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*Defending
Against Fraud*
Course Catalog

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Lecture Series

Detecting Fraud

Course Summary

Auditors and investigators possess the unique ability to defend against problems, protect leaders from surprises, and help keep their organizations from landing on the front page of *The Wall Street Journal* for the wrong reasons.

This in-depth workshop offers the fundamental knowledge and skills necessary to detect fraud. You will learn practical methods for addressing difficult issues, and will reinforce key learning points through case studies and practical group exercises. Most importantly, you will see fraud as we encounter it in the field, so you may become more 'street smart' about detecting problems in your own environment.

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud.
- Flawed beliefs about fraud and risk, pitfalls and traps to avoid.

Recognize What Can Go Wrong in Major Processes

- Common symptoms of fraud in major processes.
- Creative and practical techniques for detecting problems in key areas.

Reinforce Learning through Case Studies and Practical Exercises

- Fraud cases worth knowing, and what we can learn from them.
- How to build an effective 'pre-mortem' testing plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud

Course Outline

1. Our Role in Fraud Detection
2. Twenty Flawed Beliefs
3. Case Study: A Victim's Story
4. Getting Started Exercise: Evaluating Your Environment
5. Elements of a Strong Fraud Policy
6. The Importance of Open Communication of Possible Wrongdoing
7. Establishing Responsibilities for Addressing Fraud
8. How to Detect Fraud
9. Exercise: Your Perceptions of Wrongdoing
10. What Can Go Wrong in Major Processes
11. Common Symptoms of Fraud
12. Case Study on Detection
13. Exercise: How Would You Detect?
14. Specific, Practical Techniques for Detecting Problems
15. Exercise: Constructing Your Own Symptom-Driven Testing Program
16. Case Study: How to Not Detect Fraud
17. Scams Involving Newer Technologies
18. The Problems with "Risk"
19. Building an Effective Plan for Your Environment
20. Cases Worth Knowing

Detecting Fraud Using Data Analysis

Course Summary

Learn the fundamentals of fraud detection by applying data analysis techniques to real-life scenarios. You will see fraud as we encounter it in the field! This course is 'software neutral;' regardless of the type of tools you use, you will learn how to apply techniques to your own environment.

Whether you are new to data analysis or an experienced user, a seasoned investigator or someone seeking a better understanding of what can go wrong in their organization, you will benefit from this program. Beginners will learn to effectively employ data analysis techniques in detecting common schemes, while advanced users and investigators will learn to apply their knowledge in new and challenging ways to uncover buried symptoms of fraud.

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud.
- A five-step approach to detecting fraud.

Recognize What Can Go Wrong in Major Processes

- Common symptoms of fraud and how to detect them.
- Pitfalls and traps to avoid while using data analysis.

Reinforce Learning through Case Studies and Practical Exercises

- Building logical extractions to target symptoms of problems; identifying curious patterns; practical analyses for detecting violations of statistical laws.
- Fraud cases worth knowing, and what we can learn from them.
- How to build an effective data analysis testing plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud Using Data Analysis

Course Outline

1. Our Role in Fraud Detection
2. A Case Study in Lack of Discipline
3. How to Detect Fraud
4. What Can Go Wrong
5. Common Symptoms of Fraud
6. Fundamental Steps for Building a Detective Data Analysis Program
7. Validating Data Integrity
8. Sorting Fields and Reading Field Statistics
9. Building Logic into Your Extractions
10. Exercise: Chief Executive's Expectations
11. Identifying Patterns: Summarizations and Pivot Tables
12. Effective Key Word Searches
13. Traps to Avoid
14. Benford's Law
15. Frauds Involving Round Sum Amounts
16. Identifying Duplicated / Split Transactions
17. Using Stratification to Detect Approval Circumvention and Spikes around Thresholds
18. The Classic Fraud Pattern: Consistently Escalating Totals
19. Continuous Monitoring and Building a Pre-Mortem Testing Plan
20. Appendix: Effective Data Analysis Tests by Major Process

Detecting Corruption

Course Summary

Auditors and investigators are fully aware of the high costs of corrupt practices and the difficulty in detecting side deals, kickbacks, and pay-to-play schemes. However, as false claims highlight the news, foreign corrupt practices become exposed, and more executives and officials come under indictment, auditors and investigators are being called upon to detect problems early.

