

WILMINGTON UNIVERSITY

COLLEGE OF BUSINESS

BASIC COURSE INFORMATION

COURSE TITLE: Fraud Prevention and Forensic Accounting

COURSE NUMBER: MAC 7400

PREREQUISITE(S): MAC 7300

COURSE DESCRIPTION:

The incidents of fraudulent activities and dubious financial schemes are on the rise. Fraud is an extremely costly business problem. There is an increasing need for professionals skilled with the investigative skills to uncover fraud and for employees to recognize its warning signs in the workplace. In this course students will be provided an overview of various forms of financial fraud schemes, the role of auditors and forensic accountants in detecting fraud, and how internal controls can be designed to prevent such activity.

MAJOR INSTRUCTIONAL GOALS:

GOAL A:

Define fraud and identify the various types of fraud.

Learning Objectives: The student will:

- A-1 Define fraud.
- A-2 Classify fraud into various types.
- A-3 Differentiate between criminal and civil fraud laws and how they relate to fraud.
- A-4 Explain instances of fraud using the fraud triangle.

GOAL B:

Integrate fraud theories into developing plans for organizations to prevent fraud.

Learning Objectives: The student will:

- B-1 Research and summarize the different ways that organizations fight fraud.
- B-2 Review the importance of fraud auditing.
- B-3

- C-1 Explain how symptoms help in the detection of fraud.
- C-2 Identify accounting symptoms of fraud.
- C-3 Evaluate internal controls that help detect fraud.
- C-4 Compare analytical and behavioral symptoms of fraud and how they help to detect it.

GOAL D:

Utilize data analysis in the process of fraud detection.

Learning Objectives: The student will:

- D-1 Explain the steps in the data analysis process.
- D-2 Identify common data analysis packages.
- D-3 Summarize the principles of data access, including Open Database Connectivity (ODBC), text import, and data warehousing.
- D-4 Perform data analysis procedures for fraud detection.
- D-5 Analyze financial statements for the detection of fraud.

GOAL E:

Differentiate between the methods used for investigation and obtaining evidence. These methods include surveillance, fraud-constraining controls, electronic and computer searches.

Learning Objectives: The student will:

- E-1 Differentiate between theft investigation methods and describe how they are used in regard to suspected fraud.
- E-2 Use a vulnerability chart to coordinate an investigation
- E-3 Explain the methods to obtain physical and electronic evidence and how it can be used in a fraud investigation.
- E-4 Analyze electronic information from cell phones, hard drives, e-mail, and other sources.
- E-5 Perform discovery sampling to obtain documentary evidence.
- E-6 Describe how federal, state, and local public records can assist in following the financial "tracks" of suspected perpetrators.
- E-7 Access information via the Internet to assist in the investigation of a suspected fraud perpetrator.
- E-8 Perform net worth calculations on suspected fraud perpetrators and explain how net worth calculations are effective in court and obtaining confessions.

GOAL F:

Discuss the common elements of financial statement fraud or management fund.

Learning Objectives: The student will:

- F-1 Explain the nature of financial statement fraud.
- F-2 Discuss how financial statement frauds occur and are concealed.
- F-3 Develop a framework for detecting financial statement fraud.
- F-4 Identify financial statement fraud exposures.

GOAL G:

Discuss asset misappropriation and corruption.

Learning Objectives: The student will:

- G-1 Describe the nature and various types of asset misappropriation.
- G-2 Discuss the nature and various types of corruption.

GOAL H:

Discuss consumer fraud as it relates to identity thefts and investment scams.

Learning Objectives: The student will:

- H-1 Define consumer fraud.
- H-2 Classify the various types of investment and consumer frauds.

GOAL I:

Categorize and discuss the various types of bankruptcy, divorce, and tax fraud.

Learning Objectives: The student will:

- I-1 Identify different bankruptcy and divorce fraud schemes.
- I-2 Discuss how perpetrators fraudulently conceal and transfer assets and income in bankruptcies and divorces.
- I-3 Describe common tax fraud schemes.

GOAL J:

Demonstrate highly developed communication and collaboration skills needed by effective accounting professionals.

Learning Objectives: The student will:

- J-1 Research and prepare a written paper on a real world example of fraud.
- J-2 Contribute effectively to the group presentation on the fraud example.