

00:02.24
astudyincrime24
Leah, welcome to the show.

00:04.19
LEAH WIETHOLTER
Thanks so much for having me.

00:06.35
astudyincrime24
What is my pleasure? how How are things around the mountains of the West?

00:10.82
LEAH WIETHOLTER
Yeah, they're great. Wonderful weather, low humidity. ah It was a much needed change from Oklahoma, although ah obviously Oklahoma is still near and dear to my heart and still the headquarters of Workman Forensics.

00:24.60
LEAH WIETHOLTER
So, but yeah, it's great.

00:26.10
astudyincrime24
Well, you're you're killing me with the weather. I'm here with in Texas with 80% humidity and why where you live, it's awesome. But anyway, I will deal with it as I always do. Well, anyway, ah before we start, I'm gonna just let the listeners know that we're gonna be using pseudonyms. ah This is an actual case that you worked, but we're gonna be using pseudonyms to provide privacy, although there are it is a public record, but we're gonna just use pseudonyms.

00:56.62
astudyincrime24
So before we talk about what happened, I want you to tell me about ah Bill Tolbert.

00:56.77
LEAH WIETHOLTER
Sounds great.

01:02.54
astudyincrime24
Who was he?

01:05.25
LEAH WIETHOLTER
He was the CEO of the company we're going to talk about today. He was

the CEO. um He was local to the area. And he was very involved um in civic activities and in his community. And he also was related to some pretty powerful people in um kind of the oil and gas business.

01:36.76

astudyincrime24

All right, kind of a pillar of the community then, very well known. I know he donated to lots of political campaigns.

01:40.31

LEAH WIETHOLTER

um I think some... Yeah, i I don't know that he was that involved in those things before this case began um and before the activities we're going to talk about began. I think ah this might have enabled him to get more involved in the community.

02:00.23

astudyincrime24

I think you're correct. Well, ah how did this case come to you?

02:02.15

LEAH WIETHOLTER

this

02:04.14

astudyincrime24

You're sitting there minding your own business in your office. What happened?

02:07.85

LEAH WIETHOLTER

Yeah. Well, actually I really like how this case came to me because I was at the NCAA basketball tournament. It was being hosted in Tulsa the year that but I got this call. And I remember I was just going to spend the entire day watching basketball. And, um, I saw a voicemail from a business owner and they have this issue. So I stepped out between games and talked to them, but no, they found us on Google.

02:35.67

LEAH WIETHOLTER

So ah that's how they they located Workman Forensics and and gave me a call and started telling me what they were seeing.

02:44.11

astudyincrime24

um With your line of work, is it always an emergency? I mean, do people call you and it's like, there're it's always a crisis?

02:52.19

LEAH WIETHOLTER

Not always. um Sometimes, but I think a lot of times people, ah but you know, we're going to talk about embezzlement from a company today. And so ah I've had a few of those where it was more of an emergency, but I would say over the last probably five to 10 years, the owners of the company dig in, confirm their...

03:14.50

astudyincrime24

ah you You cut out. Go ahead and you cut out. Can you repeat that?

03:17.74

LEAH WIETHOLTER

Oh, sure. I think that um over the last five to 10 years, I've noticed that business owners will dig into the details and kind of take their time to get their arms around the situation before they call us. I think ah prior to about, yeah, I'd say probably 10 years ago, we'd get calls and it was very immediate. We want you to come out here now. But ah the cases we seem to work most often, they've kind of gotten their arms around it, their gut check, you know, they

03:48.50

LEAH WIETHOLTER

They're looking for confirmation of whether their gut's correct or not ah before they call us.

03:54.07

astudyincrime24

Right, they wanna know whether they should freak out before they freak out, basically.

04:00.55

LEAH WIETHOLTER

Right. Right.

04:01.73

astudyincrime24

Well, let's talk about what happened. Tolbert was the president of ABC Company, which obviously not the name of the company, but that's what we're going with today.

04:08.08

LEAH WIETHOLTER

<unk> Right.

04:09.93

astudyincrime24

He was the president of the company, and I think the years we're gonna, the investment will happen, I think, between 2014 through 2019. Tell me a little bit, ah tell us about the case, what happened?

04:20.95

LEAH WIETHOLTER

Yeah, so um Bill had approached the father of a well-known company, um, about three hours from where ABC company was located or was going to be located. So they had a very successful business. And so Bill approached and said, I've got this idea for a manufacturing company. And that guy um said, yeah, let's, let's, let's start this business.

