Your presenter

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## Agenda

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<th>Topic</th>
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<tr>
<td>Code of Conduct</td>
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<tr>
<td>The written word and practice as usual</td>
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<td>The easy slide to fraud when ethics does not exist</td>
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<td>The tone from the top- Leadership and Ethics</td>
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<td>The Value of a strong Ethical organization</td>
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Objectives

By the end of this course, you will be able to:

• Develop a strong code of ethics
• Understand the how easy it is for people to slide from ethical to fraud when there are no controls
• Understand the important role Leadership as it relates to Ethics
• Understand the value of ethics within and outside the organization
CODE OF CONDUCT
Core Values

• Integrity
• Reliability
• Independence
• Accountability
• Focus on doing the right thing everyday for ourselves and our clients
• Code of conduct
Examples of Code of Conduct

- AICPA
- SUNY
- ACFE
- Code of Conduct – is it theory
- Difference between ethics and aesthetics
- Ethics training
THE WRITTEN WORD VERSUS PRACTICE AS USUAL
The written word versus practice as usual

1. Substance over form

2. Organization culture – sticks and carrots

3. Professional examples of success and failure
THE EASY SLIDE TO FRAUD WHEN ETHICS DOES NOT EXIST
Fraud triangle

Pressure

Rationalization

Opportunity
ACFE fraud facts

• Organizations lose 7% of annual revenue to fraud
• Fraud continues for an extended time before its detected (average of 24 months)
• Small businesses and small not for profits are most vulnerable
• Fraud rises dramatically during poor economic times
• 63% of fraud is in excess of $100,000
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Common ways to learn of fraud in your organization

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THE TONE FROM THE TOP – LEADERSHIP AND ETHICS
1. Your words and actions matter – people are watching and listening

2. Leadership comes from all angles – top, bottom and sideways

3. Accountability – what is it – who decides
THE VALUE OF A STRONG ETHICAL ORGANIZATION
The value of a strong ethical organization

• Value proposition internally
• Value proposition externally
• Is there a punishment for unethical behavior
• How do we showcase strong ethical behavior
• Exercises
Key points

• Listen
• Listen
• Listen
RESOURCES
Resources

• Ethics Theory and Practice – Thiroux and Krasemann
• Your organization’s code of conduct
• Human resource department
• Management team
• American Institute of CPAs
• ACFE – Anti-fraud resource guide
• Daily news articles
CALL TO ACTION
QUESTIONS AND ANSWERS?