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TOUGH-TO-SPOT  
**SIGNS**  
THAT AN INVOICE IS  
**FAKE**



# 5 tough-to-spot signs that an invoice is fake

Long gone are the days of generic-looking, can't tell-if-its-a-bill-or-a-marketing ploy invoices. Fraudsters have upped their game, with an assist from technology.

Which means that if your finance staffers don't have an eagle eye with each invoice that crosses Accounts Payable's desk, you run the risk of a potentially costly loss.

When staffers know just what to be on the lookout for, you increase your chances of spotting something fishy before it has the chance to cost you.

We've assembled some of the top red flags when it comes to invoice fraud today. It's worth sharing with all your A/P staffers to ensure they are ready for anything fraudsters throw your way.

(Hint: You might even invest in a magnifying glass for your department.)

## Red Flag 1: A not-so-crisp logo

Of course you'd notice if bills from a regular supplier looked completely different than they always do. That's why thieves try to make as little change as possible to the existing bills.

Unless it's an inside job, they can't get their hands on company letterhead. So many scan a copy and print it onto their own paper. But things like the logo won't appear as sharp on a scanned version.

So have staffers pay a little extra attention to a detail like that.



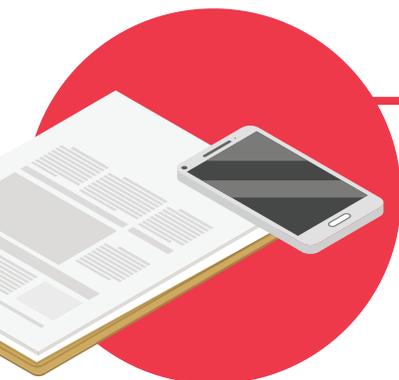


## Red Flag 2: Account numbers look different

If you're dealing with a "washing" situation, the thief may take an existing and 100% legitimate invoice and change a single piece of vital info, like a bank account details for an electronic payment.

Again a sharp eye can save the day. Your staffers want to be comparing the print in key fields with the print on the rest of the invoice. Is it an exact match? Same font? Hitting the place on the line as the other info?

It also couldn't hurt to compare that field on the invoice to previous ones from that same vendor as an extra control.



## Red Flag 3: Contact info ever-so-slightly changed

Of course the toughest-to-spot phony invoices look identical to the ones A/P receives every day.

That's just what the crooks count on. And they're preparing for the fact that companies are paying closer attention than ever to what crosses their desks.

A sign something fishy may be afoot: Contact info has changed. Of course if there's a radical difference most finance staffers will catch it. Which is why less-than-honest people will change contact info ever so slightly as to be glossed over by most people.

At least that's what they're counting on.

An email address that now ends in .org instead of .com, for example, might fly under the radar but is a dead tip-off something funny's afoot.

Encourage staffers to make contact info an item worth checking each time they process an invoice.

It takes 10 seconds to type a URL into a PC to verify it's on the level. But it can save you countless headaches – and even some cash.



## Red Flag 4: Invoices in even amounts

Your staffers key in a lot of numbers on any given day. Few of them probably nice round numbers.

In fact, if you do encounter an invoice with totals in even amounts, your radar should shoot up.

That's another key invoice fraud warning sign, say fraud experts. Remind staffers: Too neat could be a cause for concern.



## Red flag 5: Same numbers over and over

Numbers people will appreciate this one. (And would-be crooks certainly won't.)

If you haven't already shared Benford's Law with your finance staffers, now's the perfect time.

According to Benford's Law — aka, the first-digit law — invoice data follow a certain sequence of numbers. When numbers appear more often than they should, that's a red flag you may have a questionable invoice. So:

- The number 1 should show up 30% of the time
- The number 2 should show up 17% of the time, while
- The number 9 should only show up 4.5% of the time.

Most fraudsters don't know about Benford's Law. So often they use the same numbers over and over. A sure trigger for you to do a little investigating.