04:57.52

LEAH WIETHOLTER

So they start this manufacturing company and I think it was going pretty well. They were able to get some great contracts and um it should have been a really successful business. However, I personally think the scheme started the day that Bill started the business, but he colluded with the controller, which there are some suspicions that perhaps the controller and Bill had a relationship. um But he started colluding with the controller and

05:35.88

LEAH WIETHOLTER

he would have the controller issue checks to him, ah checks to Bill, and these checks were paid through payroll as expense reimbursements. And actual literal literal paper checks were mailed via FedEx.

05:53.77

LEAH WIETHOLTER

from the payroll company to Bill at the office. And then Bill would take these checks and have his assistant deposit them to a local bank account. That was just kind of as a detail.

06:07.14

LEAH WIETHOLTER

It was actually an account that was separate from where he had his payroll direct deposited.

06:13.31

astudyincrime24

Like a personal account.

06:13.51

LEAH WIETHOLTER

And so they did this, yes, it was it was a personal account, but it was separate from his payroll account. And he did this over, I mean, like I said, over the time period of, um, at least 2014 to 2019, but I think it actually went back to 2009 when the business was started. There is some evidence of that. Um, he,

06:40.94

LEAH WIETHOLTER

not in addition to these expense reimbursement checks that were not

actually reimbursing any types of expenses. He would also, ah you know, there's of course a company credit card and then he also had access to the operating account. And so as we were doing our investigation, we also found where he had charged personal expenses like very expensive suits and ah I don't know, flowers and some jewelry and landscaping at his house and things like that.

07:13.42

astudyincrime24

you got ah You have to look the part, that's why. You have to look the part.

07:15.95

LEAH WIETHOLTER

Yeah, exactly. So he was um putting all of these personal expenditures on the credit card and the operating account. We also found that he was um He kind of started another side business with some engineers that were in the company. and ah Whenever we looked at the payroll for people just across the organization, it looked like he had been overpaying some employees as well, specifically these engineers and managers.

07:51.46

LEAH WIETHOLTER

I don't know the reason behind that, but it did kind of seem like maybe he was paying some people off. He had given them some interest in the side business that would that could all it's believed that they also use some of the equipment of the manufacturing company for this side business.

08:11.57

LEAH WIETHOLTER

None of that was ever really quantified because the other was so egregious. But these expense reimbursements were, um and I don't even like calling them that, but these fraudulent payments to himself, they were um anywhere from, I remember there were some for \$40,000, there were some up to \$200,000.

08:23.30

astudyincrime24

Right.

08:32.34

astudyincrime24

Wow.

08:32.46

LEAH WIETHOLTER

So they were even dollar payments. they were very egregious. ah In addition to these expense reimbursement styled payments, he also ah

you know he's the CEO of this manufacturing company that's doing really well.

08:48.62

LEAH WIETHOLTER

He had a very nice salary and he just kept increasing his salary as well. So that was part of the loss that we quantified.

08:54.82

astudyincrime24

Mm hmm.

08:58.66

LEAH WIETHOLTER

um Expense reimbursement check style checks over the time period totaled more than \$3 million, dollars about \$3.5 million. And then we quantified a total of \$7.5 million that was stolen between the extra payments to people that he was you know essentially paying off.

09:21.43

LEAH WIETHOLTER

The expense reimbursement style payments, the additional payroll, the credit cards, and then personal expenses out of the operating account. um There were a few payments also included in that seven half million that were paid to the controller.

09:39.30

LEAH WIETHOLTER

And I think that was around 250,000. It looks like the controller might have been in on this at the beginning when they had a relationship, but then not, oh you know, later on.

09:51.80

astudyincrime24

Yeah, I find that, I find that curious. The the company accountant and controller we'll call Don Lewis. I mean, he essentially facilitated the fraud. I mean, he printed those checks. And when you're putting them as reimbursements, it's not income. It didn't show up on Tolbert's W-2. So he didn't pay taxes on the money, which is really nice to have that tax-free money.

10:13.78

LEAH WIETHOLTER

Right?

10:14.33

astudyincrime24

called reimbursements, but the question I have is, it sounds like a scheme by that both of them together, or I just can't imagine Louis not saying, hey, this is wrong, we can't do this, but he didn't, did

he?

