



Fraud Prevention: No Substitute for Ethical Culture

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Legal Disclaimer

Disclaimer: The material in this presentation provides commonly known topics on fraud and activities. The presentation is NOT intended to be advise, counselling or recommendations to your company. For implementing fraud or risk management initiatives, you should seek independent legal and/or professional advise.

Key Topics



Fraud Syndrome: Cause-Effect



Fraud Syndrome....Justified



✓ "I will not be caught"

✓ "Is not significant"

✓ Individual skills

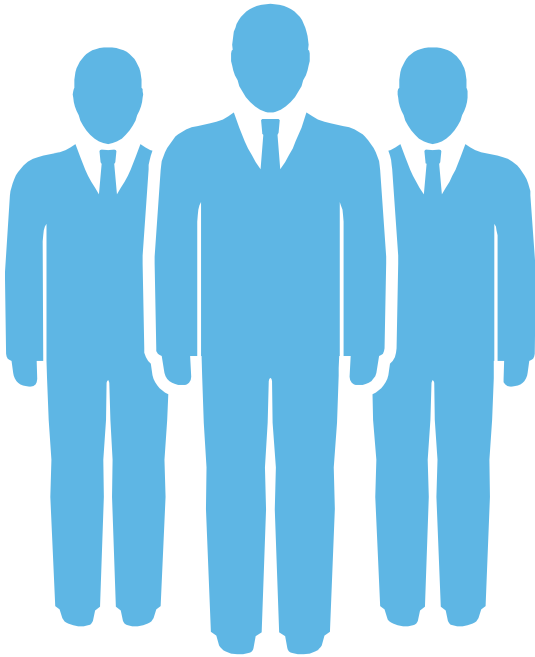
✓ Incentive structures

✓ Code is not clear

✓ Poor oversight

✓ Volume of transactions

Fraud Syndrome.....Justified – Cont.



