

The Ten Commandments for Fraud Examiners

- 1: Thou shall remember that *anyone* can commit fraud.
- 2: Thou shall remember that no internal control is perfect.
- 3: Honor your Code of Ethics and keep your CPE up-to-date.
4. Always remember that documents can bear false witness as easily as can the people who present them to you.
5. Thou shall follow-up on all tips, hunches, hints or rumors to verify whether they contain relevant, factual information. Experience builds confidence: have faith in yourself, your examination skills, and your abilities to discern fact from opinion or fiction.
6. Thou shall use statistical sampling and data analysis to look for patterns and make note of all anomalies. A slight “irregularity” or “aberration” may be due to fraud. The complete absence of errors in any human undertaking is itself an anomaly to examine.
7. Thou shall not covet “different” facts, documents, or data – work with all that you find and faithfully report all of your work.
8. Thou shall not render opinions of “guilt” or “innocence” of fraud – only with proper predication (basis) will you proceed to develop a theory of fraud.
9. Thou shall put all explanations to the test and persevere until your understanding of the answer is complete.
10. Show respect to all you encounter and all shall recognize you as a professional by your manner and integrity. ¹

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