10:31.14

LEAH WIETHOLTER

Yeah, the he did not report it and um eventually was in trouble ah federally for that as well. He was charged federally for that but um kind of the rumor about it was that Don might have been caught stealing by Bill and then that's how he kind of got roped into doing this even after he wasn't receiving direct benefit.

11:01.41

LEAH WIETHOLTER

um Yeah, so that was kind of one of the one of the rumors at least. But Don Lewis facilitated how these payments were being coded in the accounting system. And this gets a little technical, but I think it's interesting to the story. But as these payments are being paid to Bill,

11:26.85

LEAH WIETHOLTER

They have to go somewhere. So most of the payments were, as they were being processed, they're being recorded as ah either payroll or business marketing expenses.

11:40.23

astudyincrime24

Mm hmm.

11:40.73

LEAH WIETHOLTER

Well, my clients, the the actual owners of ABC that were three, four hours away from this location with their primary business. They're very sophisticated business people. and so Bill knew this and Don knew this. um I should also add, Bill was an accountant as well. so He was very familiar with what financials should look like, which I think enabled the cover-up and made this where it could go undetected for so long.

12:10.05

LEAH WIETHOLTER

But my my clients were very sophisticated business people. They knew what the margin should have been on this type of manufacturing. And so they would have noticed if you know marketing and business development expenses were hundreds of thousands of dollars more than they would, i mean as a percentage of their sales, i mean it would have just been very obvious.

12:34.15

astudyincrime24

Mm hmm.

12:34.46

LEAH WIETHOLTER

so bill and don had to move those to somewhere else that it wasn't gonna show up on the income statement so what they did is they would this is an accounting entry but they would make an accounting entry to reclassify these expenditures from the expense on the P and L and moved it over onto the balance sheet as part of inventory.

12:59.89

LEAH WIETHOLTER

so This is a manufacturing company. They have costs that are in inventory and then whenever they sell it, it moves from the balance sheet to the income statement.

13:07.78

astudyincrime24

ah

13:08.21

LEAH WIETHOLTER

so What they were doing was they were reclassifying it to a job. My favorite part of, well, I've got a lot of favorite parts of this story, which is why I, yeah, this is why I brought this story up to you is there's several favorite things, but the day that we went out to talk to the owner and and talk to ah Bill had been put on administrative leave.

13:18.17

astudyincrime24

That's clever.

13:32.73

LEAH WIETHOLTER

And so we went to, you know, kind of interview some employees and I was talking to this one employee of an accounting clerk and they said, um, do you know about the fake job?

13:45.88

LEAH WIETHOLTER

I was like, no, but please tell me more. And so they they said there is a spreadsheet that lists all of our individual jobs. And there's a job on there that is fake. And this is what it looks like. So I found the spreadsheet on Don's computer or in his files, at least.

14:07.02

LEAH WIETHOLTER

And so I found the spreadsheet and as of the day that we went out to interview the owner and these employees, the owner thought that the loss was about three and a half million dollars. But once this

employee told me that there was a fake job,

14:17.59
astudyincrime24
oh

14:21.04
LEAH WIETHOLTER
And I saw the balance of this job. I had to tell the owner, you know, I'm really sorry, but I actually think it's about seven million because that was, yes, that was the amount that had been reclassified into this fake job was about seven million dollars over at least a five year period.

14:28.89
astudyincrime24
It's always more.

14:42.14
LEAH WIETHOLTER
and um so It was just a matter of seeing you know what types of things had been recoded to this account. so um Stealing that much money, even though this was a successful company, it still has its limits. so Somebody can only steal really as as essentially the profit um you know you're your cash flow that's not stolen for, still i'm I'm sorry, the cash flow that's not spoken for is the part that's stolen.

15:13.45
LEAH WIETHOLTER
Or I mean, there's a couple other areas, but typically it's the extra that's stolen.

15:14.54
astudyincrime24
Right?

15:19.21
LEAH WIETHOLTER
Well, if someone is stealing more than what you're making in profit, then you have to start dipping into other things. So sometimes that's where you'll see that people start, ah you know a fraudster will stop paying payroll taxes.

15:32.52
LEAH WIETHOLTER
because they've run out of profit, so they've got to make up for it somewhere so they don't submit the payroll taxes. Big problem. In this case, however, they reported all the um they didn't dip into payroll what they or payroll taxes. What they did instead was they started borrowing money. so They borrowed money from the owner of the company

that lives several hours away. They also got a loan with a local bank.

