

**ILLINOIS MOTOR VEHICLE THEFT  
PREVENTION COUNCIL**



**Council Meeting**

**February 19, 2014**

**Chicago**

**ILLINOIS  
MOTOR VEHICLE  
THEFT  
PREVENTION  
COUNCIL**



**ILLINOIS MOTOR VEHICLE THEFT PREVENTION COUNCIL**

**February 19, 2014 – 10:00 A.M.**

**Illinois Criminal Justice Information Authority  
300 West Adams Street, Suite 200  
Chicago, IL 60606**

**300 West Adams Street, Suite 200  
Chicago, Illinois 60606-3997  
Phone: (312) 793-8550  
Fax: (312) 793-8422  
TDD: (312) 793-4170  
[www.icjia.state.il.us/mv](http://www.icjia.state.il.us/mv)**

**Pat Quinn, Governor**

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**Hiram Grau, Chairman**  
*Illinois State Police*

**Anita Alvarez**  
*Cook County State's Attorney*

**Jerry Brady**  
*Peoria County State's Attorney*

**Larry C. Cholewin**  
*Mellife Insurance*

**Gerald M. Farina**  
*State Farm Insurance*

**Brian B. Fengel**  
*Chief, Bartonville Police Department*

**Garry McCarthy**  
*Superintendent, Chicago Police Dept.*

**Larry D. Johnson**  
*Farmers Insurance*

**Donald L. Sauzek**  
*Country Companies*

**Jesse White**  
*Illinois Secretary of State*

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**Jack Cutrone**  
*Executive Director*  
*Illinois Criminal Justice*  
*Information Authority*

**AGENDA**

- **Call to Order and Roll Call**
- **Chairman's Remarks, Director Grau**
- A. Approval of the Minutes of the November 6, 2013 Council Meeting (Including the closed portion of the meeting)**
- B. Program Director's Report, Greg Stevens**
- C. Grant Review Committee Report**
- D. Quarterly Activity Summary**
- E. Program Profile**
  - **Secretary of State Audit Team**
- F. Resolution of Commendation**
  - **Old Business**
  - **New Business**
- G. Motion to close meeting for PCIAA update**
  - **Adjourn**

This meeting will be accessible to persons with disabilities in compliance with Executive Order #5 and pertinent State and Federal laws upon anticipated attendance. Persons with disabilities planning to attend and needing special accommodations should contact by telephone or letter Mr. Hank Anthony, Associate Director, Office of Administrative Services, Illinois Criminal Justice Information Authority, 300 West Adams Street, Suite 200, Chicago, Illinois 60606-3997 (telephone 312/793-8550). TDD services are available at 312-793-4170

***"A working partnership of the public and private sectors fighting vehicle theft in Illinois"***

TAB

**A**

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*Information Authority*

**MINUTES**

**Illinois Motor Vehicle Theft Prevention Council  
November 6, 2013 – 10:00 A.M.  
Illinois Criminal Justice Information Authority  
300 W. Adams Street, Suite 200  
Chicago, IL 60606**

The Illinois Motor Vehicle Theft Prevention Council held its fourth quarter 2013 Council meeting at 10:00 A.M. on November 6, 2013 in Chicago, Illinois.

**CALL TO ORDER AND ROLL CALL**

Mr. Donald Sauzek chaired the Council meeting and called the meeting to order. Junaid Afeef, Illinois Criminal Justice Information Authority Acting Deputy General Counsel, called roll.

Name	Present	Telephone	Absent
Hiram Grau			x
Anita Alvarez	x		
Larry Cholewin	x		
Gerald Farina	x		
Brian B. Fengel	x		
Garry McCarthy			x
Larry D. Johnson	x		
Donald L. Sauzek	x		
Brad Demuzio as designee for Jesse White			x
Jerry Brady	x		

A quorum of the members was not present. Mr. Sauzek asked Mr. Stevens to proceed with his Program Director's report as no vote could be taken on the 8/28/13 meeting minutes without a quorum. State's Attorney Alvarez arrived after roll call during Mr. Stevens Program Director Report. Peoria County State's Attorney Jerry Brady was not called during the roll call but was present throughout the meeting and sat at the Council table. He was recognized as a newly appointed member of the Council during the meeting.

**MINUTES OF AUGUST 28, 2013 COUNCIL MEETING**

Mr. Sauzek asked if there were any additions, deletions, or questions regarding the August 28, 2013 Council meeting minutes behind TAB A of the meeting materials. No changes were proposed. Chief Fengel made a motion to approve the 8/28/13 Council meeting minutes. Mr. Johnson seconded the motion, and the motion was approved by a unanimous voice vote.

**PROGRAM DIRECTOR'S REPORT**

Mr. Sauzek asked Program Director Greg Stevens to present his report. Mr. Stevens reported as follows:

Trust Fund Reports – A balance of \$4,178,246 remains in the trust fund at the end of September 30, 2013. Mr. Stevens noted that there is a projected Trust Fund balance of \$2,515,798 at the end of 2013.

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Bait car and license plate recognition summary – Mr. Stevens said the summary provided in the materials summarizes the equipment that has been purchased and the recent usage of those resources. There is an issue of a NEMAT bait car. It was reported during the meeting that it is unclear whether this vehicle was in fact acquired. According to Mr. Stevens, it appears not to have been acquired. Chief Fengel stated that he would like the task force directors to identify who is using the resources/equipment, and who is not so that the use of these resources/equipment can be maximized. Director Brewer spoke to some technological issues that have hampered use of the bait cars and license plate readers. He discussed the incompatibility between the equipment owned by the task forces and the modems supplied by Illinois’ CMS. There was a discussion about the effectiveness of bait cars. M/Sgt. Mirabelli stated that while GMAT has not made arrests with their bait car, the county and the municipalities served by GMAT ask for it. Mr. Sauzek noted that it is useful if it serves as a deterrent. Mr. Johnson noted some skepticism over how effective the bait cars are in fact.

Mr. Stevens commented on LPRs. He said that in the past task forces felt the LPR did not fit well with the rest of their work, and that led to a lack of use. There was a discussion about how LPR is used in Illinois. Chief Fengel asked whether the LPR units were interacting with the Illinois Secretary of State databases.

Staff Activities – Mr. Terry Dugan’s activities were highlighted. Mr. Stevens noted that Mr. Dugan is responsible for the site visits, and that he has been busy conducting the site visits over the last quarter. Mr. Stevens then addressed the monthly program performance report and noted that staff is working on revising the document used by the task forces to submit the monthly report.

Mr. Stevens noted that a directors training is coming up on November 20<sup>th</sup> and 21<sup>st</sup> in Springfield, Illinois. He gave a brief overview of the topics that will be covered in the upcoming directors training.

**GRANT REVIEW COMMITTEE REPORT**

The next item on the agenda was a report from the Grant Review Committee. Mr. Sauzek noted that GRC Chair Terry Lemming was unable to attend the Council meeting, and Mr. Stevens was called upon to report on the GRC meeting in Chairman Lemming’s absence.

Mr. Stevens noted that the GRC reviewed lapsing funds at the last meeting, and noted that four programs were identified for re-programming of lapsing funds. The following information was presented:

<b>Program</b>	<b>Projected lapse</b>	<b>GRC recommended budget revision</b>
Motor Vehicle Theft Intelligence Clearinghouse	Lapse of \$22,488 from the Personnel/Fringe benefit line item.	Budget revision to use the \$22,488 for the following: <ul style="list-style-type: none"> <li>• \$275 for in-state travel.</li> <li>• \$20,161 for computer software</li> <li>• \$2,052 for software training</li> </ul>
Northeast Metro ATTF	Lapse of \$15,743 from partially vacant personnel positions.	Budget revision to use \$15,743 for the purchase, licensing and training on a forensic cellular telephone data extraction device.
Northern IL ATTF	Lapse of \$48,625 from partially vacant personnel positions.	Budget revision to use \$48,625 for the purchase of two vehicles to replace two aging insurance provided vehicles.
SOS Audit Team	Lapse of \$85,751 from vacant personnel position. Lapse of \$7,500 from contractual savings for a total projected lapse of \$93,251.	Budget revision to use the \$93,251 for the following: <ul style="list-style-type: none"> <li>• \$91,376 for the purchase of five vehicles. Five vehicles @ \$18,275/each.</li> <li>• \$1,875 for the purchase of IWIN computer hardware.</li> </ul>

After a brief discussion of the lapsing funds and the GRC recommended budget revisions State’s Attorney Alvarez made a joint motion to approve each of the four GRC recommended budget revisions as noted above. Chief Fengel seconded the motion. The motion was approved unanimously.

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Next Mr. Stevens addressed a request from the Tri-County Auto Theft Task Force for an additional \$20,000 for 2013 from the un-programmed grant funds. Mr. Stevens reported that the requested, additional \$20,000, in combination with approximately \$3,000 - \$4,000 in lapsing funds from the task force's fuel cost line item would be combined to purchase a vehicle. This newly purchased vehicle would replace a leased vehicle. Mr. Farina moved to approve the designation increase for the Tri-County Auto Theft Task Force to \$824,918. Mr. Johnson seconded the motion. The motion was approved by a unanimous voice vote.

## **FISCAL YEAR 2014 ADMINISTRATIVE BUDGET**

Mr. Sauzek next addressed the fiscal year 2014 administrative budget. He noted that it was for information purposes only and that no action was required. There were no questions.

## **CALENDAR YEAR 2014 MEETING DATES**

The 2014 meeting schedule was briefly discussed. The meeting schedule for 2014 is as follows:

### **Grant Review Committee**

<u>Scheduled Date</u>	<u>Alternate Date</u>
Thursday, January 16, 2014	Thursday, January 23, 2014
Thursday, April 17, 2014 *	Thursday, April 24, 2014
Thursday, July 10, 2014	Thursday, July 17, 2014
Thursday, October 2, 2014 **	Thursday, October 9, 2014

### **Council**

<u>Scheduled Date</u>	<u>Alternate Date</u>
Wednesday, February 19, 2014	Wednesday, February 26, 2014
Wednesday, May 21, 2014*	Wednesday, May 28, 2014
Wednesday, August 13, 2014	Wednesday, August 20, 2014
Thursday, November 13, 2014 **	Thursday, November 20, 2014

- \* Meeting to be held in Springfield, IL
- \*\* Meeting to be held in Bloomington, IL

## **PROGRAM PRESENTATION**

### ***Northern Illinois Auto Theft Task Force***

Mr. Sauzek asked Program Director Mark Galindo to make his presentation. Director Galindo gave a brief background on the program, the counties served and some anecdotal information about some of the important work of the Northern Illinois Auto Theft Task Force.

## **OLD BUSINESS**

There was no old business.

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## **NEW BUSINESS**

There was no new business.

## **CLOSED MEETING – PCIAA (LITIGATION) UPDATE**

Mr. Sauzek noted that there were PCIAA litigation issues that the Council members needed to discuss. He called for a motion to close this portion of the meeting for the specific purpose of conducting PCIAA litigation discussions. Mr. Farina made a motion to close this portion of the meeting for the purpose of discussing pending litigation issues. Mr. Cholewin seconded the motion and the motion was approved by a unanimous voice vote.

After the closed portion of the meeting was concluded, the meeting was reopened to the public.

## **ADJOURN**

There were no additional items on the agenda after the closed session was concluded. Mr. Farina made a motion to adjourn. State's Attorney Alvarez seconded the motion. The motion passed unanimously.

Respectfully submitted,

Junaid M. Afeef  
Acting Deputy General Counsel  
Illinois Criminal Justice Information Authority

TAB

**B**



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**TO: Motor Vehicle Theft Prevention Council Members**  
**FROM: Greg Stevens, Program Director**  
**SUBJECT: Director's Report**  
**DATE: January 30, 2014**

**Trust Fund reports** - Behind divider one is the *Fiscal Status Report* for January 1, 2013 through December 31, 2013. As the report indicates, a balance of \$2,502,955 remains at the end of the reporting period.

Behind divider two is a *Cash Flow Projection Report* for 2014 and the *Lapse Funds Report* for 2008 - 2012. It is projected there will be a Trust Fund balance of \$1,994,155 at the end of 2014. Please review the footnotes located behind the report for additional fiscal disclosures.

Fiscal staff will be available to discuss the above reports.

**Program vehicle fleet summary** – Behind the third divider is a chart prepared by Vehicle Acquisition Specialist Luisa Salazar summarizing the entire vehicle fleet being utilized by the Council funded programs. The chart includes vehicles that are Council purchased, leased or insurance provided.

**Staff activities** – Below are highlights of staff activities for the period of November 1, 2013 – January 31, 2014.

- On November 15<sup>th</sup>, 2013, Vehicle Acquisition Specialist Luisa Salazar attended the International Association of Special Investigation Units, Illinois chapter meeting. Meeting was held at Allstate headquarters. The Motor Vehicle Council was presented highlighting our Insurance Vehicle Program and the need for vehicles. Contact sheet with our program names and telephone numbers were distributed.
- On November 20 & 21, 2013 Council staff participated in the Auto Theft Director's Training Conference held in Springfield, IL. The conference provided training to all the Council-funded programs on grant administration topics, ISP Inspection and Audits, and developing media relations.

