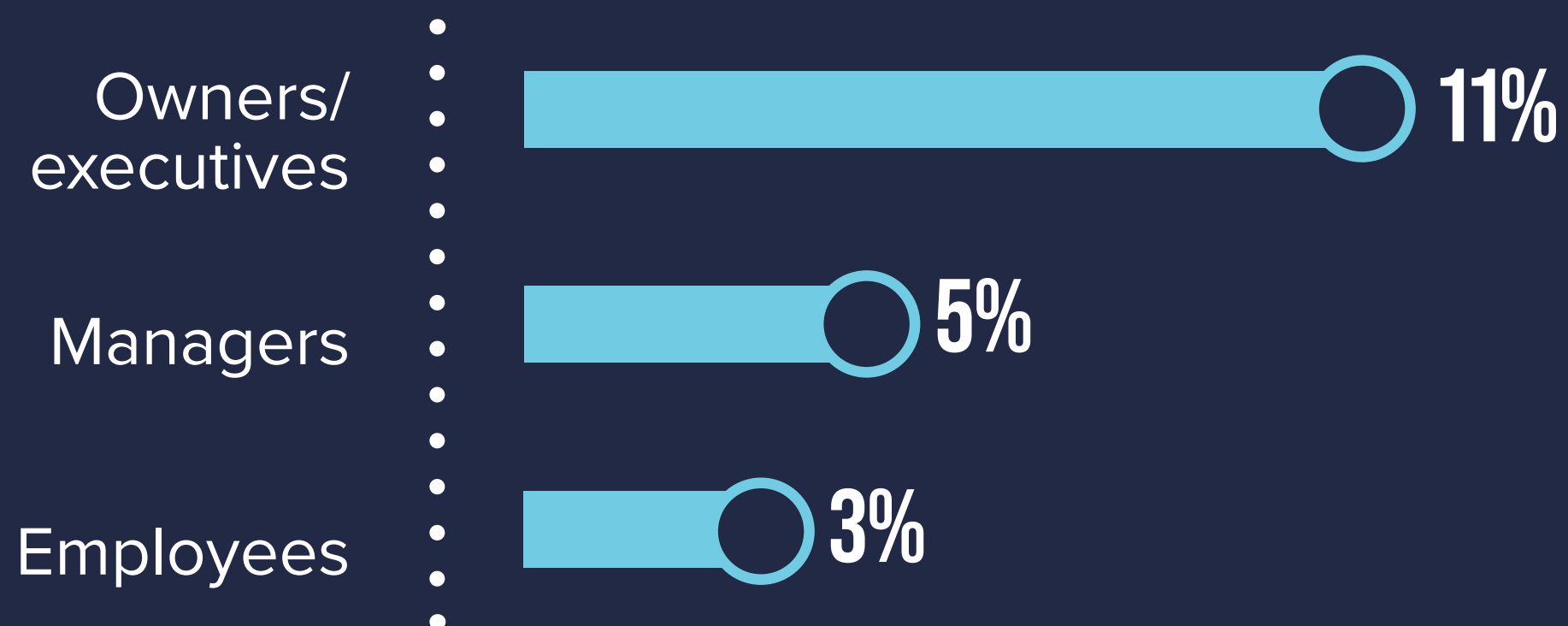


RESPONSE TO FRAUD

Outcomes in occupational fraud cases can vary based on the role of the perpetrator, the type of scheme, the losses incurred, and how the victim organization chooses to pursue the matter. Whether they handle the fraud internally or through external legal actions, organizations must decide on the best course of action.

INTERNAL PUNISHMENT

RECEIVED NO PUNISHMENT



OWNERS/EXECUTIVES are **LEAST LIKELY TO BE PUNISHED** for fraud.

TERMINATED FOR FRAUD



STAFF-LEVEL EMPLOYEES are **MOST LIKELY TO BE TERMINATED** for fraud.

