

Anti-Bribery & Anti-Corruption (ABAC) Continuous Monitoring Analytics

BELA Southern California Leadership
Roundtable

AECOM Audit Services Group

January 17, 2019

AECOM



Agenda

1. How AECOM Leverages Analytics to Monitor Corruption Risk
2. Taking Action On Analytics Outputs
3. Implementing ABAC – Lessons Learned



Anti-Bribery Anti-Corruption (ABAC) Continuous Monitoring Data Analytics

What is the ABAC Continuous Monitoring Program

-a flexible suite of tools, technologies and methodologies that uses multiple streams of financial & qualitative data to identify transactions with potential, bribery, corruption risks and internal control deficiencies in AECOM.

digestible reporting **proactive**
repeatable &
continuous
scalable analytics
risk-based

Diagnostic in Nature

- Applies a transactional level risk ratings algorithm which includes of 14 risk factor tests.

Advanced Analytic Tools

- Through Alteryx and Tableau software an unbiased filter is applied to \$2B in transactions, 400k+ invoices which normally would be subject to manual review and human interpretation.

Interactive and Intuitive

- Simple to navigate, highly visual dashboards and understandable risk reports.

Limited Business Interruption

- Allows FCPA remote reviews which provides cost and resource efficiencies.

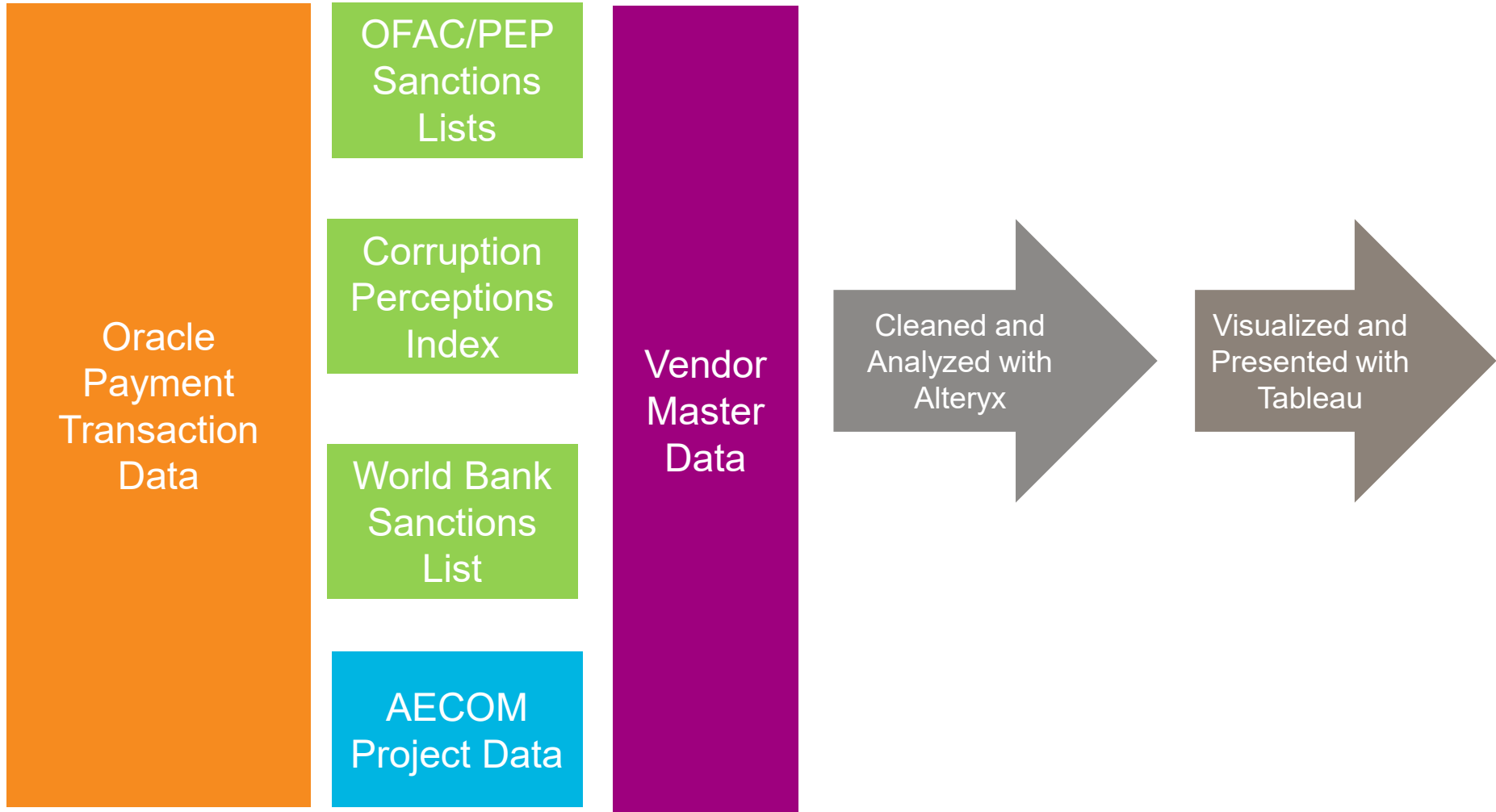
Repeatable & Scalable

- Continuously monitoring monthly of over 29k third parties located in 138 countries. Analytics can be used on non-Oracle ERP systems (AccPac & CostPoint).