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1

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**TO: Illinois Motor Vehicle Theft Prevention Council**  
**FROM: Ronald Litwin**  
**SUBJECT: CY13 Fiscal Report – Motor Vehicle Theft Prevention Trust Fund @ 12/31/13**  
**DATE: February 19, 2014**

The following table presents CY13 receipts, expenditures and balances in the Motor Vehicle Theft Prevention Trust Fund for the period January 1, 2013 through December 31, 2013. As can be seen, a balance of \$ 2,502,955 remains at the end of the report period:

	<b>CY13 1/1/13 – 12/31/13</b>
Beginning Fund Balance	\$2,933,950
Receipts	\$6,524,017
Interest	\$15,875
Transfer to General Revenue Fund	\$0
Operations Expenditures	(\$474,397)
Awards and Grants Expenditures	(\$6,496,490)
Ending Fund Balance	\$2,502,955

The fiscal staff will be glad to answer any questions you may have regarding this fiscal report

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2/11/2014

**ILLINOIS MOTOR VEHICLE THEFT PREVENTION TRUST FUND**  
**Cash Flow Projection- 2014**  
**( SUBJECT TO CONTINGENCIES IN NOTES ON THE FOLLOWING PAGES )**

		<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
		<b>actual</b>	<b>actual</b>	<b>actual</b>	<b>actual</b>	<b>projection</b>
<b>Beginning Balance</b>	Trust fund balance on January 1st	\$2,574,841	\$2,844,981	\$3,056,017	\$2,933,950	\$2,502,955
<b>Interest</b>	Earned on the fund balance monthly	\$22,985	\$26,106	\$18,725	\$15,875	\$10,000
<b>Insurance company payments</b>	Based on existing fee structure Due April 1st	\$6,486,893	\$6,403,814	\$6,497,455	\$6,524,017	\$6,500,000
<b>Grants and Awards</b>	<b>Please see a discussion in notes 1, 2 and 3</b>	(\$5,975,205)	(\$5,906,896)	(\$6,291,592)	(\$6,496,490)	(\$6,500,000)
<b>Administrative Costs</b>	Projected expense amounts are the State budget	(\$264,533)	(\$311,988)	(\$346,655)	(\$406,245)	(\$518,800)
<b>Transfers to general fund</b>	<b>Please see a discussion in notes 1, 2 and 3</b>	\$0	\$0	\$0	\$0	\$0
<b>Audit fees</b>	Bi-annual audit of the fund	\$0	\$0	\$0	(\$68,152)	\$0
<b>Ending Balance</b>	Trust Fund Balance on December 31 <b>Note 2</b>	<u>\$2,844,981</u>	<u>\$3,056,017</u>	<u>\$2,933,950</u>	<u>\$2,502,955</u>	<u>\$1,994,155</u>

**ILLINOIS MOTOR VEHICLE THEFT PREVENTION TRUST FUND**  
**(The Trust Fund)**  
**Cash Flow Projection 2014**

1. Projected grant amounts and the cash balances of the Trust Fund in this report are qualified as to amount of lapses in the final fiscal reports from the grantees and subject to “sweeps” and freezes by the Governor’s office.

Projected grant amounts in 2014 are the State of Illinois budgeted (appropriation) of \$6.5 million.

It is reasonably possible that substantial “sweeps” to the fund could occur in the calendar years after 2013 based upon historical amounts determined by the State of Illinois and a reasonably possible conclusion in favor of the State of Illinois of the legal proceedings discussed in note 3.

It is reasonably possible that “sweeps” that materially affect the future results of the fund operations could occur as early as July 1, 2013. Budget reductions in 2014 and years after 2014 may be required as a result of sweeps that might occur.

2. The projected fund balance of \$1,994,155 at the end of the period will not be available for future programs unless the budgeted appropriation of \$6.5 million is increased to allow for this amount to be spent. Any lapsed funds in 2013 will increase the amount not available.

3. There two significant legal proceedings affecting the fund.

The Property and Casualty Insurers Association of America (PCIAA) filed a suit in the State of Illinois in 2006. The Governor and other top Illinois State officials (the State) are named as defendants. The suit asks for the return of over \$6 million of monies removed from the fund and for an injunction barring further removal of funds from the Trust Fund.

An agreed court order between the plaintiff and defendants was entered on June 6, 2006. The State agreed that no money would be withdrawn from the fund and the plaintiff agreed to withdraw its motion for preliminary injunction.

The Office of the General Counsel of the Illinois Criminal Justice Information Authority – (OGC) reports that a motion for summary judgment filed by the defendants in the PCIAA suit in 2013 was granted by the trial court on August 27, 2013 dismissing all counts of PCIAA complaint. The plaintiff in the PCIAA case has reportedly filed an appeal of the trial court’s decision to grant summary judgment in favor of the defendants.

The management of the Illinois Criminal Justice Information Authority stated in a report to the Illinois Office of the Comptroller that the probability of loss or “sweeps” to the trust fund as a result of a decision favorable to the State in the PCIAA litigation is reasonably possible. Under Statement of Accounting Standard No. 5, this is defined that the chance of the future event is more than remote but less than likely.

**MOTOR VEHICLE THEFT PREVENTION TRUST FUND**

**Lapsed funds by calendar year - amount under budget**

<b>GRANT NUMBER</b>	<b>PROGRAM</b>	<b>2009 LAPSED</b>	<b>2010 LAPSED</b>	<b>2011 LAPSED</b>	<b>2012 LAPSED</b>
MV001	SECRETARY OF STATE, SPECIAL AUDIT TEAMS	33,699	22,843	0	51,511
MV004	COOK COUNTY STATES ATTY, THEFT PROSECUTIONS	38,374	52,210	68,853	1,029
MV008	JOLIET, TRI-COUNTY AUTO THEFT TASK FORCE	0	6	34	274
MV010	BELLEVILLE, METRO EAST AUTO THEFT TASK FORCE	4,591	14,625	10,702	12,131
MV010-1	BELLEVILLE, METRO EAST AUTO THEFT TASK FORCE	0	1	0	ended in 2010
MV011	ELGIN, KANE COUNTY AUTO THEFT TASK FORCE	52,256	11,699	64,679	ended in 2011
MV012	IL STATE POLICE / VILLAGE OF LYNWOOD, NEMAT TASK FORCE	299,463	22,632	1,059	4,840
MV016	INSURANCE VEHICLE EXPENSE FUND	40,492	27,088	52,644	18,067
MV019	IL STATE POLICE, MV THEFT INTELLIGENCE CLEARINGHOUSE	143,291	128,547	26,681	1,548
MV021	DUPAGE SHERIFF, AUTO THEFT TASK FORCE	27,526	44,938	24,599	ended in 2011
MV022	LEMONT, GREATER METRO AUTO THEFT TASK FORCE				1,988
MV025	WINNEBAGO SHERIFF, NORTHERN IL AUTO THEFT TASK FORCE	2,460	0	5,463	1,867
MV036	IL STATE POLICE MVTP TRAINING	22,001	18,589	37,437	11,362
MV040	PEORIA/ STATE AND LOCAL AUTO THEFT ENFORCEMENT (SLATE)	12,906	47,541	12,355	690
MV040.1	PEORIA/ SLATE - MIDWEST CONFERENCE	n/a	n/a	n/a	n/a
		<u>677,059</u>	<u>390,719</u>	<u>304,506</u>	<u>105,307</u>

Note 1: period of performance of 1/1/09-06/30/10.

Note 2: period of performance of 1/1/08-12/31/09.



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Illinois Motor Vehicle Theft Prevention Council Fleet

Task Force	Vehicle	Acquisition Type
<i>Greater Metropolitan Auto Theft Task Force</i>	Sport Utility Vehicle	Insurance Provided: American Family Insurance
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sedan	Insurance Provided: State Farm
	Sedan	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: Allstate
	Sedan	Insurance Provided: Liberty Mutual
	Sedan	Leased
	Sedan	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicles	Owned
	Sport Utility Vehicles	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
<i>Cook County Motor Vehicle Theft Prosecution</i>	Sedan	Owned
<i>Metro East Auto Theft Task Force</i>	Pickup Truck	Insurance Provided: State Farm
	Sedan	Owned
	Sedan	Owned
	Sport Utility Vehicle	Owned
	Pickup Truck	Owned
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased
<i>Northeast Metro Auto Theft Task Force</i>	Wagon	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: State Farm
	Wagon	Insurance Provided: American
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Minivan	Owned
<i>Northern Illinois Auto Theft Task Force</i>	Pickup Truck	Leased
	Pickup Truck	Leased
	Sport Utility Vehicle	Leased
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Pickup Truck	Owned
<i>State and Local Auto Theft Enforcement Task Force</i>	Sedan	Owned
	Sport Utility Vehicle	Owned
	Sport Utility Vehicle	Owned

Illinois Motor Vehicle Theft Prevention Council Fleet

	Sedan	Owned
	Sedan	Owned
	Sedan	Insurance Provided: State Farm
	Sedan	Insurance Provided: State Farm
	Pickup Truck	Insurance Provided: State Farm
	Pickup Truck	Insurance Provided: State Farm
<i>Secretary of State Special Audit Program</i>	Sedan	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sedan	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sedan	Insurance Provided: Allstate
	Sport Utility Vehicle	Insurance Provided: Allstate
	Sport Utility Vehicle	Insurance Provided: Allstate
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Leased
	Sedan	Leased
	Sedan	Leased
	Sedan	Leased
	Sedan	Leased
	Sedan	Leased
<i>Tri-County Auto Theft Task Force</i>	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sedan	Owned
	Sport Utility Vehicle	Owned
	Sport Utility Vehicle	Owned
	Pickup Truck	Owned
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sport Utility Vehicle	Insurance Provided: State Farm
	Sedan	Insurance Provided: State Farm
	Minivan	Insurance Provided: State Farm
	Sedan	Insurance Provided: Allstate
	Sport Utility Vehicle	Insurance Provided: American Family Ins
	Sedan	Insurance Provided: American Family Ins
	Pickup Truck	Leased
	Sport Utility Vehicle	Leased
	Sport Utility Vehicle	Leased

<b>Total Vehicles: 93</b>	<b>Total Donated: 30</b>
	<b>Total Leased: 22</b>
	<b>Total Owned: 41</b>

TAB

C

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**Hiram Grau, Chairman**  
*Illinois State Police*

**Jerry Brady**  
*Peoria County State's Attorney*

**Anita Alvarez**  
*Cook County State's Attorney*

**Larry C. Cholewin**  
*Mellife Insurance*

**Gerald M. Farina**  
*State Farm Insurance*

**Brian B. Fengel**  
*Chief, Bartonville Police Department*

**Garry McCarthy**  
*Superintendent, Chicago Police Dept.*

**Larry D. Johnson**  
*Farmers Insurance*

**Donald L. Sauzek**  
*Country Companies*

**Jesse White**  
*Illinois Secretary of State*

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**Jack Cutrone**  
*Executive Director*  
*Illinois Criminal Justice*  
*Information Authority*

**TO: Motor Vehicle Theft Prevention Council Members**  
**FROM: Greg Stevens**  
**SUBJECT: Grant Review Committee Report**  
**DATE: February 3, 2014**

The Grant Review Committee meeting for January 16, 2014 was cancelled due to the lack of agenda items.

Grant Review Committee Chairman Terry Lemming retired from the Illinois State Police on December 31, 2013. Council Chairman Grau is expected to name a replacement before the April 17, 2014 Grant Review Committee meeting.

***“A working partnership of the public and private sectors fighting vehicle theft in Illinois”***

TAB

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**ILLINOIS  
MOTOR VEHICLE  
THEFT  
PREVENTION  
COUNCIL**



**TO: Motor Vehicle Theft Prevention Council Members**  
**FROM: Greg Stevens**  
**SUBJECT: Third quarter Program Activity Report**  
**DATE: January 30, 2014**

300 West Adams Street, Suite 200  
Chicago, Illinois 60606-3997  
Phone: (312) 793-8550  
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[www.icjia.state.il.us/mv](http://www.icjia.state.il.us/mv)

**Pat Quinn, Governor**

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**Hiram Grau, Chairman**  
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*Illinois Secretary of State*

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**Jack Cutrone**  
*Executive Director*  
*Illinois Criminal Justice*  
*Information Authority*

Behind this memo is the most recent quarterly Activity Summary that has been prepared by the Motor Vehicle Theft Prevention Intelligence Clearinghouse. This report provides a comprehensive summary of the activities of each of the seven vehicle theft prevention task forces and the Illinois Secretary of State, Department of Police/Special Audit Team. We will discuss the report at the February 19, 2014 Council meeting.

***"A working partnership of the public and private sectors fighting vehicle theft in Illinois"***

Motor Vehicle Theft Program  
Activity Summary  
Third Quarter 2013

**Prepared by:**  
**Motor Vehicle Theft Intelligence Clearinghouse**  
**December 9, 2013**



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- 5 Task Force Arrests, Recoveries, and Value Recovered

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- Appendix B - Program Goals
- Appendix C - Cities Represented by BATTLE-GMAT Table
- Appendix D - Cities Represented by NEMAT Table

# PROGRAM ACTIVITY SUMMARY

Six task forces\*, specialized audit teams, and a prosecution unit operated from July 1 through September 30, 2013, to combat motor vehicle theft in Illinois. These programs (see Page 2) were funded by a grant from the Illinois Motor Vehicle Theft Prevention Council (MVTPC). This report examines program performance during the third quarter 2013.

## DATA SOURCE

Quarterly historical information regarding each program was collected. A Program Summary section reflecting individual task program activity and a summary of unit achievements during the quarter is also included. Information for this activity summary was obtained from the MVTPC Monthly Task Force Reports for the third quarter 2013. Vehicle theft and recovery information was obtained from the Law Enforcement Agencies Data System (LEADS). Population data estimates for 2011 were obtained from the United States Census Bureau. Detailed statistics for each program are provided in Appendix A. The following describes the data sources for each specified topic.

**Theft Data:** Total vehicle thefts for the jurisdiction. Source: LEADS.

**Recovery Data:** Vehicle recoveries in jurisdiction. Includes Local Recoveries (vehicles stolen from and recovered in the same jurisdiction) and Foreign Recoveries (vehicles recovered in the jurisdiction, stolen from any jurisdiction). Source: LEADS.

**Persons Arrested:** Source: MVTPC Monthly Program Performance Report. The case classification prior to arrest or administrative closure.

**Program Recoveries:** Source: MVTPC Monthly Program Performance Report. Recovery is defined as the actual physical control, identification, or recovery of a vehicle by the task force, separate from another law enforcement entity. Note: It is not a vehicle

recovery if another law enforcement agency has physical possession of a vehicle which has been identified as stolen prior to task force personnel arrival on the scene.

**Value of Recovered Vehicles:** Source: MVTPC Monthly Program Performance Report. Untitled Vehicle - Manufacturer's Suggested Retail Price (MSRP) National Automobile Dealers Association (NADA) listed value. All Other Vehicles - Retail NADA value. Value is estimated.

**Officers:** Source: Source: MVTPC Monthly Program Performance Report.

**Caseload (initiated, assisted, continued, closed):** Source: MVTPC Monthly Program Performance Report.

**Value of Other Items Recovered:** Source: MVTPC Monthly Program Performance Report.

**Cook County State's Attorney Data:** Source: MVTPC Monthly Program Performance Report.

**Special Audit Teams Data:** Source: MVTPC Monthly Program Performance Report.

The Data Sources were utilized to depict the motor vehicle theft and recovery activity for the programs during the third quarter 2013.

## PROBLEM DESCRIPTION

The problem description serves to determine the severity of the vehicle theft problem in each program area. The scope of the problem has bearing on the entire summary as those programs that are not inundated with thefts/investigations may have more arrests as a result of an ability to spend more time and resources on each case. Thefts per 100,000 Population and Local and Foreign Recoveries are depicted to examine the problem description.

## **IMPACT**

This section depicts the impact each motor vehicle theft task force has on recovering vehicles and arresting auto thieves. The Task Force Arrests, Task Force Recoveries, and Task Force Value Recovered illustrate the impact by each task force.

