

# “Do We Have Fraud In Our Community?”

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Residents Voice

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## What is Fraud?

- Deception for unlawful gain.
- Characteristics:
  - Motivation
  - Opportunity
  - Rationalization

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# Motivation

- Examples

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# Opportunity

- Absence of controls
- Ineffective controls
- Management can override controls

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## Is That Happening in Our Community?

**NO!**

**MAYBE!**

**YES!**

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## Rationalization

- Do you hear excuses by Board and Management to justify expenses?

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What Can We Do?

**Audit**

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**The End**

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