Key Pillar for Next Generation Compliance Programs

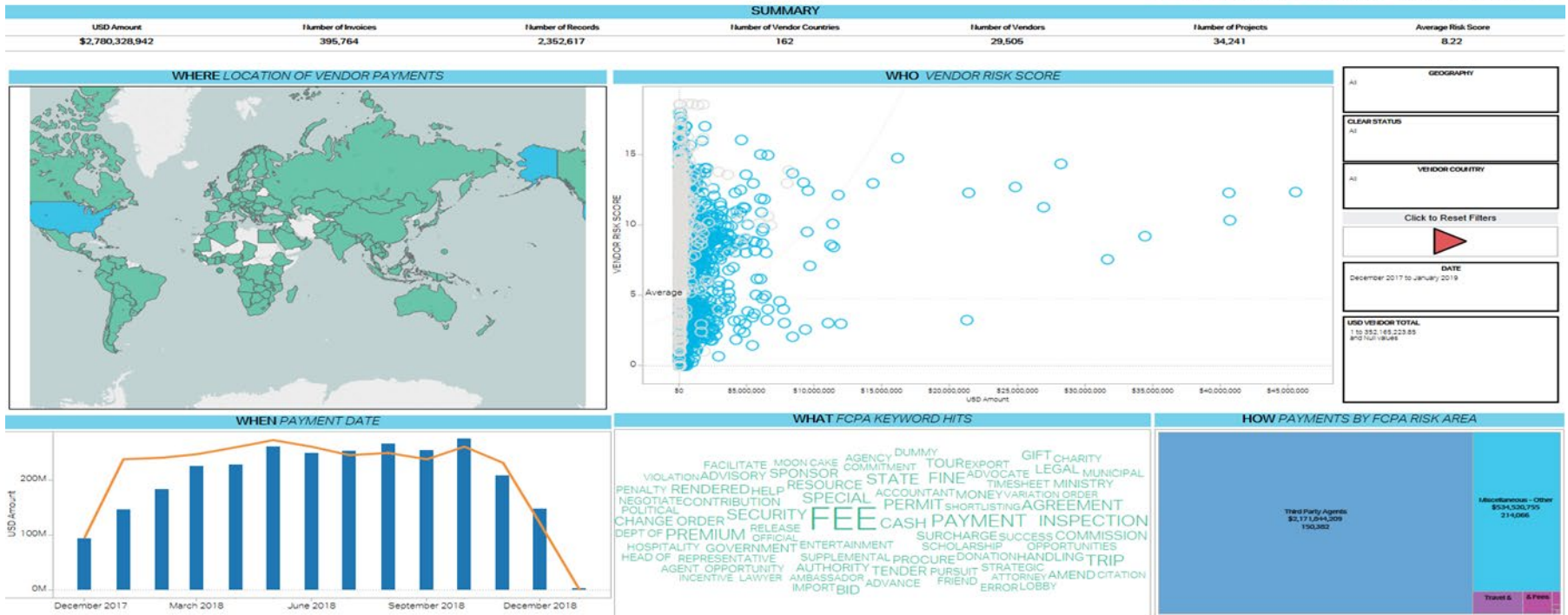
- Provides quantitative analysis to a mostly qualitative process of conducting compliance risk assessments.

Data Sources



How the ABAC Program Identifies Key FCPA/UKBA Risk

DUMMY DATA XYZ COMPANY Third Party Payments



Transaction Risk Score Algorithm – Quantitative and Qualitative

- ❖ One-Time Vendor Payments
- ❖ Multiple Addresses
- ❖ Missing Addresses
- ❖ PO Box
- ❖ 'Dummy/Holding' Vendors
- ❖ Corruption Perception Index Ranking
- ❖ Abnormal Payments Analysis
- ❖ FCPA Keywords in 4 Languages
- ❖ OFAC Sanctioned or Politically Exposed Lists
- ❖ Round Payment Amounts
- ❖ Employee-Vendor Address Match
- ❖ High Value Payments >\$10K USD
- ❖ Out of Country Payments
- ❖ Unstructured Data Analysis – Missing Field Descriptions