CRIMINAL REFERRALS

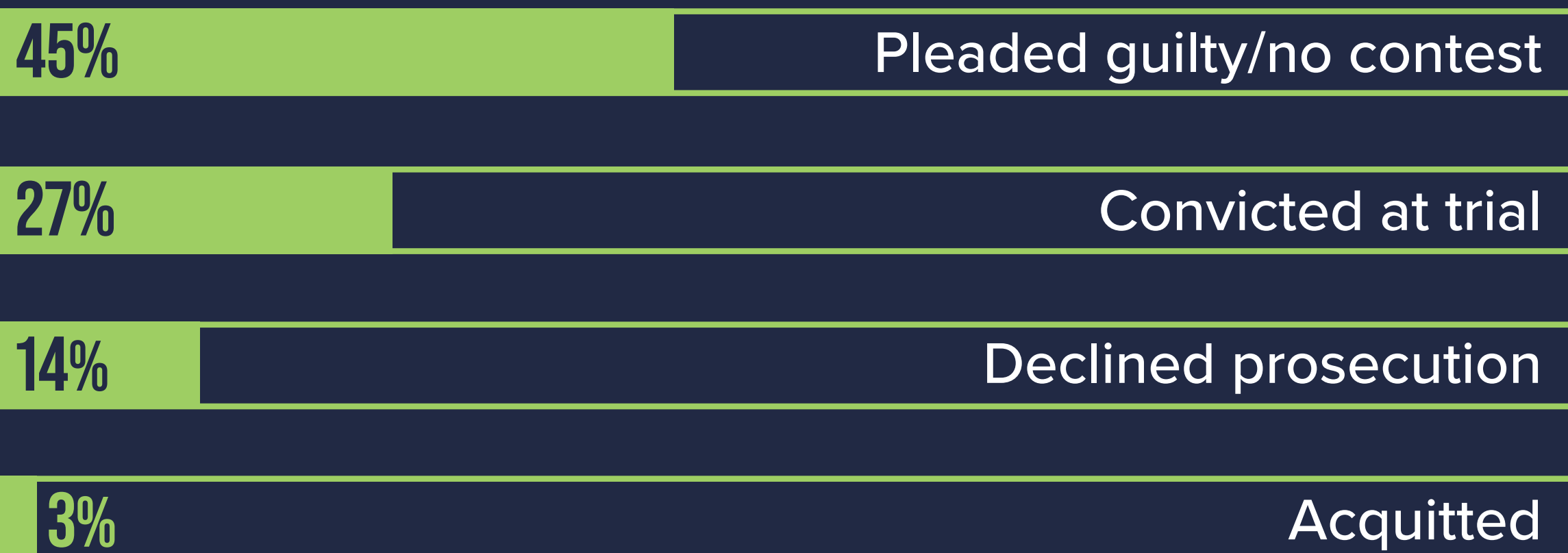
MOST occupational fraud cases **RESULT IN A CRIMINAL REFERRAL**




57%

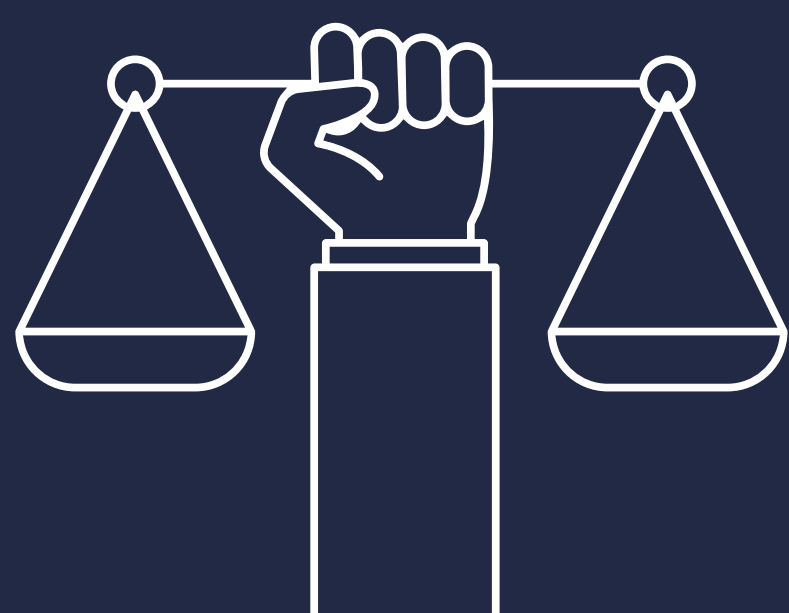
of cases resulted in **CRIMINAL REFERRAL**

