Rachel Daddesio Explains How Audits Can Red Flag Internal Corruption

MONTGOMERY, TX, UNITED STATES, July 20, 2020 /EINPresswire.com/ -- Internal Corruption is Often Caught with Internal Audits, Identifies Rachel Daddesio

Opportunity is one of the most common reasons for internal corruption and fraud. When people feel as though they can get away with it, they will. Internal audits can be used to red flag the issues before it becomes too devastating for the company. Rachel Daddesio, CPA, explains why companies should be scheduling audits on a regular basis.

Rachel Daddesio recommends that a company schedule an internal audit at least twice a year. Larger companies may want to schedule more frequently in order to catch issues quickly. The audits should be conducted by a consultant as opposed to an employee. This ensures that issues are actually caught as opposed to ignored.

Awareness and prevention help with deterring fraud and corruption. Rachel Daddesio explains that many people won't commit fraud for the company they work for, especially if they know that internal audits are scheduled randomly.

Often, the red flags that appear in everyday operations are ignored. They're passed off as administrative errors. Rachel Daddesio explains that people are often able to get away with corrupt activities because their co-workers assume the best of them. They cannot conceive of an employee actually doing anything illegal.

The reason for an internal audit is to shine a light on the red flags. It's easier to identify the

issues and follow the trail to determine who or what is responsible for them. In some instances, it is an administrative error. In some instances, it is because of not having sufficient protocol in place. Then, as Rachel Daddesio explains, it may be that someone was given the "keys to the kingdom." They didn't have any oversight in place, and, therefore, they thought that they could commit fraud and get away with it.

Rachel Daddesio explains that audits will go over the financials closely. It will explore the separation of duties, the presence of management approvals, and explore system controls. It will also involve following the money trail so that it's easy to see where money is coming in and going out. If there are gaps in the trail or money doesn't add up, it can show that there's corruption in place or poor system control.

CONTACT:

Caroline Hunter
Web Presence, LLC
+1 7865519491

SOURCE: Web Presence, LLC

Many companies realize that there were red flags present once they receive an audit. As soon as fraud has been detected, it allows management to look back on different scenarios to realize that they could have prevented the fraud simply by being more aware of what was going on.

Rachel Daddesio suggests that companies realize that there can be fraud at any level. With internal audits occurring regularly, it's easier to detect corruption and move forward. She recommends that companies change up the times and frequencies of audits, too, to avoid employees identifying patterns.

Caroline Hunter
Web Presence, LLC
+1 941-223-3529
email us here

This press release can be viewed online at: https://www.einpresswire.com/article/522127484