## **PROGRAM SUMMARY**

Statistical information is compiled for each program in this section. Program accomplishments are also presented to understand the contributing factors that explain the statistics. Annual program goals are summarized in Appendix B. The following defines the coverage area for each program.

**BATTLE-GMAT** - Beat Auto Theft Through Law Enforcement Task Force –Greater Metropolitan Auto Theft (DuPage, Kane, Lake, and McHenry Counties and see Appendix C for a list of cities the task force represents in Cook County.)

**MEATTF** - Metro-East Auto Theft Task Force (Madison and St. Clair Counties)

**NEMAT** - North East Metropolitan Auto Theft Task Force (See Appendix D for a list of cities the task force represents in Cook County.)

**NIATTF** - Northern Illinois Auto Theft Task Force (Boone and Winnebago Counties)

**SLATE** - State Local Auto Theft Enforcement Task Force (Peoria County)

**TCAT** - Tri-County Auto Theft Task Force (Grundy, Kankakee, and Will Counties)

**SAT** - Illinois Secretary of State (SOS) Police Special Audit Teams (SAT) (statewide)

**CCSAO** - Cook County State's Attorneys Office (Cook County)

*\*Acronyms will be utilized throughout the report for brevity purposes.*

## ***Task Force Summary***

The data for each task force includes the number of officers, caseload, arrests, recoveries, recovery value, and recovery value-other items. includes a separate section for each task force.

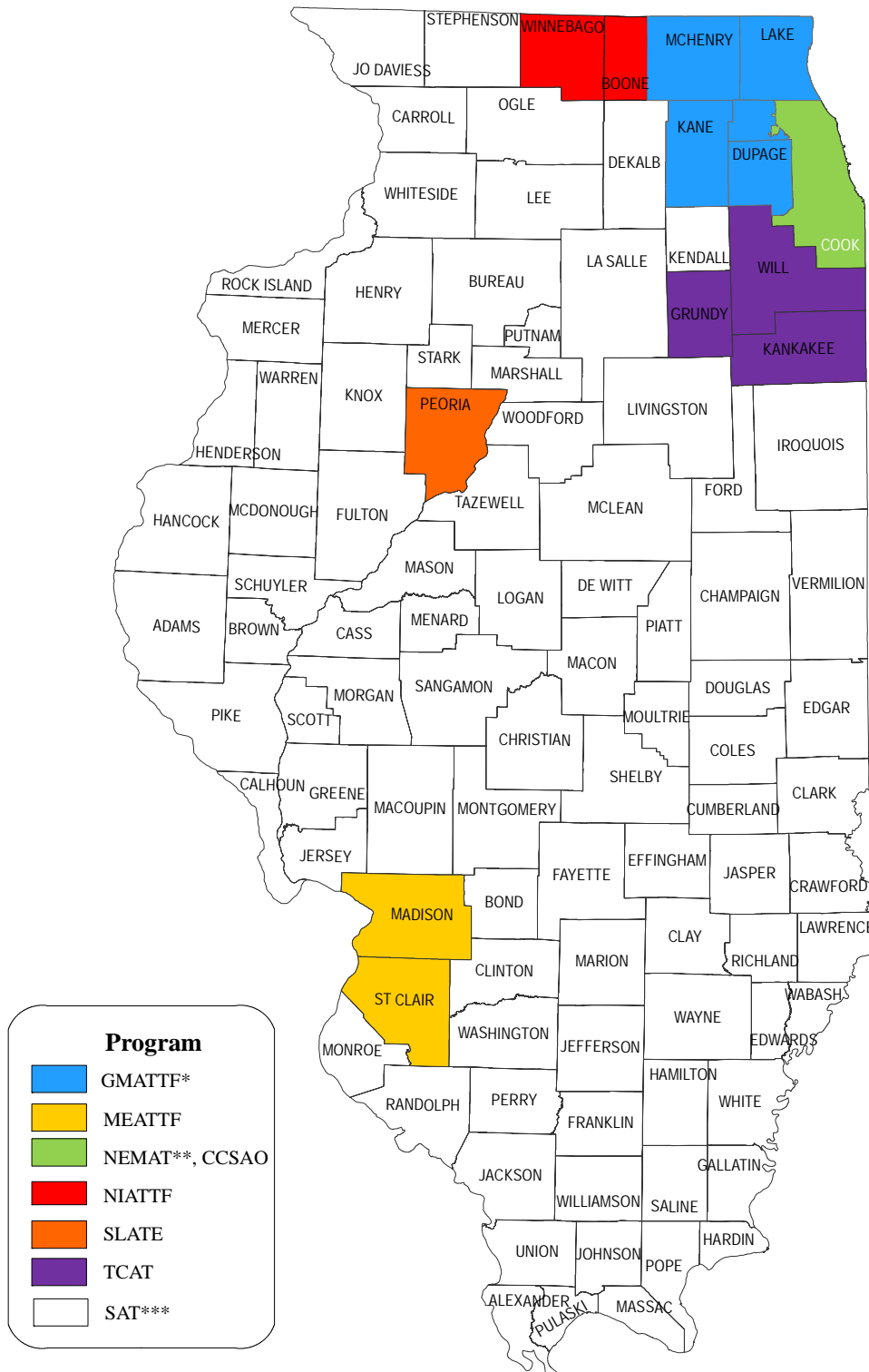
## ***Prosecution Summary***

This section includes the quarterly summary of activity by the Cook County State's Attorneys Office. Cases referred and accepted for prosecution are included in this section.

## ***Audit Team Summary***

The data displayed includes cases opened, vehicles inventoried, number and value of stolen vehicles identified, number and value of contraband vehicles identified, and the number and value of contraband essential parts identified.

# Motor Vehicle Theft Program Jurisdiction



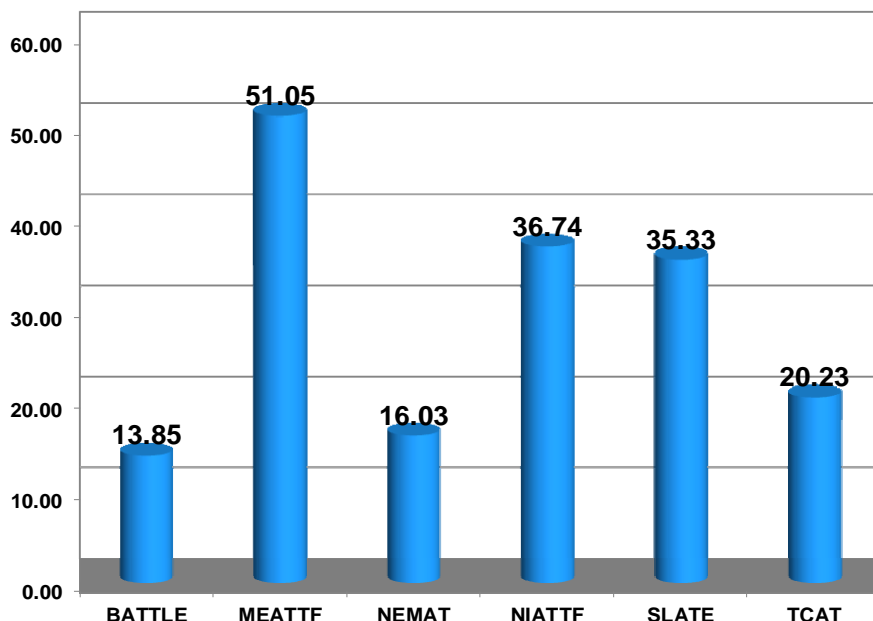
\*The BATTLE-GMAT Task Force jurisdiction covers DuPage, Kane, Lake, and McHenry Counties and 16 cities in Cook County. See Appendix C for a listing of Cook County cities in BATTLE-GMAT jurisdiction.

\*\*The NEMAT Task Force jurisdiction covers 71 cities in Cook County. See Appendix D for a complete listing.

\*\*\*The SAT provides statewide coverage.

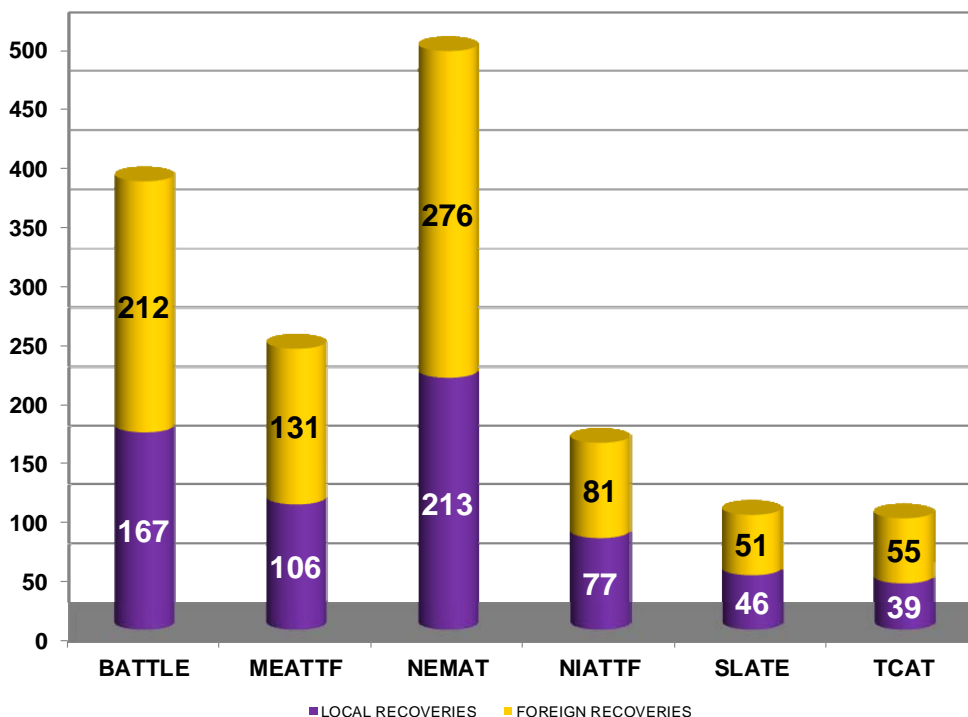
## THEFTS PER 100,000 POPULATION

The number of motor vehicle thefts for each specified task force area was calculated for July 1 through September 30, 2013. The thefts per 100,000 population was computed\* to level the variance in task force areas that are densely populated with those that are more sparsely populated.



*\*Computation: Quarterly Thefts divided by Task Force Jurisdiction Population, multiplied by 100,000.*

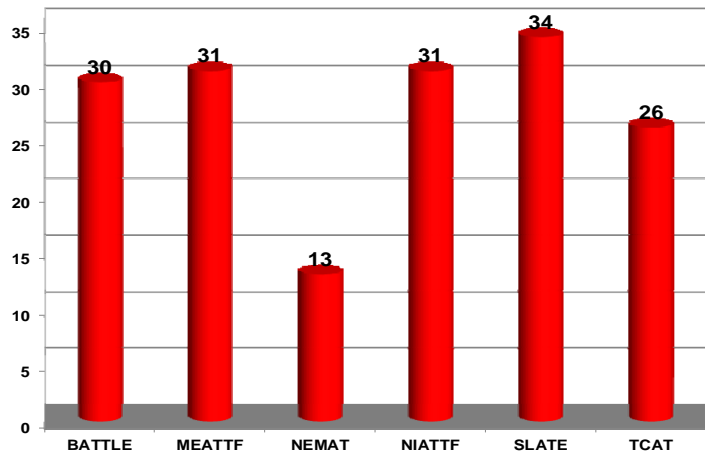
## LOCAL AND FOREIGN RECOVERIES



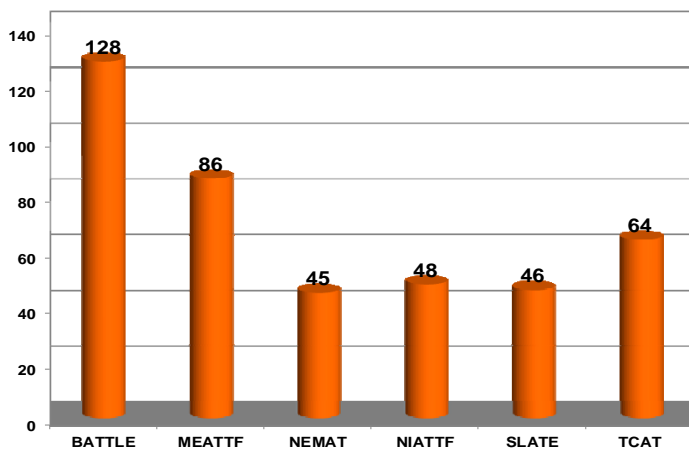
The graph to the left depicts local recoveries (vehicles stolen and recovered within the task force jurisdiction) and foreign recoveries (vehicles stolen from any jurisdiction, recovered within the task force jurisdiction).

## TASK FORCE ARRESTS

The graph shown at right illustrates the number of arrests made by each task force during the quarter.



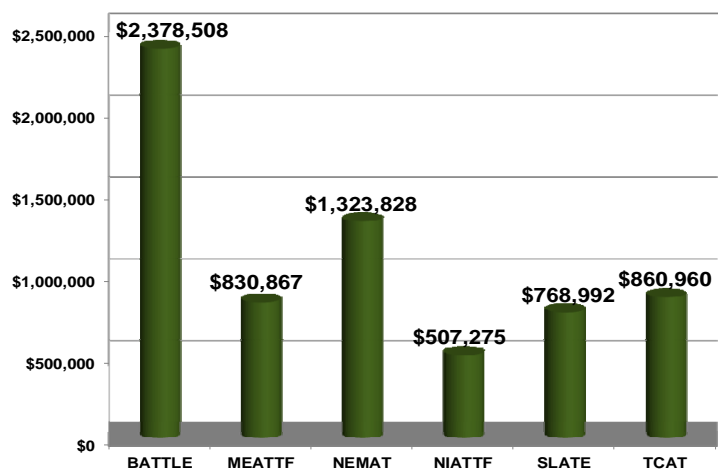
## TASK FORCE RECOVERIES



The number of vehicles recovered by each task force is depicted in the graph at left. This number does not indicate the number of persons arrested related to a stolen vehicle recovery.

## TASK FORCE VALUE RECOVERED

The graph shown at right illustrates the dollar amount of vehicle recoveries made by each task force during the quarter. This amount depends upon the value of the vehicle at the time of recovery.