MEDIAN LOSS

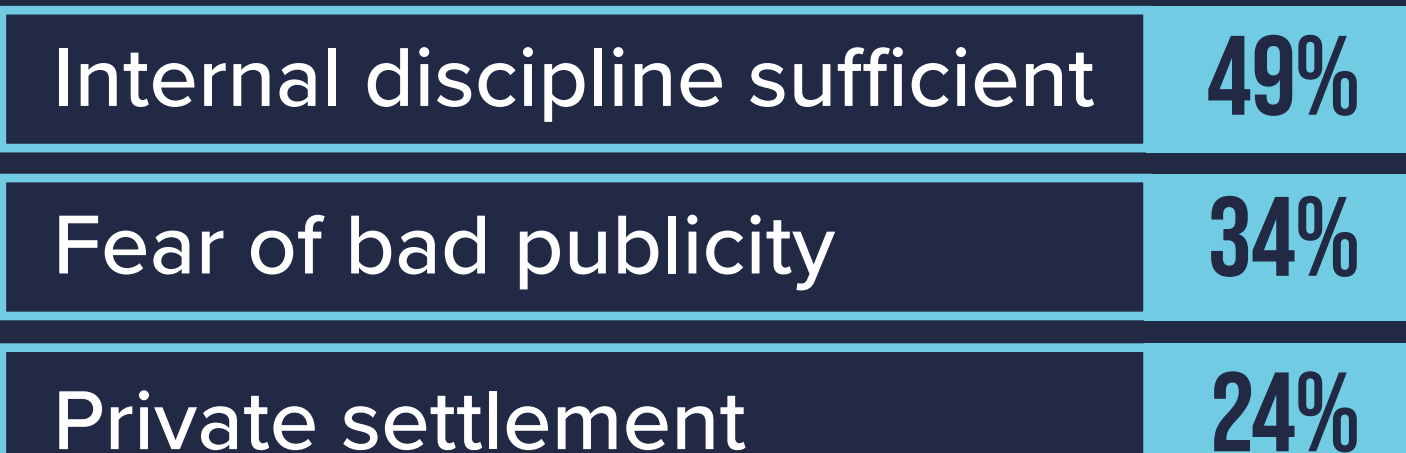


72% 

“SUCCESS RATE” of criminal referrals (perpetrator pleaded guilty or was convicted)



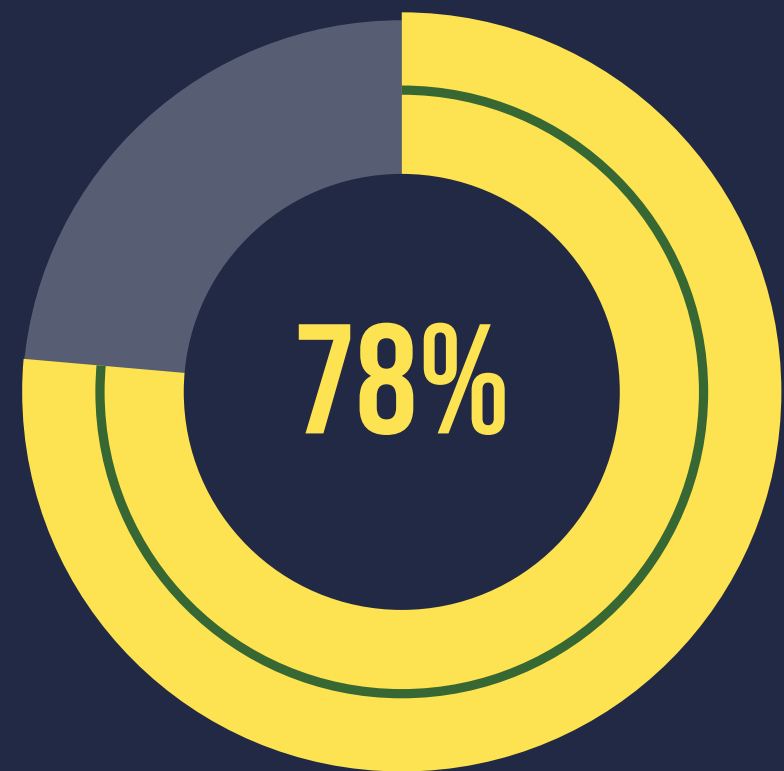
TOP 3 REASONS WHY victim organizations **DECLINE TO REFER** to law enforcement:



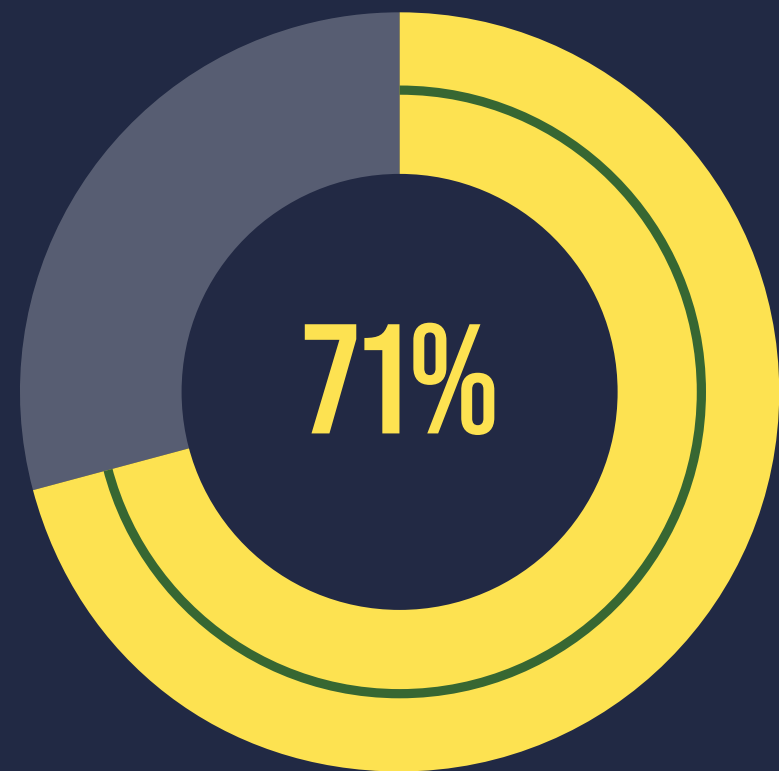
ASSET MISAPPROPRIATION SCHEMES REFERRED TO LAW ENFORCEMENT

The type of scheme perpetrated has a significant impact on whether organizations make a criminal referral.

