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Jan. 14, 2013

The arrest last week of a manager at the Bloomfield, New Mexico, Motor Vehicle Department on suspicion of embezzling \$24,000 was only the latest in a rash of employee thefts in San Juan County.

Accountants and business leaders say small businesses can take steps to protect themselves from employee theft. Good accounting practices are a must.

"Most commonly the embezzlement cases we find, the employer or whoever is being embezzled from looks at their accounting practices and reconsiders what they're going to do in the future," said Dustin O'Brien, San Juan County's chief deputy district attorney.

"A lot of business owners are too trusting of their employees," he said.

In the past year, the Farmington area has seen a streak of suspected fraud and embezzlement, including the suspected \$450,000 theft from the Convention and Visitors Bureau, \$5 million from two cases relating to a failed hospital proposal, a fake charity scam, and staff theft from a concrete business.

Accountants and investigators say it's likely many more cases are not reported.

"Particularly small businesses, they don't want their reputation ruined, they don't want to look stupid, so they don't report it," said Scott Samuelson, CPA, partner at [Chandler & Co. LLP](#), a Farmington accounting firm. "They certainly don't report it to the press." Business owners should assess their exposure to internal theft, and then develop procedures to mitigate those risks, he said.

Most important to avoiding embezzlement is internal controls such as having two

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“For a long time we had handled the financials in house,” she said. “Last summer, we hired an outside company who does the reconciliations. It removes me from the equation.” The Chamber underwent an outside audit in September and plans to continue the audits every three years, or as needed, Nobis said.

The Chamber also has a Finance and Operations Committee, composed of financial professionals, who review the organization's finances. The committee once refused to accept a reconciliation that was off by 28 cents. Nobis said she appreciates the committee's diligence.

“Particularly when you're a nonprofit, I don't think you can have too many eyes looking at the finances and the money that comes into the organization,” she said.

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