*\*Vehicle value is estimated.*

# BATTLE-GMAT

During the third quarter of 2013, BATTLE-GMAT conducted 58 investigations, recovered 128 vehicles worth \$2,378,508, and arrested 29 people. In addition, three “hot sheets” and three intelligence bulletins were published. BATTLE-GMAT also provided training to nine sworn and three non-sworn agencies.

During the third quarter, BATTLE-GMAT’s efforts to reduce the motor vehicle thefts in the five county area it serves included successfully conducting several investigations into groups of individuals that attempt auto theft by arresting those individuals. The task force increased its training efforts by educating sworn and non-sworn personnel through theft prevention seminars to auto dealerships, citizen police academies, and civic groups. The public must be a partner in combating auto theft, and BATTLE-GMAT helped facilitate this effort.

BATTLE-GMAT agents successfully conducted several investigations into insurance fraud during the third quarter. These can be simple or complex schemes intended to defraud insurance companies by making false vehicle theft reports. The National Insurance Crime Bureau (NICB) estimates that 10 percent of all reported vehicle thefts are fraudulent. Other estimates reach as high as 30 percent.

Combating vehicle thefts in BATTLE-GMAT’s five county area would not be possible without the support and cooperation from the DuPage, Kane, Cook, McHenry, and Lake County State’s Attorney’s Office. It is important that once auto thieves are arrested, they are appropriately charged, prosecuted, and sentenced. All participating county state’s attorney’s requested that BATTLE-GMAT be contacted whenever a police

department arrests an auto thief. When BATTLE-GMAT responds, agents conduct interviews, follow up on leads, and assist in charging the arrested individual with the goal of furthering the investigation.

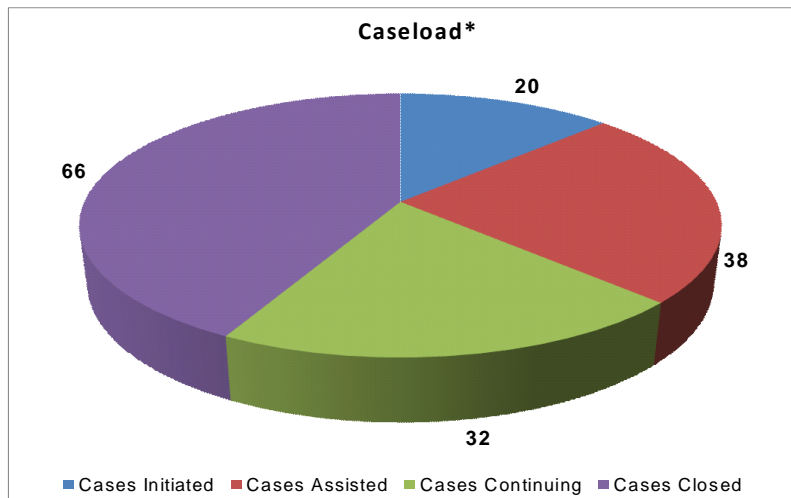
In July, BATTLE-GMAT agents arrested two individuals for auto theft. Agents recovered several vehicles associated with this case. The two individuals were indicted on 19 counts of auto theft related

	Prior Reporting Period	Current Reporting Period	2012 Totals	2013 YTD
Officers	10	10	10	10
Caseload* (initiated, assisted, continued, closed)	158	156	263	516
Arrests	6	30	73	60
Recoveries	164	128	264	470
Recovery Value	\$2,790,803	\$2,378,508	\$4,916,942	\$8,371,583
Recovery Value-Other Items	\$392,133	\$467,685	\$522,500	\$1,147,362

offenses.

In August, BATTLE-GMAT agents successfully investigated three individuals for insurance fraud related crimes. BATTLE-GMAT agents conducted a surveillance operation on the property and recovered several stolen vehicles and arrested the three suspects.

BATTLE-GMAT serves the following areas: DuPage County (29 primary policing agencies), Kane County (23 primary policing agencies), Lake County (40 primary policing agencies), McHenry County (27 primary policing agencies), and the northwestern portion of Cook County. The Cook County area includes all or portions of the following municipali-



ties (not previously included within the above counties): Barrington, Barrington Hills, Bartlett, Elk Grove, Elk Grove Village, Hanover, Hanover Park, Hoffman Estates, Inverness, Palatine, Rolling Meadows, Roselle, Schaumburg, South Barrington, and Streamwood.

During the months of July through September BATTLE-GMAT had nine investigators assigned to the unit.



# MEATTF

During the third quarter of 2013, MEATTF opened 95 investigations and recovered 86 vehicles. The value of the recovered stolen vehicles totaled \$830,867. Task force agents arrested 31 suspects during this period resulting in 79 prosecutions.

MEATTF conducted a variety of auto theft investigations

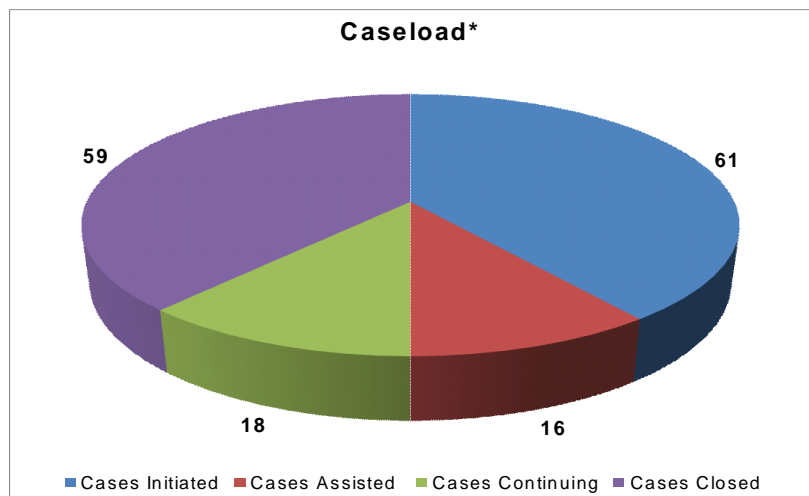
ranging from motorcycles, automobiles, to heavy construction equipment and semi trailers. During the third quarter, the task force made numerous arrests for motor vehicle theft related offenses including false reporting and Vehicular Hijacking.

	<i>Prior Reporting</i>	<i>Current Reporting</i>	<i>2012 Totals</i>	<i>2013 YTD</i>
<i>Officers</i>	10	10	11	10
<i>Caseload* (initiated, assisted, continued, closed)</i>	156	154	395	478
<i>Arrests</i>	34	31	66	86
<i>Recoveries</i>	83	86	204	229
<i>Recovery Value</i>	\$618,816	\$830,867	\$1,552,876	\$2,140,048
<i>Recovery Value-Other Items</i>	\$119,508	\$56,000	\$167,848	\$312,449

MEATTF is currently involved in multiple investigations involving organized theft of vehicles, construction, and farm equipment.

The task force is also involved in community-based events promoting awareness issues to reduce auto theft.

Our goals and objectives remain the same to reduce the auto theft rate in Madison and St. Clair Counties. We plan to focus on insurance fraud and false reporting during the next quarter.



# NEMAT

During the third quarter of 2013, NEMAT six inspectors were assigned to the unit. NEMAT initiated 40 investigations and recovered 46 stolen vehicles with an estimated value of \$1,323,998. NEMAT responded to 12 requests for assistance from six different law enforcement agencies within NEMAT's jurisdiction as well as assisting two out-of-state law enforcement agencies. NEMAT affected 15 arrests consisting of 21 criminal charges. The charges included but

are not limited to arrests for Possession of Stolen Motor Vehicles (PSMV), Aggravated Possession of Stolen Motor Vehicle, Criminal Trespass to a Vehicle, Computer Fraud, Official Misconduct, and Arrest Warrant executions. NEMAT established the Broadview Police Department as a contributing member to the task force during this quarter.

NEMAT agents and the Illinois SOS Police conducted an investigation into SOS employees identified utilizing their position as auditors for the SOS Driver's Services Bureau to facilitate the issuance of fraudulent registrations. The fraudulent registrations allowed vehicle owners to avoid emission testing requirements. Additionally, other fraudulent registrations were used to hide the true identity of stolen retagged vehicles. The offenders provided post Miranda statements admitting to being involved with issuing fraudulent registrations for monetary gain. The offenders were charged with counts of official misconduct, computer fraud, and unlawful use of fraudulent information on a registration application.

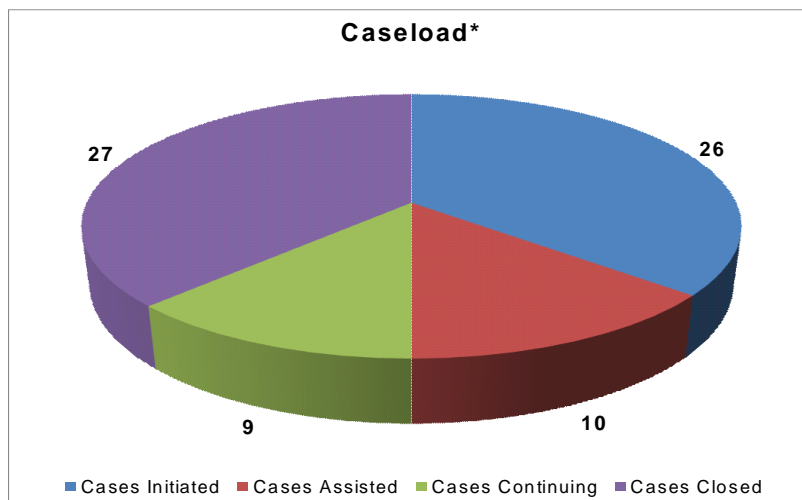
NEMAT agents identified vehicles with fraudulent registration utilized to hide the true identity of the stolen retagged vehicles. NEMAT agents identified one

of the vehicles in Parkersburg, West Virginia. Working with the Parkersburg Police Department (PPD), the stolen retagged vehicle was located, identified, and recovered. NEMAT agents provided evidence to PPD to assist in developing probable cause to issue an arrest for the offender in possession of the vehicle. One offender was charged with PSMV. During the joint investigation with PPD, leads were developed in identifying a second retagged stolen

vehicle. NEMAT agents reported the second vehicle as stolen in the Law Enforcement Agencies Data System (LEADS). The second vehicle was located by the Monroe County Sheriff's Department (MCSD) in Woodfield, Ohio, approximately 30 miles north of Parkersburg, WV. NEMAT provided MCSD with evidence and the offender in possession of the second vehicle was charged with Receiving/Possession of Stolen Property.

NEMAT agents identified approximately 68 stolen retagged vehicles and began to report the vehicles stolen. Eleven vehicles were recovered without incident. During one recovery, the driver/offender was found to be in possession of multiple fraudulent

	<i>Prior Reporting Period</i>	<i>Current Reporting Period</i>	<i>2012 Totals</i>	<i>2013 YTD</i>
<i>Officers</i>	7	7	8	7
<i>Caseload* (initiated, assisted, continued, closed)</i>	70	72	198	206
<i>Arrests</i>	6	13	44	29
<i>Recoveries</i>	80	45	97	166
<i>Recovery Value</i>	\$895,303	\$1,323,828	\$2,041,420	\$2,893,874
<i>Recovery Value-Other Items</i>	\$50,624	\$18,800	\$223,750	\$118,647



credit cards. The offender identified a known suspect, already under investigation by NEMAT for a Burglary to an Auto and PSMV, as selling stolen retagged vehicles.

## NIATTF

During the third quarter, NIATTF opened 46 new investigations resulting in 31 arrests and 48 vehicles recoveries worth \$507,275.

In August, task force agents learned that a subject purchased a 2013 Chevrolet Tahoe and a 2011 Cadillac Escalade from a dealership in Fond Du Lac, Wisconsin, earlier in the summer. The purchaser used two Bank of America cashier's checks to pay for the vehicles. Several days later, it was discovered that the cashier's checks were fraudulent.

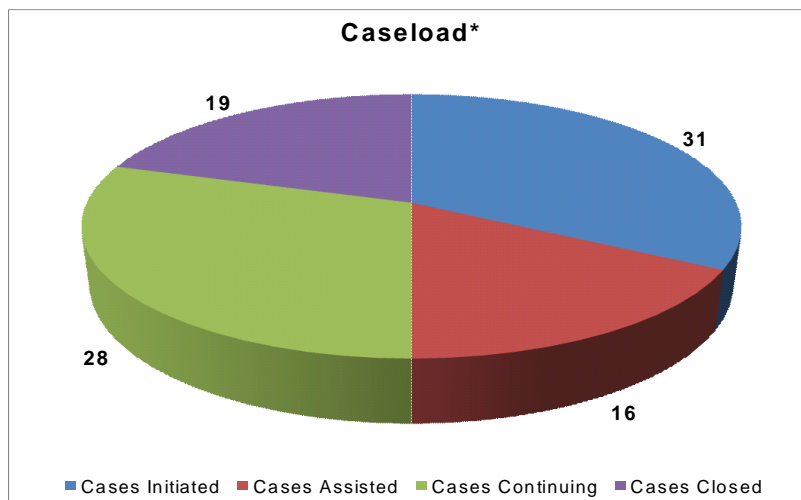
A cooperative effort between state and federal law enforcement agencies resulted in the recovery of both vehicles. The United States Customs and Border Protection recovered the 2013 Chevrolet Tahoe in a container in Norfolk, Virginia. The vehicle was scheduled for shipment to a Middle Eastern country. The 2011 Cadillac Escalade was recovered at the Greater Rockford Auto Auction (GRAA) in Rockford, Illinois. The vehicle was sold to the GRAA by a subject one-day after the vehicle was purchased in Wisconsin.

Information received from the Coral Springs, Florida, Police Department (CSPD) suggests the subject who purchased the vehicles in Wisconsin is a member of an organized group that used fraudulent cashier's checks to purchase luxury sport utility vehicles. According to the information received from the CSPD, many of the purchased vehicles were shipped to overseas and sold.

In an unrelated incident that occurred in July, a 2009 Cadillac Escalade was purchased by a subject in Mt. Carroll, Illinois, with a fraudulent Harris Bank cashier's check. Two days later, the vehicle was sold by the subject to another party. Subsequently, the vehicle was recovered in Bolingbrook, Illinois. At the present time, there is an outstanding arrest warrant for the subject who, in August, left the United States for Jordan.

	<i>Prior Reporting</i>	<i>Current Reporting</i>	<i>2012 Totals</i>	<i>2013 YTD</i>
<i>Officers</i>	7	7	8	7
<i>Caseload* (initiated, assisted, continued, closed)</i>	54	94	160	198
<i>Arrests</i>	7	31	25	50
<i>Recoveries</i>	28	48	78	96
<i>Recovery Value</i>	\$527,290	\$507,275	\$537,113	\$1,219,987
<i>Recovery Value-Other Items</i>	\$29,200	\$45,400	\$44,068	\$74,600

Subsequently, the vehicle was recovered in Bolingbrook, Illinois. At the present time, there is an outstanding arrest warrant for the subject who, in August, left the United States for Jordan.