Historical record

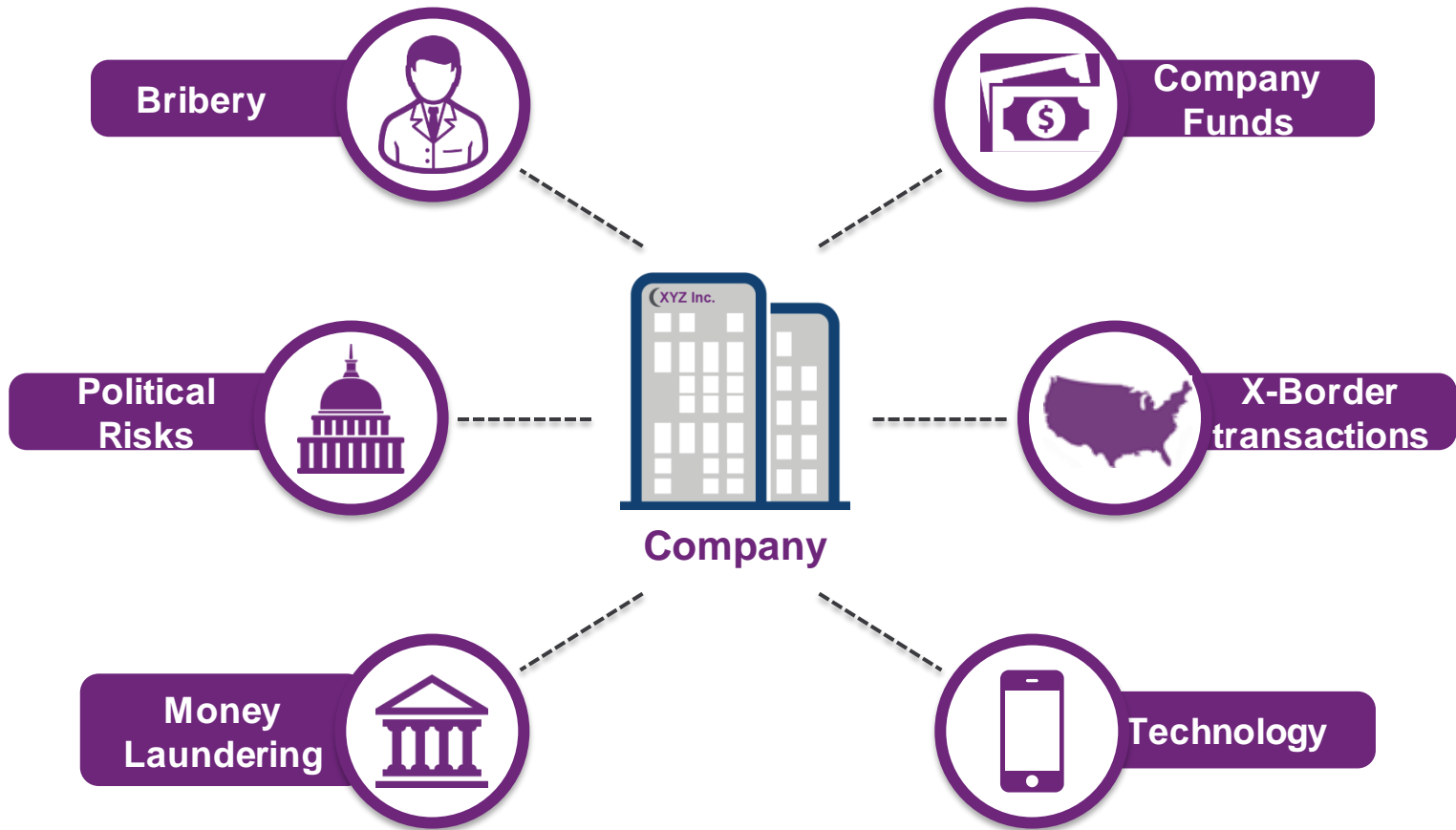


High turnover

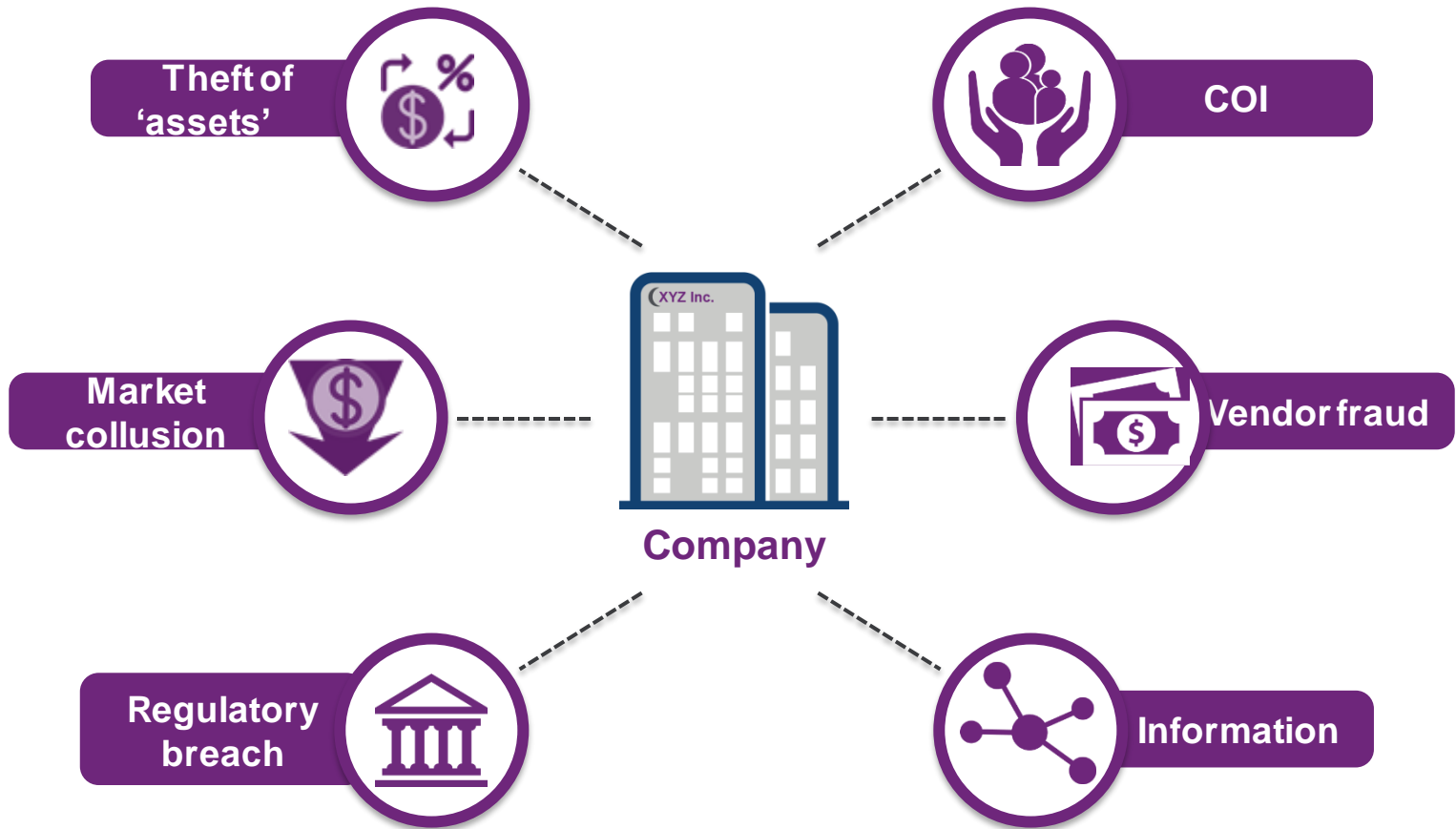


Technology security

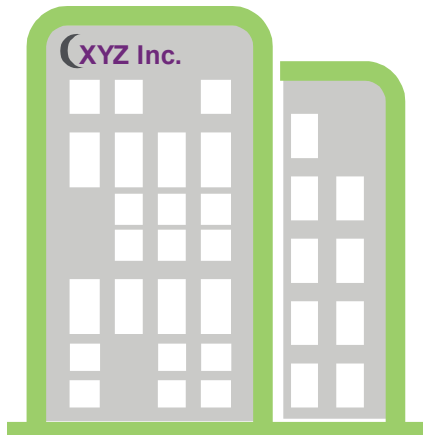
Emerging Concepts of Frauds



Emerging Concepts of Frauds – Cont.



Prevention Practices



Best Practices (ext)

- Regulator
- Law Enforcement
- Audits
- Continued Education
- Risk Management
- Courts

Best Practices (int)

- Values / Policies
- Standard Procedures
- Audits
- Monitoring
- Whistleblower Policy
- Data analysis
- Training
- Hotline

