



Personnel Changes and Fraud Risks

Personnel changes can occur at various levels within an organization, and may result in adjustments to processes, strategies, and organizational structure. While new perspectives and approaches can drive growth and improvement, they can also create fraud risks as employees adapt to the changes and expectations. Awareness of these risks is important because fraudsters may attempt to exploit transitional periods for personal gain.

Three fraud risks and mitigating controls relating to personnel changes are included below:

Risk: Increased Pressure

- During personnel changes, individuals may feel pressure to show immediate success as they adapt to new expectations.

Control: Clear Communication

- Maintaining open lines of communication during periods of transition can help alleviate pressure felt by personnel.

Risk: Gaps in Controls

- Incoming personnel need time to familiarize themselves with existing controls, creating opportunities for fraudsters to exploit weaknesses.

Control: Comprehensive Training

- Incoming personnel should receive thorough training on business systems and controls that are relevant to the position.


Risk: Changes in Processes

- Personnel transitions may result in changes to policies, processes, or organizational structure, which can increase fraud risks during the adjustment period.

Control: Monitoring and Oversight

- Enhanced monitoring and oversight may be necessary to promptly address weaknesses or irregularities while processes are refined.

Where can I find more information?


 [USF Regulation 5.001](#): Fraud Prevention and Detection

 USF Office of Internal Audit website: <https://www.usf.edu/audit/>

How can I report potential fraud or abuse?

 Notify your supervisor

 Contact the USF Office of Internal Audit at (813) 974-2705

 Report activities anonymously through the [EthicsPoint](#) hotline at (866) 974-8411