# SLATE

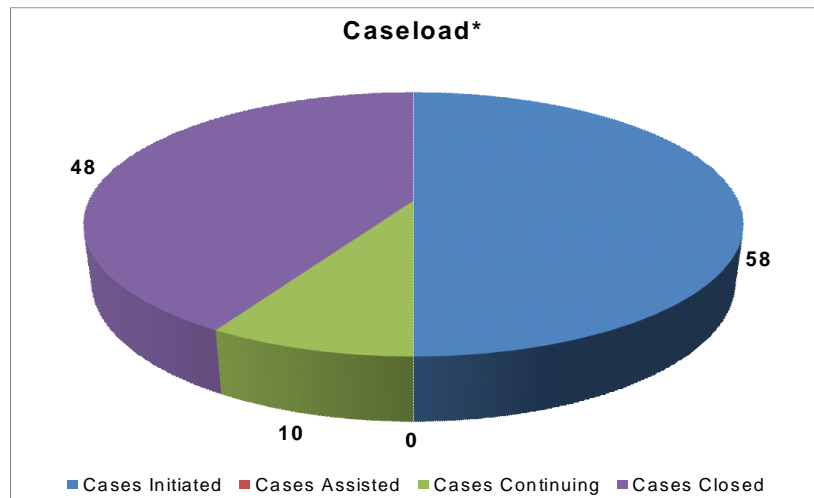
SLATE agents learned that Mercedes-Benz was equipped with LoJack. With the assistance of Phil Cappitelli of LoJack, it was determined that the vehicle was still in the Los Angeles, California area. Agents coordinated with the Los Angeles County Sheriff's Department and recovered the vehicle from an apartment complex. Agents determined that the person in possession of the vehicle was an innocent third party purchaser. Attempts are still underway in California to determine the true identity of the person who secured the original loan.

juveniles were charged with PSMV, Robbery, Mob Action, and Battery.

	<i>Prior Reporting</i>	<i>Current Reporting</i>	<i>2012 Totals</i>	<i>2013 YTD</i>
<i>Officers</i>	5	5	5	5
<i>Caseload* (initiated, assisted, continued, closed)</i>	74	116	188	264
<i>Arrests</i>	26	34	36	97
<i>Recoveries</i>	26	46	69	94
<i>Recovery Value</i>	\$225,394	\$768,992	\$664,015	\$1,157,110
<i>Recovery Value-Other Items</i>	\$43,144	\$237,405	\$163,736	\$280,549

In September, SLATE agents handled an investigation in which four juveniles utilized a stolen 2003 Chevrolet Cavalier to commit three robberies around the Bradley University campus. The Bradley University Police Department received reports from three female victims that a group of individuals in a silver Chevrolet Cavalier approached them and forcibly removed their cell phones from them. Shortly after a description of the car was broadcast, a Peoria County Sheriff's Deputy observed the vehicle and attempted to make a traffic stop on it. The vehicle fled from the deputy and a short pursuit ensued. Once the vehicle was stopped, two of the occupants attempted to flea on foot but were apprehended by SLATE agents.

The four juveniles were later transported to the Peoria County Jail, where they were interviewed by SLATE Inspector Guyton. During the course of the interviews, all four juveniles provided varying accounts of what occurred and to what extent they were involved. At the conclusion of the interview, all four



# TCAT

During the third quarter of 2013, TCAT agents initiated 49 Investigations, two of which were for insurance fraud or a fraud-related offense. The task force arrested 25 individuals. The task force recovered 65 vehicles for a recovery value of \$894,410.

Regarding significant activity for the quarter, Inspectors recovered 39 automobiles, 6 tractor trucks, 13 semi-trailers, 5 motorcycles, and one piece of construction equipment. TCAT agents also recovered 110 stolen airbags during a lengthy multi-state ongoing investigation.

TCAT agents worked in conjunction with the Illinois State Police (ISP) Cargo Theft Unit on a two-day bait trailer detail. In addition, TCAT placed a trailer in an area with multiple trailer thefts.

TCAT agents in Kankakee worked with Illinois Department of Natural Resource officers and conducted registration/title/safety checks on 58 boats in the Kankakee area.

TCAT agents in Kankakee conducted a License Plate Recognition (LPR) detail and received five hits related to wanted subjects. The detail was a multi-jurisdictional effort including the Kankakee County Sheriff's Office and the Kankakee City Police Department.

Investigations were continued into multiple trailer/cargo thefts which culminated in the execution of multiple search warrants in locations throughout Cook County. The joint investigation between TCAT, ISP Cargo Theft, and the Chicago Police Department resulted in the recovery of over \$2 million in recovered stolen pharmaceuticals. There was also a large recovery of stolen items including car doors, workout equipment, diapers, and paper products. The operation cul-

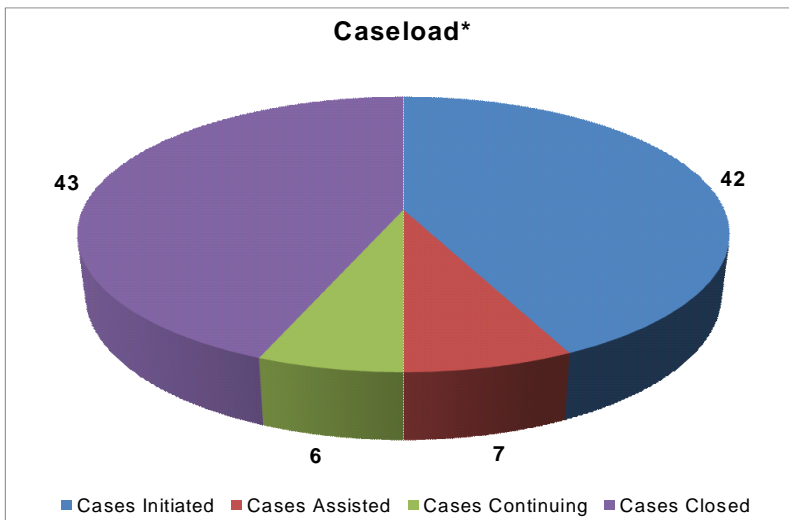
minated with an additional search warrant at a residence in Berwyn and bank accounts seized. The financial investigation is being continued by the Chicago Police Department.

A multi-year investigation related to multiple stolen vehicles sold in numerous states via *e-Bay* was concluded with the arrest of the target. He was charged with a 29 count criminal complaint and

held on \$500,000 bond. The complaints were related to six stolen motor vehicles, wire fraud, mail fraud, and money laundering. In the process, a high-value Lamborghini was recovered and seizure documentation completed. An unlicensed auto repair business was also shut down and SOS Police assistance was requested.

TCAT agents concluded the investigation into a subject selling stolen airbags online. The investigation resulted in the recovery of 110 airbags with a value of \$83,600. Additionally, a total of 13 stolen vehicles were recovered after the execution of multiple search warrants. 8 firearms, 100 grams of mushrooms, stolen identifications, multiple stolen dealer keys, key cutting machines, reprogramming machines, and stolen goods were recovered. Two

	Prior Reporting	Current Reporting	2012 Totals	2013 YTD
Officers	12	12	12	12
Caseload* (initiated, assisted, continued, closed)	128	98	236	462
Arrests	28	26	72	126
Recoveries	64	64	118	246
Recovery Value	\$1,083,312	\$860,960	\$1,124,910	\$3,069,182
Recovery Value-Other Items	\$341,050	\$200,336	\$700,387	\$1,241,773



subjects were arrested and charged. They are currently held on \$2,600,000 bond and additional charges are possible. Agents determined that the subject operated as a legitimate car dealer and purchased vehicles across the country through auctions. The individual then stole additional vehicles and retagged those stolen cars before selling them back through auctions and private party listings. The subject went as far as changing the black boxes and *OnStar* devices in many of the vehicles. Vehicles were sold to unwitting third and fourth parties with clean titles to the vehicles. Agents worked with NICB and task force officers across the country to locate, identify, and seize the retagged vehicles. After reviewing multiple boxes of financial records and dealer jackets, along with comparing information to auction records, it is believed that the subject sold well in excess of 200 stolen retagged vehicles. The investigation is continuing and will be a lengthy process. Additionally, several other states will seek charges in the auto theft conspiracy and additional subjects are targeted.

TCAT agents worked in conjunction with the Will County Sheriff's Office and Lake County, Indiana, Sheriff's Office by placing multiple All-terrain-Vehicles (ATVs) equipped with tracking devices along State Line Road to combat multiple ATV Thefts.

TCAT continued a joint investigation with the Federal Bureau of Investigation (FBI) with a criminal conspiracy ring stealing high-end vehicles and possible shipped them out of the country. The target met with an undercover officer on two occasions this month to discuss ongoing criminal enterprise business.

An insurance fraud case related to a stolen skidsteer with an insurance claim was investigated, and it was determined the subject knew where the skidsteer was located. The subject was located and interviewed and made several past claims for stolen equipment when, in fact, he paid someone to store it on private property.

TCAT was contacted by a subject who attempted to purchase a vehicle from a private party being sold via *Craigslist*. The subject asked the seller to see the vehicle identification number (VIN) so she could check the *Carfax* of the vehicle, but the subject would not provide that information. TCAT agents conducted an undercover operation and determined the vehicle was branded as a salvage vehicle with a rebuilt title.

In Bolingbrook, TCAT agents responded to an assist in relation to a cargo theft involving high-end electronics. A related suspect vehicle was identified and agents located that vehicle in Chicago. A tracking order was obtained and a tracker was placed on the vehicle.

In Manteno, agents responded to assist with a vehicle which was stopped. The driver had stolen plates and an open title. It was determined the vehicle was a junk vehicle which the subject attempted to piece together and put back on the street.

# CCSAO

The CCSAO had the following activities during the third quarter 2013.

## NEMAT

The unit worked with the Chicago Police Department and NEMAT to investigate a group of individuals who stole cars and resold them using multiple methods. In some instances, the offenders rented cars from various rental companies. The individuals installed trackers on the cars and

then returned them to the agency. At some point after the cars were returned, the cars were stolen. In some cases, the thefts occurred days after the cars were returned. In other cases, weeks passed before the cars were stolen. In other instances, the offenders placed trackers in cars that were at auction and stole them after they were sold. The offenders also bought high-end cars, installed trackers, sold them, and subsequently stole them. After each theft, the cars were retagged and resold. It is believed that the offenders are operating nationwide. The investigation is ongoing.

The CCSAO worked with NEMAT to investigate a group of individuals who purchased high-end cars, financing the purchases with loans from various banks and then defaulting on the loans after making a small number of purchases. In the meantime, the individuals submitted fraudulent lien waivers to the SOS to secure clean titles. The individuals then sold the cars multiple times between corporations that they control, often financing the deals with loans which they defaulted on, again utilizing the same scheme. Eventually, the cars were sold to unsuspecting third parties who believe that they bought used vehicles at market prices. The investigation is ongoing.

## GMAT/BATTLE

The unit worked with BATTLE-GMAT to investigate individuals who entered dealerships under the guise of shopping for new cars. They swapped keys of cars on the lot and returned later to steal the cars.

It appears that these individuals are operating throughout Illinois, Missouri, Wisconsin, and Michigan. Based upon one recent arrest, there may be over 100 cars involved in the investigation. The investigation is ongoing.

The CCSAO worked with BATTLE-GMAT to investigate a firm operating a storage yard where multiple stolen vehicles were found. It is believed that

	<i>Prior Reporting</i>	<i>Current Reporting</i>	<i>2012 Totals</i>	<i>2013 YTD</i>
<i>Referred</i>	8	23	118	45
<i>Accepted</i>	8	21	118	36

the firm was shipping the vehicles and equipment overseas. The investigation is

ongoing.

The unit worked with BATTLE-GMAT on an investigation of a scheme in which high-end cars were stolen out of state, retagged, brought to Illinois, and resold.

## Chicago Police Department

The unit worked with the Chicago Police Department to investigate a crew of suspected gang members who stole and resold cars or chopped them and sold them for parts. In some cases, it is believed that the stolen cars were promptly resold. It is believed that other cars are retagged and resold, including through various social media outlets. In excess of 30 individuals were identified as associated with the scheme. It is believed that the crew operates more than 10 chop shops. The number of cars stolen is unknown at this time, but could exceed 100. The investigation is ongoing.

The unit worked with the Chicago Police Department to prosecute a truck driver who picked up a load of tire rims from victim. The defendant later told the victim that his truck and load of rims were stolen. The defendant was found in Savannah, Illinois, with proceeds from the load, which he sold. Officers recovered the truck in Chicago. The defendant was indicted for PSMV and Theft. The case is pending.



## **NEMAT/SOS INVESTIGATION**

Starting in March 2011, SOS officers assigned to NEMAT uncovered a scheme by which vehicle titles were fraudulently obtained or 'bought' to enable the vehicles to be sold to third parties without a lien attached. Vehicles were obtained in a variety of ways. Originally, vehicles were stolen by offenders who presented falsified transport orders for vehicles that were returned to dealers after the leases expired. Over time, the scheme changed and offenders applied for credit, obtained control over the vehicles and, after a few payments, defaulted on the loans. The cars were generally retagged and resold before the vehicles were repossessed. The second scheme was modified and offenders started using false Social Security Numbers (SSNs) that can be purchased from various sources on the internet. These numbers are referred to as Credit Privacy Numbers (CPNs). The CPNs are supposed to be randomly generated. The investigation revealed; however, that many are real SSNs belonging to very young or deceased individuals. Once the vehicle is obtained, the offenders alter the VIN of the vehicle and then create a false out of state title with the false VIN purporting to show the vehicle to have been sold, which is then submitted to the SOS for a new/clean title. Several offenders (approximately 15) were arrested and are being prosecuted. Further investigation continues.

## **NEMAT/Chicago Police Department**

The CCSAO worked with the Chicago Police Department and NEMAT to investigate a group of individuals who stole cars and resold them using multiple methods. In some instances, the offenders rented cars from various rental companies. The individuals installed trackers on the cars and then returned them to the agency. At some point after the cars were returned, the cars were stolen. In some cases, the thefts occurred days after the cars were returned. In other cases, weeks passed before the cars were stolen. In other instances, the offenders placed trackers in cars that were up for auction and stole them after they are sold. The offenders also bought high-end cars, installed trackers, sold them, and subsequently stole them. After each theft, the cars were retagged and resold. It is believed that the offenders are operating nationwide. The investigation is ongoing.

