

CHECKLIST FOR FRAUD PREVENTION



Create a strong code of conduct



Ensure that management sets the right example day-to-day



Have strong computer system and software security controls



Create robust internal controls for processes such as procurement, hiring outside contractors, creating new vendors, wire transfers



Ensure that internal controls are updated and tested regularly



Segregate duties—no single person should be responsible for two sensitive tasks, such as requisitioning and approving contracts or payments



Test your systems



Establish a means for reporting fraud, e.g. a “whistleblower” hotline



Provide help for employees under financial pressure, e.g. Employee Assistance Programs



Take a defined stance against fraud; make it clear that internal disciplinary measures will be taken and there will be prosecution where appropriate



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