15:59.60

LEAH WIETHOLTER

And um so they were actually, in addition to everything they were doing with the detailed transactions in the books, they were also creating multiple versions of financial statements. So they had a financial statement for the bank, they had a financial statement for the owners, and then they had their own. So the other thing is that although Don was making these entries,

16:25.74

LEAH WIETHOLTER

he left a trail and so in his notes he would write things because whenever you're making these lump sum adjustments there's a notes or a memo line that you can complete and he would list things like reclass to Bill's job

16:35.02

astudyincrime24

Mm-hmm.

16:47.04

LEAH WIETHOLTER

reclass. you know i mean He didn't say personal expenses, but he got pretty darn close.

16:48.56

astudyincrime24

Oops.

16:54.48

LEAH WIETHOLTER

and so so When we were doing our investigation, we first start with bank statements and credit card statements and payroll reports, and then we'll use the accounting entries to kind of tell us the story. How are they hiding it? That helps with motive and intent.

17:11.09

LEAH WIETHOLTER

um But whenever we started seeing these journal entries or adjustments that said reclass to Bill's job, that led us to another way that they were hiding the money or hiding what they were stealing. So this is a manufacturing company, like I've mentioned several times. so and

17:28.25

astudyincrime24

Mmhmm.

17:29.21

LEAH WIETHOLTER

So there were scrap materials. And those scrap materials have some value. So they would take the scrap and go sell it. And then they record that as scrap income. Well, that's normal. Nothing strange about that, except that we found that they were making adjustments, reducing scrap income.

17:50.32

LEAH WIETHOLTER

So, they were reducing it um by let's say that there was an expense reimbursement of \$200,000. Instead of coding that to payroll or office expense or the business expense, they would put it into the scrap income account.

18:08.86

LEAH WIETHOLTER

on the P&L. That's how they were hiding it because you know scrap income is going to vary. How much scrap do you have? How much is that you know the scrapyard paying for those materials at that time? so The owners wouldn't have known, oh, we should have had \$5 million in scrap income, but instead we have \$2 million.

18:31.14

LEAH WIETHOLTER

So that allowed them to kind of mess kind of play with that. So we ended up getting the receipts from the scrapyard so that we could compare it to you know how much should they have received. But also we could just see these entries that they were just using that account to hide it on the P&L. So that's that's kind of the how the scheme was working, ah he would use this money to pay for political donations. And I do think it's funny that he was taking expense reimbursements, or he was taking these payments as it expense reimbursements, so he wasn't paying payroll taxes or or income taxes on that money. But he would take this

19:21.17

LEAH WIETHOLTER

these payments to pay his own personal taxes so i just um i remember he but i think there was one payment that was about two hundred thousand dollars that he had paid to you know mailed to him and that money was then used to pay his taxes around april 15th so at least a portion of it

19:39.95

astudyincrime24

Well, that's handy when you're using other people's money.

19:42.87

LEAH WIETHOLTER

Right? So um he he made lots of charitable contributions with the

money and he made a lot of political donations as well.

19:45.02
astudyincrime24
and

19:54.70
astudyincrime24
He was he was ah charitable with someone else's money. That's that's very cool. Very nice.

19:58.75
LEAH WIETHOLTER
Yes, and then he also took deductions on his personal return for those charitable contributions. So he got to pay for them with somebody else's money and then deduct it on his personal tax return.

20:08.07
astudyincrime24
Wow.

20:13.62
astudyincrime24
that's ah That's pretty gutsy.

20:16.39
LEAH WIETHOLTER
who Oh yes, the whole thing definitely was.

20:17.88
astudyincrime24
Well, Leah, do you ever get a headache when you do when you're working cases like this and you're, yeah I mean, you're the great Oz, ah but behind the curtain, you're doing all these things that most people don't know, a lot of numbers, figures, printouts, computers.

20:33.68
astudyincrime24
You ever get a headache and and like ah want to pull your hair out or or do you love it?

20:38.45
LEAH WIETHOLTER
No, I really do love it and the more complicated the better because i would I really enjoy not only figuring out what they did but also having to simplify it where you know the case can the client can take their next step if that's a civil lawsuit, criminal ah you know refer it to the authorities or even insurance claims, just making it so simple that it's so obvious, um but getting to use this intricate information in such a way to be able to tell the story of what

happened.

