

How is your dealership preventing fraud?

Heading off fraud at your dealership is worth every ounce of effort you put into it. After all, a thief can steal financial data in seconds — but you can spend years embroiled in the resulting lawsuits. And getting a reputation for exposing personal information won't help you attract or retain customers. Safeguarding customers' electronic and physical information protects not only their identities, but also your dealership's good name.

It doesn't have to be complicated

Preventing fraud at your dealership doesn't take James Bond or Sherlock Holmes. It just takes strong procedures that you and your managers teach your staff to follow, and that you consistently enforce.

For instance, the first employee a customer spends time with is the salesperson. As soon as the customer has filled out a purchase application, it's up to the salesperson to protect that sensitive information. Rigorously train your sales staff to store customer information in locked file cabinets and not leave it displayed on desks or computer screens.

Unfortunately, employees themselves represent one of the biggest security risks for dealerships. Despite background checks and other screening procedures, there's just no way to be 100% sure of any employee. So, to reduce the risk of theft, limit your employees' access to the secure filing area and the computers where you store customer information.

Protecting customers' electronic information means hiring the best people you can to manage your network. But network protection is only as good as its administrator. If your firewall is not properly set up and monitored, it's useless. Put proper administration and maintenance in place to keep your network as safe as possible.

It just has to work

These days, seemingly every other news report contains an item about someone's Social Security number or other personal data being stolen. Still, customers want to believe the personal data they entrust you with is safe. Build a reputation for being proactive in keeping confidential information under wraps, and you may also build your own good fortunes.

Frankeberger Vausher + Company, CPAs is a full service CPA firm whose partners have collectively served the dealership industry for over 35 years. We provide a full compendium of professional services including traditional taxation and financial statement preparation as well as strategic consulting for dealers in such areas as: Financial and Operating Controls, all activities for Buy/Sell transactions, valuation requirements, estate planning assistance as well as being Expert Witnesses in Litigation Matters. In addition, we provide expertise in Forensic, Fraud and Embezzlement situations as that need may unfortunately arise. Please contact **Dennis Frankeberger** to discuss this article or any other dealership issue that may be of interest to you.



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