
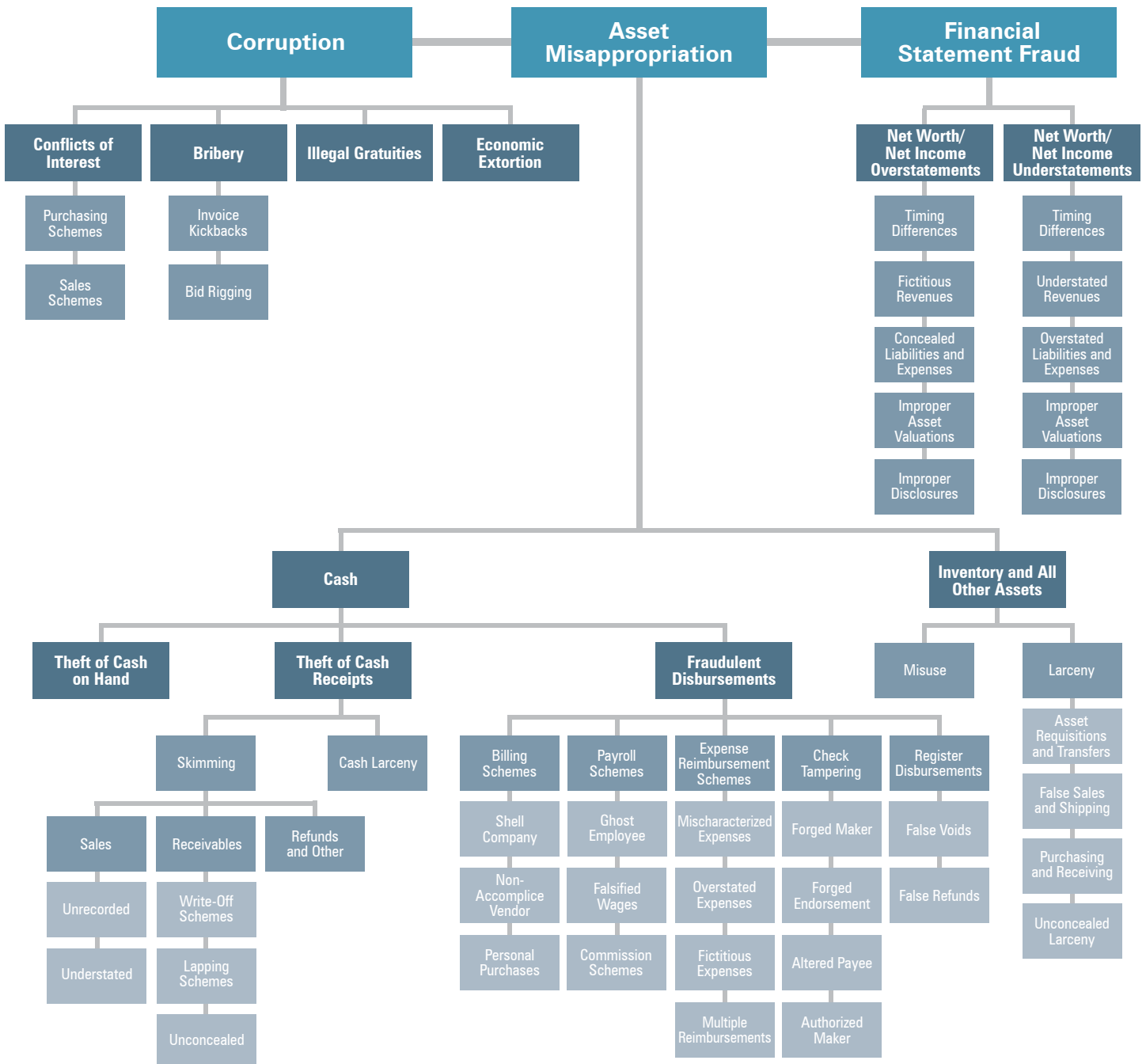


THE FRAUD TREE

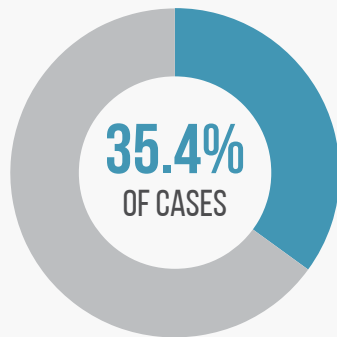
OCCUPATIONAL FRAUD AND ABUSE CLASSIFICATION SYSTEM

Click on occupational fraud categories below with the  icon to view definitions and statistical information from the ACFE's 2016 *Report to the Nations on Occupational Fraud and Abuse*.



