

ACTG 59: FRAUD EXAMINATION

Foothill College Course Outline of Record

Heading	Value
Effective Term:	Summer 2022
Units:	5
Hours:	5 lecture per week (60 total per quarter)
Prerequisite:	ACTG 51A.
Advisory:	Elementary Algebra or equivalent; demonstrated proficiency in English by placement via multiple measures OR through an equivalent placement process OR completion of ESLL 125 & ESLL 249.
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Non-GE
Transferable:	CSU
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable

Student Learning Outcomes

- A successful student will be able to perform related calculations and demonstrate the ability to use methods and /or procedures to detect financial fraud.
- A successful student will be able to explain fraud examination terminology, principles, and concepts.

Description

This course covers important topics associated with modern forensic accounting and fraud examination. Topics include an examination of the various types of occupational fraud, as well as the techniques to prevent and detect fraud in organizations. In addition, students will learn principals of fraud examination including who and why individuals commit fraud.

Course Objectives

The student will be able to:

1. Identify the fraud triangle and explain why people and organizations commit fraud.
2. Discuss a variety of fraud schemes.
3. Identify internal controls that help detect and prevent fraud.
4. Explain how allegations should be investigated and resolved.
5. Explain the types of fraud fighting careers available today.

Course Content

1. Explain fraud
 - a. Define fraud
 - b. Define abuse

- c. Distinction between auditing, fraud examination, and forensic accounting
 - d. Explain the theory of the fraud triangle
2. Cash receipt schemes and other asset misappropriations
 - a. Skimming schemes
 - b. Cash larceny schemes
 - c. Noncash misappropriation schemes
 3. Cash disbursement schemes
 - a. Billing schemes
 - b. Check tampering schemes
 - c. Payroll schemes
 - d. Expense reimbursement schemes
 - e. Register disbursement schemes
 4. Corruption
 - a. Define corruption and bribery
 - b. Understand kickback and bid-rigging schemes
 - c. Understand conflicts of interest
 5. Financial statement fraud
 - a. Identify reasons why management might overstate/understate performance
 - b. Describe the ways in which financial statement fraud is committed
 - c. Understand financial statement analysis for detecting fraud
 - d. Understand the importance of SAS No. 99
 6. Fraud investigations
 - a. What circumstances would necessitate an investigation
 - b. The definition of evidence
 - c. Understand the importance of documentary evidence
 - d. Interviewing
 - e. Report writing

Lab Content

Not applicable.

Special Facilities and/or Equipment

1. Access to a computer lab and Excel software.
2. When taught as an online distance learning section, students and faculty need ongoing and continuous internet and email access.

Method(s) of Evaluation

Methods of Evaluation may include but are not limited to the following:

Examinations
 Quizzes
 Computerized assignments
 Written reports
 Group activities

Method(s) of Instruction

Methods of Instruction may include but are not limited to the following:

Lecture
 Electronic discussions
 Group work

Case studies

Representative Text(s) and Other Materials

Albrecht, W. Steve. Fraud Examination. 2018.

Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments

1. Reading of corporate annual reports
2. Reading of Journal of Accountancy
3. Review of websites for discussion assignments:
 - a. <https://www.justice.gov/fraudtaskforce>
 - b. AICPA Auditing Standards - Au Sec 316 (SAS 99), on the AICPA website <https://www.aicpa.org/home>

Discipline(s)

Accounting