21:12.53

LEAH WIETHOLTER

I really enjoy it.

21:12.96

astudyincrime24

Yeah, it's good that you do it that way because this type of work is complicated. And you can own a business and say, I know something's wrong. We should be making more money. But the business owner may not be able to figure out exactly what's happening. So I want to ask you again about Tolbert, a couple of things. How did he come under suspicion from the company?

21:37.80

astudyincrime24

to begin with, and and don't I'm not asking you to you know tell me what's in the sausage, but how did you how to get how did you catch him? Was it just a matter of looking through spreadsheets and money and and checking account ledgers, things like that?

21:53.84

LEAH WIETHOLTER

You know, I think it it went on for so long that he got and very lazy about it. um And I think he thought no one was going to catch him. And they were clever. They were doing a great job of hiding it. But eventually, I mean, it would have caught up with him. but um There was actually a whistleblower.

22:17.90

LEAH WIETHOLTER

He had one of the crazier things in this case too is that so Don Lewis had gotten ill, maybe broke a leg or something like that and had to be away from work for a while and

22:34.80

astudyincrime24

Uh oh.

22:36.95

LEAH WIETHOLTER

But Bill needed him there and he didn't really want to come back to the office and he couldn't drive because of this leg and so Bill said I'm going to i'm gonna but a I'm gonna hire a driver. So he hired a driver to go pick this guy up and um bring him into work every day and It was later discovered that this person he'd hired as a driver was actually a male escort.

23:05.11

LEAH WIETHOLTER
and

23:05.92
astudyincrime24
You can't make this up.

23:06.10
LEAH WIETHOLTER
so no i can't and so This individual was put on the payroll to and and
the staff the administrative staff was told by Bill, find a job for
this guy.

23:20.14
LEAH WIETHOLTER
And, um you know, of between the hours of whenever he was driving Don
back and forth and and then Don got better, but they still kept this
guy on the payroll and so he would, I don't know, they tried to get
him to file stuff and He wasn't very good with office tasks, then so
but he would still just drive at least Bill around. and one One
weekend,

23:49.17
LEAH WIETHOLTER
ah he Bill took this individual on a trip for his birthday. And, uh,
the travel had been booked on the company credit card and on
Instagram, or I think I'm pretty sure it was Instagram, but it was
posted on Instagram.

24:08.67
LEAH WIETHOLTER
Like, look how I've been, I'm being treated for my birthday. And it
was just so egregious that someone decided, you know, it's time.

24:14.07
astudyincrime24
oh

24:17.32
LEAH WIETHOLTER
So that's.

24:18.10
astudyincrime24
So the whistleblower was like somebody in the company then, you think?

24:21.90
LEAH WIETHOLTER
Yes.

24:22.58
astudyincrime24
Okay. Wow.

24:24.03
LEAH WIETHOLTER
Yep.

24:24.75
astudyincrime24
This needs to be a movie, I think.

24:24.76
LEAH WIETHOLTER
So.

24:26.35
astudyincrime24
And if if it's a, if they turn it into a movie, who will play Leah
Weedholter? That's what I want to know.

24:31.07
LEAH WIETHOLTER
Oh gosh, I don't know. I hadn't thought about that. i think I think
the client just needs to write a book. that's what That's what he
always said he was going to do.

24:37.04
astudyincrime24
Yeah, this is crazy.

24:38.61
LEAH WIETHOLTER
So I'm waiting on that. um that first but because I mean I'm sure
there's even more than I know whenever I get into a case like this um
I really do kind of try to stay out of the drama of it uh usually
we're handling so many cases at the same time I really quite frankly
don't have the time for it but also I just think that while it makes a
good story after the fact for a podcast interview like this, I really
prefer just to stick to our process and the data and let that data
tell the story.

25:09.23
LEAH WIETHOLTER
And then, of course, if we find out some other kind of eccentric
things, I mean, we're going to see plenty of eccentric things in the
expenditures, too, though. but um it does So i there was just so much,
so much that I don't even know.

25:17.88

astudyincrime24
Mm hmm.

25:24.15
astudyincrime24
wow

25:24.29
LEAH WIETHOLTER
But

25:26.18
astudyincrime24
Well, let's take a quick break and I'll be right back.

