



October 2011

# ***NIBRS Coding Scenarios***

## **Embezzlement or Fraud**

**Scenario #1:** A customer, "Bella", went to a store where her friend works as a cashier to get new clothes. Her friend rang up all of her items on the cash register and then voided the transaction while handing the shopping bags of clothing to Bella. Bella left the store without paying for the clothing. Would this be coded as Embezzlement or a Fraud?

**Scenario #1 Coding:** This incident would be coded as a 26A (Fraud). This is a Fraud as Bella used a deceptive scheme to obtain goods. This is not Embezzlement as there was no misappropriation by the cashier for her own use. Both Bella AND the cashier would be an Offender/Arrestee as they were acting in concert. The property segment for the Fraud would be encoded as follows: Type of Property Loss = 7-Stolen; Property Description = 06-Clothing/Furs; Value of Property = cost of the clothing; and Type of Victim = B-Business.

**Scenario #2:** The same scenario as above EXCEPT Bella had assistance in her clothes shopping. Her friend and cashier, "Penny", pointed out and handed Bella clothing that Penny wanted. Bella took the clothing to Penny's cash register where Penny rang up all the clothing and then voided the transaction. Bella walked out of the store with shopping bags full of clothing for Penny. Later that night, Penny went over to Bella's apartment and took the shopping bags filled of clothing for her. Would this be coded as Embezzlement or a Fraud?

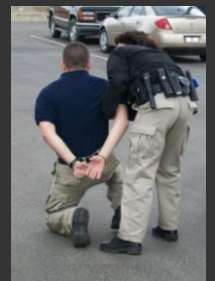
**Scenario #2 Coding:** This incident would be coded as both 270 (Embezzlement) AND 26A (Fraud). The Embezzlement offense would be tied to Penny as the clothing was for her, the cashier, whose employer entrusted to her care, custody or control the merchandise in the store. The Fraud offense would be tied to Bella as she used a deceptive scheme to obtain goods. The property segment for the Fraud would be encoded as follows: Type of Property Loss = 7-Stolen; Property Description = 06-Clothing/Furs; Value of Property = cost of the clothing; and Type of Victim = B-Business.

**Reference:** *NIBRS Volume 1: Data Collection Guidelines* (blue cover), Embezzlement Definition Page 26; and Fraud Definition Page 27.

*Note that the preceding gives general examples. It is not meant to be all inclusive. Coding is based on individual case circumstances. Please direct NIBRS questions to:*



**Brenda Manning**  
Criminal Statistical Analysis Center  
605-773-6312 or [brenda.manning@state.sd.us](mailto:brenda.manning@state.sd.us)



Photos by John Mitchell, DCI