## **Chicago Police Department Bait Car Program**

The CCSAO Auto Theft Unit will continue to work with the Chicago Police Department and Metropolitan Life Insurance Company on the Chicago Police Department Bait Car Program (BCP). Bait cars will be left in areas of Chicago that experience a high-rate of auto thefts. Bait car arrests and convictions were followed-up with an aggressive advertising campaign of the BCP in an effort to discourage and deter individuals from committing vehicle thefts in Chicago. This advertising campaign included the placement of billboards paid for by the MVTPC that were placed at various locations within Chicago aimed at attempting to advertise the BCP in an effort to deter auto thieves. On January 1, 2008, a statutory exemption to the Eavesdropping Statute of the Illinois Compiled Statutes became effective which allowed law enforcement to conduct audio recordings in bait cars. The CCSAO and the Chicago Police Department Covert Auto Theft Team utilized this newly allowed law enforcement tool in an effort to further discourage and deter individuals from committing vehicle thefts in Chicago. Thus far, the BCP efforts resulted in 220 felony arrests, 216 felony convictions, and a 98 percent conviction rate, which resulted in convicted offenders sentenced to a total of 412 years in the Illinois Department of Corrections. The BCP efforts resulted in the arrest of several recidivists as well as offenders with extensive criminal backgrounds including previous convictions for Murder, Attempt Murder, Armed Robbery, Aggravated Battery, Robbery, Aggravated Unlawful Use of Weapons, Aggravated Driving Under the Influence, Unlawful Use of a Weapon by a Felon, and Burglary. The program is so effective that TRU-TV filmed recent arrests which are the subject of a nationally televised "Bait Car" show.

## **Training**

Assistant State's Attorney Anne Head conducted training on auto theft issues for motor vehicle theft investigators at the Chicago Police Academy.

# SAT

The SOS Police, SAT continued to work toward the major objective of reducing auto theft in Illinois. This was accomplished through its unique concept; the thorough examination of dealership records and identification of salvage titled vehicles at insurance pools.

During the third quarter of 2013, SAT referred 11 unlicensed dealerships to SOS Police Districts for investigation. Additionally, 44 contraband vehicles (total estimated value of \$240,200), were identified. A total of 443 audits were conducted with 5,995 vehicles and 290 essential parts inventoried.

SAT photographed and tracked 1,883 vehicles from insurance salvage pools during this reporting period. The SATs reviewed 1,169 "good" titles, 205 Salvage Certificates, and 2,481 Junk Certificates. Of the "good" titles and Salvage Certificates reviewed, 1,100 required branding as a Junk Title.

SOS Police Districts received 47 case referrals from SAT as a result of audits conducted. The SAT issued 58 violation letters for a total of 133 violations and four written warnings. SOS Police Districts also arrested six subjects.

The SOS SAT continued audits of licensed Illinois dealers with results as indicated above and working with all the funded motor vehicle theft task forces as requested.

*Cases Opened - Number of audits completed.*

*Stolen Vehicles Identified - Identifi-*

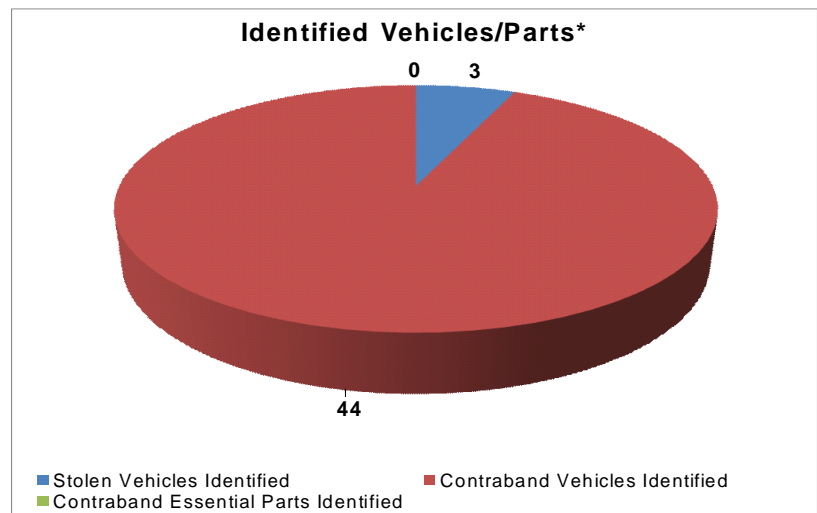
*fied as stolen in LEADS or the National Crime Information Center (NCIC).*

*Vehicle and Part Value - Untitled Vehicle - MSRP NADA listed value. All Other Vehicles - Retail NADA value. Value is estimated.*

*Contraband Vehicles and Parts - Any vehicle identified without a public Vehicle Identification Number or part without appropriate markings.*

	Prior Reporting	Current Reporting	2012 Totals	2013 YTD
Cases Opened	511	443	3,638	1,768
Vehicles Inventoried	7,482	5,995	28,894	17,438
Stolen Vehicles Identified*	1	3	16	6
Value of Stolen Vehicles Identified	\$4,850	\$18,175	\$158,136	66,875
Contraband Vehicles Identified*	19	44	138	170
Value of Contraband Vehicles Identified	\$122,610	\$240,200	\$2,568,816	\$528,915
Contraband Essential Parts Identified*	10	131	6	141
Value of Contraband Essential Parts Identified	\$84,000	\$103,000	\$3,600	\$187,000

*Vehicles Inventoried - Vehicles examined for potential theft and ensure compliance with statutory regulations.*



**Appendix A**  
**Task Force Data Table**

	DATA							
TASK FORCE	2012 POPULATION*	TASK FORCE OFFICERS	VEHICLE THEFTS	TASK FORCE AREA RECOVERIES (LOCAL+ FOREIGN)	LOCAL RECOVERIES	FOREIGN RECOVERIES	ARRESTS	TASK FORCE RECOVERIES
BATTLE-GMAT	2,885,328*	10	399	379	167	212	30	128
MEATTF	536,741	11	275	237	106	131	31	86
NEMAT	3,954,883*	8	631	489	213	276	13	45
NIATTF	346,009	7	128	158	77	81	31	48
SLATE	187,254	5	66	97	46	51	34	46
TCAT	682,518	12	171	94	39	55	26	64
<b>Totals</b>	<b>8,592,733</b>	<b>53</b>	<b>1,670</b>	<b>1,454</b>	<b>648</b>	<b>806</b>	<b>165</b>	<b>417</b>
<b>Source</b>	U.S. Census Bureau	MVTPC Monthly Task Force Reports	LEADS (as of October 2013)	LEADS (as of October 2013)	LEADS (as of October 2013)	LEADS (as of October 2013)	MVTPC Monthly Task Force Reports	MVTPC Monthly Task Force Reports
Population Source: U.S. Census Bureau, <a href="http://quickfacts.census.gov/qfd/states/170001k.html">Population Estimates [on-line]; http://quickfacts.census.gov/qfd/states/170001k.html</a> [accessed July 29, 2013]. *Cities in the BATTLE and NEMAT jurisdictions fall under Multi-County Agencies which includes population from more than one county. The BATTLE population includes DuPage, Kane, Lake, and McHenry Counties and the Cook County cities population listed in Appendix C. The NEMAT population includes Cook County cities listed in Appendix D. City and county populations provided by U.S. Census Bureau, July 1, 2012, estimated population.								

	DATA				
TASK FORCE	\$ VALUE RECOVERED VEHICLES	CASES INITIATED	CASES ASSISTED	CASES CONTINUING	CASES CLOSED
BATTLE	\$2,378,508	20	38	32	66
MEATTF	\$830,867	61	16	18	59
NEMAT	\$1,323,828	26	10	9	27
NIATTF	\$507,275	31	16	28	19
SLATE	\$768,992	58	0	10	48
TCAT	\$860,960	42	7	6	43
<b>Totals</b>	<b>\$6,670,430</b>	<b>238</b>	<b>87</b>	<b>103</b>	<b>262</b>
<b>Source</b>	MVTPC Monthly Task Force Reports	MVTPC Monthly Task Force Reports	MVTPC Monthly Task Force Reports	MVTPC Monthly Task Force Reports	MVTPC Monthly Task Force Reports

# **Appendix B**

## **Program Goals**

## **PROGRAM GOALS 2013**

### **BATTLE**

The BATTLE-GMAT task force established three goals to work toward during 2013. The first goal is to target provide specialized investigative services to assist law enforcement agencies and insurance company special investigative units (SIUs) within the BATTLE-GMAT service area in combating auto theft and auto insurance fraud. The second goal is to conduct task force initiated investigations to target organized rings, professional auto thieves, and insurance fraud offenders. The third goal is to conduct joint investigations with county and local law enforcement agencies in the BATTLE-GMAT service area.

### **MEATTF**

MEATTF established three goals to work toward during 2013. The first goal is to reduce the amount of multi-jurisdictional offenders who commit carjacking and auto thefts in 2013 through sharing criminal intelligence. The second goal is to reduce the numbers of auto thefts and carjackings in the areas identified as being those where most vehicle crime occurs in Madison and St. Clair Counties. Lastly, MEATTF will increase the number of cases issued by the Madison and St. Clair County State's Attorneys during 2013 by 10 percent.

### **NEMAT**

NEMAT established three goals to work toward during 2013. In the first goal, NEMAT will conduct investigations targeting repeat auto theft and insurance fraud offenders. Secondly, NEMAT will promote partnerships with law enforcement and commercial business in an effort to develop proactive investigations. Finally, NEMAT will educate/assist law enforcement agencies about trends of auto theft and investigative techniques.

### **NIATTF**

NIATTF will maintain or increase the number of insurance fraud investigations. NIATTF will increase the number of bait vehicle operations. NIATTF will increase the number of multi-defendant investigations.

### **SLATE**

SLATE established three goals to work toward during 2013. The task force will conduct 12 pro-active details that will increase investigations. SLATE will maintain the current percentage of cases being accepted by the Peoria County State's Attorney's office for prosecution. Finally, SLATE will reduce the recidivism rate amongst juvenile offenders.

### **TCAT**

During 212, TCAT will increase the number of fraud/financial fraud-related investigations presented for prosecution. The task force will increase the awareness of the public and private industry concerning the social and monetary cost of auto theft related crimes. TCAT will also reduce auto theft related crime in the region.

### **CCSAO**

The first goal requires the CCSAO to aggressively pursue and prosecute criminals involved in motor vehicle theft crimes and motor vehicle-related crimes and insurance fraud. The second goal increases restitution for victims of motor vehicle theft and motor vehicle-related crimes.

## SAT

The SOS SAT has two goals during 2013. The first is to insure compliance by Illinois licensed repairer, rebuilders, and auto part recyclers, scrap processors, and out of state salvage buyers with the Illinois Vehicle Code with emphasis on the identification of contraband and stolen vehicles and parts. The second goal is to audit insurance salvage pools and review suspicious titles surrendered by other states to ensure compliance and authenticity.



## **Appendix C**

### **Cities Represented by BATTLE-GMAT Table**

**Cook County Cities in BATTLE-GMAT Task Force**

City	Population**
Barrington*	10,351
Barrington Hills	4,225
Bartlett*	41,618
Elgin*	-
Elk Grove	-
Elk Grove Village*	33,350
Hanover	832
Hanover Park*	38,373
Hoffman Estates	52,305
Inverness	7,491
Palatine	69,144
Rolling Meadows	24,241
Roselle*	22,984
Schaumburg	74,781
South Barrington	4,656
Streamwood	40,238
<b>TOTAL:</b>	<b>424,589</b>

\*Multi-county agencies include population reported from multiple counties.

\*\*Source: Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2012, U.S. Census Bureau, Population Division [on-line]; <http://quickfacts.census.gov/qfd/states/17001k.html> [accessed July 29, 2013].

## **Appendix D**

### **Cities Represented by NEMAT Table**

## Cities in NEMAT Task Force

City	Population**	City	Population**
Alsip	19,419	Lynwood	9,317
Bedford Park	580	Markham	12,625
Bellwood	19,137	Matteson	19,147
Berkeley	5,231	Maywood	24,164
Berwyn	56,800	Melrose Park	25,527
Blue Island	23,816	Midlothian	14,896
Bridgeview	16,521	North Riverside	6,692
Broadview	7,963	Oak Forest	28,155
Brookfield	19,035	Oak Lawn	56,995
Burbank	29,124	Oak Park	52,015
Burnham	4,232	Olympia Fields	5,033
Calumet City	37,232	Orland Hills	7,206
Calumet Park	7,896	Orland Park*	57,392
Chicago	2,714,856	Palos Heights	12,590
Chicago Heights	30,392	Palos Hills	17,610
Chicago Ridge	14,428	Palos Park	4,895
Cicero	84,137	Park Forest*	22,035
Country Club Hills	16,854	Phoenix	1,974
Crestwood	11,018	Posen	6,019
Dixmoor	3,650	Richton Park	13,741
Dolton	23,274	River Forest	11,216
East Hazel Crest	1,554	River Grove	10,274
Elmwood Park	24,973	Riverdale	13,609
Evergreen Park	19,929	Robbins	5,415
Flossmoor	9,512	Sauk Village*	10,559
Ford Heights	2,778	South Chicago Heights	4,157
Forest Park	241	South Holland	22,145
Franklin Park	18,398	Steger*	9,591
Glenwood	9,045	Stone Park	4,965
Harvey	25,381	Summit	11,446
Hazel Crest	14,184	Thornton	2,345
Hickory Hills	14,145	Tinley Park*	57,144
Hillside	8,193	University Park*	7,139
Hometown	4,363	Westchester	16,792
Homewood	19,418	Worth	10,844
Justice	13,026	<b>TOTAL:</b>	<b>3,954,883</b>
Lansing	28,479		

\*Multi-county agencies include population reported from multiple counties.

\*\*Source: Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2012, U.S. Census Bureau, Population Division [on-line]; <http://quickfacts.census.gov/qfd/states/1700lk.html> [accessed July 29, 2013].

