

January 3, 2012

Protect Your Business From Fraud

[RISK ADVISORY/INTERNAL AUDIT](#)
BY [ANGELA GILLIS](#)

SHARE WITH A COLLEAGUE



DOWNLOAD PDF



The Association of Certified Fraud Examiners is the world's largest anti-fraud organization. Its mission is to reduce the incidence of fraud and white-collar crime and to assist its membership in fraud detection and deterrence. Its most recent "Report to the Nations on Occupational Fraud and Abuse" (2010) truly reflects fraud as a global epidemic, estimating that the typical organization loses 5% of its annual revenue to fraud, most of which is attributable to white-collar crime. Translated on a global scale, this figure approximates \$2.9 trillion. Small organizations are hit the hardest due to the fact that they are typically lacking in anti-fraud controls.

What is "white-collar" crime and who are its perpetrators? White-collar crime encompasses a range of fraud types including financial statement omission; theft of assets, intellectual property, and customer records; bribery, and many others. According to the report, high-level executives are most likely to be at the center of large financial frauds, with owners and executive frauds more than three times as costly as frauds committed by managers, and more than nine times as costly as employee frauds. And what departments breed the greatest number of fraudsters? – Accounting tops the list, followed by operations, sales, customer service and purchasing.

Sadly enough fraud tends to have warning signs generally referred to as "red flags" that in many cases are ignored over an extended period of time. Red flags include employees living lifestyles well beyond their means, those who consistently elect to forgo vacation, recordkeeping practices that on the surface appear to be substandard, and numerous others.

Are your organization's employees' trained in fraud prevention and detection practices? Now is your opportunity to expand your fraud mitigation skills. Schneider Downs is hosting a [free Combating Fraud Seminar](#) on January 18 in Columbus, Ohio. This is a valuable opportunity to hear FBI agents discuss public corruption investigations and attend fraud based educational sessions.

Education is the foundation for preventing and detecting occupational fraud. Now's your chance to take what you learn and apply it to your own organization.

© 2012 Schneider Downs. All rights-reserved. All content on this site is property of Schneider Downs unless otherwise noted and should not be used without written permission.

This advice is not intended or written to be used for, and it cannot be used for, the purpose of avoiding any federal tax penalties that may be imposed, or for promoting, marketing or recommending to another person, any

tax related matter.

