

# ACCT 207: FRAUD EXAMINATION

## Citrus College Course Outline of Record

Heading	Value
Effective Term:	Fall 2024
Credits:	3
Total Contact Hours:	54
Lecture Hours :	54
Lab Hours:	0
Hours Arranged:	0
Outside of Class Hours:	108
Total Student Learning Hours:	162
Prerequisite:	ACCT 101 or ACCT 101H or equivalent course.
Transferable to CSU:	Yes
Transferable to UC:	No
Grading Method:	Standard Letter, Pass/No Pass

## Catalog Course Description

This course explores important topics associated with forensic accounting and fraud examination. Major topics include the prevalence of fraud in society, the elements of the fraud triangle, fraud prevention, fraud detection, management fraud, occupational fraud, principles of fraud examination, and the legal and investigative aspects of fraud examination. This course will assist students in the preparation for the ACFE Fraud Examiner certification. 54 lecture hours.

## Course Objectives

- Define fraud and explain the impact of fraud on individuals, consumers, organizations and society
- Differentiate the various types of fraud.
- Identify and explain the significance of each elements of the fraud triangle.
- Discuss the different ways organization can mitigate the risk of fraud.
- Identify and explain the different practices organizations can implement to detect fraud.
- Describe the different approaches to fraud investigation and the legal action that can be taken once the fraud has occurred.
- Identify methods of eliminating the opportunity for fraud to occur.
- Differentiate the six groups of symptoms of fraud including accounting symptoms, analytical anomalies and behavioral symptoms.
- Explain to roles of internal control in deterring and detecting fraud.
- Explain data-driven fraud detection methods and the steps in the data analysis process.
- Choose an appropriate technique to analyze a set of financial data.
- Analyze financial data, evaluate the results and explain the findings.
- Differentiate theft fraud, concealment fraud, and conversion fraud.
- Describe the different methods of investigation and when to use each method for investigating theft fraud, concealment fraud, and conversion fraud.

- Describe the framework for detecting financial statement fraud and the use of strategic reasoning to design procedures to detect concealment.
- Explain the difference type of management fraud.
- Identify the elements that contributed to financial statement fraud in recent years.
- Identify fraudulent schemes related the revenue related fraud, inventory related fraud, assets, liabilities, and inadequate disclosures.
- Differentiate between organizational fraud and consumer fraud.
- Recommend methods to detect and measures to prevent fraud in e-commerce.
- Identify the differences between the civil litigation process to the criminal litigation process.

## Major Course Content

1. The Nature of Fraud and How it Affects Individuals, Consumer, Organizations and Society
2. The Basic Principles of Fraud and the Individuals Who Commit Fraud
3. An Overview in the Ways in Organizations Fight Fraud
4. Eliminating Opportunities for Fraud through Fraud Prevention
5. Fraud Detection and Recognizing the Symptoms of Fraud
6. Data Driven Fraud Detection
7. Methods for Investigating Theft
8. Methods for Investigating Concealment
9. Methods for Investigating Conversion of Stolen Funds
10. The Interview Process and Preparing Fraud Reports
11. Management Fraud: Financial Statement Fraud
12. Management Fraud: Revenue and Inventory Fraud
13. Management Fraud: Liability, Asset and Inadequate Disclosure Fraud
14. Occupational Fraud
15. Consumer Fraud
16. Bankruptcy, Divorce and Tax Fraud
17. Fraud in E-Commerce
18. Legal Follow-Up: The Litigation Process

## Suggested Reading Other Than Required Textbook

Journal of Accountancy

## Examples of Required Writing Assignments

You have a cousin who lives in a small town in eastern Kansas. She just told you that her friend has a 4-year-old daughter with cancer—a rare form of leukemia—who needs money for a surgery. She is asking you to make a donation to help pay for the operation.

Answer the following questions and provide an explanation for your answer based on the topics discussed in this module.

1. You trust your cousin but how do you know that her friend's request is legitimate? 2. Would you make a contribution to help this little girl?
3. What kind of fraud could your cousin's friend be committing? 4. How could you make sure the request is legitimate?

## **Examples of Outside Assignments**

The Committee of Sponsoring Organizations produced several reports on internal control. One of these relates to internal controls over financial reporting for smaller companies. Visit the website [www.coso.org](http://www.coso.org) and read how the commission defines small companies. What is their definition?

## **Instruction Type(s)**

Lecture, Online Education Lecture