A presentation on ethics by: Phillip W. Hurd Chief Audit Executive, University of Houston System SACUBO Fall Workshop November 2023

Why Lying, Cheating, and Stealing Are the New Normal.



Expectations of this Session



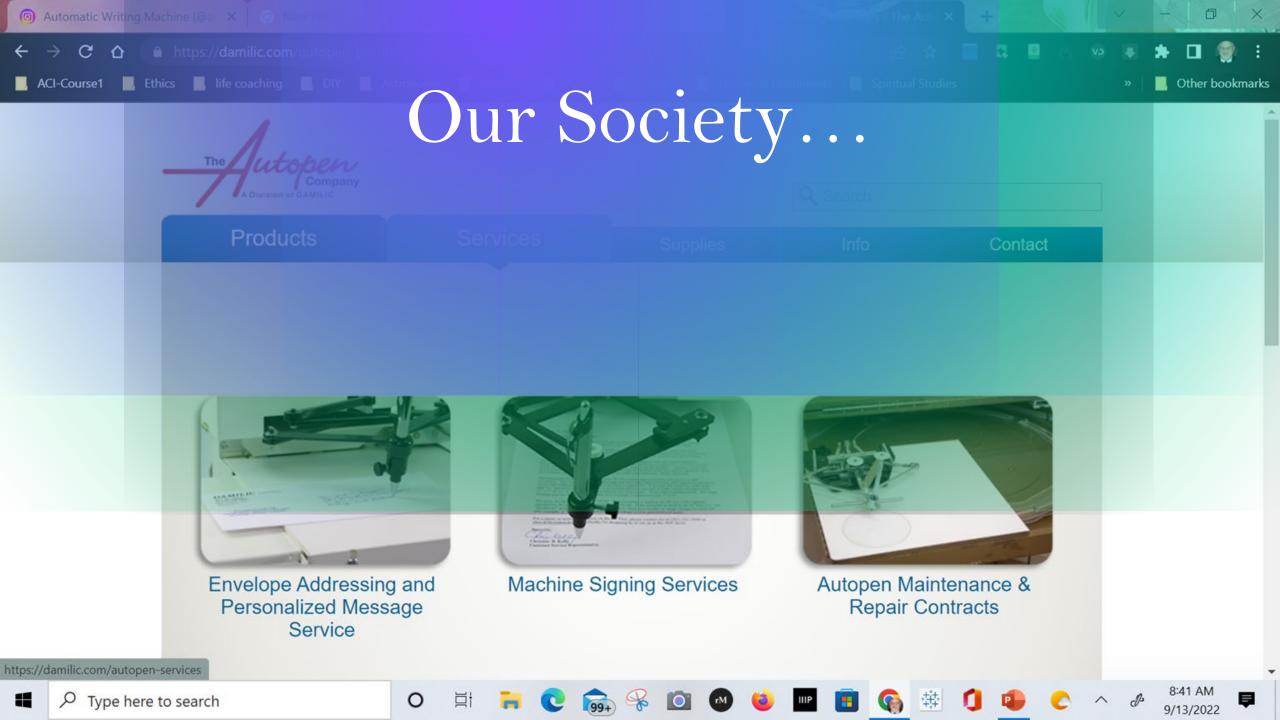
1. Analyze the Cultural Shift in Ethics: Participants will explore how deception has become normalized in society, examining specific examples such as IRS scams, robo calls, and counterfeit receipts, and understand the psychological triggers that create perceived trustworthiness.



2. Develop Protection Strategies: Attendees will learn actionable ways to protect themselves and their organizations from unethical practices, including recognizing red flags and implementing effective internal controls.



3. Foster an Ethical Environment: Participants will be guided on how to foster a culture of ethics within their institutions, emphasizing value-based decision-making and integrity, and applying these principles to real-world scenarios.



Proof Deception is the Norm...



Novelty ATM Receipts

Imagine being able to give a potential date your number on the back of an ATM receipt with a huge balance-let's face it he/she is a lot more likely to call. Here at SalesReceiptStore.com we give you the option of getting personalised novelty use ATM receipts. These can be used for pranks, stage or film use - or for getting a date.



