



# Fraud Prevention: No Substitute for Ethical Culture

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## Legal Disclaimer

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*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

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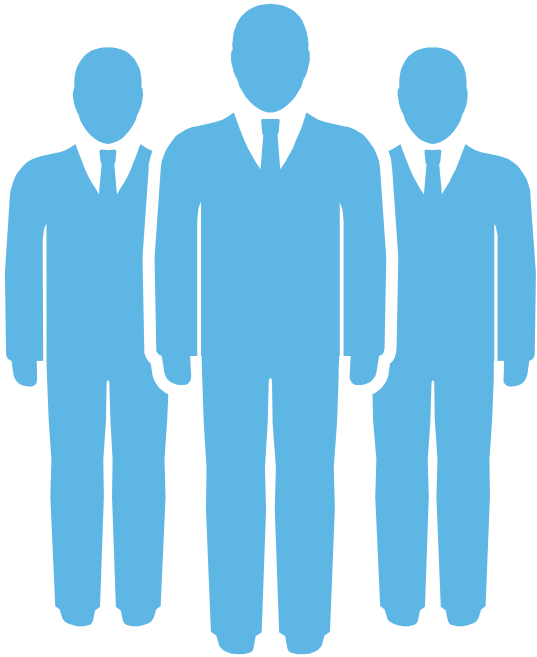
## Fraud Syndrome: Cause-Effect

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# Fraud Syndrome....Justified

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✓ "I will not be caught"

✓ "Is not significant"