25:33.21
astudyincrime24
All right, I'm back with Leah Wiedhalter, the owner of Workman Forensics. We're talking about Bill Tolbert, who embezzled a bunch of money from his company, the ABC Company. You know, um I learned in investigating this case that he had worked for a previous company for over 20 years, and he also had the, you know, check writing privileges and financial privileges there, but they were taken they were taken away from him at some point by that previous company.

26:03.62
astudyincrime24
i'm ah I'm not a psychic, but I'm wondering if he was doing the same thing at that previous company. What are your thoughts?

26:11.59
LEAH WIETHOLTER
Yeah, that was kind of the general consensus when we were working the case that likely he had been abusing the check writing privileges at the previous company. ah However, the previous company had not filed any lawsuits or anything like that. I think they just agreed to part ways. But it it also is kind of indicative that maybe that's like his behavior and how early it started and how far back we could see ah in the accounting records some of the same things we were seeing in 2019 when we were hired. um It's just kind of indicative that he had started that behavior before he started working at ABC because, I mean, it um it was very quickly after he started with ABC that he started some of this strange behavior.

27:02.06
astudyincrime24
Well, when you talk about the fraud triangle, I mean, Tolbert certainly had opportunity and rationalization, but what about pressure? Because I've tried to figure out, it it didn't seem like he was under pressure. You know, he didn't have, ah you know, somebody

that needed to pay for surgery or, or you know, gambling debts or things like that. ah Did you ever learn why? and It sounds to me like he just liked the lifestyle, but did you ever learn why he embezzled the money?

27:29.62

LEAH WIETHOLTER

Not specifically, but just kind of circumstantially, I would say that ah his he was married and his spouse was. um

27:41.76

LEAH WIETHOLTER

part of a very wealthy family. And so I think there was maybe some pressure to keep up that type of lifestyle for her potentially.

27:50.45

astudyincrime24

Right.

27:50.66

LEAH WIETHOLTER

um and And because his you know he had family members by marriage who were very well known,

28:01.67

LEAH WIETHOLTER

in that society and so I think all of that just kind of fed into his lifestyle and and you know wanting more power like all the charitable contributions made him look very philanthropic and then the political contributions I think played a part in him even serving on boards that are appointed by

28:18.17

astudyincrime24

Mm hmm.

28:29.61

LEAH WIETHOLTER

elected officials and so all of that just kind of worked together I think to to encourage him to do that and You know if he was if he was stealing at his previous Employment, I mean he would have to keep it up at the new employment so that he could keep up that level and that lifestyle

28:48.05

astudyincrime24

Sure. Yeah, so opportunity, rationalization and pressure sounds to me like you have the right answer for the pressure he was feeling, trying to keep up with the Joneses, trying to, ah you know, as you mentioned, he was involved in the community with charitable donations. He donated

to political campaigns, but he was not a their reporter, he was not a pleasant person to be around. ah So I'm thinking there was a lot of self-aggrandizement on his fact, and and I'm thinking ah pride was a factor, but I think you've answered that question.

29:21.21

LEAH WIETHOLTER

Yeah, he was not a pleasant person to be around based on the stories we were told. And I think even as part of the sentencing process that came out as part of those proceedings.

29:34.19

astudyincrime24

Speaking of the proceedings in court, ah the ABC company's vice president, Brad Perkins said, quote, Bill Tolbert is a bully to those he deems less than himself and a bootlicker. I thought that was a great word. And a bootlicker to those he thinks are rich. He was obsessed with building the Bill Tolbert brand. So evidently hubris was a good part of this, you think.

29:58.83

LEAH WIETHOLTER

Yes, yes, for sure. um one of my One of the most interesting interesting things um about his personality is that no matter the level of personnel at the company, he made them made everyone call him Mr. Tolbert. He could not be addressed by his first name.

30:19.51

astudyincrime24

Oh, well, we don't be too informal, I guess.

30:21.13

LEAH WIETHOLTER

Yeah. Right. At this small town manufacturing company where everybody knows everybody, but he was called Mr.

30:28.99

astudyincrime24

Right.

30:29.92

LEAH WIETHOLTER

Tolbert.

30:31.13

astudyincrime24

that Did the ABC company ever arrive at exactly how much he embezzled, ah you know, an actual figure?

30:39.54

LEAH WIETHOLTER

Um, it's over 9 million was what, what we determined.

30:41.75

astudyincrime24

Wow.

