

Do you proactively identify and manage fraud risks that may affect your company?

Occupational fraud is becoming a common occurrence in business and should not be ignored. As owner or manager, you should regularly evaluate how fraud could occur in your business. A business or organization that fails to protect itself from fraud should expect to become a victim of it.

Fraud can occur in any organization even with trusted employees.

**Three factors are usually present when fraud is committed:**

- The employee saw a perceived opportunity to commit fraud.
- The employee had financial pressures they felt they need to solve.
- The employee was able to rationalize the fraudulent act.

Fraud occurring within your business or organization could put you out of business or damage your reputation so badly that you can no longer succeed. Small businesses suffer the most from occupational fraud, with an average loss of \$98,000\*. Don't let fraud jeopardize your family's and employees' future.

What can a business or organization do to prevent fraud from occurring?

**Start by taking a fraud prevention check-up. Some of the items to consider are:**

- Is there a management oversight over employees' work?
- What internal controls have been established to prevent fraud?
- Is there a segregation of duties?
- Does your workplace promote ethical behavior?
- Are employees encouraged to communicate any known or suspected fraud?
- Does your business have a code of conduct?

Our Certified Fraud Examiners are trained to detect fraud and help to establish the necessary controls to prevent it. Contact Cheryl Kenitzer, CPA, CFE, Audit Team Manager to evaluate your business and its vulnerability to fraud.

