



Fraud Investigation Checklist

A step-by-step checklist to guide your fraud investigations



Step 1: Decide to Investigate



Assess the Situation

Figure out what happened, possible suspects and which policies, laws or regulations the potential fraud violates.

Interview the Reporter

Determine, based on the information they share, whether or not you have a reasonable factual basis for investigation.

Brush Up on Protocol

Review investigation procedures. Secure template documents (such as an investigation plan) you'll need to conduct the investigation.

Take Interim Action

Temporarily suspend the accused with full pay. Change passwords or locks. Take necessary steps to stop the fraud while you investigate.

Determine the Scope

Identify what you are trying to learn through the investigation. Keep it as narrow as possible to protect the innocent.

Outline Your Strategy

Define what you already know as well as what you need to find out and how you will go about uncovering those facts.

Make an Interview List

Create a list of individuals (family, friends, colleagues, experts) who may have knowledge that can help the investigation. Determine what order to interview them in.

Create a Timeline

Set deadlines for investigation steps, such as interviews, document retrieval and reaching a conclusion.

Step 2: Plan the Investigation



Step 3: Conduct Strong Interviews



Start with an Explanation

Begin each interview with an explanation of what is going on and what you are expecting from the interviewee.

Use an Interview Outline

A rough outline of questions, rather than a script, lets the interview flow more naturally.

Build Rapport

Use a friendly tone, stay positive and make the witness feel comfortable. They are more likely to open up to you this way.

Phrase Questions Carefully

Ask straightforward questions in clear, plain language. Make questions open-ended to avoid leading the witness.

Review Email Records

Emails offer a more accurate snapshot of the fraudulent actions and behavior leading up to them than witness recollections can.

Look at the Personnel File

Review the accused's personnel file to look for performance problems, unused leave or other indicators of fraud.

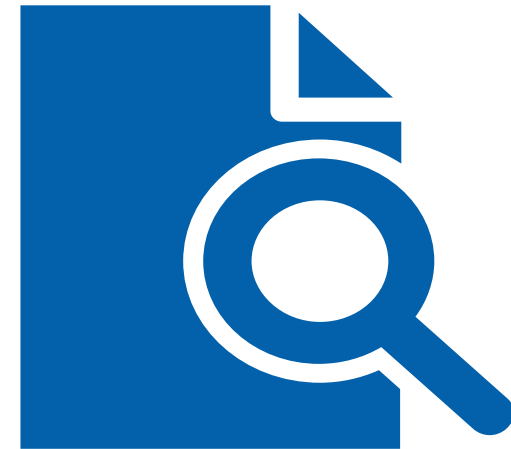
Only Review Relevant Documents

Ensure that you only use records that fall within the investigation's scope to stay on track and reduce liability.

Retain Documents

Keep copies of records in a case management system for easy retrieval. Having all the investigation data in one place makes the process faster, easier and more organized.

Step 4: Review Records



Step 5: Analyze Evidence



Determine Quality

All investigation data should be relevant to the scope, material, competent and authentic. If it's not, don't use it.

Keep Evidence Secure

Confidentiality is key. Lock up physical evidence and protect digital data through encryption or a secure case management system.

Separate Facts and Opinions

Do not let your personal inferences or opinions affect the investigation outcome. Only use facts to draw a conclusion.

Check Evidence Against Allegations

You should be able to prove or disprove each element of the fraud allegation with evidence you've gathered. If you can't, keep working.

Step 6: Write the Investigation Report



Avoid Inflammatory Language

Present only the facts in your report, not your judgements about what happened. Avoid words like “supposedly” and “presumably.”

Use Direct Quotes

Wherever possible, cite direct quotes from witnesses. This keeps the investigation report objective.

Limit Jargon

Avoid jargon, acronyms and technical terms where you can. If you must include them, define them clearly.

Refer to Documents

Describe any documents you used as evidence and what you found in them. Note policies, procedures, laws or regulations that were violated by the accused.



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1-800-465-6089 | info@i-sight.com