MOST COMMONLY REFERRED

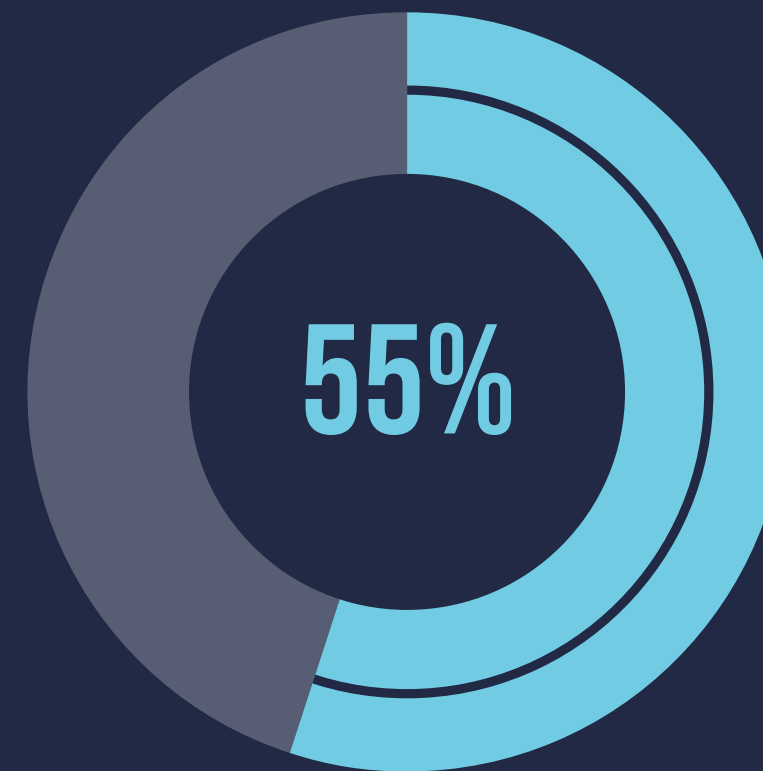


Check and payment tampering

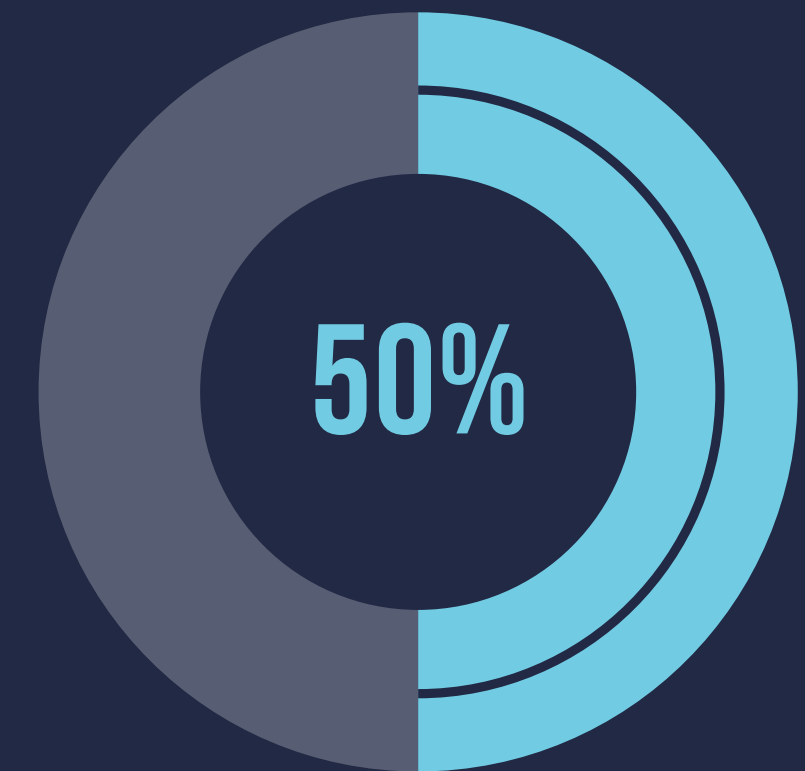


Cash larceny

LEAST COMMONLY REFERRED

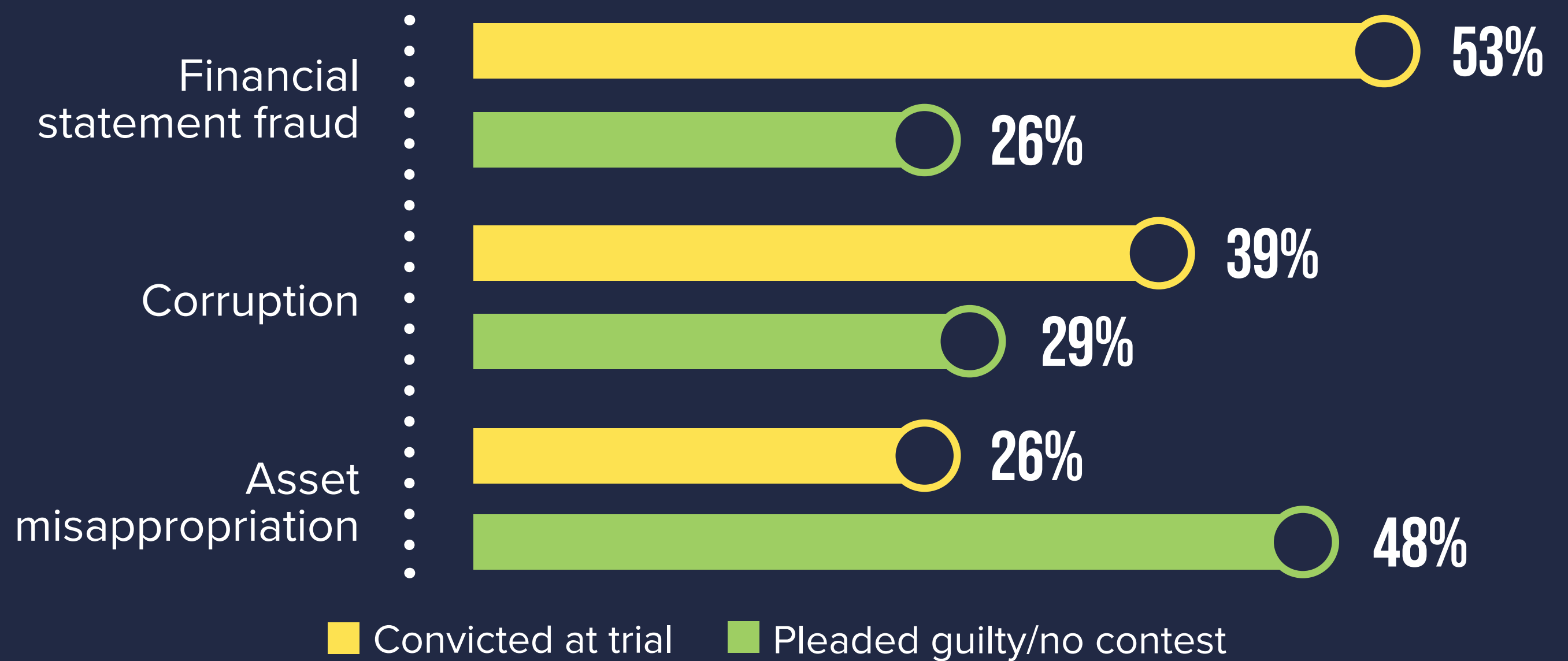


Expense reimbursement



Payroll fraud

