

ACL PURCHASING AND PROCUREMENT CARD SOLUTION:

Fraud Monitoring, Remediation Workflow, Stakeholder Visibility





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There is a tendency in many organizations, particularly those within the high-performance category, to assume that fraud only happens elsewhere. Unfortunately, the reality is that in almost every organization there are going to be employees who seek to benefit themselves at the expense of their employer. procurement or purchase cards (P-Card) and Travel & Expense (T&E) abuse are areas in which fraudsters can most easily rationalize their actions, sometimes not even considering their abuse to be fraudulent. Other realities are that even the most well intended policies will be ignored and no internal controls are ever perfectly effective.

“WE DON’T HAVE A FRAUD PROBLEM.”

– FAMOUS LAST WORDS

Procurement or purchase card fraud: Stomp it out of your organization.

In the last decade, the use of P-Cards has become wide-spread for organizations looking to streamline their purchasing processes. Along with the efficiencies of P-Cards, however, come the potential for fraud, waste, and abuse. It is estimated that the typical organization loses 5% of its revenues to fraud each year. Applied to the estimated 2011 Gross World Product, this figure translates to a potential projected global fraud loss of more than \$3.5 trillion.¹

Fraudulent use of P-Cards rank among the most commonly occurring types of employee fraud, and the typical fraud case continues for 18 months before it is detected.¹ If this is one of your top concerns, you are not alone. ACL’s 2013 GRC Technology Pulse Survey of 2,200 audit, risk management, and compliance professionals found that internal fraud and abuse is an area of highest concern among a range of risks.

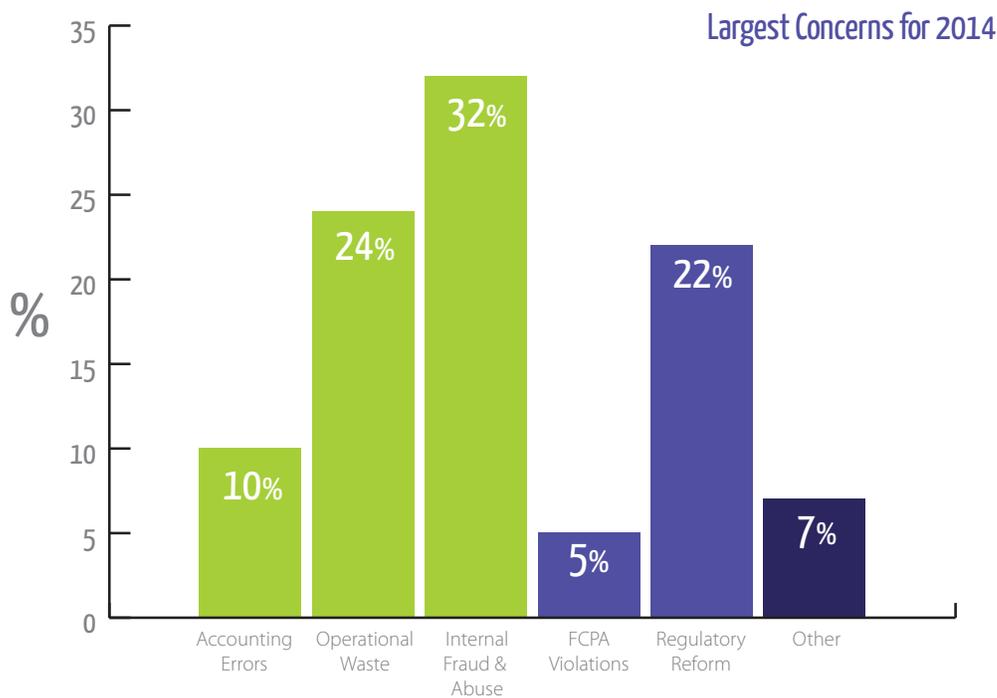
For an organization to be effective in detecting and stomping out employee fraud, P-Card control activities must be an active, visible, and co-ordinated part of an organization’s culture.

P-CARD FRAUD FRAMEWORK IN ACTION

- Accurately and promptly pinpoint potential P-Card fraud through 10 data analytics to monitor over 20 fraud risks: e.g., Weekend and holiday P-Card transactions? Round amounts indicative of gift cards?
- Easily aggregate outstanding remediation plans and exceptions to see where things are falling through the cracks
- Provide visibility of enforcement actions to key stakeholders, such as internal and external audit, financial leadership, and compliance team



¹Source: www.aclfe.com/rtn-highlights.aspx



Quickly pinpoint suspicious activity

An effective P-Card fraud monitoring program can prevent fraud by signalling to employees that their transactions are under scrutiny. ACL's P-Card Fraud monitoring solution is designed to help prevent fraud, improve policies, and promote cost management through integrating consulting services, 10 analytics supporting detective controls, software, and a results-sharing platform all in one package. This approach to fraud risk mitigation is most effective because it becomes an pro-active, highly visible, co-ordinated part of an organization's culture.

