

Langlinois



What Can Go Wrong

Not-for-Profit

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1. A VP of Finance authorized wire transfers and cashier's checks from company accounts directly to her personal AMEX card, and she instructed subordinates to book entries that make these items appear as legitimate business transactions. Over several years, she paid for over \$30 million in personal expenses with company funds.
2. An outsider spoofed an executive's email to initiate a wire transfer from Finance & Accounting. Thinking the wire was authorized by an executive, the not-for-profit organization transferred \$1 million to an unknown bank account in Hong Kong.
3. A director solicited \$200,000 in charitable donations, which he deposited into his own bank account.
4. A director used holiday gift cards intended to be distributed to needy families for her own personal use.
5. Volunteer drivers used fleet vehicles for personal vacations and used company-paid fuel cards to fill up their personal vehicles.
6. Employees swapped out major parts such as tires and even entire engines out of the fleet vehicles into their personal cars.
7. A not-for-profit's executive who oversaw a \$50 million expansion project received \$500,000 in kickbacks from the contractor, including much work done on the executive's home.
8. The builder of a volunteer facility bribed an inspector to overlook shortcomings in the building's fire suppression system.
9. An employee in charge of their not-for-profit organization's purchase-card program charged \$2.1 million in personal expenses and cash withdrawals over 2 years.
10. The travel team failed to review the system for employees who purchased a refundable, full-fare plane ticket but never took the flight. The result was \$700,000 in unused plane tickets. In many of these cases, the employees received a refund for the unused ticket and also received a reimbursement on their expense report.
11. An administrative assistant who input time cards into the payroll system agreed to falsify time worked by college students in exchange for a cut of the overtime. Ten students became convicted felons before their careers began, and the total theft amounted to over \$250,000.
12. The owner of a payroll processing company embezzled client funds intended for their payrolls.
13. A payroll manager left terminated employees in the payroll system and re-directed the payments to their own bank account.
14. The VP of Human Resources created a fictitious recruiting firm. If a candidate was hired and was not already represented by a recruiting firm, the VP would invoice her company a recruiting fee for the new hire.