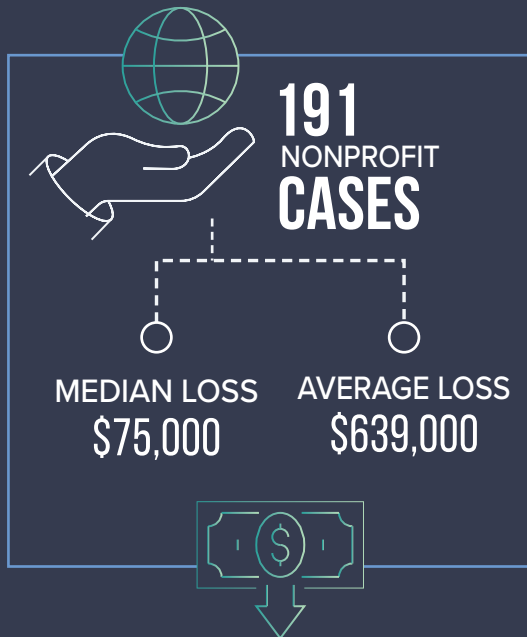


Fraud in Nonprofits

Nonprofit organizations can be more susceptible to fraud due to having **fewer resources** available to help prevent and recover from a fraud loss. This sector is particularly vulnerable because of **less oversight** and **lack of certain internal controls**.



Nonprofit schemes

Percent of cases

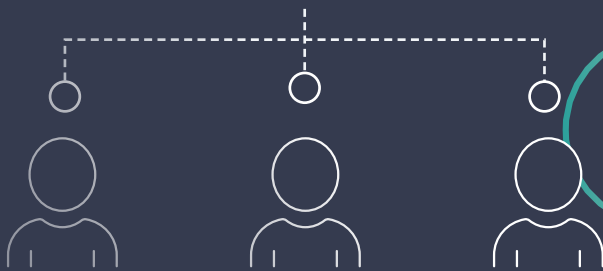
Corruption	41%
Billing	30%
Expense reimbursements	23%
Cash on hand	17%
Noncash	16%
Skimming	15%
Check and payment tampering	14%
Cash larceny	12%
Payroll	12%
Financial statement fraud	11%
Register disbursements	3%

Perpetrators AT NONPROFITS



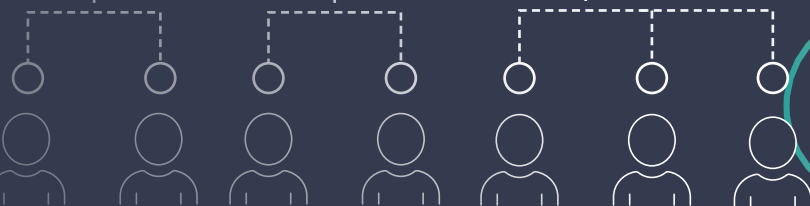
39%
of cases

Owner/executive
MEDIAN
LOSS **\$250,000**



35%
of cases

Manager/supervisor
MEDIAN
LOSS **\$95,000**



23%
of cases

Employee
MEDIAN
LOSS **\$21,000**

Nonprofit organizations have **FEWER ANTI-FRAUD CONTROLS** in place, leaving them



MORE VULNERABLE TO FRAUD

TOP 3 CONTROL WEAKNESSES

- 35% LACK OF INTERNAL CONTROLS
- 19% LACK OF MANAGEMENT REVIEW
- 14% OVERRIDE OF EXISTING INTERNAL CONTROLS



Detection AT NONPROFITS

