

experience expertise

FORENSIC DATA MINING SERVICES

Most organizations generate massive volumes of business data, creating an ideal opportunity for employees and vendors to commit various forms of fraud. With large amounts of information to sort through, a traditional paper-based investigation may be nearly impossible. **How can your business detect fraud? BKD can help.** Using sophisticated technology and proprietary techniques developed by our top data mining specialists and Certified Fraud Examiners, BKD's Forensics & Valuation Services division can analyze large sets of data for patterns that may indicate inappropriate activities. **Experience what our expertise can help you uncover.**

Risks of Fraud

According to an Association of Certified Fraud Examiners (ACFE) study, typical U. S. organizations lose 7 percent of their annual revenue due to employee and/or vendor fraud. Companies produce large amounts of data about their business and operations, and employees and vendors rely on the size and complexity of this data to conceal their activities. BKD's data mining tools are designed to detect a multitude of procurement, disbursement and payroll fraud issues. Consider some examples of fraudulent activities that our data mining services can help uncover:

- Accounts payable clerk establishes a fictitious vendor and sends checks to his or her home address
- Payroll manager keeps a terminated employee on the payroll
- Sales staff member creates fictitious orders to meet bonus or commission incentives
- Executive consistently pads and falsifies expense reports
- Sales clerk routinely rings up a void or refund and pockets the cash
- Employee arranges kickback scheme with a vendor
- Bank employee records fictitious loans

Our Approach

Whether employees are managing fictitious vendors, rounding up their time card or padding their expense accounts or your vendors are overcharging for goods and services, BKD's data mining team can help detect and analyze these activities. BKD uses sophisticated pattern-recognition models and proprietary techniques to examine accounts payable/vendor master files, payroll, loan master files for financial institutions, expense reimbursement and purchasing card data. Benefits of using data mining include:

- Identifying patterns or trends that may not be visible in traditional paper-based investigations
- Identifying opportunities for improving fraud prevention
- Examining duplicate payments and conflicts
- Identifying conflicts of interest between vendors and employees
- Serving as a possible fraud deterrent
- Assisting in data cleanup
- Providing best practices that may help keep data sets clean

*With a top U.S. CPA and advisory firm, you'll gain from our broad perspective on the issues you face and **experience practical direction.***

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“I’ve worked with BKD’s Forensics & Valuation consulting team several times in connection with complex civil litigation. BKD’s forensics staff was thorough, smart, creative and efficient. I was impressed with their professionalism and their ability to grasp the issues and approach them in a creative and efficient way. Two thumbs up from me; I’d use them again.”

—John R. Gerstein, Partner
Troutman Sanders LLP

Additional Services

Our Forensics & Valuation Services division has access to other experts including forensic accountants, lawyers and business valuation professionals. In addition, BKD advisors have experience investigating inappropriate activities in a wide range of industries, and several of our experts have state and federal law enforcement experience. Additional services include:



- Business valuations

- Litigation support, expert testimony and consultation
- Strategic insolvency and bankruptcy services
- Computer forensics

For More Information

For a complete list of our offices and subsidiaries, visit bkd.com or contact:

Angela R. Morelock, CPA, ABV, CFE, CFF, Cr.FA[®]
Partner
417.865.8701
amorelock@bkd.com

*With a partner-to-staff ratio much lower than the 1-to-9 average found in other top 10 firms, you'll have access to partners and **experience personal communication.***

partner
1:6
staff



HOW DOES OUR EXPERIENCE RELATE TO YOU?

BKD's Forensics & Valuation Services division can help:

- Analyze 100 percent of data using sophisticated automatic pattern-recognition technology
- Manage fraud detection projects with experienced Certified Fraud Examiners
- Serve as a fraud deterrent
- Apply Benford's Law to identify unusual digit frequencies that can accompany fraud schemes