

# FAKE VENDORS






## Is fraud happening in your department?

Fraud can occur when an employee creates fake vendors to receive payments.

### How does it occur?



### How can you prevent it?

 <p>Have different employees receive goods or verify services, authorize purchases and process invoices</p>	 <p>Screen vendors by verifying license, tax ID number, address and phone number</p>	 <p>Look for potential conflicts of interest between vendors and employees</p>
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# WHAT ARE RED FLAGS?

 <p>Suspicious vendor address (i.e., one that matches an employee's address or a P.O. box)</p>	 <p>Employee not willing to go on a vacation, take days off or share duties</p>	 <p>Duplicate or incomplete invoices</p>
 <p>Multiple payments are issued to a vendor for similar amounts or have the same invoice number</p>	 <p>One person is responsible for setting up vendors, authorizing purchases and processing invoices</p>	 <p>Employee has personal financial problems or sudden lifestyle changes (i.e., buying expensive cars and homes)</p>



REPORT TIPS ANONYMOUSLY 24/7

# HELP FIGHT FRAUD WASTE & ABUSE

Call or visit our website now. The more information you provide, the better the investigation. Include in your tip >>>

# WHO WHAT WHERE WHEN

CITY AUDITOR'S

# FRAUD HOTLINE

**1-888-FRAUD-07**  
CityAuditorLauraDoud.com