

Fraud Scheme Hunt Express Glossary

Fund Theft: Perpetrators take cash or bank deposits and transfer the funds to an account they control.

Check Fraud: Checks are altered or forged to be made payable to the perpetrator.

Vendor Invoicing and False Billing: Invoices from vendors are fabricated or inflated or fictitious vendor companies are invented.

Credit Card Fraud: Company credit cards are used for personal purchases or unauthorized credit cards are issued.

Merchandise/Property Theft: The perpetrator steals property or merchandise belonging to the company. This may be the most underreported category of employee theft.

Expense Fraud: Expenses that are reimbursed by the company are fabricated or inflated.

Payroll Fraud: The perpetrator pays fictitious or terminated employees and diverts the funds to personal accounts.

Loan Fraud: The embezzler takes out a loan in the name of the business but diverts the proceeds to an account in their control.

Driver's License/Identity Theft: Identity theft occurs when someone assumes your identity to perform a fraud or other criminal act.

Phishing Schemes: Phishing is a type of social engineering attack often used to steal user data, including login credentials and credit card numbers.

Ponzi Schemes: "Ponzi" schemes promise high financial returns or dividends not available through traditional investments. Instead of investing the funds of victims, however, the con artist pays dividends to initial investors using the funds of subsequent investors.

Financial Statement Fraud: Financial statement fraud is the manipulation of the information used to prepare the financial statements released to the public and financial institutions. Five basic types of financial statement fraud exist: fictitious sales, improper expense recognition, incorrect asset valuation, hidden liabilities and unsuitable disclosures.

Money Laundering: Money laundering is the process by which criminals conceal or disguise their proceeds and make them appear to have come from legitimate sources.

Dire: Extremely serious or urgent.

Implore: Beg someone earnestly or desperately to do something.

Annex: A building joined to or associated with a main building, providing additional space or accommodations.

Excerpt: A short extract from a film, broadcast, or piece of music or writing.

Shortsighted: Lacking imagination or foresight.

Maneuvered: Move skillfully or carefully, or carefully guide or manipulate something in order to achieve an end.

Indignant: Feeling or showing anger or annoyance at what is perceived as unfair treatment.

Deteriorate: Become progressively worse.