

# COMMON THEMES, COMMON SCHEMES

There is more than one way to embezzle money and many perpetrators will use more than one method. Whether it is the simplest approach or the most complex, understanding how these schemes work helps in prevention.

## FUNDS THEFT

Perpetrators take cash or bank deposits and transfer the funds to an account they control.

## CHECK FRAUD

Checks are altered or forged to be made payable to the perpetrator.

## DRIVER'S LICENSE/IDENTITY THEFT

Identity theft occurs when someone assumes your identity to perform a fraud or other criminal act.

## CREDIT CARD FRAUD

Company credit cards are used for personal purchases, or unauthorized credit cards are issued.

## FINANCIAL STATEMENT FRAUD

Financial statement fraud is the manipulation of the information used to prepare the financial statements released to the public and financial institutions. Five basic types of financial statement fraud exist:

- fictitious sales
- improper expense recognition
- incorrect asset valuation
- hidden liabilities
- unsuitable disclosures

## PAYROLL FRAUD

The perpetrator pays fictitious or terminated employees and diverts the funds to personal accounts.

## MERCHANDISE/ PROPERTY THEFT

The perpetrator steals property or merchandise belonging to the company. This may be the most underreported category of employee theft.

## PHISHING SCHEMES

Phishing is a type of social engineering attack often used to steal user data, including login credentials and credit card numbers.

## PONZI SCHEMES

"Ponzi" schemes promise high financial returns or dividends not available through traditional investments. Instead of investing the funds of victims, however, the con artist pays "dividends" to initial investors using the funds of subsequent investors.

## EXPENSE FRAUD

Expenses that are reimbursed by the company are fabricated or inflated.

## VENDOR INVOICING & FALSE BILLING

Invoices from vendors are fabricated, inflated, or fictitious vendor companies are invented.

## MONEY LAUNDERING

Money laundering is the process by which criminals conceal or disguise their proceeds and make them appear to have come from legitimate sources.

## MISBRANDING

Misbranding occurs when any consumer product is labeled in a false or misleading way by omitting information, providing false content or quantity information, or concealing information by minimizing placement, removing a label, or misleading with the container shape and size.

## ALTERATION OF A DRUG

This fraud occurs if a drug is prepared in unsanitary conditions, contains rotten substances, contains poisonous substances, or is prepared in any way that will cause injury or death.

# DAWSON PHARMA LAB PAYROLL

Updated: Sept. 2017

Name	Title	FT/PT	SSN#	Annual Salary	Account Number	401(k) Contrib.
Dennis Harvey	Owner/Pharmacist	FT	***-**-6709	\$241,500	-3788	5.00%
Kristine Galli	Pharmacy Technician	PT	***-**-2048	\$33,000	-9274	
Diedra Benson	Office Assistant	PT	***-**-2334	\$22,000	-3788	
Trevor Phillips	Pharmacy Technician	PT	***-**-2984	\$28,000	-6452	

**From:** Dennis Harvey <dharvey@dawsonpharmalab.com>  
**Sent:** Friday, September 8, 2017 4:23 PM  
**To:** <security@ashwoodhospitalgroup.com>  
**Subject:** Re: **\*\*MANDATORY\*\*** Building Security Badges

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Hello,

Please see the below badge information for myself and my two, part time pharmacy technicians. Each will need badges to enter the building:

Dennis Harvey, Pharmacist, Dawson PharmaLab, Age 42  
Kristine Galli, Pharmacy Technician, Dawson PharmaLab, Age 37  
Trevor Phillips, Pharmacy Technician, Dawson PharmaLab, Age 24

Please let me know if you need any additional information.

Dennis

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**From:** <security@ashwoodhospitalgroup.com>  
**Sent:** Wednesday, September 6, 2017 8:00 AM  
**To:** Dennis Harvey <dharvey@dawsonpharmalab.com>  
**Subject:** **\*\*MANDATORY\*\*** Building Security Badges

Dear Ashwood Hospital Group Building Residents,

Effective September 30th, all workers both full and part-time will be required to show a security badge to enter the building. Turnstiles are being installed at the main entrances of all buildings, and all other entrances will have a pad installed for scanned entry. Don't get locked out! By September 15th, please send the following information for all employees that need access to the building on a regular basis:

Full name  
Position  
Company  
Age

All other visitors will be required to check in at the front desk before gaining entrance.

Email security@ashwoodhospitalgroup.com with any questions or concerns.

Thank you for your prompt consideration.

Douglass Wallace  
Head of Security  
Ashwood Hospital Group

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Hello Friends and Colleagues,

At Dawson PharmaLab we have a commitment to providing quality medicines at affordable prices for our many providers and patients. It's been a privilege to have worked with so many of you over the years as a trusted partner. Today, I'm requesting your support for an exciting investment opportunity.

Day in and day out, we mix chemotherapy medications and hear about the trials and challenges cancer patients have after receiving treatments. They desperately need these lifesaving drugs to help them beat such a horrible disease, but the toll these drugs take on patients is sometimes insurmountable. Pain, fatigue, hair loss, nausea – for some, the side effects can feel worse than the disease itself.

I couldn't sit by anymore just watching patients suffer. I had to act. We've developed a treatment that could help curb the vicious effects of chemotherapy treatment. Hours upon hours of tinkering, trial and error, and tons of questions for medical practitioners and patients we feel like we've done it. Dawson Pharmalab has created an entirely new drug that helps curb side effects of chemotherapy treatment.

Let me introduce you to Kanuzo. It's non-addictive, non-drowsy medication that can help a chemotherapy patient receive treatment on a Friday, and go kayaking on a Saturday. That's right, this drug could change the lives of a significant portion of the 16.9 million people annually who have cancer in the United States. There's truly nothing like it.

Several large drug companies have taken an interest in Kanuzo. They could help scale this globally if given a chance. However, to be able to make significant returns on this product I need investments to buy the raw materials. Since you are a close friend or trusted confidant, I wanted to reach out to you first. I can promise you a tenfold return if you invest early because selling to a large pharmaceutical company is within our reach. Plus, the earlier you invest, the higher your returns will be.

Please, consider opening up your checkbooks to support the development of this incredible new medication. I need to raise \$10 million to get Kanuzo off the ground. Donations from \$100,000 to \$1,000,000 will be accepted for round one – please contact me at (525) 661-6603 to invest today.

In healing and prosperity,

*Dennis Harvey*

Dennis Harvey

**From:** Lotte Bolden <lotte.bolden@windsoroncologycenter.com>

**Sent:** Thursday, August 10, 2017 1:57 PM

**To:** Dennis Harvey <dharvey@dawsonpharmalab.com>

**Subject:** Re: June + July Invoices

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Hi Dennis,

It's Marie that's out and she does handle some of the billing. I'll ask our front desk to cut you a check instead. It should arrive at your office in the next few days.

Lotte

----- Original Message -----

From: Dennis Harvey <dharvey@dawsonpharmalab.com>

To: Lotte Bolden <lotte.bolden@windsoroncologycenter.com >

Sent: Thursday, August 10, 2017 10:24 AM – 00000 (UTC)

Subject: June + July Invoices

Hi Lotte,

Hope you're staying busy! Checking in because I haven't seen the usual direct deposit payments for my June and July invoices that I sent earlier this month. I know someone from your office is on maternity leave – could it be waiting in their queue?

Either way, at this point, a check would be a little easier for me. If you could cut one check for both invoices, that would be great.

Thanks!

Dennis