

Internal Audit

INTEGRITY, OBJECTIVITY, CONFIDENTIALITY, COMPETENCY

Responsibility: We're in this Together!

Wondering what internal control has to do with you? Everyone at FGCU has some level of responsibility for internal control. The level will vary depending on your role. All employees are responsible for communicating operational deficiencies, deviations from established procedures, and violations of law or policy. You can report these to your supervisor and/or the Internal Audit department.

What is Fraud?

Fraud is defined generally as a willful or deliberate act with the intention of obtaining an unauthorized benefit, such as money or property by deception or other unethical means. Fraudulent acts may include: embezzlement; forgery or alteration of documents; misappropriation of funds, supplies, inventory and equipment; authorizing or receiving payment for goods or services not performed; and receiving payment for time not worked. Many of you have never encountered fraud issues at the work place; however, the fact is that **Fraud Happens. Why do people commit fraud?** The answer to this question may help us understand that a fraud can be committed by anyone given the right environment. There are three elements common within all frauds: opportunity, pressure or need, and ra-

tionalization. These three items make up what is commonly known as the "fraud triangle."



In this current economic environment where need and rationalization may be more likely, it is more important than ever for everyone to keep a close eye on their departments so that an opportunity for fraud does not exist.

Inquirer Challenge

According to the 2010 Report to the Nations on Occupational Fraud and Abuse, issued by the Association of Certified Fraud Examiners (ACFE), the median loss caused by the occupational fraud cases conducted in their study covering 2008-2009 was:

- A) \$100,000
- B) \$56,000
- C) \$160,000
- D) \$250,000

Send responses to Jena May at mayj@fgcu.edu by October 7th. Correct responses will be entered into a drawing for **two(2) free meal certificates at SoVi Dining.**

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Reporting Fraud

The University has a Policy Against Fraudulent or Other Dishonest Acts in place that provides information on how to report know or suspected fraudulent acts. Please see: http://www.fgcu.edu/generalcounsel/files/policies/1.004_Policy_against_fraudulent_other_dishonest_acts_6%2020%2008.pdf by using this link or viewing our web site at <http://www.fgcu.edu/internalaudit/>.