In this workshop, we will examine common forms of corruption, and how unethical practices can grow from seemingly innocuous habits. Through exercises built from real-life cases, we will explore how organizations suffer from corrupt behavior, and how strong organizations defend against it.

Learning Objectives

Understand Our Role in Problem Detection

- Mindsets that keep people from detecting corrupt behavior.
- A five-step approach for detecting corrupt behavior.

Recognizing Corruption

- How to detect symptoms of corrupt behavior, such as side deals, kickbacks, conflicts of interest, and pay-to-play schemes.
- Pitfalls and dangers to avoid.

Reinforce Learning through Case Studies and Practical Exercises

- Corruption cases worth knowing, and what we can learn from them.
- How to build an effective 'pre-mortem' testing plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Corruption

Course Outline

1. Corruption Cases Worth Knowing
2. Why Problems Persist for Years
3. Warm-up Exercise: Referral Fees or Kickbacks?
4. Importance of Early Detection
5. Assessing Your Code of Ethics
6. The Importance of Open Communication of Possible Wrongdoing
7. Establishing Responsibilities for Addressing Wrongdoing
8. How to Detect Unethical Behavior
9. What Can Go Wrong: Corrupt Practices
10. Common Symptoms of Corrupt Activity
11. Understanding Bribes & Kickbacks
12. Case Study: Pay-to-Play
13. The Power of Gifts & Entertainment
14. Exercise: How Would You Detect?
15. Specific, Practical Techniques for Detecting Corruption
16. Exercise: Constructing Your Own Symptom-Driven Testing Program
17. Case Study: An Executive Receives \$65 Million in Kickbacks
18. Case Study: FCPA Investigation over Corrupt Hiring Practices
19. Bid Rigging & Multiple Bid Processes
20. Building an Effective Plan for Your Environment

Sharpen Your Fraud Investigation Skills

Course Summary

Delivering bad news is difficult. Effective and professional response to fraud is a skillset that must be practiced and developed before a serious case emerges. Many have learned the hard way, after mishandling a case and losing more from counter-litigation than from the original fraud. Organizations have suffered unnecessary reputation damage from disastrous cover-ups, failed to identify all perpetrators, or retained unethical employees and subjected themselves to further losses.

This workshop will guide you through proper investigation techniques, elegant solutions for locating and presenting evidence, and effective interviewing. By applying the principles taught in this course, you will sharpen your ability to respond professionally to fraud.

Learning Objectives

Establish the Proper Investigative Environment

- Investigative roles and responsibilities in the organization.
- Pitfalls and dangers to avoid.

Understand the Elements of Professional Investigation

- How to gather evidence and set investigation objectives.
- Tools to help prove your case.

Conduct Effective Interviews and Present Compelling Evidence

- How to properly structure interviews and read interviewee responses.
- Documenting an admission of wrongdoing.
- How to assess damage and effectively present your evidence.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Sharpen Your Fraud Investigation Skills

Course Outline

1. Warm-up Exercise: Dealing with an Allegation
2. What to Do before the Investigation Begins
3. Assessing Fraud Policy
4. Establishing Responsibilities for Addressing Fraud
5. An Investigation Checklist
6. Tips for Gathering Evidence
7. Case Study: Gathering Evidence against a Corrupt Executive
8. Investigation Pitfalls and Dangers to Avoid
9. Logging Allegations
10. How to Lead an Investigation
11. Setting Objectives
12. How to Detect Fraud
13. Developing the Scenario
14. What Can Go Wrong in Major Processes
15. Common Symptoms of Fraud
16. Tools to Help Prove the Case
17. Tips for Using Data Analysis in Investigations
18. Group Exercise: Launching an Investigation
19. Assessing the Damage
20. Effective Presentation of Evidence
21. Presentation Pitfalls
22. Aspects of Interviewing
23. Documenting an Admission of Wrongdoing
24. Post-Mortem

Strengthen Your Control Environment

Course Summary

At least one percent of any organization's top line is lost to waste, abuse, and unethical behavior, from inside and outside the organization. However, a strong control environment can reduce unnecessary losses without subverting trust or disrupting regular operations. In fact, when symptoms of problems are identified early, they may be handled on the most favorable terms. Ethical business improves the bottom line!

