

## Payroll Integrity and Fraud Monitoring

Payroll schemes can often be costly. According to the Association of Certified Fraud Examiners, in its 2024 report on occupational fraud, the median loss generated by payroll fraud incidents is \$50,000. The best way to mitigate the risk of payroll schemes is to increase awareness and implement robust internal controls.

### Payroll Diversion

- Scammers can use phishing emails to steal USF login credentials to change an employee's bank information and redirect paychecks to their own account.

### Dual Employment

- An employee may be employed by a second employer without authorization, causing them to not meet their USF responsibilities or to misuse USF resources.

### Overreported Hours

- An employee may report more hours than they worked, which can lead to overpayments or overreporting of hours worked on grants and contracts.

### Leave Overpayments

- An employee fails to properly record annual or sick leave they have used, leading to the receipt of excess leave benefits or a larger leave payout than earned.

### Terminated Employee

- Employees who are not removed from payroll timely may be overpaid. A fraudster could then redirect those payments to their own account.

### Ghost/Phantom Employees

- A new employee may be added to the payroll but never works for USF. This may involve an actual person who collaborates with the fraudster or use of a fake identity.

### Where can I find more information?


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