

From the:

**ARIZONA**

## ***Auditor General***

Our office has received information that some Arizona school districts were recently targeted as part of a purchasing scheme involving fraudulent purchase orders. In one case, a vendor not on the district's vendor list called the district prior to shipping \$50,000 of laptop computers because they were suspicious of the purchase order. The fraudulent purchase order contained the district's logo, address, business manager's name, and a forged signature. However, the purchase order's format and numbering did not match the district's purchase orders and the ship to address was not a district location. In this case, the district was able to prevent the fraudulent order from being filled by the vendor. The District reported the fraud to the police and notified their vendors that they should contact the district if a purchase order appears to be suspicious.

Please take a moment to remind yourself, and others at your district, of the following ways that you can help detect and prevent similar fraudulent transactions from occurring.

- Alert employees of the possibility of a similar scheme occurring at your district.
- Ensure employees are trained in the proper procedures for payment processing as outlined in the USFR and always compare prices, terms, and quantities on vendor invoices with receiving reports and purchase orders prior to making any payments.
- Consider contacting vendors or posting a notice on the district's website so that they can be on the lookout for any suspicious and potentially fraudulent purchase orders.

If you have any questions, please contact our Office at [asd@azauditor.gov](mailto:asd@azauditor.gov) or [\(602\) 553-0333](tel:(602)553-0333).

Sincerely,  
Arizona Auditor General's Office