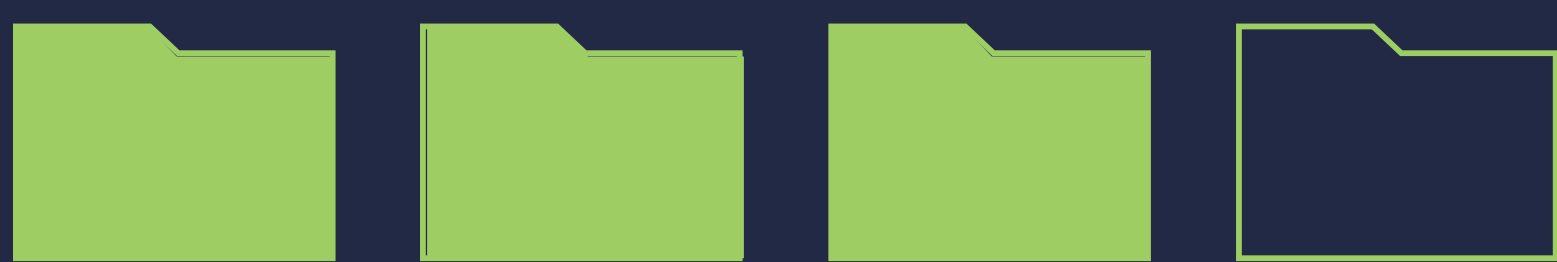
ASSET MISAPPROPRIATION referrals to law enforcement are the **MOST LIKELY SCHEME TO FIND SUCCESS WITHOUT THE NEED FOR A TRIAL.**



CIVIL LITIGATION

CIVIL SUITS ARE MORE FREQUENTLY FILED WHEN LOSSES ARE HIGHER.

