

Slippery Number\$...

Why Distance + Visibility = the Financial Exec's Fraud Swat Team

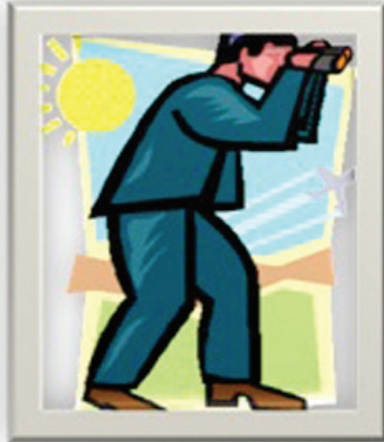
All who have ever sat in the Financial Executive's chair have watched with absolute dread (and not a little worry) as the parade of corporate cheaters have been caught, tried, and too many of them found guilty and sentenced.

Dread — because this year we've watched in horror as trusted industry financial veterans pled to fraud — often right under the noses of those who trusted them most. Worry — because the vast majority of CFO's, CAO's, Controllers and Finance VP's ... always worry. Worry that maybe something was unintentionally missed or maybe an obscure accounting rule has changed or that an auditor may find something BAD that no one saw coming. It comes with the turf: we financial execs worry — and it's likely one of those obscure assets that makes us great.

So financial executives do what they can: burn the midnight oil before closes, audits, mergers and IPOs pouring over the things *within their control*. But it's the stuff we can't control, the voluminous amounts of numbers entered, processed, allocated and spread by teams of *other people* that can cause the most angst.

FEI readers understand completely that this is less "control freak" than "controls speak."

It translates into putting infrastructure in place, like Best Practices and integrated business processes ... infusing accountability and visibility ... and creating some distance.



On-Site Accounting Employees: Too Close for Comfort?

Unfortunately, too many financial executives have been tripped up by outright fraudulent activities occurring right under their noses with trusted employees and partners: So YES, WE WORRY. Because despite all the very expensive accounting technology that we painfully have implemented, trained on, changed again, paid for some more, etc. ... it's not rocket science or news to anyone that fraud is still going on.

Corefino offers the Financial Executive community a new outsourced accounting solution that literally gives would-be cheaters no place to hide. It combines an internet-based Software-as-a-Service accounting solution + Business Process Outsourcing + Corefino's Triple-C Platform™ of more than 500+ Best Practices and Controls. In "controls speak," this puts a very harsh and direct spotlight on *the entire end-to-end accounting process*.

Factory Style Framework — Expert Eyes and Everyone's Watching!

One of the undeniable truths about financial reconciliation is that when multiple eyes are watching, it's a lot harder to perpetrate fraud. Like Total Quality Management Process (TQMP) made famous by Deming and others in the mid-1980's — Corefino's Triple-C Platform™ includes both a technology AND people component. It borrows from the TQMP idea of assembling expert teams who are responsible for perfecting/executing only specific tasks and then passing the "product" to the next expert in the process.

As a Financial Executive, you're immediately seeing the swat team beauty of this from a fraud prevention standpoint. One person might try to cheat if they are running a larger chunk of the accounting operation; but in the Corefino model they'd be discovered immediately as each successive expert reviews what's come before them, adds their value, re-checks and moves it along the factory-stylized chain. If you then add to this mix that these outside accounting experts are not company employees (and therefore *not* vested in the company's success) ... you remove a lot of temptation.

Distance, objectivity, visibility. It's a powerful mix of cheater deterrent.


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