



FRAUD RED FLAGS

Employees play a crucial role in the detection of fraud occurring within an organization. According to the Association of Certified Fraud Examiners, in its 2022 report on occupational fraud, **42%** of frauds were detected by tips and **more than half** of all tips came from employees.


These Q&As will help you identify potential red flags. **Let's all become fraud fighters!**

 Does an employee appear to be living beyond their means?


- Individuals should be observant of signs of employees spending far more than they are earning.

 Does an employee appear to be too close to a vendor or subcontractor?


- Employees who are associated with a vendor should be monitored for potential conflicts of interest.

 Has an employee failed to take personal time off, including leave of a continuous week or more?


- Employees should be required to take time off because certain fraud schemes require employees to continually manipulate records.

 Does an employee appear to control a process or be unwilling to share duties?

- No one person should control all steps involved in a financial process, responsibilities should be properly separated.


 Do employees feel intimidated or bullied?

- Employees should be comfortable questioning directives they feel are unethical or non-compliant.

 Do units involved in financial activities appear to be inadequately staffed?

- Financial units should be properly staffed to allow separation of duties.

Where can I find more information?

 [USF Regulation 5.001](#): Waste, Fraud, or Financial Mismanagement Prevention and Detection.

 USF Office of Internal Audit website: <https://www.usf.edu/audit/>

How can I report potential fraud or abuse?

 Contact the USF Office of Internal Audit at (813) 974-2705

 Report activities anonymously through the [EthicsPoint](#) hotline at (866) 974-8411