In this workshop, we will examine key differences between strong and weak control systems, and explore what can happen when seemingly innocuous problems are ignored. Through exercises built from real-life cases, we will examine how organizations suffer from the inability to recognize and address problems, and what can be done to strengthen your processes.

Learning Objectives

Establish the Proper Environment

- Mindsets that prevent people from addressing problems.
- Establishing healthy communication about issues and potential wrongdoing.

Understand What Can Go Wrong

- A disciplined approach to detecting problems early.
- What can go wrong in common processes.
- The power and dangers of authority.
- Systemic problems leading to organizational disasters.

Construct Stronger Controls

- Effective and elegant solutions for strengthening controls over routine processes.
- A long-term plan for maintaining a healthy environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Strengthen Your Control Environment

Course Outline

1. Business Disasters Worth Knowing
2. The Problems with a Risk-Based Approach
3. Case Study: Rainmakers Destroy a Firm
4. The Role of Belief
5. Importance of Early Problem Detection
6. Exercise: Your Perceptions of Behavior
7. Assessing Your Code of Ethics
8. Testing Your Environment with an Allegation
9. Communication of Problems and Possible Wrongdoing
10. Establishing Responsibilities for Addressing Allegations
11. A Five-Step Approach for Detecting Problems
12. What Can Go Wrong in Common Processes
13. Common Symptoms of Unethical Behavior
14. Case Study on Controls: The Heparin Event
15. Strengthening Controls over Routine Processes
16. Systemic Problems
17. The Power of Authority and Internal Control Implications
18. Checks and Balances
19. Chasing Illusions
20. Incentive-Driven Behavior
21. Beware of Overreliance on Internal Controls
22. A Long-Term Plan for a Healthy Environment

Detecting Fraud in Purchasing and Payables

Course Summary

Personnel involved in the purchasing and payables processes are responsible for substantial cash outflow, yet in many organizations these day-to-day processes are not as closely watched as other outlay departments such as Payroll or Treasury. Even if an organization believes their controls are strong, personnel and vendors can find their way around the checkpoints. False vendors and intentional overcharges have cost organizations dearly, in some cases over \$100 million. Companies have been bankrupted by the actions of a single bad actor.

This workshop offers the knowledge and skills necessary to detect and prevent fraud, reinforcing key learning points through case studies and practical exercises. Most importantly, you will see fraud as we encounter it in the field, so you may become more 'street smart' about detecting problems in your own environment.

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud.
- A five-step approach to fraud detection.

Recognize What Can Go Wrong in Purchasing and Payables

- How to detect procurement card fraud, false vendors, intentional overbilling, delivery shortages, corrupt activity, and fictitious payment schemes including the newer phishing scams.
- Weaknesses within purchasing and payment processes.

Reinforce Learning through Case Studies and Practical Exercises

- Purchasing and payment cases worth knowing, and what we can learn from them.
- How to build an effective 'pre-mortem' testing plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

*Detecting
Fraud in
Purchasing &
Payables*

**Course
Outline**

1. Our Role in Fraud Detection
2. Case Study: \$120 Million in False Invoices Paid
3. Business Email Compromise and Fake Executive Scams
4. Assessing Fraud Policy
5. Establishing Responsibilities for Addressing Fraud
6. Your Perceptions of Wrongdoing
7. How to Detect Fraud
8. Identifying Weaknesses in Purchasing and Payment Processes
9. What Can Go Wrong in Purchasing and Payables
10. Common Symptoms of Fraud
11. Case Study: A National Supplier Overcharges Millions
12. Exercise: How Would You Detect?
13. Key Ideas for Detecting Fraud in Purchasing and Payables
14. Using Data Analysis
15. Exercise: Substitution of Inferior Products
16. A Brief Look at Corruption
17. The Case for a Strong Multiple Bid Process
18. Building a Pre-Mortem Testing Plan and Cases Worth Knowing

Detecting Fraud in Payroll and Human Resources

Payroll and Human Resources are heavy with policies, procedures, and tight controls in most companies due to their responsibility over substantial cash outflow. How, then, does a global airline suffer a \$35 million payroll fraud? How does an administrative assistant receive \$1.4 million in overtime not worked over 17 years? How do 700 clients of a payroll processing company lose their payroll funds for an entire pay cycle? How does a global investment bank end up in a foreign corrupt practices investigation from their hiring tendencies?