73% of cases did **NOT** result in civil litigation



MEDIAN LOSS when civil suit **IS FILED**

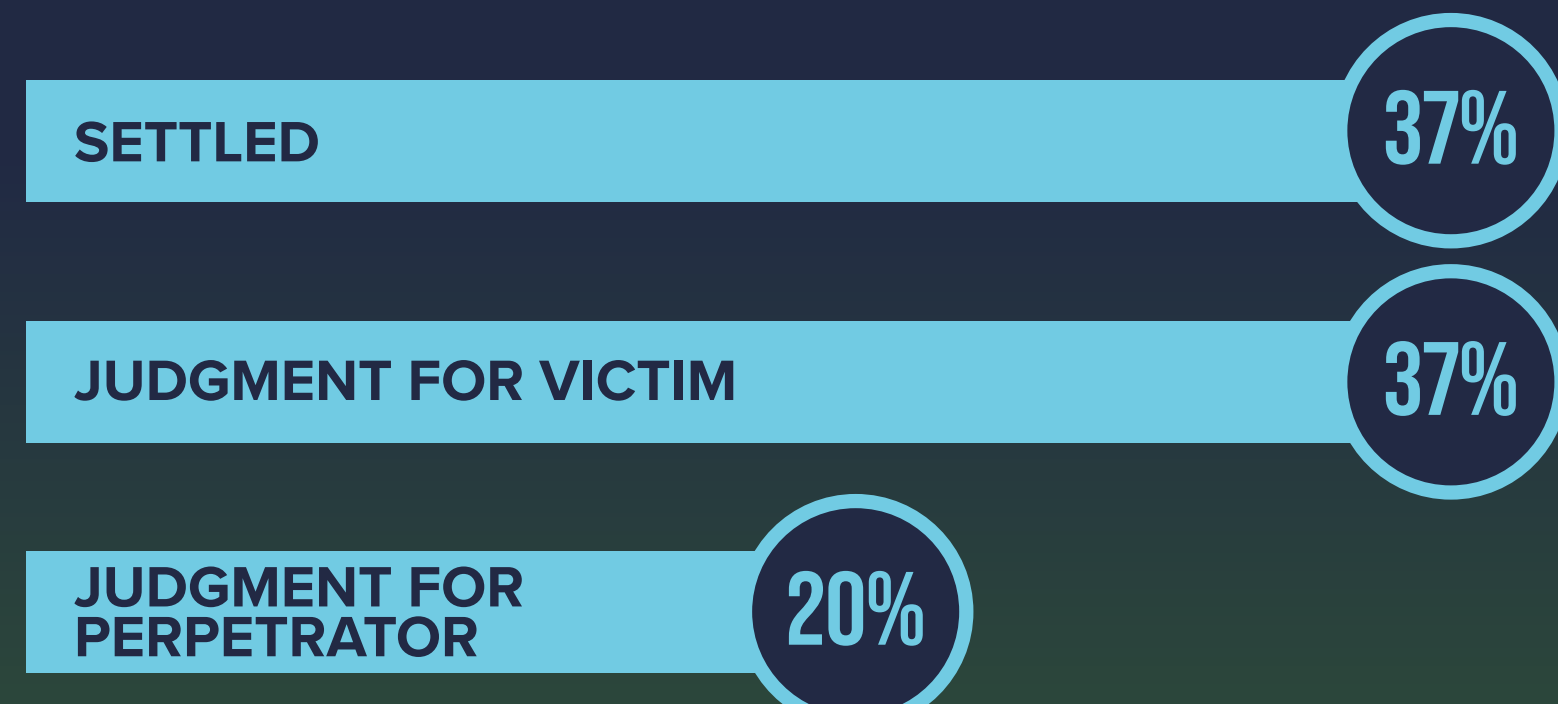


MEDIAN LOSS when civil suit **IS NOT FILED**



RESULTS OF CIVIL SUITS

74% **"SUCCESS RATE"** of civil suits (perpetrator settled or judgment for victim)



COMBINED RESULTS

23% Pursued **BOTH** civil litigation **AND** a criminal referral

44% Did **NOT** file a civil suit **NOR** refer to law enforcement