SHARE

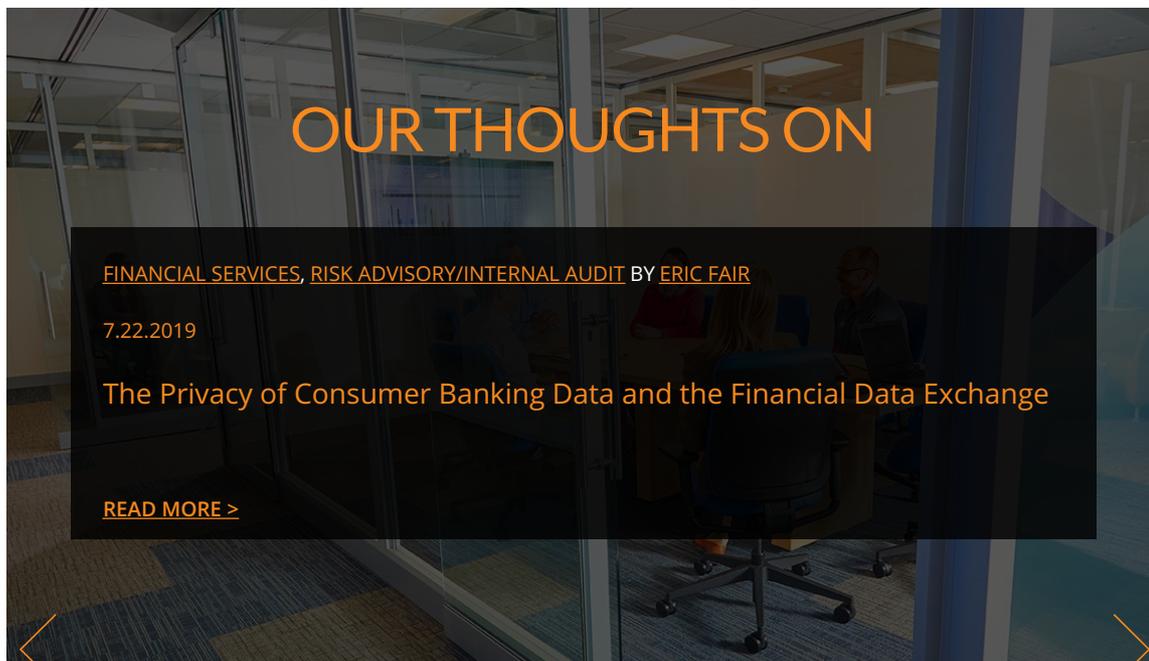


You've heard our thoughts... We'd like to hear yours

The Schneider Downs Our Thoughts On blog exists to create a dialogue on issues that are important to organizations and individuals. While we enjoy sharing our ideas and insights, we're especially interested in what you may have to say. If you have a question or a comment about this article – or any article from the Our Thoughts On blog – we hope you'll share it with us. After all, a dialogue is an exchange of ideas, and we'd like to hear from you. Email us at contactSD@schneiderdowns.com.

Material discussed is meant for informational purposes only, and it is not to be construed as investment, tax, or legal advice. Please note that individual situations can vary. Therefore, this information should be relied upon when coordinated with individual professional advice.

© 2019 Schneider Downs. All rights-reserved. All content on this site is property of Schneider Downs unless otherwise noted and should not be used without [written permission](#).



Register to receive our weekly newsletter with our most recent columns and insights.

SUBSCRIBE FOR UPDATES

MOST RECENT

The 2019 Form 1040 Facelift

SCHNEIDER DOWNS, TAX
BY JAMES PAPIANO | 8.20.2019

Next year, taxpayers can expect to see their Form 1040 to be different than the postcard-size Form that was introduced as a result of the 2017 Tax Cuts ...

[READ MORE](#)

MOST POPULAR

Tax Treatment of Deferred Revenue in a Taxable Stock Acquisition

MERGERS AND ACQUISITIONS, TAX
BY GARY SLIMAN | 6.1.2016

The general rule under Internal Revenue Code §451 is that an item of income shall be included in gross income for the taxable year or receipt unless ...

[READ MORE](#)



Have a question? Ask us!

We'd love to hear from you. Drop us a note, and we'll respond to you as quickly as possible.

[ASK US](#)

CONTACT US



PITTSBURGH

One PPG Place, Suite 1700
Pittsburgh, PA 15222

contacts@schneiderdowns.com

p:412.261.3644 f:412.261.4876



COLUMBUS

65 East State Street, Suite 2000
Columbus, OH 43215

contacts@schneiderdowns.com

p:614.621.4060 f:614.621.4062



WASHINGTON, D.C.

1660 International Drive, Suite 600
McLean, VA 22102

contacts@schneiderdowns.com

p:571.380.9003



An Association of
Independent Accounting Firms

FOLLOW US



CLIENT PORTAL



SUBSCRIBE FOR UPDATES

E-mail

SUBMIT



[PRIVACY POLICY](#)

LEGAL INFORMATION

SITE MAP

Schneider Downs is a Top 60 independent Certified Public Accounting (CPA) firm providing accounting, tax, audit and business advisory services to public and private companies, not-for-profit organizations and global companies. We also offer Internal Audit; Technology Consulting; Software Solutions; Personal Financial Services; Retirement Plan Solutions and Corporate Finance Services. Schneider Downs is the 13th largest accounting firm in the Mid-Atlantic region and serves individuals and companies in Pennsylvania (PA), Ohio (OH), West Virginia (WV), New York (NY), Maryland (MD), and additional states in the United States with offices in Pittsburgh, PA and Columbus, OH.

© 2019 Schneider Downs & Co., Inc. Maryland license number 35239