TAB

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**ILLINOIS  
MOTOR VEHICLE  
THEFT  
PREVENTION  
COUNCIL**



300 West Adams Street, Suite 200  
Chicago, Illinois 60606-3997  
Phone: (312) 793-8550  
Fax: (312) 793-8422  
TDD: (312) 793-4170  
[www.icjia.state.il.us/mv](http://www.icjia.state.il.us/mv)

**Pat Quinn, Governor**

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**Hiram Grau, Chairman**  
*Illinois State Police*

**Jerry Brady**  
*Peoria County State's Attorney*

**Anita Alvarez**  
*Cook County State's Attorney*

**Larry C. Cholewin**  
*Mellife Insurance*

**Gerald M. Farina**  
*State Farm Insurance*

**Brian B. Fengel**  
*Chief, Bartonville Police Department*

**Garry McCarthy**  
*Superintendent, Chicago Police Dept.*

**Larry D. Johnson**  
*Farmers Insurance*

**Donald L. Sauzek**  
*Country Companies*

**Jesse White**  
*Illinois Secretary of State*

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**Jack Cutrone**  
*Executive Director*  
*Illinois Criminal Justice*  
*Information Authority*

**TO: Motor Vehicle Theft Prevention Council Members**  
**FROM: Greg Stevens**  
**SUBJECT: Program Presentation**  
**DATE: January 30, 2014**

Behind this memo is a copy of the Secretary of State Audit Team program performance profile. The profile was prepared by Sharyn Adams, research analyst for the Illinois Criminal Justice Information Authority.

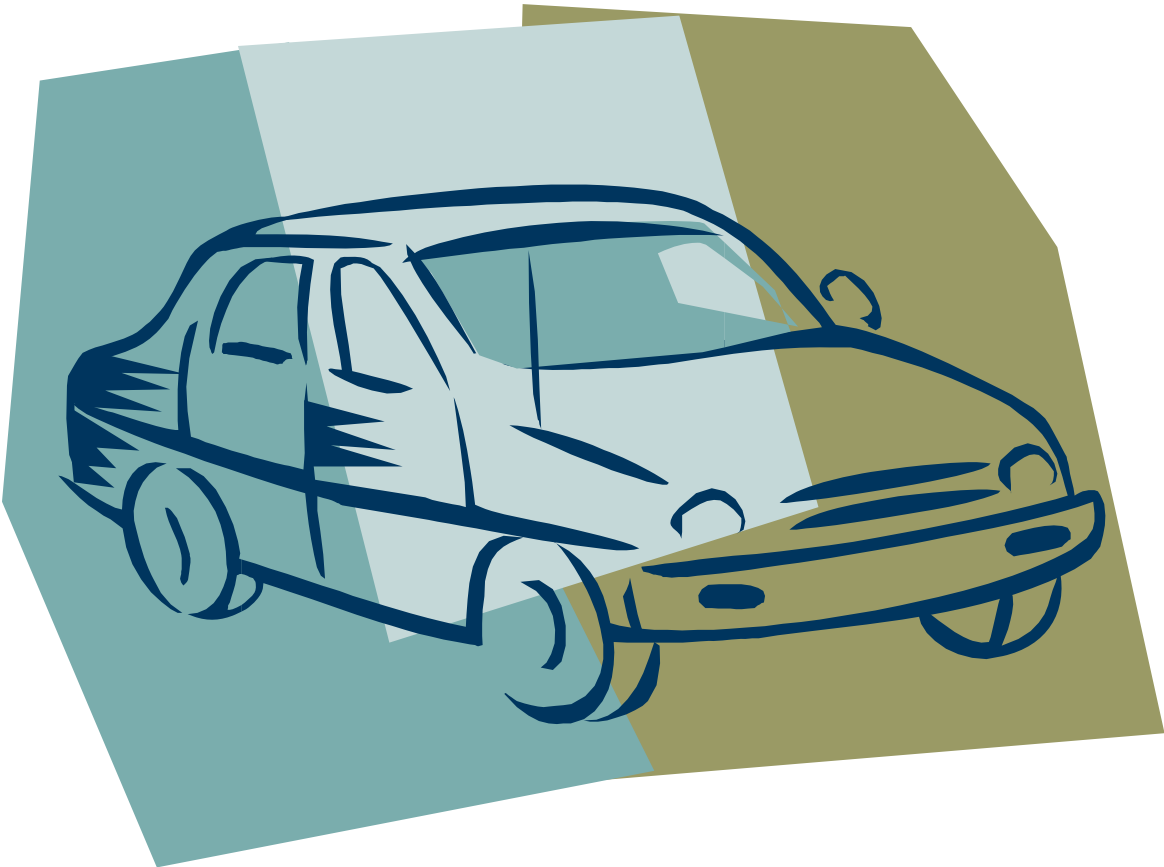
At the February 19, 2014 Council meeting a representative from the program will be present to provide an overview of the work of the programs over the last twelve months.

***"A working partnership of the public and private sectors fighting vehicle theft in Illinois"***

# A Profile of the Secretary of State Special Audit Teams

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*Prepared for*

**the Illinois Motor Vehicle Theft Prevention Council**

**Pat Quinn, Governor  
Hiram Grau, Chairman**

**February, 2014**



**ILLINOIS MOTOR VEHICLE  
THEFT PREVENTION COUNCIL**

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## Introduction

The Secretary of State (SOS) Special Audit Teams Program works to stem the flow of stolen vehicles and essential parts, to reduce the number of retagging operations, and to reduce the number of Illinois title documents issued based on falsified or improper documentation.

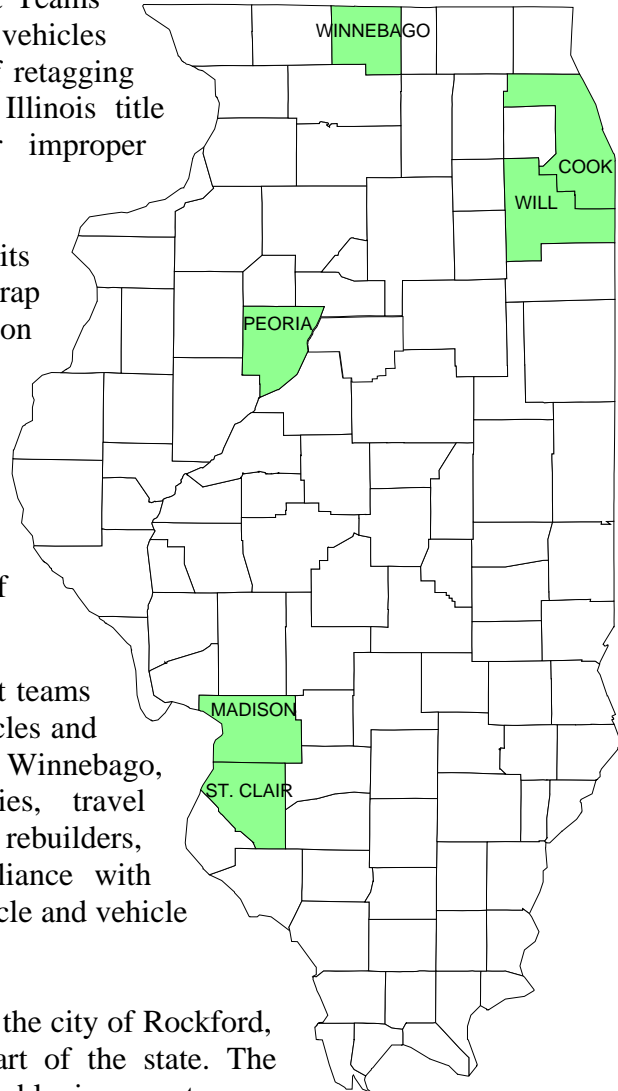
The SOS Special Audit Teams conduct audits of salvage yards, repairers, rebuilders, and scrap processors. The audit is a full verification procedure requiring the accounting for all vehicles and documents covering the dealers' past three years of operation. The goal of these unannounced audits is to create a climate in which licensees are reluctant to buy, sell, or possess stolen vehicles or parts due to the probability of being detected and apprehended.

In Illinois, the program consists of four audit teams that police the "marketplace" for stolen vehicles and parts. The four teams, based in Cook, Will, Winnebago, Peoria, Madison, and St. Clair counties, travel throughout Illinois monitoring salvage yards, rebuilders, repairers, and scrap processors for compliance with regulations governing record-keeping of vehicle and vehicle part transactions.

**Winnebago.** Winnebago County, containing the city of Rockford, is an urban county in the northernmost part of the state. The county's population has remained fairly stable in recent years. According to U.S. Census Bureau estimates, Winnebago County had a 2012 population of 292,069.

**Cook/Will.** Cook County, which includes the city of Chicago, is the state's most populous county. The U.S. Census Bureau estimates that Cook County had a population of 5.23 million in 2012. Will County, adjacent to Cook, is the fourth largest Illinois county in terms of population. Will County had a 2012 population of 682,518, according to estimates by the U.S. Census Bureau. A Northeastern Illinois Planning Commission study indicates that Will County is the fastest-growing county in the state.

**Peoria.** Peoria County, which includes the city of Peoria, is an urban county located in central Illinois. The county's population has changed little over the past several years. The U.S. Census Bureau estimates that Peoria County had a 2012 population of 187,254.





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**Madison/St. Clair.** Madison and St. Clair counties are urban counties located in the southwestern corner of the state, adjacent to St. Louis, Missouri. The populations of both counties have remained stable over the past several years. According to U.S. Census Bureau estimates, Madison County had a 2012 population of 267,883, while St. Clair County had an estimated 2012 population of 268,858.

Though the audit teams serve the entire state of Illinois, they target their operations to the above areas of greatest need, as identified in the Council’s *2012-2015 Statewide Motor Vehicle Theft Prevention Strategy*. In this report, data from the four audit teams are analyzed together, and statistics are reported for the program as a whole.

## **The market for stolen vehicles and parts**

Some dealers of vehicles, parts, and scrap are involved in the motor vehicle theft problem. Even some reputable dealers may sometimes unwittingly purchase and use essential parts removed from stolen vehicles. There are several modes of vehicle theft:

**Imports/exports**                      The movement of stolen cars across U.S. borders, primarily by organized theft rings.

**Chop shops**                              The theft and dismantling of vehicles for parts and accessories that are sold for profit. Sometimes parts are purchased by body shops or repair garages for repairs to damaged vehicles.

**Insurance frauds**                      The false reporting of vehicle theft to collect insurance claims.

**Counterfeit titles**                      The selling of stolen vehicles by means of counterfeit vehicle titles. The thieves move quickly, sell cheaply, and often use out-of-state vehicle titles.

**Counterfeit MCOs**                      Often referred to as a vehicle’s ‘birth certificate,’ in many states the Manufacturer’s Certificate of Origin (MCO) is the basis for all subsequent registration and title documents. Counterfeit MCOs are used to represent stolen vehicles as new.

**Title washing**                              Stolen cars are registered in states with loose vehicle title laws, often through a mailed-in application. The thief uses the resulting documentation of ownership – registration certificate and license plates – to sell the vehicle.

**VIN switches**                              The intentional alteration of the vehicle identification number (VIN) and the use of the fictitious VIN on counterfeit ownership or registration documents. The vehicle is then sold to an unsuspecting buyer.

**Salvage switches**                      The identity of a salvage vehicle (VIN plate, license plates, and title or bill-of-sale) is transferred to a stolen vehicle of similar

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make and model. The stolen vehicle is then sold under this identity.

**Retagging operations** The selling of vehicles with altered or falsified identities.

While the overall number of vehicle thefts in Illinois has declined since the Council began in 1991, the problem of vehicles stolen for the sale of their parts or for retagging persists.

## **Program summary**

For the most part, the SOS Special Audit Teams randomly select dealers to be audited. In some cases, the teams re-audit dealers whose previous audits uncovered a large number of violations. In addition, the teams inspect and audit out-of-state buyers who hold licenses to purchase vehicles and parts from Illinois salvage pools.

The program also regulates 14 insurance salvage pools, checking vehicles that have been deemed beyond economical repair. The titles of the pool vehicles and their serial numbers can be used to disguise stolen vehicles as legitimate ones. All vehicles in the insurance pools are documented, and sales information is used to track them both in state and out-of-state. Tracking salvage vehicles and essential parts provides another set of checks and balances to the vehicle resale system.

Operating since 1992, the SOS Special Audit Teams Program links the efforts of the Secretary of State Department of Police, Council-funded task forces, and other Illinois law enforcement agencies. The audit teams pass on cases to SOS Department of Police districts throughout the state for investigative follow-up and disposition, either by criminal or administrative action. Audit cases are also given to other law enforcement agencies, including Council-funded task forces, for investigation and follow-up.

Implemented by the Secretary of State Department of Police, the program covers the entire state of Illinois, but targets its operations to the areas of greatest need identified in the Council's *2012-2015 Statewide Motor Vehicle Theft Prevention Strategy*: the counties of Cook, Will, Winnebago, Peoria, Madison, and St. Clair.

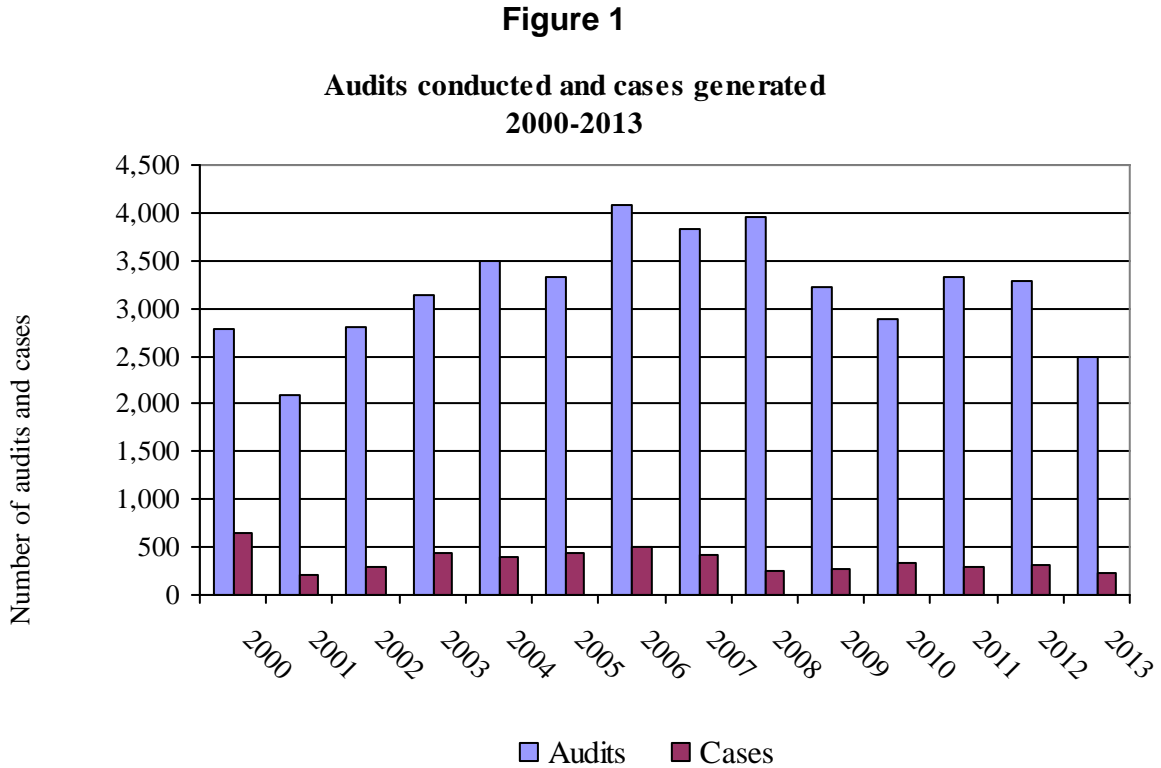
The SOS Special Audit Teams Program consists of 16 Secretary of State Department of Police personnel. The audit teams conduct their activities from four offices, located in each of the target areas.