30:46.78

LEAH WIETHOLTER

Um, it was about seven and a half million between 2014 and 2019. Uh, we were limited on the bank information that we could get to go back further.

30:57.00

LEAH WIETHOLTER

So we had to use accounting records. And so just kind of looking at the accounting records and comparing it to what we knew about the five years we were looking at that added about an additional two to two and a half million.

31:09.94

astudyincrime24

That's an incredible amount. Well, I know they went to court and he was found guilty and was sentenced to prison. I don't remember how much, I think it was, was it 30 months to prison?

31:22.43

LEAH WIETHOLTER

Yes, I think he he got close to the, I think he got the maximum sentencing for the dollar amount, um which I should say he was not charged with the full dollar amount, ah that seven and a half million.

31:27.88

astudyincrime24

Wow.

31:34.35

astudyincrime24

Oh.

31:36.45

LEAH WIETHOLTER

So and maximum sentencing for about \$3 million dollars is about 36 months. And so that was around what he was charged with. And he got that somewhere around there.

31:47.40

astudyincrime24

You know, he may be sitting in the, uh, in the who scout right now saying, yeah, it was worth it. It was worth it. I don't know. Maybe it

wasn't.

31:55.10

LEAH WIETHOLTER

I don't know yes you know This is a great question and I don't think that I have an answer for it.

31:56.71

astudyincrime24

You and I have a ah mutual friend, the great Kelly Paxton, the fraud guru. And, uh, she always says that in terms of ah preventing fraud, one of her things is it all starts with a tone at the top.

32:10.27

astudyincrime24

What do you do when the person at the top is the one embezzling the money?

32:20.30

LEAH WIETHOLTER

I don't i don't know. um i think i Honestly, I think that's why this was able to go on so long. so um you know It was so far away geographically from the owners.

32:35.59

astudyincrime24

Mm hmm.

32:36.10

LEAH WIETHOLTER

And so they weren't really able to influence those things. And then it was being hidden so cleverly. So the typical things they were looking for on the income statement, it wouldn't have shown up. Although, you know, in a lot of these cases, the owners aren't really even looking at the ah financial statements. But in this case, these individuals did, and they knew what they were looking for. But it was just hidden in those jobs, which rolls up into a very big number for this type of manufacturing.

33:05.54

LEAH WIETHOLTER

So, um you know, I mean, ultimately it came down to the ethics of the people right that were the closest to him and, you know, being willing. I think that's where whistle blowing actually comes into play and having some sort of method that employees can trust to report it.

33:29.50

astudyincrime24

ah Right, like a whistleblower hotline.

33:31.26
LEAH WIETHOLTER
Mm hmm.

33:33.16
astudyincrime24
Well, you know, in in doing these kinds of things or preventing your company from being, um you know, having any kind of embezzlement or any any kind of fraud, there's a lot of things you can do.

33:44.70
astudyincrime24
there's There's a lot of things you can do and you can do a lot of simple things to to prevent it, such as having two people being required to you know sign checks over a certain amount. ah What are your top three things? If you had to tell a company the the quick three things that they could do to prevent this type of thing from happening at their place, what are your top three things?

34:08.44
LEAH WIETHOLTER
So I'm a little bit of a, I mean, I consider myself a pretty positive person, but when it comes to preventing embezzlement, I don't think that there's a surefire way to prevent. What I like to talk about is how to detect it and um investigate. So to me,

34:27.91
LEAH WIETHOLTER
having systems set up that will detect fraud early because what was so devastating in this case is that he was stealing over well almost 10 years. So it's that, you know, you take that loss about a million dollars a year for every year he was working there. But but what we know is that just from different studies about fraud and fraud losses,

34:54.71
LEAH WIETHOLTER
is that a lot of times people will start off with a small dollar amount, then they're not caught, and that dollar amount increases over time. And the longer it goes on, they get more confident, and so they're stealing more per year. And then it's usually, I mean, if this was video, i you would see me kind of drawing a ah ah graph with my hand. but um So it it it increases over time. and so And then that's typically when it's detected, but you've already,

35:24.37
LEAH WIETHOLTER
I mean, the loss has just added up over all these years. The ACFE says that the median life of a scheme is about 18 months. But I, in most of my cases, I can only think of maybe two that were less than a year.

35:38.93

LEAH WIETHOLTER

And there's, those are definitely the outliers. Most of them happen over five years or more in, in the cases that I work. So we're talking about incredible losses to small and mid-sized businesses.