✓ Individual skills

✓ Incentive structures

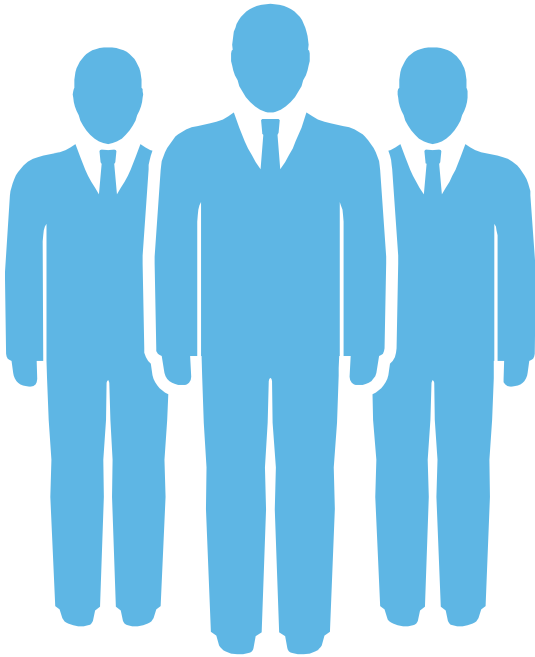
✓ Code is not clear

✓ Poor oversight

✓ Volume of transactions

## Fraud Syndrome.....Justified – Cont.

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Historical record

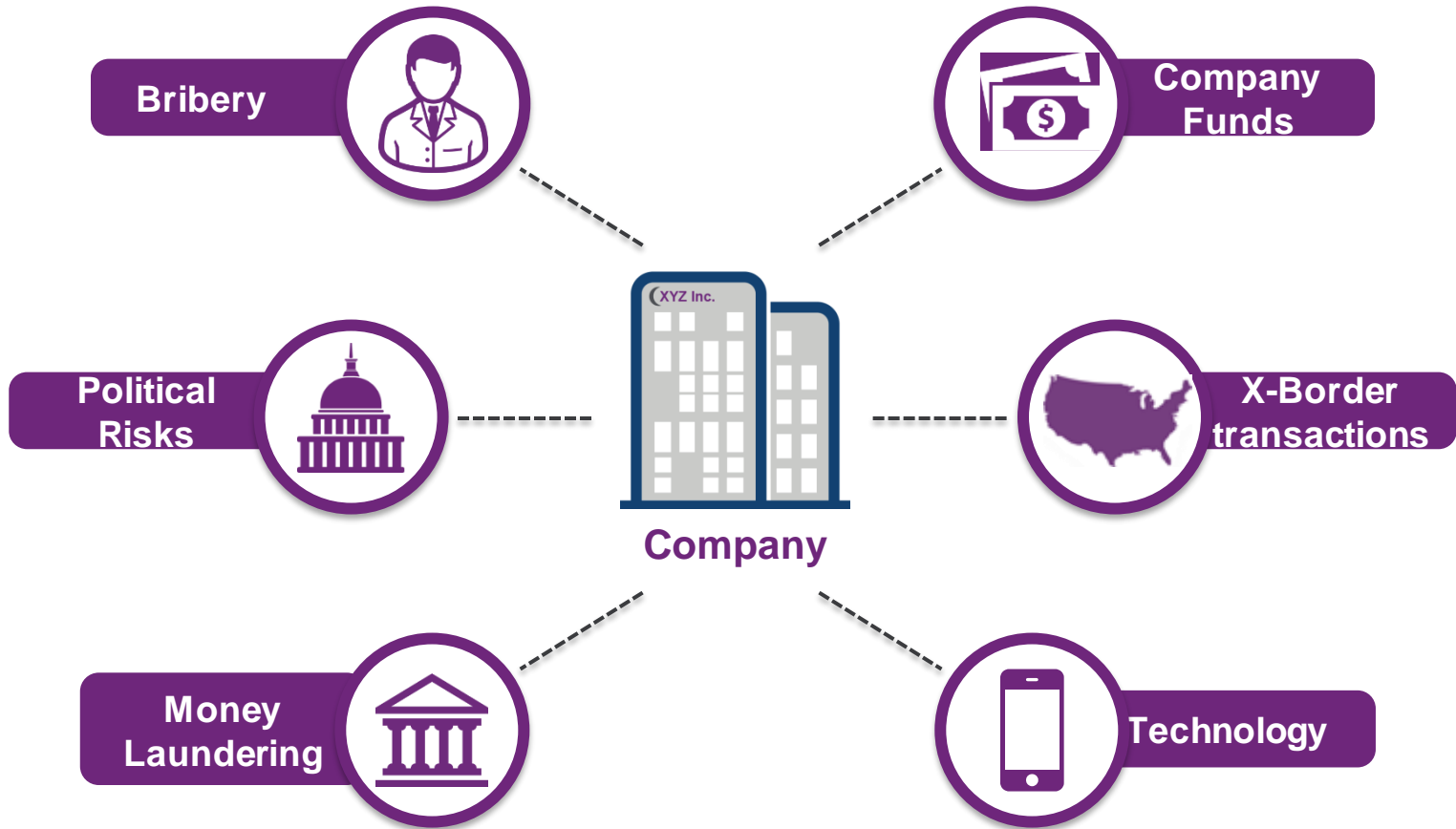


High turnover