This workshop offers the knowledge and skills necessary to detect and prevent fraud, reinforcing key learning points through case studies and practical exercises. Most importantly, you will see fraud as we encounter it in the field, so you may become more 'street smart' about detecting problems in your own environment.

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud.
- A five-step approach to fraud detection.

Recognize What Can Go Wrong in Payroll and Human Resources

- How to detect ghosts on the payroll, incentive-drive frauds, theft in time reporting, false recruiting, embezzlement of payroll funds, corrupt hiring practices, and the newer phishing scams targeting Human Resources.
- How to work with Human Resources to create an environment hostile towards fraud.

Reinforce Learning through Case Studies and Practical Exercises

- Payroll and Human Resources fraud cases worth knowing, and what we can learn from them.
- How to build an effective 'pre-mortem' testing plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud in Payroll & Human Resources

Course Outline

1. Our Role in Fraud Detection
2. Warm-up Exercise: 17 Years of False Overtime
3. How to Detect Fraud
4. What Can Go Wrong in Payroll and Human Resources
5. Common Symptoms of Fraud
6. Exercise: How Would You Detect?
7. Key Ideas for Detecting Fraud in Payroll and Human Resources
8. Using Data Analysis
9. Working with Human Resources to Create an Environment Hostile Towards Fraud
10. Case Study: A Chilled Work Environment
11. Assessing Fraud Policy
12. Establishing Responsibilities for Addressing Fraud
13. Bad Behaviors Driven by Incentive Compensation
14. Case Study: A Conflict of Interest in Human Resources
15. Frauds Involving Newer Technologies
16. Case Study: Corrupt Hiring Practices
17. Building an Effective Fraud Detection Program
18. Cases Worth Knowing

Note: This course does not delve into health benefits claims by employees, which is a function of Human Resources in many organizations. Administration of employee health benefits is an entire discipline in itself, requiring knowledge of health regulations and a specific set of problems that must be handed in an entirely separate course. We will address these frauds lightly to make attendees aware of the problems, but not cover them in depth.

Fraud Awareness for Executives and Managers

Course Summary

Executives and operational managers possess both the ability and the authority to keep their organizations from landing on the front page of *The Wall Street Journal* for the wrong reasons. What they often require is the awareness of what can go wrong within their areas and industry, how to address symptoms of emerging problems, and how their own behaviors can actually undermine an otherwise well-developed control system.

This in-depth workshop offers the fundamental knowledge and skills necessary to create an environment in which problems are detected early and handled professionally. Attendees will learn practical methods for addressing difficult issues, and will reinforce key learning points through case studies and practical group exercises.

Learning Objectives

Gain a Disciplined Approach to Problem Detection

- Mindsets that keep people from detecting problems early.
- Correcting flawed beliefs about fraud and risk.

Recognize What Can Go Wrong in Major Processes

- Common symptoms of fraud.
- Pitfalls and traps to avoid when addressing problems.

Reinforce Learning through Case Studies and Practical Exercises

- Cases worth knowing, and what we can learn from them.
- How to build an effective 'pre-mortem' plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

*Fraud
Awareness for
Executives &
Managers*

Course
Outline

1. A Disciplined Approach to Detecting Problems
2. Twenty Flawed Beliefs
3. A Case Study in Lack of Discipline
4. Getting Started with Fraud Awareness
5. Assessing Fraud Policy
6. Establishing Responsibilities for Addressing Fraud
7. How to Open Communication of Possible Wrongdoing
8. How to Detect Fraud
9. Exercise: Your Perceptions of Wrongdoing
10. Case Study: Fake Executive Scams and Business Email Compromise
11. What Can Go Wrong in Major Processes
12. Common Symptoms of Fraud
13. Case Study: A Major Supplier Overcharges by \$5.75 Million
14. Exercise: How Would You Detect?
15. Specific, Practical Techniques for Detecting Problems
16. Designing Detective Controls for Your Unique Environment
17. Beware Overreliance on Internal Controls
18. Characteristics of Troubled vs. Healthy Environments
19. An Organizational Model for Addressing Fraud Challenges
20. A Long-Term Plan for Maintaining a Healthy Environment

Hands-on Data Analysis Series

Detecting Fraud Using Data Analysis (Hands-on)

Course Summary

In this hands-on session, you will learn the fundamentals of fraud detection by applying data analysis techniques to real-life scenarios. Employing a team approach, we will work with data derived from actual cases to learn how to identify and address problems. You will see fraud as we encounter it in the field!

