

Money & Mission

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Guest Editorial: Boundless Innovation

Paul Goodyear, Financial Secretary

In July, The Salvation Army will celebrate the 150th anniversary of its founding with an international congress in London, England. Its theme is *Boundless – The Whole World Redeeming*, a reference to General William Booth's song, "O Boundless Salvation". There will also be three sub-themes: *Commemorating the Past*, *Celebrating the Present* and *Innovating for the Future*.

Innovating for the Future has particular significance for the Finance department. In 2015, we will be introducing several far-reaching innovations, including our new accounting system, Agresso, which will replace the Masterpiece and Shelby systems in use since 1996 and 1992 respectively.

Agresso will allow us to take advantage of significant advances in technology since the 1990's, automating the processing of transactions as well as the generation of reports. In particular, the new system will see accounts payable transform to a paperless process that will virtually eliminate manual data entry and significantly improve the speed and accuracy of our payments processing.

2015 will also see the implementation across the territory of a new travel and expense reporting system called TEM. This has already been in use at THQ for a number of months and allows officers and employees to submit expenses online wherever they have an internet connection. Once a claim has been uploaded, the person who must approve it for payment receives an e-mail advising them that they have a claim to review and approve. Once approved, the claim is automatically routed to accounts payable.

As a result of these and other innovations, personnel at ministry units, DHQs and THQ will spend less time on routine administrative tasks and have more time to devote to service in accomplishing the Army's mission.

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Scams Involving Office Supplies, Directory Listings and Billings

Brenda Young, Audit Consultant

Organizations are often the target of scams that involve office supplies, equipment, advertising or directory listings, and billing. The scams are orchestrated in a variety of ways, over the phone, through invoicing or by receipt of product. In this article, we will describe how these scams occur and how to protect yourself against them.

'Unbelievable' deal on office supplies

A common scam involves the 'unbelievable' deal. In this scenario, a telemarketer contacts the organization and aggressively pressures it to make a purchase at a great "now or never" price. The scam relies on the urgency factor to pressure the victim to act immediately to obtain the so-called "discounted" low price.

Prior to making the sales pitch, the telemarketer has called the organization and obtained background information, perhaps under the guise of being a marketing research company. The telemarketer then has the correct contact name and/or the make and model number of the equipment involved in the scam.

The next call is the sales pitch. The telemarketer may now identify himself as the "regular supplier" and offer a "deal" on toner, cartridges, other office supplies, etc. However, the price is presented as a "special" or "limited time" offer which must be acted upon immediately, thus pressuring the individual contacted to act on impulse.

The scam can work whether an order is placed or not. If the deal is accepted, the product may or may not be delivered. If sent, it is usually found to be inferior and overpriced. If not delivered, an invoice may be rendered on the chance that it will be paid. If the deal is not accepted, the scam may still be played out. Since the telemarketer has the name of the individual who receives supplies, an order and invoice is subsequently sent, again in the hope that it will be paid.

Unauthorized advertising or directory listing

The directory listing or advertising scam occurs where an organization is invoiced for a listing or advertisement in a magazine or some form of business directory. The scam might arrive as an update of an existing listing in a directory when it is actually a proposal for a subscription. It may be disguised as an offer for a free listing, when, in fact, it is an order for a listing requiring later payment.

Another approach is for a telemarketer to call an organization to confirm details of an advertisement that the telemarketer claims has already been booked. The telemarketer may refer to a genuine advertisement from another publication or directory to try to convince the victim that the scammer's services have been used before. The hope is that the victim will agree to re-activate the listing or advertisement. This, of course, does not occur, but the victim is billed for the service.

Fraudulent billing

This occurs when the scammer submits an invoice which resembles one from a legitimate, reputable vendor. It appears to be authentic, although there are minor differences in the supplier's name or logo. The scammer counts on the modifications going unnoticed and the

reputable vendor. It appears to be authentic, although there are minor differences in the supplier's name or logo. The scammer counts on the modifications going unnoticed and the invoice being processed.

Protecting against scams

An organization can guard against these scams through controls over purchasing, receipt of product and invoice payment, and through training. Employees processing invoices, ordering supplies or answering telephones – usually the first point of contact - should be aware of these scams and the following simple controls.

1. Information about office equipment or supplies should not be provided over the telephone. An authorized supplier would already have the organization's information on record.
2. Office supplies should not be bought over the phone from a source that has initiated the call. Request the names of the company and the caller and a contact phone number. If you are presented with a 'great deal', request the offer in writing. If the offer is legitimate, there should be no hesitation in providing this, and there should be no need to respond immediately.
3. If a caller has indicated that supplies have been ordered, request proof of the order.
4. If a product is received that was not ordered, contact the supplier immediately. Indicate that the items are not being accepted and that the supplier will need to pick them up at its expense.
5. Be wary of order forms offering advertising opportunities in directories. These may look as if they originate from a well-known supplier of directory advertising, when, in fact, they do not.
6. Watch for variations in a supplier's name, logo or other changes on invoices. If they appear, question them. Contact the vendor and ensure there is documentation to support the invoice, such as a legitimate purchase order or shipping document confirming receipt. Always investigate suspicious invoices, and verify that goods or services were ordered and received before paying the invoice.

Effective controls, awareness and training go a long way in preventing these scams from succeeding.

Did You Know?

16,000 delegates are expected to attend the Salvation Army's "Boundless Congress" referred to in this issue's Editorial. With the majority of delegates coming from overseas, the congress will be truly international. It can also claim to have come "home" since the venue - the O2 arena that was built to celebrate the new millennium – is only three miles from the east London streets where William and Catherine Booth began their ministry in 1865.

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