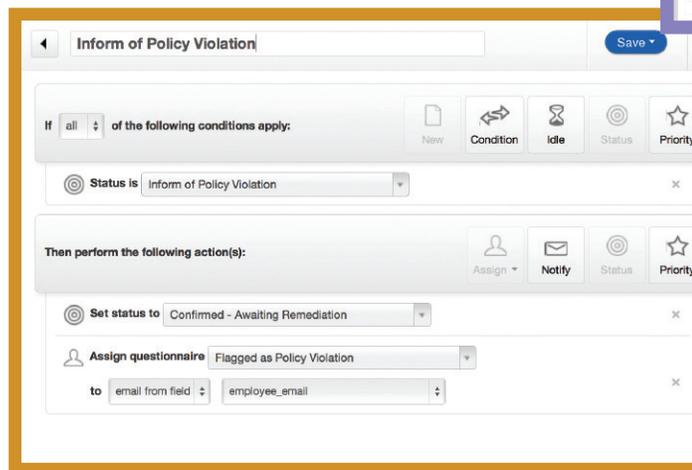
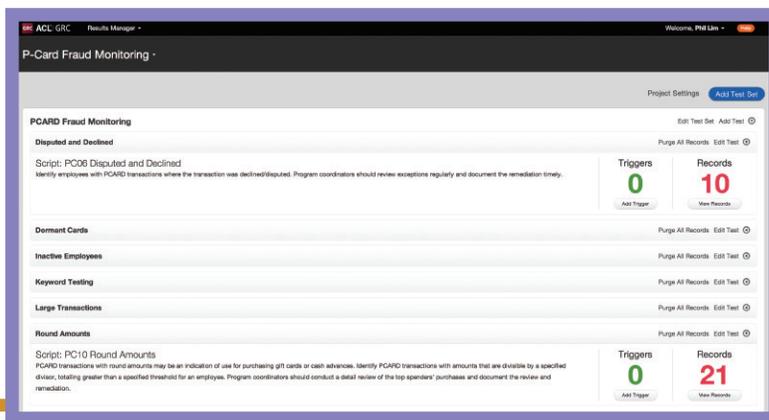
ACL's P-Card fraud monitoring solution helps stop fraudsters in their tracks through a three-pillared approach:

1. Fraud Monitoring

Monitor over 20 P-Card fraud risks, from lost and stolen P-Cards, to unauthorized use of P-Cards to purchase gift cards.

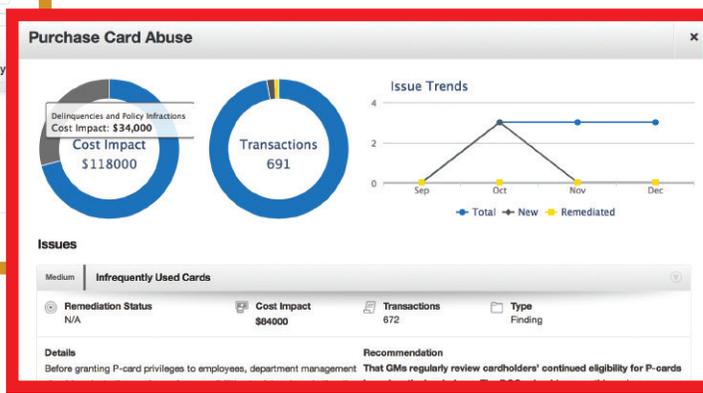
2. Remediation Workflow

Simply identifying red flags isn't enough. Implementing a structured and accountable approach to investigation & remediation is key. Information is valuable only with action.



3. Stakeholder Visibility

A centralized platform provides demonstrability to auditors or leadership that fraud risk is mitigated.





ABOUT ACL

ACL delivers technology solutions that are transforming compliance, audit and risk management to give organizations unprecedented control over their business.

Our integrated family of products—including our cloud-based governance, risk and compliance (GRC) solution and flagship data analytics products—are used at all levels of the enterprise to help maximize growth opportunities by identifying and mitigating risk, protecting profits, and accelerating performance.

Thanks to 25 years of experience and our consultative approach, we implement flawlessly so customers realize concrete business results fast at low risk. Our actively engaged community of more than 14,000 customers around the globe—including 89% of the Fortune 500 and hundreds of governments—tells our story best.

20 Fraud Risks Monitored by 10 Analytic Detective Controls

ACL's Consulting Services team will work with your organization to execute your organization's self-assessment program, implement 10 data analytics to monitor over 20 fraud risks; all on a software system that will provide executive visibility and enable quick action.

Example tests that identify P-Card:

- Purchases by employees made on weekends or holidays that total greater than a specified threshold.
- Purchases by the same employee to the same merchant within X days, with each transaction less than a specified threshold, but total to greater than the threshold.
- Top spenders that have not yet been identified in past analyses
- Transactions with amounts that are divisible by a specified divisor, totalling greater than a specified threshold for an employee.
- Purchases for employees within X days prior to their termination/leave of absence, or transactions for employees after their termination/leave of absence.

Get up and running sooner. The technology required to monitor and share P-Card data analysis test results is set up by ACL in weeks—not months. And by relying on the experts, who have done this hundreds of times across different organizations, you can take advantage of best practises and lessons learned.

The days of one-off solutions or sampling data are over. A well thought-out process that provides the right information, software architecture, and the ability to report and trend activity ensures your organization is doing what it can to stomp out fraud, waste, and abuse.



Interested in learning more about our products and services?

Call 1-888-669-4225 to speak with a representative

Visit our website at acl.com

Email us at info@acl.com