Whether you are new to data analysis or an experienced user, a seasoned investigator or someone seeking a better understanding of what can go wrong in their organization, you will benefit from this program. Beginners will learn to effectively employ data analysis techniques in detecting common schemes, while advanced users and investigators will apply their knowledge in new and challenging ways to uncover buried symptoms of fraud.

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud.
- A five-step approach to detecting fraud.

Recognize What Can Go Wrong in Major Processes

- Common symptoms of fraud and how to detect them.
- Pitfalls and traps to avoid in using data analysis.

Reinforce Learning through Case Studies and Practical Exercises

- Building logical extractions to target symptoms of problems; identifying curious patterns; practical analyses for detecting violations of statistical laws.
- Fraud cases worth knowing, and what we can learn from them.
- How to build an effective data analysis testing plan for your environment.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud Using Data Analysis (Hands-on)

Course Outline

1. Our Role in Fraud Detection
2. A Case Study in Lack of Discipline
3. How to Detect Fraud
4. What Can Go Wrong in Major Processes
5. Common Symptoms of Fraud
6. Detective Data Analysis: Fundamental Steps
7. Validating Data Integrity
8. Hands-on Case Study: Fraud in Reimbursable Expenses
9. Using Indexing / Sorting and Field Statistics to Detect Anomalies
10. Building Logic into Your Extractions
11. Identifying Patterns with Summarizations and Pivot Tables
12. Frauds Involving Round Sum Amounts
13. Hands-on Case Study: Wire Transfers
14. Identifying Duplicated / Split Transactions
15. Effective Key Word Searches
16. Benford's Law
17. Team Hands-on Case Study: A Problem in Fleet
18. Building a Pre-Mortem Testing Plan
19. Appendix: The Classic False Vendor Test
20. Appendix: Effective Data Analysis Tests by Major Process

Sharpen Your Fraud Investigation Skills (Hands-on)

Course Summary

Delivering bad news is difficult. Effective and professional response to fraud is a skillset that must be practiced and developed before a serious case emerges. Many have learned the hard way, after mishandling a case and losing more from counter-litigation than from the original fraud. Organizations have suffered unnecessary reputation damage from disastrous cover-ups, failed to identify all perpetrators, or retained unethical employees and subjected themselves to further losses.

This hands-on workshop will guide you through proper investigation techniques and elegant solutions for locating and presenting evidence. By applying the principles taught in this course and working through data analysis case studies, you will sharpen your ability to respond professionally to fraud allegations.

Learning Objectives

Establish the Proper Investigative Environment

- Investigative roles and responsibilities in the organization.
- Pitfalls and dangers to avoid.

Understand the Elements of Professional Investigation

- How to gather evidence and set investigation objectives.
- Tools to help prove your case.

Apply Investigation Techniques to Case Studies and Practical Exercises

- How to apply investigative steps through practical hands-on data analysis case studies and group exercises from actual investigations.
- Tips for using data analysis in investigations, assessing the damage, and effectively presenting your evidence.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

*Sharpen Your
Fraud
Investigation
Skills
(Hands-on)*

**Course
Outline**

1. Warm-up Exercise: Dealing with a “Simple” Allegation
2. What to Do before the Investigation Begins
3. Assessing Fraud Policy
4. Establishing Responsibilities for Addressing Fraud
5. A Fraud Investigation Checklist
6. Tips for Gathering Evidence
7. Using Data Analysis in Investigations
8. Hands-on Case Study: A Conflict of Interest
9. Investigation Pitfalls and Dangers to Avoid
10. How to Lead an Investigation
11. Setting Investigation Objectives
12. Exercise: Becoming an Astute Investigator
13. How to Detect Fraud
14. Exercise: Your Perceptions of Wrongdoing
15. Developing the Scenario
16. What Can Go Wrong in Major Processes
17. Common Symptoms of Fraud
18. Tools to Help Prove the Case
19. How to Assess Damage
20. Hands-on Case Study: Trouble in Consulting Projects
21. Cases Worth Knowing
22. Appendix: Data Analysis Tests by Major Process