Risk Management - Fraud Impact

Data Analysis

Risk vs. Reward

Business Cycle

Continued Education

Compliance

Policies

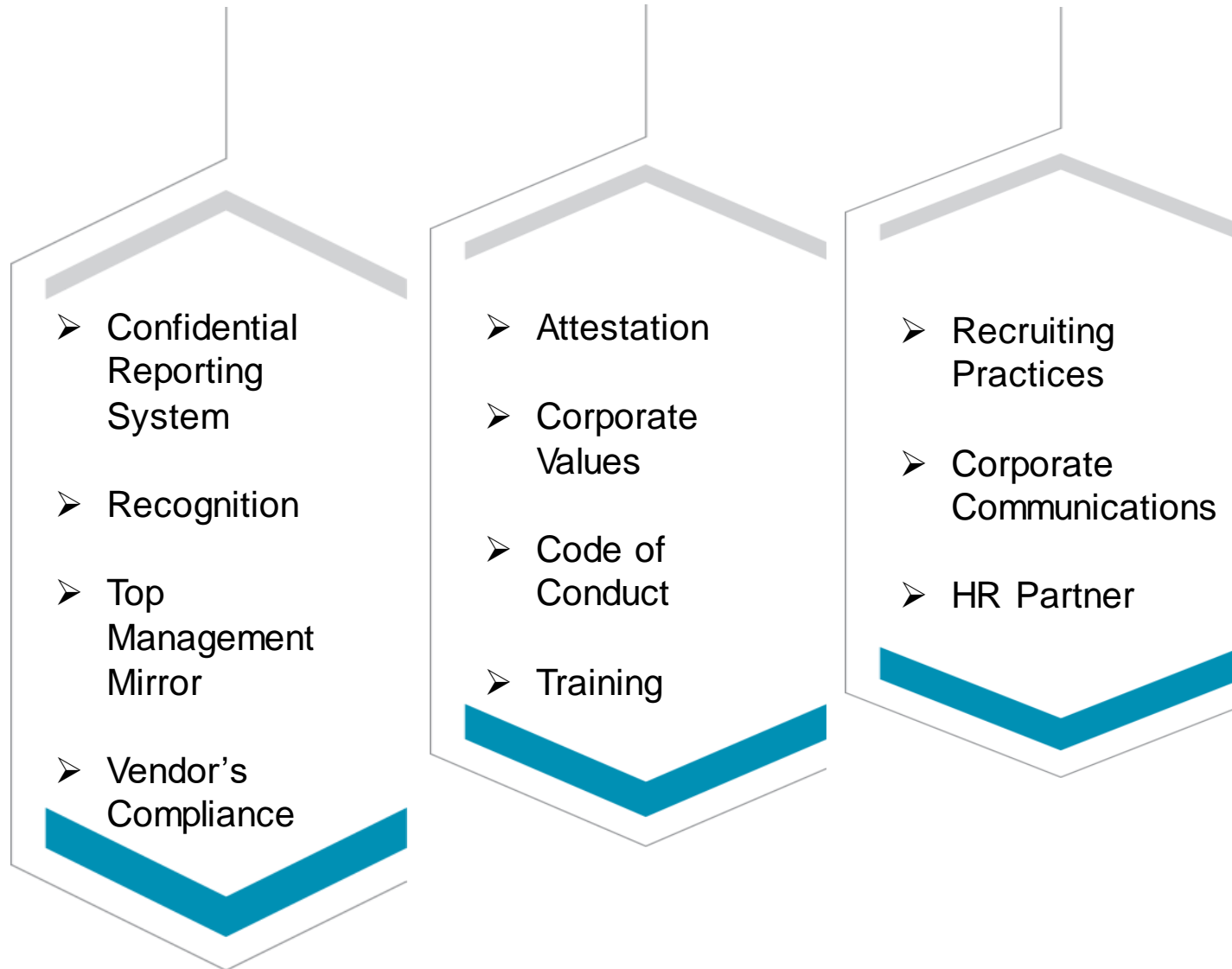
COI

Investigation &
Response

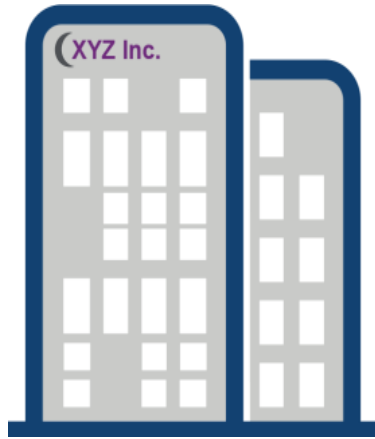
Insurance

Bonds

Ethics Culture Development



Ethics Culture Development



Company

Mission: Ethics Culture
created and promoted by the
Company



Employees