35:50.55

astudyincrime24

Well, you mean, go ahead.

35:50.76

LEAH WIETHOLTER

And so, so my, My advice, my top three things are to have methods to detect um if something's going wrong. So first thing is looking at your bank statements. If you're too large of a company to, you know, you're thinking, oh my gosh, my bank statements are 20 pages a month or something, um then you really need to have some data analytics in your processes. So looking for things like ah even dollar payments,

36:25.06

LEAH WIETHOLTER

you know That would have caught this.

36:26.63

astudyincrime24

Mm hmm.

36:26.81

LEAH WIETHOLTER

Even dollar checks being cash, \$200,000 at a time, \$50,000 at a time. so Detecting those types of things. um There's some vendor data analytics where you can just compare who are vendors on our vendor list versus who are employees.

36:43.10

LEAH WIETHOLTER

Do any of their addresses match? Do any of their socials or yeah EINs match? um and Then also looking from a payroll perspective, ah you know what is my payroll every month?

36:54.10

LEAH WIETHOLTER

And is there someone who's getting paid more than someone else? I mean, considerably more. We actually graphed the payroll in this case for a webinar. Yeah, it's a webinar that we have on YouTube. And I mean, these payments stick stood out so dramatically. the His raises just popped out, you know, just looking at how much is everybody's check over each person's check in the company over time and then group those together and put them on a scatter graph.

37:24.11

LEAH WIETHOLTER

And then they these payments stand out instantly.

37:27.74

astudyincrime24

Mm hmm.

37:28.30

LEAH WIETHOLTER

So just some simple analytics can also help. But really just looking at those bank and credit card statements and then making sure that your payroll is what you expect it to be are some of the top ways to detect to detect it.

37:42.07

LEAH WIETHOLTER

and Then, according to the ACFE, one of the top ways, if not the top way, um to detect fraud is actually a tip on a hotline. So having a whistleblowing hotline, an ethics hotline, where somebody can report what they're seeing um Because eventually it does get to the other employees, right?

38:03.95

LEAH WIETHOLTER

Like I'm having to call this guy, Mr.

38:04.35

astudyincrime24

Right.

38:06.07

LEAH WIETHOLTER

Tolbert, every day, and he just took this guy that can't even file papers to the Ritz Carlton in Atlanta for the weekend. So things like that. I mean, it's going to get to other employees and creating a safe, confidential, anonymous way.

38:20.46

astudyincrime24

Well you're right. I mean, due to human nature, fraud will never end. Just have to find ways to to work with it.

38:25.67

LEAH WIETHOLTER

Right.

38:28.55

astudyincrime24

Well, Leah, I'll give you the last word. Anything you learn from this

case or anything you take away from it?

38:36.25

LEAH WIETHOLTER

Yes, in this case, the importance of and priority in basing our analysis on best evidence, which are bank statements, credit card statements, and payroll reports, letting that be the foundation of our investigation, and then using accounting records to kind of add some of those, that flavor, the the reclassifying of expenses or the notes saying, you know, reclass to Bill's job.

39:09.55

LEAH WIETHOLTER

using it in that order. Best evidence and then accounting records as the context was absolutely vital in this case and here's why. I have a theory that has yet to be disputed by any of the cases I've worked but I have a theory that when you're dealing with someone who's very narcissistic um and has this just has this narcissistic personality and especially if they think that they are a public figure, which this guy did, they will fight the case no matter how obvious it is to the rest of the world. They will put up a fight.

39:51.09

LEAH WIETHOLTER

And so having those details lined out in that way where, nope, these are bank statements that we got from the bank, we can show where you wrote yourself a check, you know and show that pattern was absolutely critical because Bill did challenge this. He ultimately pled Guilty, but we were very concerned from the very beginning that he would fight this um Another area you see this is in like public corruption with politicians It doesn't matter you can have them dead to rights and they will fight the case and so in this case It was very important that we followed.

40:25.35

astudyincrime24

It's

40:26.90

LEAH WIETHOLTER

I am so sorry.

40:28.47

astudyincrime24

okay.

40:29.62

LEAH WIETHOLTER

Okay. I don't know where what my dog's doing. So it was very important in this case that we used be's best evidence, that we relied upon best

evidence and that we followed our process internally to make sure that our work product at the end of the day was going to hold up in any court that we were asked to to testify in.