Keys to Implementation

1. Collaboration Drives Innovation
2. Identify Key Subject Matter Experts
 1. Focus on Business Knowledge versus Technical Knowledge
3. Identify Key Stakeholders
 1. Focus on a single Geography, ERM or Business Line
4. End Goal = Actionable Results + Digestible Reporting

Sanctions List Data

Treasury OFAC Sanctions / Specially Designated Nationals & Blocked Persons List

- <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/consolidated.aspx>

CIA Chiefs of State and Members of Foreign Governments

- <https://www.cia.gov/library/publications/world-leaders-1/pdfs/2018/December2018ChiefsDirectory.pdf>

World Bank Sanctions List

- <http://web.worldbank.org/external/default/main?theSitePK=84266&contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK=64148984>

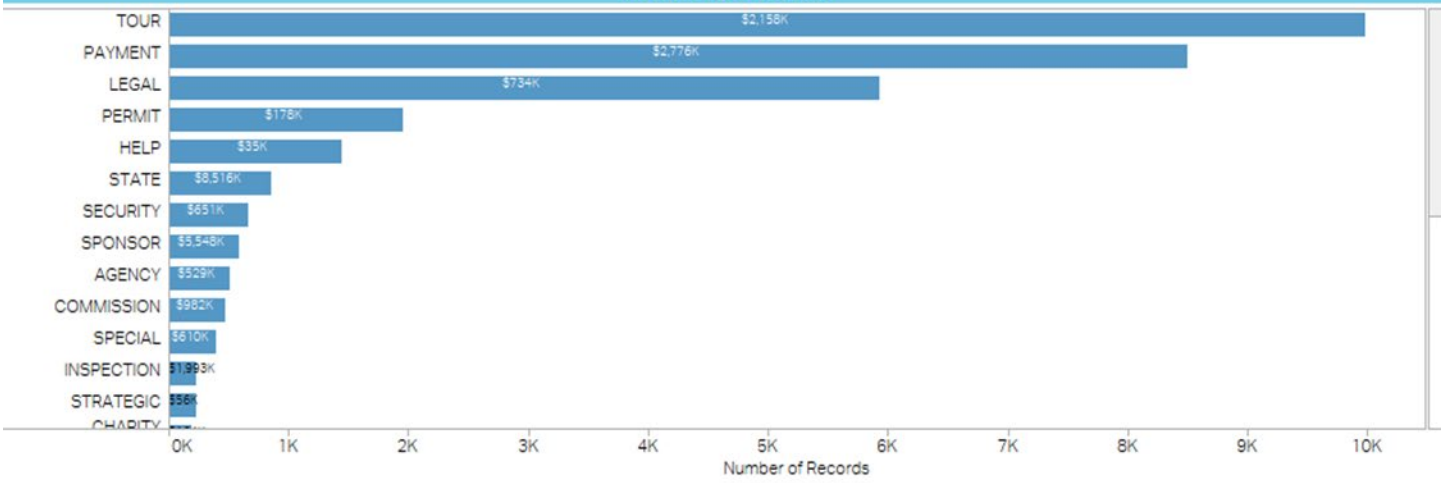
Qualitative Analytics through Word Clouds

DUMMY DATA XYZ COMPANY Word Analytics

Description Keyword Cloud for Hong Kong



FCPA Keyword Hits



GEOGRAPHY
Hong Kong
FCPA Keyword_AP Description
All
USD Amount
10,000 to 33,944,680.70000009 and Null values

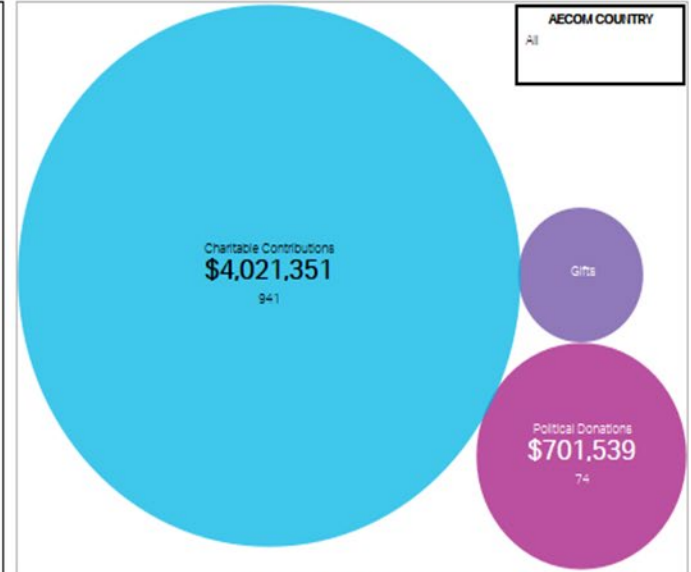
Monitoring Global Gifts, Donations and Contribution Trends