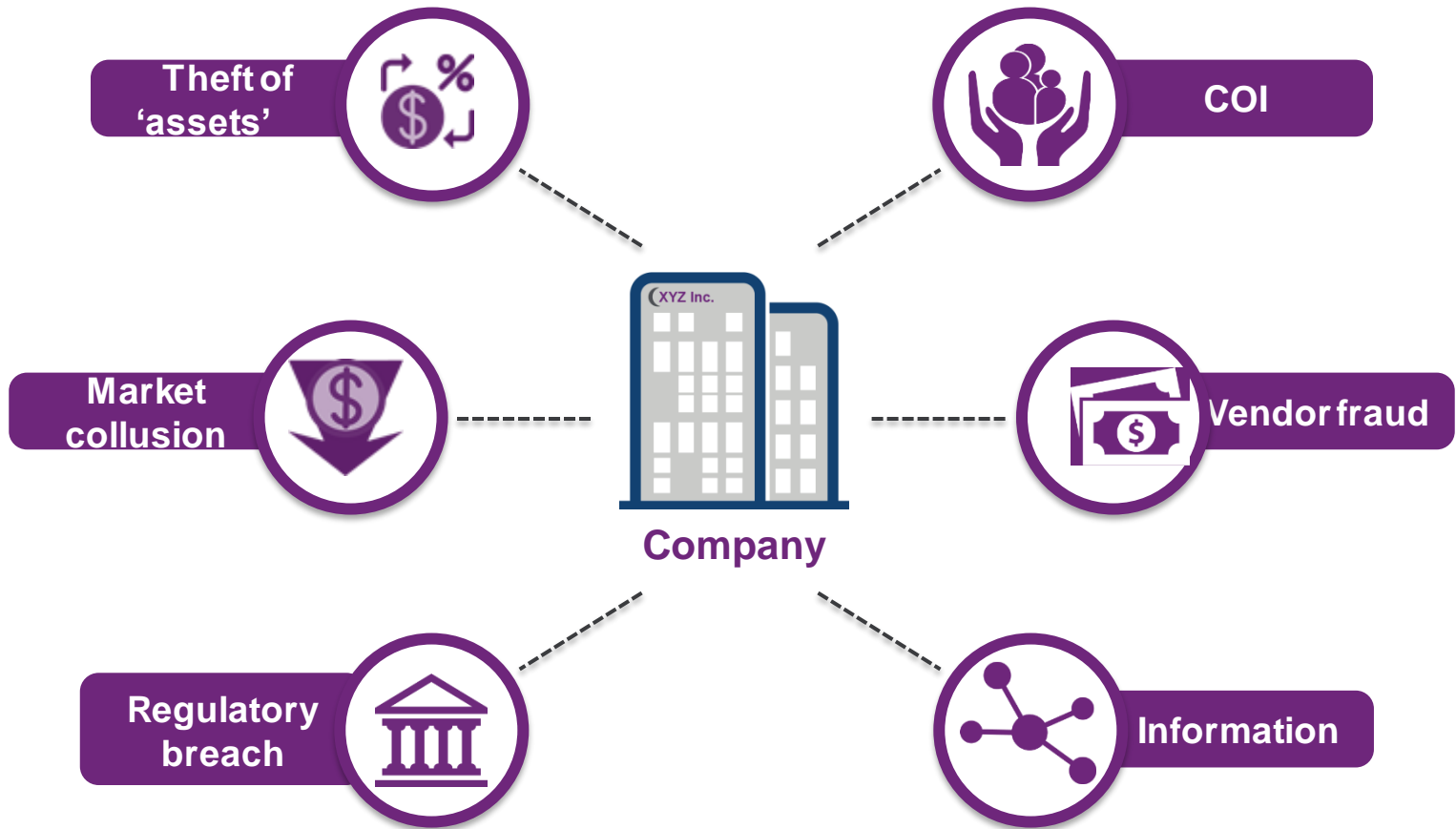


Technology security

# Emerging Concepts of Frauds



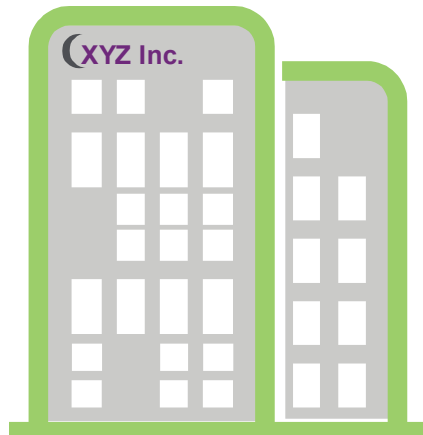
# Emerging Concepts of Frauds – Cont.





# Prevention Practices

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## 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