Corruption

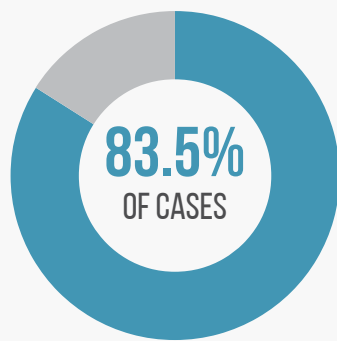
A scheme in which an employee misuses his or her influence in a business transaction in a way that violates his or her duty to the employer in order to gain a direct or indirect benefit.



MEDIAN LOSS:
\$200,000

Asset Misappropriation

A scheme in which an employee steals or misuses the employing organization's resources.



MEDIAN LOSS:
\$125,000

Financial Statement Fraud

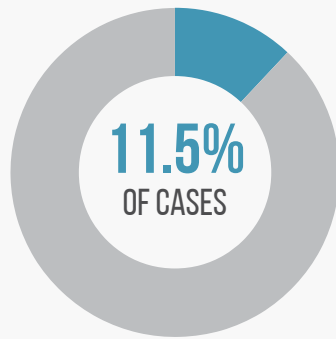
A scheme in which an employee intentionally causes a misstatement or omission of material information in the organization's financial reports.



MEDIAN LOSS:
\$975,000

Theft of Cash on Hand

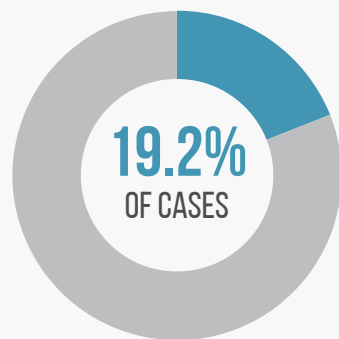
A scheme in which the perpetrator misappropriates cash kept on hand at the victim organization's premises.



MEDIAN LOSS:
\$25,000

Inventory and All Other Assets

A scheme in which an employee steals or misuses non-cash assets of the victim organization.



MEDIAN LOSS:
\$70,000

Skimming

A scheme in which an incoming payment is stolen from an organization before it is recorded on the organization's books and records.



MEDIAN LOSS:
\$53,000

Cash Larceny

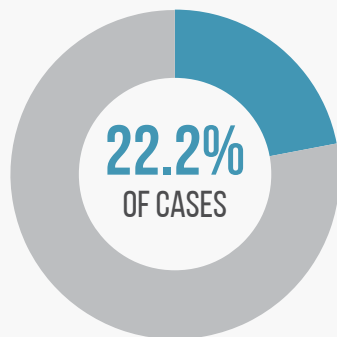
A scheme in which an incoming payment is stolen from an organization after it has been recorded on the organization's books and records.



MEDIAN LOSS:
\$90,000

Billing Schemes

A scheme in which a person causes his or her employer to issue a payment by submitting invoices for fictitious goods or services, inflated invoices or invoices for personal purchases.



MEDIAN LOSS:
\$100,000

Payroll Schemes

A scheme in which an employee causes his or her employer to issue a payment by making false claims for compensation.



MEDIAN LOSS:
\$90,000

Expense Reimbursement Schemes

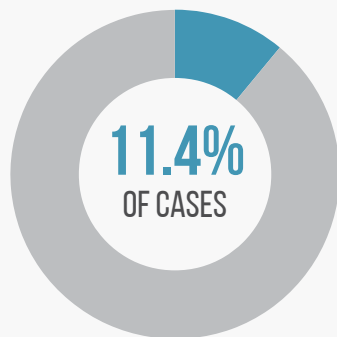
A scheme in which an employee makes a claim for reimbursement of fictitious or inflated business expenses.



MEDIAN LOSS:
\$40,000

Check Tampering

A scheme in which a person steals his or her employer's funds by intercepting, forging or altering a check or electronic payment drawn on one of the organization's bank accounts.



MEDIAN LOSS:
\$158,000

Register Disbursements

A scheme in which an employee makes false entries on a cash register to conceal the fraudulent removal of cash.



MEDIAN LOSS:
\$30,000