

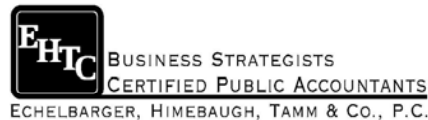
In a recent study

of fraud, small organizations
(100 employees or fewer) actually
suffer larger median losses from
fraud than large organizations
(with 10,000 plus employees).

In fact, small companies are over
100 times more vulnerable to
fraud than their largest counterparts.
However, EHTC can help you assess
your risks and create safeguards.

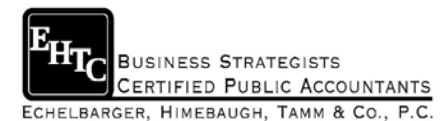


EHTC is a member of the
Association of
Certified Fraud Examiners (ACFE).
The ACFE is the premier provider
of anti-fraud training worldwide.



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**How to Prevent,
Deter and Detect
FRAUD
in Your Business**



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What is **FRAUD**?

- Fraud can take many forms:
 - ✓ Stealing money or merchandise
 - ✓ Accepting kickbacks or bribes from suppliers or customers
 - ✓ Providing false company financial information to the government, creditors or investors
 - ✓ Cheating on expense accounts
 - ✓ Claiming overtime when not worked
- The above offenses are “occupational fraud.” There are four elements to occupational fraud:
 - ✓ The activity is concealed.
 - ✓ It violates the employee’s duty of employer trust.
 - ✓ It is committed for the purpose of direct or indirect financial gain.
 - ✓ The employer loses assets, revenues, reserves, or reputation.

What are some warning signs of **FRAUD**?

- **Big spenders:** Employees who seem to be spending beyond their means probably are. Fraud may be enabling those expenditures.
- **People with financial problems:** Like big spenders, people with financial problems may be more motivated to commit fraud.
- **Rule breakers:** People who ignore company rules and regulations set a bad example and can trigger fraud throughout the company.

How can you prevent **FRAUD**?

- **Create and maintain a culture of honesty and high ethics:** Set achievable goals and express “zero tolerance” for unethical behavior. Regularly reinforce the company’s values and code of conduct.
- **Have strong internal controls:** Increase computer security, record keeping, and payment systems
- **Create a system of checks and balance:** Be certain problems can be quickly spotted.
- **Report irregularities:** Create a system for employees to anonymously report illegal or unethical actions they have witnessed or may suspect.

How can **EHTC** help?

We have Certified Public Accountants with many years of forensic accounting experience plus expertise in litigation support.

We can assist by:

- Conducting a fraud or systems audit
- Evaluating and strengthening internal controls
- Assisting in the detection and deterrence of fraud
- Resolving allegations of fraud from inception to disposition
- Gathering evidence
- Interviewing and taking statements
- Preparing reports
- Presenting expert testimony

Fraud directly impacts your company’s profits and threatens its reputation. We can help you prevent fraud or detect its presence. For more information on ways to safeguard your company, please contact us.