

Fraud in Nonprofit Organizations: What You Need to Know to Prevent, Deter and Detect

Did you know...

IRS Form 990 now requires disclosure of the discovery of a material diversion of an organization's assets by embezzlement or theft. What does material mean? A diversion is considered material if the gross dollar amount (less recoveries) exceeds the lesser of \$250,000 or 5% of the organization's gross receipts for its tax year or total assets as of the end of its tax year.

According to the Association of Certified Fraud Examiner's 2008 Report to the Nation on Occupation Fraud and Abuse

- The median loss to nonprofit organizations due to fraud is \$106,000.
- The median duration of a fraud in a nonprofit organization before it is detected is 24 months.
- 48.8% of frauds were detected due to a tip.
- 87.4% of fraud perpetrators have never been previously charged or convicted of a fraud.

Why should you be concerned?

According to the Wall Street Journal, employee fraud usually increases during tough economic times. At the same time, donors will be looking to see that their contributions are being well spent. The public reporting of a loss via Form 990 may have devastating consequences that could impact donations, employee morale and public goodwill in addition to the financial loss.

What will be covered in this seminar:

What are some common myths about fraud?

What are the red flags to look for?

What are the 5 things you can do (but probably aren't)?

You are invited to a FREE one hour seminar on Fraud in Nonprofit Organizations: What You Need to Know to Prevent, Deter and Detect.

Where: Presa Community Center
3721 S. Presa
San Antonio, Texas 78210

Date: May 21, 2009

Registration: 8 – 8:30 a.m.

Workshop: 8:30 – 9:30 a.m.

RSVP: pelkins@pelkinscpa.com or (210) 445-7799

Breakfast will be provided.

About the Speaker

Pat Elkins is a Certified Public Accountant (CPA) and a Certified Fraud Examiner (CFE). She has 8 years of public accounting experience, including 5 years in the audit department at Ernst & Young and over 5 years as a consultant at two national consulting firms providing services in the areas of Sarbanes-Oxley compliance and internal audit. She also has been a controller for non-profit organizations. She is a member of the American Institute of Certified Public Accountants, the Texas Society of Certified Public Accountants, the Association of Certified Fraud Examiners and the Texas Association of Nonprofit Organizations. She also serves on the Board of Presa Community Center as Secretary/Treasurer.

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