The SOS Special Audit Teams Program is the only unit of its kind in Illinois.

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## Program activity

From January 2000 through December 2013, the SOS Special Audit Teams have conducted 44,743 audits of businesses. In 2013, the teams performed 2,496 audits involving 21,049 vehicles and 1,604 essential vehicle parts. The program has generated over 5,000 cases that have been referred to police departments for action. Figure 1 shows the number of audits conducted and cases generated for these program years.

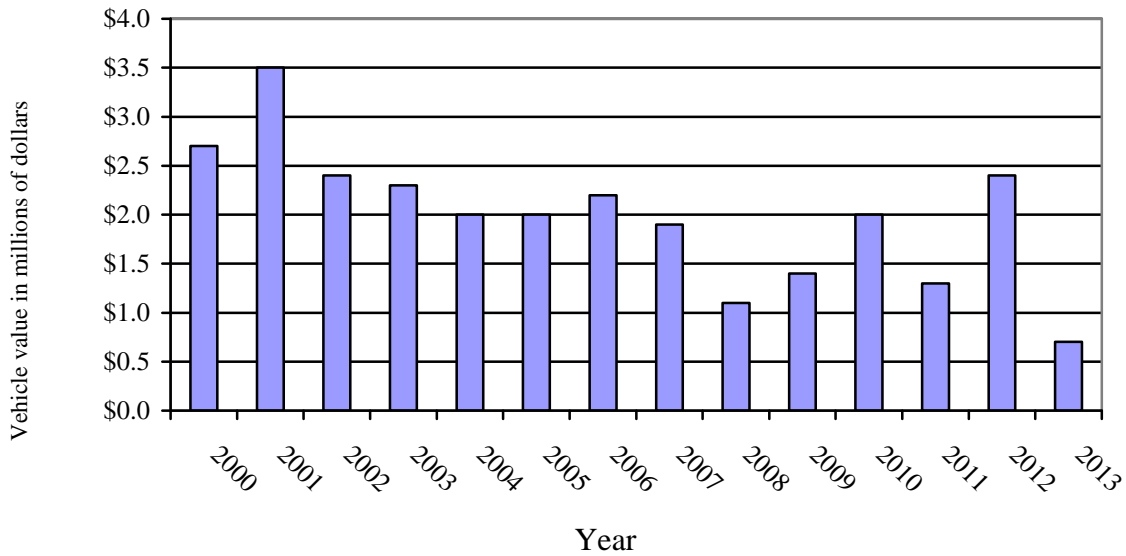


Source: Performance Reports, SOS Special Audit Teams

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Since 2000, the audit teams have recovered an estimated \$27.6 million worth of stolen or contraband (no identifiable VIN number) vehicles and parts. The teams recovered 630 stolen vehicles worth an estimated \$6.5 million. In addition, the program has recovered 2,654 contraband vehicles with a total estimated value of \$21 million. Figure 2 shows the value of stolen and contraband vehicles recovered for these program years.

**Figure 2**  
**Value of vehicles recovered 2000 - 2013**



Source: Performance Reports, SOS Special Audit Teams

The number of dealers audited each year is affected by factors such as variations in annual funding, program staff turnover, and variations in the number of dealers operating in the state. From 2000 through 2013, the audit teams audited an average of 64 percent of the dealers operating in Illinois each year. Between 2000 and 2013, 5,974 violation letters were sent in response to the 44,743 audits that were conducted. During this time period, 13% of the audits were in violation.

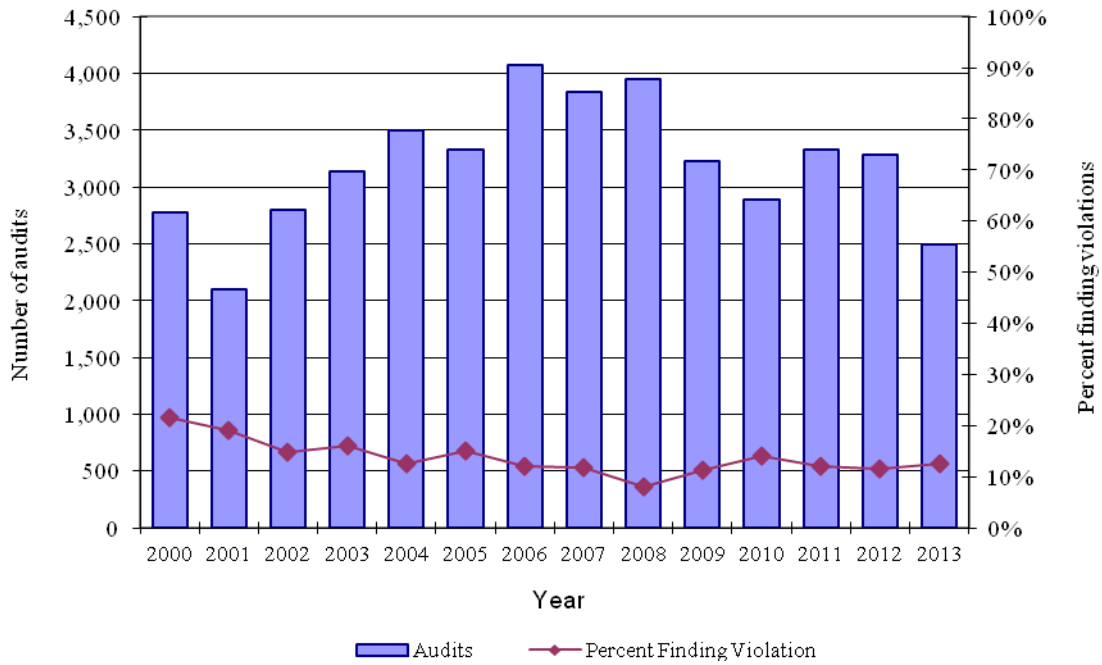
**Table 1**

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Dealers in Illinois*	5,896	5,491	5,342	5,248	5,180	5,027	4,961
Audits conducted	2,781	2,096	2,802	3,135	3,503	3,332	4,075
<b>% of Dealers audited</b>	<b>47%</b>	<b>38%</b>	<b>52%</b>	<b>60%</b>	<b>68%</b>	<b>66%</b>	<b>82%</b>
Violation letters	599	400	412	500	442	500	493
<b>% in violation</b>	<b>22%</b>	<b>19%</b>	<b>15%</b>	<b>16%</b>	<b>13%</b>	<b>15%</b>	<b>12%</b>
Cases generated	657	213	289	443	399	420	500
<b>% Generating cases</b>	<b>24%</b>	<b>10%</b>	<b>10%</b>	<b>14%</b>	<b>11%</b>	<b>13%</b>	<b>12%</b>

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Dealers in Illinois*	4,829	4,822	4,755	4,558	4,481	4,436	4,394
Audits conducted	3,838	3,950	3,232	2,893	3,329	3,281	2,496
<b>% of Dealers audited</b>	<b>79%</b>	<b>82%</b>	<b>68%</b>	<b>63%</b>	<b>74%</b>	<b>74%</b>	<b>57%</b>
Violation letters	448	320	361	410	402	375	312
<b>% in violation</b>	<b>12%</b>	<b>8%</b>	<b>11%</b>	<b>14%</b>	<b>12%</b>	<b>11%</b>	<b>13%</b>
Cases generated	412	252	270	333	299	314	236
<b>% Generating cases</b>	<b>11%</b>	<b>6%</b>	<b>8%</b>	<b>12%</b>	<b>9%</b>	<b>10%</b>	<b>9%</b>

\*Includes scrap processors, auto parts recyclers, rebuilders and repairers only.  
Source: Performance reports, SOS Special Audit Teams

**Figure 3**  
**Audits and percentage finding violations**  
**2000-2013**



Source: Performance Reports, SOS Special Audit Teams

During the time from January through December of 2013, the team conducted 2,496 audits, issued 312 violation letters, and gave 554 charges. The team also inventoried 21,049 vehicles and 1,604 parts. The team was able to review 2,156 certificates of titles, 765 salvage certificates, and 6,192 junking certificates. The activities of the team led to the recovery of 5 stolen vehicles during the 2013 calendar year.

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## Funding Summary

The Illinois Motor Vehicle Theft Prevention Act took effect on January 1, 1991, creating the Illinois Motor Vehicle Theft Prevention Council. The Council has the statutory responsibility to prevent, combat, and reduce motor vehicle theft in Illinois. The Act established the Motor Vehicle Theft Prevention Trust Fund, a special trust fund in the State Treasury, from which the Council makes grants to eligible applicants for programs that address the problem of motor vehicle theft in Illinois. The act requires all insurance companies licensed to write private passenger motor vehicle physical damage coverage in Illinois to pay annually into this trust fund an amount equal to \$1 for each earned car year of exposure for physical damage insurance coverage during the previous calendar year. About \$6 million is collected each year.

**Table 2**

**Funding by program year  
2000 - 2013**

<b>Year</b>	<b>Total Grants</b>	<b>Total Expenditures</b>	<b>Total Lapse</b>
2000	\$1,198,275	\$1,198,275	\$0
2001	\$1,030,000	\$918,360	\$111,640
2002	\$1,060,900	\$982,907	\$77,993
2003	\$1,092,707	\$1,012,115	\$80,592
2004	\$1,062,112	\$1,047,582	\$14,530
2005	\$1,143,303	\$1,133,424	\$9,879
2006	\$1,196,236	\$1,137,821	\$58,415
2007	\$1,238,654	\$1,233,999	\$4,655
2008	\$1,313,654	\$1,284,158	\$29,496
2009	\$1,303,598	\$1,269,900	\$33,698
2010	\$1,282,036	\$1,259,193	\$22,843
2011	\$1,282,036	\$1,282,036	\$0
2012	\$1,382,036	\$1,330,525	\$51,511
2013	\$1,297,068	\$1,237,357	\$59,711
<b>Total</b>	<b>\$16,882,615</b>	<b>\$16,327,652</b>	<b>\$554,963</b>

The Motor Vehicle Theft Prevention Trust Fund funds the Secretary of State Special Audit Teams Program. Table 2 lists the amount granted to the unit for each program year. Between 2000 and 2013, the program was awarded a total of \$16,882,615. In 2013, the audit team was awarded \$1,297,068 in grant funds.

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## **Conclusion**

The Secretary of State Special Audit Teams Program works to reduce the illegal activities of dealers of vehicles, parts, and scrap in Illinois. The teams aim to create a climate in which dealers are reluctant to buy, sell, or possess stolen vehicles or parts due to the likelihood of being apprehended.

Since the program began, the audit teams have seen a substantial increase in dealer compliance with the law. In 2000, 22 percent of the audits conducted uncovered one or more violations, and 24 percent generated cases for law enforcement investigation. These percentages have declined considerably as the program continues. In 2013, 13 percent of audits found violations, and nine percent generated law enforcement cases (see Figure 3). Since the number of audits has remained high, the declining percentage of violations suggests a substantially higher compliance rate among dealers.





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**Illinois Criminal Justice Information Authority**



Pat Quinn, Governor  
Jack Cutrone, Executive Director  
Hiram Grau, Chairman

TAB

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**Pat Quinn, Governor**

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**Hiram Grau, Chairman**  
*Illinois State Police*

**Anita Alvarez**  
*Cook County State's Attorney*

**Jerry Brady**  
*Peoria County State's Attorney*

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*Metlife Insurance*

**Gerald M. Farina**  
*State Farm Insurance*

**Brian B. Fengel**  
*Chief, Bartonville Police Department*

**Garry McCarthy**  
*Superintendent, Chicago Police Dept.*

**Larry D. Johnson**  
*Farmers Insurance*

**Donald L. Sauzek**  
*Country Companies*

**Jesse White**  
*Illinois Secretary of State*

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**Jack Cutrone**  
*Executive Director*  
*Illinois Criminal Justice*  
*Information Authority*

**TO: Motor Vehicle Theft Prevention Council Members**  
**FROM: Chairman Grau**  
**SUBJECT: Resolution of Commendation**  
**DATE: February 2, 2014**

I have asked staff to prepare a Resolutions of Commendation for Lieutenant Colonel Terry Lemming. Lieutenant Colonel Lemming has retired from the Illinois State Police and served as Chairman of the Grant Review Committee from August, 2012 to December 31, 2013 and has made significant contributions towards fulfilling the mission of the Council.

A copy of the Resolution is located behind this memo.

***“A working partnership of the public and private sectors fighting vehicle theft in Illinois”***

ILLINOIS  
MOTOR VEHICLE  
THEFT  
PREVENTION  
COUNCIL



**RESOLUTION  
OF  
COMMENDATION**

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Terry Lemming

**Pat Quinn, Governor**

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**Jesse White**  
*Illinois Secretary of State*

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**Jack Cutrone**  
*Executive Director*  
*Illinois Criminal Justice*  
*Information Authority*

**WHEREAS**, Terry Lemming has served with distinction as Chairman of the Illinois Motor Vehicle Theft Prevention Council Grant Review Committee, and

**WHEREAS**, Terry Lemming made many outstanding contributions toward fulfilling the mission of this Council; and

**WHEREAS**, Terry Lemming has earned and continues to enjoy the respect of his colleagues, members of the law enforcement community, Council members, and staff;

**BE IT RESOLVED** that Terry Lemming is hereby commended and cited for his outstanding service to the Illinois Motor Vehicle Theft Prevention Council.

**BE IT FURTHER RESOLVED** that the grateful appreciation of this Council and the people of the State of Illinois are conveyed to Terry Lemming and that a formal copy of this Resolution of Commendation is presented to him in honor of his dedicated service and achievement.

ADOPTED UNANIMOUSLY this 19<sup>th</sup> day of February 2014.

**Hiram Grau**  
Chairman

**Jack Cutrone**  
Executive Director

*"A working partnership of the public and private sectors fighting vehicle theft in Illinois"*