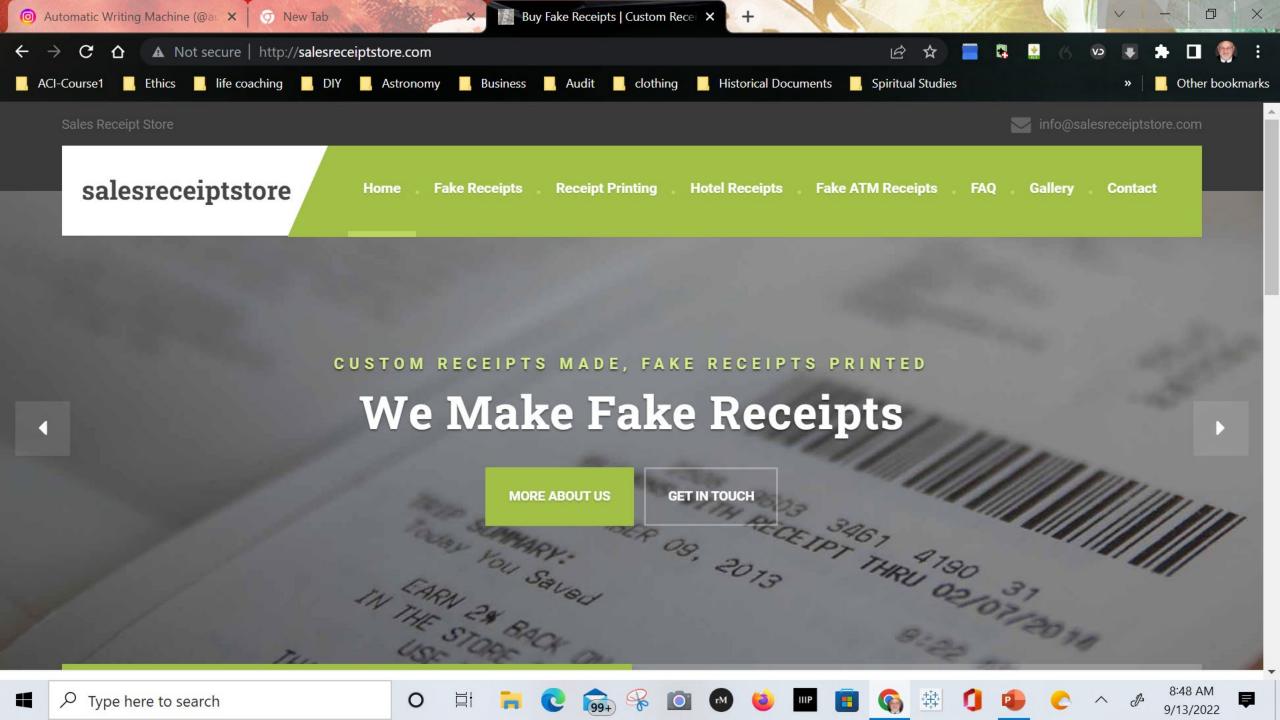
Receipt Design

Do you want a phony store receipt printed on thermal paper? 100% authentic looking replica store receipts-printed and delivered to you.



8:48 AM

9/13/2022



WHY? How much do you know?

- Everything you learn is stored...
- You subconsciously process 11,000,000 BPS
- You consciously process 40ish BPS

Are you trust worthy?

WHY DO WE TRUST SOMEONE...



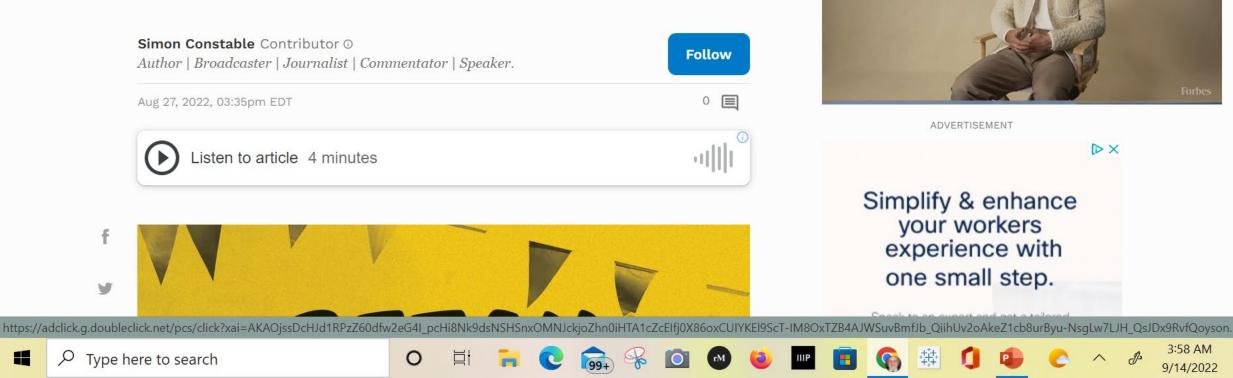
WHY DO WE NOT TRUST SOMEONE...





INVESTING

The Rise And Fall Of Crazy Eddie: **A Tale Of Epic Fraud**



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9/14/2022

The Science of Persuasion

+X

- Reciprocation
- Commitment and Consistency
- Social Proof
- Liking
- Authority
- Scarcity
- Pages 158-161 ABC's of Behavioral Forensics
 - Dr. Sridhar Ramamoorti

The Ether....

The Ether.... Mental Stream Four

CRIME →

"I kidnapped your daughter": Mother warns of frightening phone scam that cost her thousands

©CBS NEWS MINNESOTA BY DAVID SCHUMAN AUGUST 21, 2022 / 10:15 PM / CBS MINNESOTA

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Patterns of Familiarity

- We all live in our own paradigm.
- Human behavior is 40-90% habitual
- Con-Artists know these patterns

Add it all together....

- Verify
- Stop and think
- Look for the details
- Ask Questions

Resources...

- <u>http://salesreceiptstore.com/</u>
- <u>https://www.npr.org/2020/07/14/891140598/understanding-unconscious-bias</u>
- <u>https://www.scientificamerican.com/article/uncovering-the-secrets-of-a-trustworthy-face/</u>
- <u>https://www.nature.com/neuro/volumes/5/issues/3</u>
- <u>https://www.amazon.com/s?k=ABC%E2%80%99s+of+Behavioral+Forensics&crid=1VHRCU2PKV</u>
 <u>NAM&sprefix=abc+s+of+behavioral+forensics+%2Caps%2C328&ref=nb_sb_noss</u>
- https://www.sciencedaily.com/releases/2014/08/140808111931.htm
- <u>https://www.forbes.com/sites/simonconstable/2022/08/27/the-rise-and-fall-of-crazy-eddie-a-tale-of-epic-fraud/?sh=3405145b4d33</u>
- <u>http://www.fraudaid.com/</u>

Check Out Code

• 1:10pm - 2:00pm - 223B

• 2:10pm - 3:00pm - 224B