RESPONSE TO FRAUD

Outcomes in fraud cases vary based on the role of the perpetrator, the scheme carried out, the losses incurred, and how the organization responds.

INTERNAL PUNISHMENT

Owners/executives are LEAST LIKELY to be punished for fraud

Termination for fraud

- Owners/executives: 40%
- Managers: 62%
- Employees: 73%

Received no punishment

- Owners/executives: 15%
- Managers: 6%
- Employees: 3%

26% Made a criminal referral AND filed a civil suit

Did not make a criminal referral or file a civil suit 42%

CIVIL LITIGATION

29% of cases resulted in CIVIL LITIGATION

MEDIAN LOSS in these cases: $300,000

- Settled 39%
- Judgment for perpetrator 29%
- Judgment for victim 27%

MEDIAN LOSS for those THAT DECLINED to file civil suits $70,000

CRIMINAL REFERRALS

58% of cases resulted in CRIMINAL REFERRAL

MEDIAN LOSS in these cases: $200,000

- Pleaded guilty/no contest 44%
- Convicted at trial 22%
- Declined prosecution 17%
- Acquitted 10%

66% "SUCCESS RATE" of criminal referrals (perpetrator pleaded guilty + convicted)

LEAST likely to be referred to law enforcement

EXPENSE REIMBURSEMENT • NONCASH • BILLING/CORRUPTION

MEDIAN LOSS for those THAT DECLINED to refer $50,000