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Data Analysis

Risk vs. Reward

Business Cycle

Continued Education

Compliance

Policies

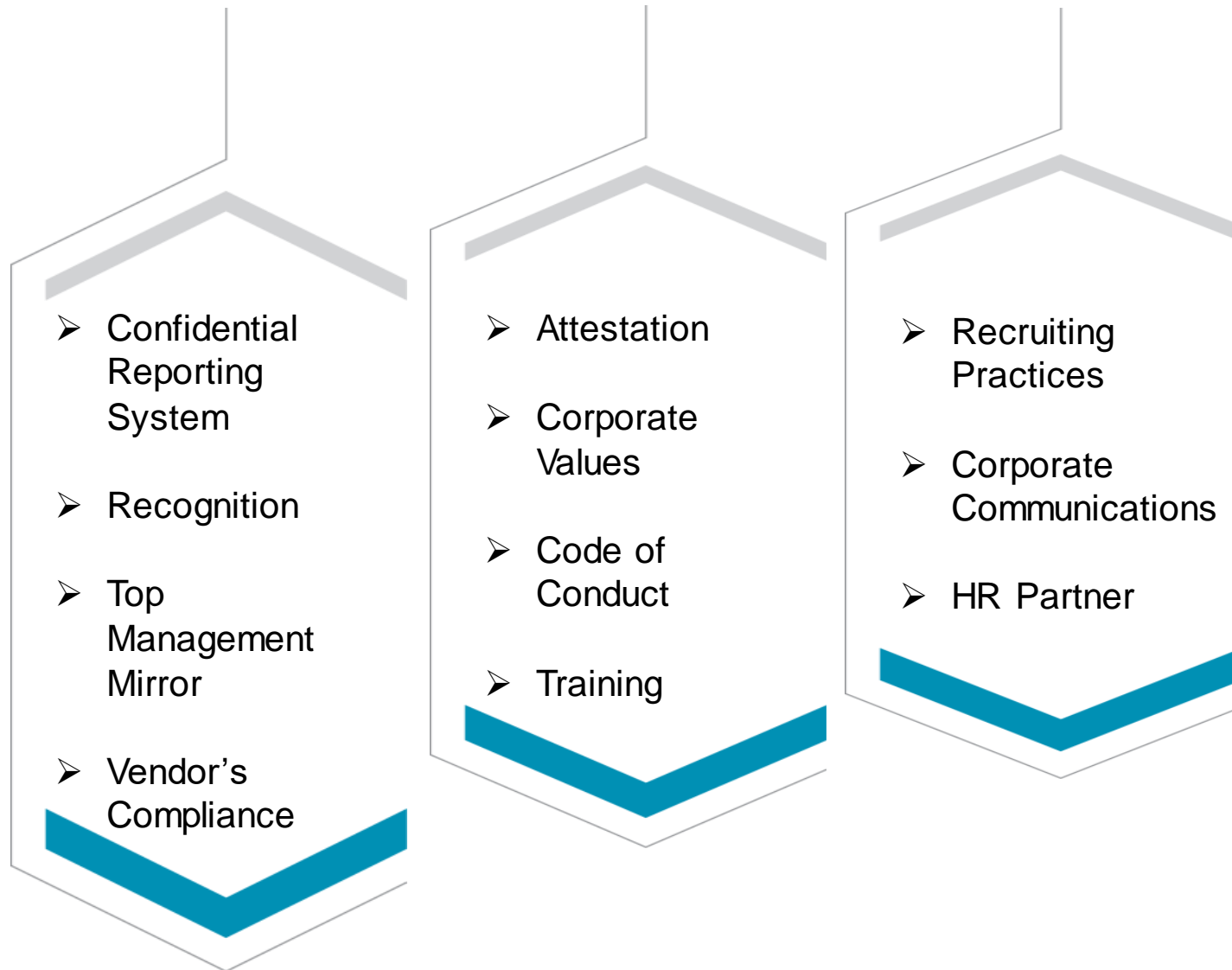
COI

Investigation &  
Response

Insurance

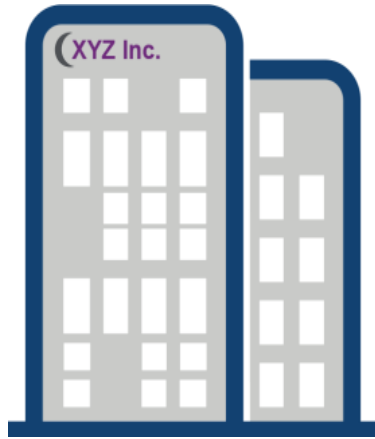
Bonds

# Ethics Culture Development



# Ethics Culture Development

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**Company**

Mission: Ethics Culture  
created and promoted by the  
Company



**Employees**