

Preventing Global Corruption

ACCOUNTS PAYABLE RED FLAGS

Educate Your Accounts Payable Team on Red Flags

The ability to identify red flags involving company payments, is a critical component of an effective compliance program. Pass this document on to your Accounts Payable team to provide some examples of what to look for. If they suspect suspicious activity it should be escalated and investigated accordingly – it's a good idea to have a policy outlining your company's protocol.

Examples of Red Flags

Payment To:	Red Flags
Healthcare Professionals (HCPs) / Government Officials (GOs)	<ul style="list-style-type: none"> • Payments in excess of amounts permitted by local country rules • Reimbursement of expenses without supporting receipts • Reimbursement for cost of excessive/extravagant flights or hotels • Reimbursement for cost of entertainment, such as city tours, spa fees, golfing, etc. • For reimbursements to an HCP, payments to a bank account in a country other than the country of residence of the HCP
Employees (via expense reimbursement claims)	<ul style="list-style-type: none"> • Payment not approved by employee's manager • Missing receipts or receipts that do not provide details of purchase • Gift cards or cash payments • Expenses related to entertainment, such as city tours, spa fees, golfing, etc. • Payments for excessive/extravagant hotels, travel or other expenses • Meals where attendees and/or business purpose are not specified • Meals where attendees include spouses or other guests that do not appear to have a legitimate business reason for attending • Multiple receipts for the same meal or receipts that are close in time • Receipts that look forged or suspicious • Receipts from different employees for expenses related to the same HCPs (e.g., one employee pays for cocktails before dinner and one employee pays for dinner to split the total spend on the HCPs)