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The ACFE SA, Walking the Talk on Fraud Prevention

International Fraud Awareness Week kicks off Nov. 12, 2017 worldwide

BLOEMFONTEIN, FREE STATE – The Central Region’s theme for the 2017 International Fraud Awareness Week is: “Walking the Talk on Fraud Prevention”. This is exactly what the Association of Certified Fraud Examiners, with the sponsorship of the Free State Provincial Treasury, Standard Bank, PwC and the University of the Free State Business School, aims to achieve by hosting Anti-Fraud and Corruption Workshops in Bloemfontein on the 16th and 17th of November, as continued support of the International Fraud Awareness Week.

What does it mean to “Walk the Talk on Fraud Prevention”? Although hosting workshops and talking about the implementation of controls and investigated cases are of importance, we require more than that. To set an appropriate tone at the top, one that demonstrates a commitment to honesty and ethical behaviour, both in government and the private sector, remains the most important requirement to navigate the challenges associated with the prevention and detection of fraud and corruption.

If an appropriate tone and culture of honesty and ethical behaviour is not set at the top, it may cause other fraud and corruption prevention activities fruitless and, since people follow the example set to them, will substantially increase the risk of fraud, corruption and other dishonest behaviour. This increased risk of fraud, corruption and dishonest behaviour will not only manifest within the

organisation where an appropriate tone and culture is not set, but also have the potential to influence the behaviour of individuals and organisations, it is dealing with.

The example set by government is of special importance, since all of a country's citizens and businesses will in some way or another have contact with government and follow the example set by individuals in authoritative positions. By setting the example, government have a pivotal role in establishing a civilised society where honest people should stand up and oppose, not only any form of fraud and corruption, but also any form of stealing, wrongdoing or dishonest behaviour. In line with setting the example, managers of public entities, whether elected or appointed to office, have a duty to conduct affairs in a fair manner, with reasonable care, skill, and caution, and with due regard to the interests of the country and its citizens.

A result of setting an appropriate tone at the top, should be that all perpetrators of fraud, corruption, theft, etc., should be prosecuted and held accountable for their actions, regardless of the circumstances and individual(s) involved. People should not shield a person from the possible institution of proceedings for a criminal offence. If fraud or corruption is suspected, the matter should always be reported to the appropriate law enforcement agency, who on their part should objectively decide whether proceedings should be instituted for a criminal offence. The recovery of lost money or other property must also be pursued wherever possible and practical. A further result should be that those charged with governance and management within an organisation, with whom the primary responsibility for the prevention and detection of fraud resides, should be able to fulfil their responsibility without fear or favour.

Integrity and ethical behaviour is not something that can be adjusted to suit a specific agenda. So, if we are truly committed to "Walking the Talk on fraud Prevention", we need to insist that an appropriate tone is set at the top, have zero tolerance towards any form of dishonest behaviour, demonstrate through our daily actions and words that fraud and corruption will not be tolerated and oppose those who perpetrates such behaviour.

There are many forms of fraud and corruption. Corruption may for instance include the private use of public resources, bribery and improper favouritism, while an individual or organisation who writes a cheque with the intent to defraud or deceive, knowing that there are not sufficient funds and that the cheque will not be honoured when presented at a financial institution, is an example of cheque fraud. Similarly, failure by a municipality to pay a supplier may constitute fraud, if a commitment to pay was made with the intent to defraud or deceive, knowing that there will not be sufficient funds to make the payment.

One cannot over emphasise the risks and detrimental effects that fraud and corruption may have. Corruption, for instance, may be able to paralyse a whole organisation or government, while fraud can lead to substantial financial losses, resulting in real people who suffer due to the actions of fraudsters and corrupt individuals. Whether it is a small business owner who must close the doors or a loyal worker who lost his or her pension, there are real victims behind every fraudster and corrupt individual. Effects from fraud and corruption in the public sector may further include the loss of public revenues and resources, poor service delivery, as well as increasing economic hardship among ordinary citizens, especially the poor.

For more information on how to become an official supporter, as well as how to increase awareness and reduce the risk of fraud and corruption during International Fraud Awareness Week, please visit www.fraudweek.com.

About the ACFE SA Central Region Interest Group

The Central Region Interest Group of the ACFE SA consists of fraud examiners based in the Free State & Northern Cape, managed by a committee to organise Group meetings. During Group meetings, held once a quarter, members and their guests receive specialised, in-depth training on fraud-related issues.

People who are interest in joining the Group can contact the following committee members:

Chairperson: René Janse van Rensburg at tel. 082-412-5258.

Deputy Chairperson: Rudolph Laubscher at tel. 082-785-9094.

About the ACFE

The Association of Certified Fraud Examiners (ACFE) is the world's largest anti-fraud organisation and premier provider of anti-fraud training and education. Together with nearly 80,000 members, the ACFE is reducing business fraud worldwide and inspiring public confidence in the integrity and objectivity within the profession. The ACFE administers the Certified Fraud Examiner (CFE) credential, an internationally recognized certification that denotes proven expertise in fraud prevention, detection and deterrence. CFEs around the world help protect the global economy by uncovering fraud and implementing processes to prevent fraud. For more information, visit www.acfe.com.

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