

J.L. WEINER
— & —
ASSOCIATES, LLC



WHO SHOULD
USE A FORENSIC
FRAUD EXAMINER

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LAW FIRMS – LITIGATION SUPPORT

Financial matters involving litigation need a trusted professional to analyze complex records and deliver clear, comprehensive conclusions.

BUSINESSES – FRAUD INVESTIGATIONS

Whether you are a CEO of a large entity or a small business owner, financial irregularities should be investigated to provide you with the answers you need.

ACCOUNTING FIRMS – FORENSIC ACCOUNTING

When clients encounter the nontraditional, contact a forensic accountant who will work in partnership with your team and not work as a competitor. The forensic will investigate, uncover the error and deliver results.

Consider when faced with a divorce needing analysis of your spouse's finances, a civil proceeding, a business dispute or representation in a difficult federal or state audit, J. L. Weiner & Associates, LLC is here to help you solve these complex issues.

You might have hesitated hiring a forensic accountant like a Certified Fraud Examiner because of concerns about the cost, time and personnel resources. However, for most organizations, fraud prevention and detection tools can be easily implemented. When discussing fraud prevention and detection tools it is important to know one size does not fit all. As an organization grows or contracts, it is important to reassess these tools to ensure they continue to fit your needs.



THERE IMPORTANT PRACTICES AND TOOLS ALL COMPANIES SHOULD IMPLEMENT

HERE ARE A FEW:

1. SET THE TONE

Management and leadership set the organization's ethical environment. Leadership's commitment to that ethical environment promotes openness, honesty and it values ethical behavior. The Association of Certified Fraud Examiners identifies a relationship between THE TONE leadership sets and a company's fraud risk.

Key policies to demonstrate an organization's ethical environment:

- Open-door policy between management and staff
- Management follows through to investigate conduct breaches
- Ethical standards and expectations are communicated regularly with staff and set forth and displayed in writing
- Employee programs exist (mental health, substance abuse, financial counseling)
- Employee Rules of Conduct relating to hours of duty are discussed with employees annually
- Employee feedback is encouraged, respected and followed up on
- Employees should receive training and opportunities for advancement
- Hotlines are put in place and working
- Participation is required in internal or external audits or investigations.

2. CASH RECEIPTS

Accepting cash in one's business is not the problem. How cash is handled and accounted for, or not accounted for, is where the problems come in.

- It is important that at least two people oversee the cash from the moment it is collected until it is deposited to the bank. Yes, it should all be deposited. It is important that different people collect the money, prepare the deposit slip and take the money to the bank.

If you have money coming into the company insure:

- Checks are endorsed immediately and deposited within 24 hours
- Invoices issued to customers should be pre-numbered
- For receipts that are not invoiced, implement a system using pre-numbered receipts. Insure receipt totals match the funds collected
- The person billing customers should not be the same person who collects and records the payments
- The person collecting the payments should not have the ability to place a credit or write off a customer account
- Cash drawers should be accessible by only one employee per shift
- Enforce cash shortage policies
- Customer statements should not be sent by employees involved in handling incoming cash receipts
- Bank reconciliations should not be conducted by individuals involved in posting or taking cash to the bank

SEPARATION OF DUTIES and internal controls work best when employees understand the importance of their roles. It is important that employees understand that separation of duties is not being implemented due to any wrongdoing on their behalf. Rather, the goal is to keep assets and employees safe in the job.