

COMBATING FRAUD AND CORRUPTION

Praescient's analysts and engineers uncover complex networks and provide actionable insight in the fight against illicit finance.

Revealing Corruption, Fraud, and Illicit Finance

Praescient analysts combine disparate data sets to uncover the true nature of corporate behavior designed to obfuscate smuggling. In one example, international sanctions meant to prevent the Islamic Republic of Iran Shipping Lines (IRISL) from conducting smuggling operations were proving ineffective because of the organization's use of a complex shell structure. Praescient personnel revealed the phony companies, vessel names, and flags used by IRISL to mask the illegal activities of over 200 ships. Further, by combining known organizational data with open source information about international sanctions, Praescient's analysts were able to determine that IRISL moved dozens of personnel to a shell company in order to work around restrictions and continue to move their illegal cargo.

These same techniques can be applied to the investigation of retail fraud. Contracted by a major international retailer, members of Praescient's *Analysis as a Service Team* developed a custom workflow to address the client's request for a better way to counter online retail fraud. Many online retailers struggle against fraudulent activity, characterized by manipulations of their return policies by unscrupulous buyers. By importing massive amounts of customer and sales data from the retailers, Praescient analysts uncovered geographic patterns within the fraudulent return transactions that suggested a southwest distribution center as an origin point. The analysts uncovered that the nationally-experienced fraudulent activity originated as an insider threat, enabled by an internal employee.

Praescient also fights waste and corruption. Providing advanced analysis to maximize the effectiveness of program management for a sensitive client, Praescient analysts examined financial corruption in the acquisition lifecycle of an emergency management organization. Analysts tracked over 1,000 Indefinite Delivery / Indefinite Quantity (IDIQ) contracts related to FEMA's recovery efforts after Hurricane Katrina, resulting in the discovery of 17 modified contracts which amounted to over two million dollars. The analysts further examined this subset and found that several contracted companies had continued to be paid even after work was complete and had failed to return these overpayments.

IMPACT: TAMED LARGE DATASETS AND PROVIDED ACTIONABLE INSIGHT TO ADDRESS BOTH INTERNAL AND EXTERNAL FRAUD AND CORRUPTION



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Fraud and Corruption

Praescient's staff have helped government and commercial clients across the United States and around the world fight fraud, uncover corruption, and disrupt other forms of illicit finance. Analysts and engineers leverage advanced analytic methodologies to allow organizations to "follow the money" and gain a deep understanding of illicit financial networks.

About Praescient

Praescient Analytics delivers embedded analytical services, data integration, platform customization, and training in partnership with leading technology providers. Our teams of analysts and engineers provide solutions to federal and commercial clients engaged in critical defense, law enforcement, intelligence, cyber security, financial, investigative, and legal analytics missions.

Learn more at
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