



Forensic Accounting *and* Litigation Support Services Group

EXPOSING OCCUPATIONAL FRAUD

A recent report on occupational fraud by the Association of Certified Fraud Examiners (“ACFE”) reveals:

- The median loss was \$140,000, while nearly 20% exceeds \$1 million
- The average fraud scheme goes for 18 months before detection
- Smaller organizations (fewer than 100 employees) are disproportionately victimized
- More than 87% of those perpetrating fraud had never been previously charged with a crime or terminated from their previous employment
- Less than 6% of those perpetrating fraud are new hires (those employed for a year or less)
- The accounting personnel are responsible for 22% of the frauds
- Increasing the perceived risk of detection is the single greatest deterrent to fraud
- Fraud prevention can be far less costly and disruptive than detection

Learn more about the ACFE and read the entire Report to the Nations at www.acfe.com or give us a call for a complimentary copy.

FORENSIC ACCOUNTING AND LITIGATION SUPPORT SERVICES GROUP

Geffen Mesher’s Forensic Accounting and Litigation Support Services Group specializes in assisting clients with fraud prevention, detection and deterrence. We frequently begin with a fraud prevention consultation. During this initial consultation, we perform a fraud risk assessment which may include:

- Identifying those areas in which your company may be most susceptible to fraud
- Evaluating and assessing risk factors or red flags common to your company’s industry
- Evaluating the design of your company’s internal control structure, with a specific focus on controls surrounding cash
- Confirming whether your internal controls are operating effectively
- Evaluating your information technology (IT) systems and controls to determine if the appropriate systems and controls are in place to meet the needs of management
- Providing you with “best practice” recommendations, customized based on your company’s operations and its industry
- Performing an assessment of key financial ratios, including benchmarking your company against your competitors and/or industry peers

Once the initial fraud consultation is complete, we will work with you, as necessary, to develop a comprehensive, customized program to address any fraud risks identified during the initial assessment, including:

- Investigating any identified red flags
- Remediating any significant weaknesses in your company’s control structure
- Performing forensic analysis using analysis software
- Investigating transactional risks identified

The initial fraud prevention consultation is intended to provide you with a report card on your controls and IT systems, while follow-up services are designed to support management in responding to risks identified, and deterring future occurrences.

Call us to learn more about our complimentary fraud prevention consultation or other forensic accounting services.