

Webinar: Occupational Fraud – What, Why, How, and Who?

October 8, 2019

Questions and Answers

Some examples of where we are looking to prevent fraud are cases such as:

Scenario: Professional development seminar that are scheduled using Eventbrite and it has a bank account or PayPal account tied to it for payment.

Answer: I would use independent reconciliation of the account by a supervisor who is above the person responsible for setting up and maintaining the account. I also would recommend that the money not be kept in PayPal or Eventbrite accounts after the event itself, but rather it should be swept into a bank account at the organization. Oversight, monthly reporting, and reconciliation are all good preventive and detective methods that would help reduce fraud likelihood. Budgets and comparison of budget to actual are also sometimes overlooked as a detective control, but they can help identify when money may be missing.

Scenario: GoFundMe is used as a fund-raising method. How can this be protected?

Answer: Is GoFundMe being used here to raise money for governmental entities or specific events? Are we talking about schools using the tool to raise funds? If so, a school employee should be setting up the GoFundMe and their supervisor should independently review the account on a regular basis. I wouldn't recommend a PTA member or non-employee set up a GoFundMe on behalf of the organization. The organization should create a policy related to fundraising that addresses online fundraising sites, and whether and how they can be used. Management should consider the risk of asset misappropriation, as well as reputation risk, if funds should be stolen.