

# Fending Off Fraud:

How Companies Can Better Detect, Manage, and Prevent Fraudulent Activity





## Why is fraud in the spotlight?

Today, companies are getting more creative in how they gain control over their employee spend and ensure compliance to better find the “red flags” of fraud. But why the recent change?



### **Big data. Better data.**

According to a Forbes study, only 15 percent of Fortune 500 companies are using big data and many reports show that money is pouring into these initiatives.



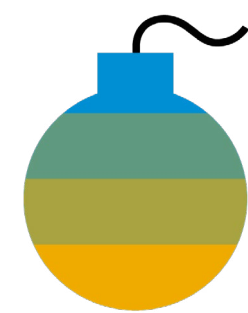
### **More “checks and balances” in play to verify and contain costs.**

Companies can verify expenses with multiple sources (bank cards, TMCs, digital receipts, travel data, travel suppliers).



### **Increase in government regulations and compliance (i.e. FCPA).**

The U.S. Foreign Corrupt Practices Act (FCPA) is hitting the headlines and boardrooms with increasing penalties and executives facing jail time.



### **Risk to reputation.**

A loss of confidence from shareholders, employees, media and other stakeholders in the company’s lack of internal spending processes and controls.



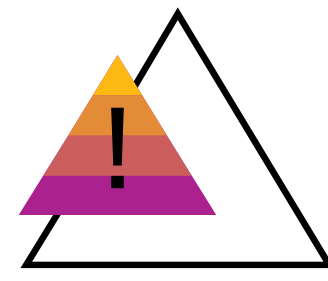
### **Fraud is an enterprise risk.**

It falls in the same realm as economic, supply chain, disaster, duty of care and regulatory risks. This awareness heightens fraud within a company to get more attention from senior management along with the proper resources to prevent and manage it.



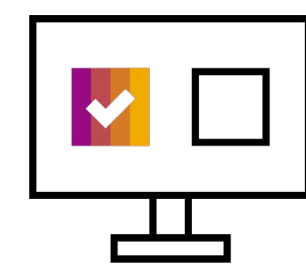
## How can you see it all?

While fraud can seem like a complex issue, companies can take these proactive steps to help identify any red flags or find the “needle” to unravel a broader scheme in the areas of T&E.



### **Use a preventative and detective approach.**

Take a preventative approach by adopting systems that allow employees to submit expenses for preapproval, guide travel decisions with color-coded cues, and capture every itinerary regardless of where it was booked. Additionally, do some detective work: use a third party auditor, conduct random checks, audit cash expenses and identify location and type of expense and where.



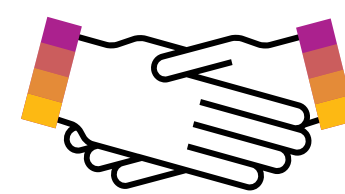
### **Information is power: proper data entry.**

Set audit rules, require receipt type (paper, electronic, automated) and itemized receipt requirements type. Review individual transactions and look for patterns – important information can be gathered to help with FCPA violations.



### **Mandate a corporate card program.**

Expenses that are auto-imported into an expense management or reimbursement system ensure that travelers cannot modify or falsify their expenses. Also, with a corporate card program, the owner of the account can add additional controls, such as setting a credit limit, transaction limits, cash limits, or setting merchant or location controls.



### **Organize and share data to empower.**

Understand how to organize your data set configurations. Share data and package it for key stakeholders within your organization. Make the data easy to understand, actionable, and create healthy competition among departments.



### **Key triggers/data analytics.**

Review common areas of concern:

- Volume of expense reimbursements, personal payments, top spenders, cash advances, high mileage, lump sum tips
- Benchmark your data, identify trends and find the outliers

Looking for more? [Take the driver's seat with our fraud eBook.](#)

**TS Fraud Solution Strategy enUS (18/01)**

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