Don't Be a Target of Fraud

Fraudsters are always looking for ways to deceive Texas state agencies that issue payments to vendors, employees, individual recipients and annuitants. The Comptroller's office recommends important practices to reduce your agency's risk of being a target for payment fraud.

Know Your Customers

- Know the details about your payees including name, address, telephone number, account information, contract requirements and payment schedules.
- Maintain up-to-date records.
- Have a good working relationship with your payees.

Be Attentive to Changes

- Confirm any requests for bank account changes with payees or with your regular contacts for payments.
- Be wary of requests from someone other than your usual point of contact. Confirm any changes in writing or by telephone **using the details you have in your records**. Do not respond directly to a change request originating from a new email or telephone number.
- Question any out-of-the-ordinary items from internal or external sources when working on daily payment reports and/or direct deposit summaries.
- Take note of a payee who requests multiple direct deposit changes within a narrow timespan.
- Contact your supervisor if a caller is pushy, aggressive or verbally abusive in an attempt to create a heightened sense of urgency and speed up changes.
- Alert agency staff who pay invoices to watch for irregularities.
- Communicate with the contract manager about requests to change payment conditions. Verify change requests using original contract or source documentation.

Use System Reports to Your Advantage

System output reports are generated daily for payment processing staff. These reports are available for agencies to download. Among the topics:

- setups of Texas Identification Numbers (TINs)
- setups of and changes to direct deposit information
- notices of change returned by banks for direct deposit accounts
- unprocessed transactions
- payroll processing
- payment history
- cancellations

Agencies should use these reports to monitor input, ensure proper processing and help detect internal and external fraud.

Glenn Hegar
Texas Comptroller of Public Accounts

KNOW FRAUD:

Review additional fraud prevention tips and best practices at **https://fmx.cpa.texas.gov/fraud**