTS**
- **MONTHLY RECEIPTS AND EXPENDITURES REPORTS**
- **BANK RECONCILIATION**
- **REWARD RECONCILIATION**

INTERNAL CONTROLS FOR REWARD PAYOUTS

- **ALL REWARDS APPROVED BY THE BOARD**
- **IF BANK USED, PAY ONLY AFTER CONFIRMATION CALL WITH TIPSTER**
- **TREASURER SHOULD COORDINATE PAYOUTS WITH BANKING FACILITY**
- **UTILIZE BANK TELLER SYSTEM FOR PAYOUTS**
- **RECONCILE REWARDS PAID WITH BANK RECONCILIATION AGAINST REWARDS APPROVED BY BOARD**
- **SET POLICY TO HAVE REWARD PAYOUTS EXPIRE IF NOT COLLECTED WITHIN 90 DAYS**

Former Crime Stoppers boss sentenced for stealing from program

Excerpt from Dallas Morning News – 12/3/2012

A former Dallas police officer was sentenced Monday to nearly four years in federal prison for defrauding Crime Stoppers of at least \$250,000 in the years that she oversaw the popular cash-for-tips program.

U.S. District Judge David Godbey called Theadora Ross' crime an "outrageous betrayal of the public trust" in handing down a 46-month sentence. The judge said he likely would have given her a harsher sentence if not for the fact that she has an adult daughter with Down syndrome and other health problems who relies on her for care.

But Godbey said it appeared Ross was motivated by greed and not concern for her daughter.

"This went on for years, and she recruited other people to help her in this criminal enterprise," Godbey said. "I wonder if she thought about what would happen to her daughter if she got caught."

Godbey also ordered Ross, a former senior corporal, to pay restitution of \$274,304. She is required to report to federal authorities by 11 a.m. on Jan. 14.

Ross, who was flanked by her pastor and other supporters, declined to comment after the hearing.

Dallas police First Assistant Chief Charlie Cato attended the hearing, but he also declined to comment afterward.

Ross pleaded guilty this year to one count of conspiracy to commit wire fraud and one count of willfully attempting to evade assessment of income taxes. She admitted filing false income tax forms from 2006 to 2009, including the omission of nearly \$175,000 she earned from the scheme.

Anonymous Crime Stoppers tipsters can earn up to \$5,000 for information leading to prosecution.

During Ross' tenure, callers would be given a tip number and would check in regularly to see if they earned a reward. If so, they would use the number and a code word to collect their cash.

As part of her job Ross, of Rowlett, would prepare the list of cash rewards to be paid out each month.

But she'd include bogus tips and information on that list.

She admitted that her scheme began about February 2005 — 13 months before she began supervising the unit — and continued until at least May 2010, when she was placed on leave.

An accomplice, Malva R. Delley, 38, would collect the proceeds of the bogus tips and then "divide the cash, per Ross' instructions, and deliver Ross' share of the illegally obtained money by either directly depositing cash into Ross' Bank of America bank account or by giving cash directly to Ross," according to court documents.

The conspiracy fell apart after a bank teller noticed Delley, who did not work for the Police Department, coming in to collect Crime Stoppers reward money more than once.

Delley, of Dallas, pleaded guilty in May 2011 to one count of conspiracy to making a false statement to a financial institution. She has not yet been sentenced.



??QUESTIONS??



CRIME STOPPERS FINANCIAL ABC'S 7 ITEMS TO MAINTAIN COMPLIANCE

- **IRS REPORTING/COMPLIANCE**
- **STATE REPORTING REQUIREMENTS**
- **FINANCIAL STATEMENT REPORTING**
- **ANNUAL AUDIT OR FINANCIAL REVIEW**
- **HANDLING DONATIONS**
- **FIDUCIARY RESPONSIBILITIES**
- **INTERNAL CONTROLS**

CRIME STOPPERS ABC'S: FINANCIAL COMPLIANCE: WHO'S WATCHING THE MONEY?

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