Detecting Fraud in Purchasing and Payables (Hands-on)

Course Summary

Personnel involved in the purchasing and payables processes are responsible for substantial cash outflow, yet in many organizations these day-to-day processes are not as closely watched as other outlay departments such as Payroll or Treasury. Even where the organization believes controls are strong, personnel and vendors can find their way around the checkpoints. False vendors and intentional overcharges have cost organizations dearly, in some cases over \$100 million. Companies have been bankrupted by the actions of a single vendor.

This hands-on session builds off of our *Detecting Fraud Using Data Analysis* hands-on course; here we dive deeper into a specific process and add to our repertoire of data analysis techniques. Through exercises and case studies, you will reinforce your learning, and see fraud as we encounter it in the field.

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud
- A five-step approach to fraud detection.

Recognize What Can Go Wrong in Purchasing and Payables

- How to detect procurement card fraud, false vendors, intentional overbilling, and fictitious payment schemes including the newer phishing scams.
- Pitfalls and traps to avoid.

Apply Data Analysis Techniques to Case Studies

- Building logical extractions to target symptoms of problems; identifying curious patterns; practical analyses for detecting violations of statistical laws.
- Purchasing and payables fraud cases worth knowing, how to analyze them, and how to build an effective 'pre-mortem' testing plan to avoid the same problems.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud in Purchasing & Payables (Hands-on)

Course Outline

1. Major Disasters in Purchasing and Payables
2. Warm-up Exercise: \$120 Million in False Invoices Paid
3. How to Detect Fraud
4. Identifying Weaknesses in Purchasing and Payment Processes
5. What Can Go Wrong in Purchasing and Payables
6. Common Symptoms of Fraud
7. Detective Data Analysis: Fundamental Steps
8. Hands-on Case Study: False Vendors and Fictitious Payments
9. Validating Data Integrity
10. Identifying Anomalies through Indexing, Sorting, and Field Statistics
11. Building Logic into Your Extractions
12. Identifying Patterns: Summarizations and Pivot Tables
13. Duplicated / Identically Split Transactions
14. Tips for Detecting False Vendors and Fictitious Payments
15. Hands-on Case Study: Intentional Overcharges by a Vendor
16. Building a Pre-Mortem Testing Plan and Cases Worth Knowing
17. Excuses You Might Hear to Explain Overbilling
18. Reference Guide for Detecting Fraud in Purchasing and Payables

Detecting Fraud in Payroll and Human Resources (Hands-on)

Course Summary

Payroll and Human Resources are heavy with policies, procedures, and tight controls in most companies due to their responsibility over substantial cash outflow. How, then, does a global airline suffer a \$35 million payroll fraud? How does an administrative assistant receive \$1.4 million in overtime not worked over 17 years? How do 700 clients of a payroll processing company lose their payroll funds for an entire pay cycle? How does a global investment bank end up in a foreign corrupt practices investigation from their hiring tendencies?

This hands-on data analysis workshop offers the knowledge and skills necessary to detect and prevent fraud, reinforcing key learning points through case studies and practical exercises. Most importantly, you will see fraud as we encounter it in the field!

Learning Objectives

Understand Our Role in Fraud Detection

- Mindsets that keep people from detecting fraud.
- A five-step approach to fraud detection.

Recognize What Can Go Wrong in Payroll and Human Resources

- How to detect ghosts on the payroll, incentive-drive frauds, theft in time reporting, false recruiting, embezzlement of payroll funds, corrupt hiring practices, and the newer phishing scams targeting Human Resources.
- How to work with Human Resources to create an environment hostile towards fraud.