DUMMY DATA XYZ COMPANY Gifts & Donations

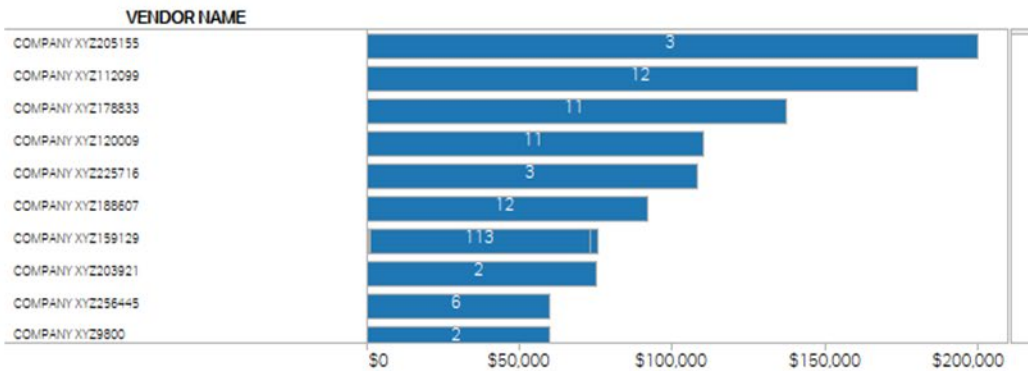
WHERE RECIPIENT LOCATION



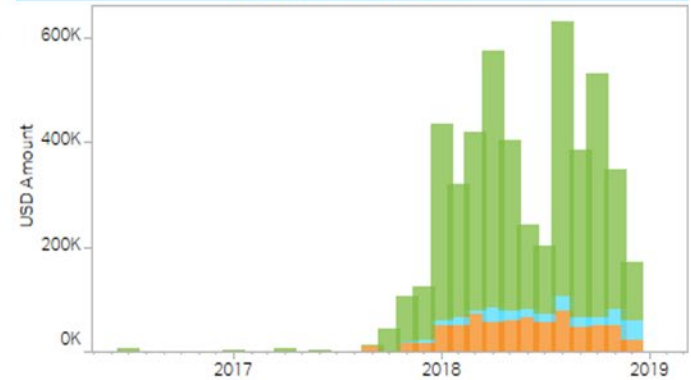
WHAT FCPA RISK CATEGORY



WHO RECIPIENTS of GIFTS & DONATIONS



WHEN PAYMENT DATE



Single Dashboard Third Party Due Diligence

DUMMY DATA XYZ COMPANY Single Vendor Analysis

FCPA RISK TESTS		VENDOR SUMMARY						VENDOR NAME
DOES THIS VENDOR HAVE ANY ABNORMAL PAYMENTS?	*	VENDOR COUNTRY	VENDOR TYPE	USD Amount	Number of Invoices	Number of Projects	Average Risk Score	COMPANY XYZ155118
IS THIS A POSSIBLE DUMMY VENDOR?	*	United States	SUBCONTRACTOR	\$355,422	9	2	8.10	
DOES THIS VENDOR/EMPLOYEE ADDRESS MATCH ANOTHER?	*	PROJECT SUMMARY		INVOICE ANALYSIS				
WERE ANY FCPA KEYWORDS FOUND IN THE INVOICE DESCRIPTIONS?	*							
IS THIS VENDOR LOCATED IN A HIGH RISK CPI COUNTRY?	*			<p>INVOICE DESCRIPTION</p> <p>ACCOUNTANT, AGENCY GENT, ALLOWANCE, ASSURANCE, CHARITABLE HARTY CITATION, COMMISSION CORRECT CULTIVATE DEMAND, DISCOUNT DONATION DONATIONS DUMMY ERROR, FACILITATE FACILITATING FACILITATION FEE FEES, FINE FRIEND, TESTIFT, GOVERNMENT OVERNOR, GOVT HANDLING LAWYER LEGAL FEE LOAD UP FEE, LOBBYING...MIN. MINISTER OF STATE OFFICIAL RED T..</p>				
DID THE VENDOR HAVE ANY MISSING OR INCOMPLETE ADDRESS DETAILS?	*	EXPENDITURE CATEGORY						
MISSING PAYMENT DESCRIPTION	*							
ARE THEIR MULTIPLE EVEN DOLLAR PAYMENT AMOUNTS?	*							
DOES THIS VENDOR HAVE MULTIPLE ADDRESSES?	★							
DID THIS VENDOR MATCH ANY OFAC SANCTION OR PEP LISTS?	*							
WAS THIS VENDOR ONLY PAID ONCE IN THE LAST 12 MONTHS?	*							
IS THIS VENDOR LOCATED OUTSIDE OF THE COUNTRY WHERE SERVICES ARE BEING PAID FOR?	*							
IS THIS VENDOR'S ADDRESS A PO BOX?	*							
DOES THIS VENDOR WORK ON A GOVT FUNDED PROJECT?	★							