



VLS FRAUD SOLUTIONS *Safeguarding Nonprofit Reputations and Resources*

ETHICS AND FRAUD AWARENESS WORKSHOPS

A Powerful and Necessary Training Program Designed Specifically For Nonprofit Organizations

As a nonprofit, you're among those organizations that are highly susceptible to fraud. According to Gerard M. Zach, CPA, CFE, a well-regarded fraud expert for nonprofits, and author of the book, *Fraud and Abuse in Nonprofit Organizations*, he confirms this finding...

"People don't readily turn themselves in, or discontinue a fraud, because they rationalize themselves away from it. They feel that their embezzlement is small in comparison to the overall size of the organization, or that stealing from the organization does not harm anyone individually...or they convince themselves that they'll repay the organization later."

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

Our workshops are specifically designed for nonprofits to prevent and detect fraud. For more than 50 years, the professionals of VLS FRAUD SOLUTIONS have been working side-by-side with nonprofits, and, as business consultants, we understand the nonprofit business sector. VLS FRAUD SOLUTIONS presents a proven, hands-on Ethics and Fraud Awareness Program Series designed specifically to meet the unique situations and issues encountered by nonprofit organizations.

Training can be held at your location or you can attend one of our workshops which will be held in a location near you.

VLS FRAUD SOLUTIONS, a professional service of Vicenti, Lloyd & Stutzman LLP, provides a suite of affordable services to promote a fraud-free and ethical environment in your nonprofit organization—like our Fraud Alert Hotline and Investigation Services—and are conducted by a multi-disciplinary team of CPAs, Certified Fraud Examiners and former law enforcement investigators, including the FBI.

FOR MORE INFORMATION on VLS Fraud Solutions, 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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ESTABLISH YOUR FRONTLINE FRAUD DETECTION AND PREVENTION PROGRAM

Section I: Introduction to Fraud Awareness and Ethics

101: An Overview of Ethics and Fraud

A foundation course about fraud schemes, including real-world examples of fraud in nonprofit businesses nationwide. Includes the definition and most common types of fraud, warning signs, fraud detection, the three factors of the "fraud triangle," characteristics of who, when and why fraud is most likely committed, how fraud impacts your organization, action steps to promote a fraud-free environment, ways to establish and extend a culture of ethics and integrity.

102: Six Essentials to Building a Fraud Prevention Program

This course presents the essential elements to establish and sustain an effective fraud prevention program, beginning with ways to create a culture of honesty and high ethical standards. Specific measures and tools include examples of existing Anti-fraud Programs, standards and requirements (Not-For-Profit Integrity Act, Statement on Audit Standards 99, Sarbanes-Oxley Act, US Sentencing Guidelines); oversight (audit committee, board of directors, management, internal auditors, independent auditors and certified fraud examiners); and evaluation of anti-fraud processes and controls.

103: Five Ways to Detect Fraud and Minimize Your Fraud Losses

The five most effective ways to detect fraud and minimize losses are presented, including various methods of detection that can apply to fraud perpetrated at different levels in the organization. This workshop presents an introduction to the role of the internal audit department, and other organizational sections, in detecting fraud including external auditors' responsibilities concerning fraud and errors, and practical application steps that external auditors perform during the course of an external audit.

Section II: Application of Fraud Tools

201: Assessing Your Not-For Profit for Fraud

This is a hands-on workshop about self-assessment steps to evaluate fraud and ethics controls, along with internal control strengths and weaknesses, including the most common warning signs of fraud. This includes all key areas such as payroll, cash receipts, purchasing and payables. You will conduct practical exercises to identify warning signs, profile potential perpetrators, and assessment of vulnerabilities for common fraud schemes. Participants will be introduced to the Association of Certified Fraud Examiner's (ACFE) Fraud Assessment Check-up – a vulnerability test tool to help identify major potential fraud gaps and measures to correct deficiencies.

202: Hotline Essentials and Other Anonymous Report Mechanisms

A practical workshop about one of the most effective tools to prevent and detect fraud: hotline anonymous reporting. This program presents the how-and-why of a 24/7 hotline program, includes discussion of various program types, operational theory and a detailed "how-to" for establishing an effective hotline with specific steps for implementation, communications and publicizing. This workshop also presents information about legal and ethical obligations for establishing an Anonymous Reporting Mechanism, and factors in determining if an investigation is warranted.

203: Internal Auditing – Why, Who and How

A key element in any anti-fraud program is internal auditing. This course provides an understanding of the role, importance and goals of an internal audit function. The role of an audit committee will also be discussed in relation to oversight responsibilities for fraud prevention and detection. Best practices for nonprofit organizations will be presented.

Section III: Investigation of Fraud

301: Your Role and Responsibilities in Fraud Investigations

This course provides insightful information about the institution's responsibilities when an allegation of fraud is received and what happens when an allegation is investigated. This course presents the "who, what, when, where, why, and how" of investigations of fraud. Material includes answers to questions such as: When does an allegation turn into an investigation? When and how is the matter turned over to law enforcement? How is the potential "crisis management" handled?