Apply Data Analysis Techniques to Case Studies

- Building logical extractions to target symptoms of problems; identifying curious patterns; practical analyses for detecting violations of statistical laws.
- Payroll and Human Resources fraud cases worth knowing, how to analyze them, and how to build an effective 'pre-mortem' testing plan to avoid the same problems.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud in Payroll & Human Resources (Hands-on)

Course Outline

1. Our Role in Fraud Detection
2. Exercise: 17 Years of False Overtime
3. How to Detect Fraud
4. What Can Go Wrong in Payroll and Human Resources
5. Common Symptoms of Fraud
6. Creating Symptom-Driven Tests
7. Detective Data Analysis: Fundamental Steps
8. Validating Data Integrity
9. Tips for Obtaining Sensitive Payroll and Human Resources Data
10. Hands-on Case Study: False Payments in Payroll
11. Detecting Patterns via Indexing, Sorting, and Field Statistics
12. Building Logic into Your Extractions
13. Identifying Patterns
14. Detecting Ghosts / False Payments in the Payroll
15. Escalating Totals
16. Editable Fields
17. Hands-on Case Study: Conflict of Interest in HR
18. Creating a Long-Term Detection Plan
19. A List of Data Analysis Tests for Payroll and Pensions
20. Appendices: Chilled Work Environments; Assessing Fraud Policy; Establishing Responsibilities for Addressing Fraud; Bad Behavior Driven by Incentive Compensation; A Case Study in Corrupt Hiring Practices

Note: This course does not delve into health benefits claims by employees, which is a function of Human Resources in many organizations. Administration of employee health benefits is an entire discipline in itself, requiring knowledge of health regulations and a specific set of problems that must be handed in an entirely separate course. We will address these frauds lightly to make attendees aware of the problems, but not cover them in depth.

Detecting Fraud in Capital Projects

Course Summary

This hands-on session offers the knowledge and skills necessary to reduce losses in your organization on major projects, such as infrastructure construction or a system implementation. Companies have been crippled or even bankrupted by major projects gone wrong, and corrupt relationships between purchasing personnel and vendors have led to disastrous shortcuts in delivery and jail time. Even when organizations believe their internal controls are sound, unethical suppliers understand how to circumvent bidding, payment, and performance-monitoring processes.

In this workshop, we will examine what can go wrong in capital projects, and how to detect symptoms of fraud. Through hands-on exercises and studies built from real-life investigations, you will reinforce your learning, and see fraud as we encounter it in the field.

Learning Objectives

Understand Our Role in Detecting Fraud

- Mindsets that keep people from detecting problems.
- A five-step approach for detecting unethical behavior.

Recognize What Can Go Wrong in Major Projects

- How to detect fraud within each of the seven major project phases.
- Sound methods for auditing and monitoring large contracts and major vendors.

Apply Data Analysis Techniques to Case Studies

- Building logical extractions to target symptoms of problems; identifying curious patterns; practical analyses for detecting violations of statistical laws.
- Major project fraud cases worth knowing, how to analyze them, and how to build an effective 'pre-mortem' testing plan to avoid the same problems.

Continuing Education Information

This workshop provides eight continuing education hours, delivered as either a group-live or virtual session. All attendees will receive a workbook via email prior to the session.

Detecting Fraud in Capital Projects

Course Outline

1. Major Project Disasters Worth Knowing
2. A Disciplined Approach to Preventing Problems
3. Hands-on Case Study: A Conflict of Interest
4. What Can Go Wrong in Each of the Seven Major Project Phases
5. How to Detect Fraud
6. Pitfalls and Dangers to Avoid
7. Symptoms of Fraud in Capital Projects
8. Fundamental Steps in Detective Data Analysis
9. Creating Your Own Symptom-Driven Testing Plan
10. Tips for Validating Data Integrity
11. Detecting Patterns through Indexing, Sorting, and Summarizations
12. Duplicated and Split Transactions in Project Billing
13. Effective Key Word Searches for Unethical Behavior
14. Contract Auditing at a Glance
15. A Model for Controlling Contracts
16. Hands-on Case Study: Unethical Behavior in Project Bidding
17. Building an Effective “Pre-Mortem” Plan for Your Environment
18. Practical Tips for Detecting Fraud in Capital Projects, Buy-Side, and Sell-Side
19. Appendix: A Case Study in Bid Rigging and the Multiple-Bid Process
20. Appendix: A Case Study in a Corrupt Purchasing Environment