

CASH LARCENY SCHEMES

Cash larceny schemes involve theft of an incoming payment after it has been recorded in the organization's accounting records. According to the Association of Certified Fraud Examiners, in its 2022 report on occupational fraud, cash larceny schemes resulted in a median loss of \$45,000 per case and typically lasted for 14 months. These schemes are often detected by performing reconciliations and cash counts.

The following Q&As explain methods to help prevent and detect cash larceny schemes.

👉 Are registers or cash boxes secured and closely monitored?

- x Cash should be secured. Access should be closely monitored and restricted to only those who have been approved to have access.

👉 Are cash register totals reconciled to the amount in the cash drawer?

- x Cash register totals should be reconciled to the cash in the drawer. Any discrepancies should be investigated.

👉 Are cashiers properly supervised to deter theft?

- x Cashiers should be supervised by on-duty supervisors or security cameras should be installed to record the register area.

👉 Are surprise cash counts conducted periodically?

- x Surprise cash counts should be conducted to detect discrepancies between cash recorded and cash on-hand.

👉 Are the organization's bank accounts reconciled timely?

- x Organizations should reconcile bank accounts timely to detect discrepancies between funds collected and deposited.

👉 Are cash handling and reconciliation responsibilities properly separated?

- x Duties should be separated to ensure no one controls all tasks involved in the cash collection and accounting process.

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) 917-1000 or (813) 917-1001