



VLS FRAUD SOLUTIONS *Safeguarding Nonprofit Reputations and Resources*

## INTERNAL CONTROL ADVISORS

### Proven Professionals Providing Vital Safeguards On Your Team

It's a first class team of professionals...a proactive program of fraud protection for your nonprofit organization and protection of your reputation in the community you serve.

The VLS Fraud Solutions INTERNAL CONTROL ADVISORS help you prevent fraud with a full range of services to document and assess existing internal anti-fraud controls, and providing internal audit type services. Your Advisors are a team of skilled experts including Certified Public Accountants (CPAs), Certified Fraud Examiners (CFEs), Certified Internal Auditors (CIAs) and former law enforcement investigators, including the Federal Bureau of Investigation (FBI).

### 50 YEARS OF EXPERIENCE WHERE IT COUNTS

VLS Internal Control Advisors know their business—and they know and understand the business of nonprofit organizations. These are field and industry experts who are proven leaders in fraud prevention and detection. Our internal control services are uniquely qualified with over 50 years experience in working with nonprofit organizations in California—we understand their unique demands, culture and business operations. With a reputation of credibility and a proven record of success, you cannot find a better qualified or more dedicated team to work at your side.

*"When someone commits fraud, they usually don't wish to get caught. They'll alter or destroy documents, record bogus journal... even avoid vacations or sick leave to ensure nobody ever fills-in for them."*

—Gerard M. Zach, CPA, CFE, MBA; Author: *Fraud and Abuse in Nonprofit Organizations*

### EFFECTIVE INTERNAL CONTROL STRUCTURE—VITAL TO YOUR BOARD AND AUDIT COMMITTEE

Having a strong and effective internal control structure is one of the most critical elements of protection from errors and fraud. VLS Fraud Solutions can assist in documenting your internal control structure as a vital step in assuring governing boards and audit committees that your entity has the proper systems in place. Our experts can provide descriptions, narratives and detailed flow charts of your processes—useful tools for management and external auditors.



**VLS FRAUD SOLUTIONS** A PROFESSIONAL SERVICE OF VICENTI, LLOYD & STUTZMAN LLP  
*Safeguarding Nonprofit Reputation and Resources*  
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*“Those organizations with internal audit departments detected their frauds in 18 months, as opposed to 24 months for those without internal audit departments; the median losses were \$120,000 for those with internal audit departments, as opposed to \$218,000 for those without.”*

—Association of Certified Fraud Examiners 2006 Report to the Nation

#### **PUT YOUR INTERNAL CONTROLS TO THE TEST**

But having the controls in place is only the first step. VLS Fraud Solutions can assess and test your systems to assure they are working properly. The level of service is up to you. We can provide an opinion on management's assertions of the internal controls (the highest level of service), or we can apply agreed-upon procedures in relation to your internal control systems and offer recommendations for improvements. This service typically focuses on your high-risk areas.

Internal audits greatly enhance the chances of early fraud detection. According to the Association of Certified Fraud Examiners, with internal audits, the losses you will experience will be greatly reduced...

#### **OUTSOURCING YOUR INTERNAL AUDIT FUNCTIONS**

Outsourcing your internal audit needs to VLS Fraud Solutions allows you to rely on experienced auditors to perform and supervise audit tasks—allowing you to focus on the many demands in running a non-for-profit business. As experts, we'll provide you the right level of internal auditing in the most critical areas of your organization. You may also decide to hire VLS Fraud Solutions experts to operate and provide internal audit processes and procedures.

#### **CRYSTAL CLEAR COMMUNICATIONS**

We will work with your nonprofit organization with either verbal or written presentations about your internal control structures—clearly presented without overused accounting jargon and terminology. We take pride in timely service and open communications. Because of our unique expertise, we are available to implement any recommendations for improvements in your nonprofit organization for the prevention and detection of fraud.

The VLS Fraud Solutions team can help assure your Board, leaders and the community that you have established effective checks and balances—protecting your resources and reputation.

*“Institute enough internal controls to discourage self-interest or fraud and to encourage reporting (whistle blowing) of unethical behavior amongst nonprofit organization.”*

—California Association of Nonprofits,  
Principles and Strategies for More Visible  
and Transparent Accountability

**FOR MORE INFORMATION** on VLS Fraud Solutions services—including our Fraud Alert Hotline, Investigation Services, and Ethics and Fraud Awareness Workshops—and to schedule your free consultation, please contact Linda Saddlemire, CPA, CFE or Ernie Cooper, CPA, CFE—**our VLS FRAUD SOLUTIONS ADVISORS**—at (626) 857-7500. Or e-mail Linda at lsaddlemire@vlsllp.com or Ernie at ecooper@vlsllp.com.



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