

Course Syllabus

XCPD-562	Internal Controls: Proper Design and Detection		
Location	<p>Clarendon Campus</p> <p>3101 Wilson Boulevard, Suite 200 Arlington, VA 22201 (202) 687-7000</p>		
Course Instructor	<p>Chris McGrath, CPA, CFE jcm234@georgetown.edu</p>		
Course Text / Packet	<p>No textbook is required; course materials to be provided.</p> <p>Optional Text: Principles of Fraud Examination, 2nd Ed.; by Joseph T. Wells; Pub. John Wiley & Sons; ISBN 13: 978-0-470-12883-1</p>		
Office Hours	<p>Immediately before class by appointment. Email dialogue can augment this process as well.</p>		
Course Abstract:	<p>The first and last line of defense against fraud - internal controls should be preventative and detective. This class provides an understanding of the role of internal controls in today's corporate environment and their importance in a forensic examination. Course topics include: COSO Framework; Sarbanes Oxley Act; and Internal control theory.</p>		
Learning Objectives:	<p>At the completion of the course, a successful student will be able to:</p> <ul style="list-style-type: none"> ▪ Define internal control ▪ Understand Basic internal control theory ▪ Relate the role of internal control in forensic examinations ▪ Conceptual understanding of the COSO framework and the Sarbanes-Oxley Act ▪ Learn a methodology to assess the strength of internal control 		
Grading Procedure	<p>Students must attend the entire class time and participate in all discussions and cases to receive a successful completion. Exceptions are not allowed unless specifically approved by the Instructor prior to class time.</p>		
Class Participation	<p>You are expected to interact in class with the instructor, fellow students and guest speakers.</p> <p>The give-and-take of information, ideas, insights and feelings is essential to the success of this class. Thoughtful, informed, balanced, candid, emotionally grounded speech is most helpful.</p>		
Professionalism	<p>Students are expected to act in a professional manner, meeting deadlines, solving problems, cooperating with classmates, and generally contributing in a positive way to the class. Working in communications often means searching for solutions in a group context. Teamwork, listening, empathy, enthusiasm, emotional maturity and consideration of other people's concerns are all essential to success. Please bring these qualities and values with you to class. It is as important to "practice" these interpersonal skills as it is to learn how to tell a compelling visual story. Students will be evaluated on their professional demeanor in class.</p>		
Note on "Off the Record"	<p>Everything discussed in class by the instructors, students or guest speakers is off-the-record! It should not show up in the newspaper, radio station, TV or any other media. No exceptions!</p>		

<p>Caveats</p>	<p>I: The information, procedures and schedule included in this syllabus are subject to change. There WILL BE modifications to the syllabus.</p> <p>II: Laptops will be monitored for the procedure of TAKING NOTES in class and not for internet browsing, email or instant messaging.</p> <p>III: No cell phones communication allowed. Please turn cell phones off and no texting.</p>
<p>Guest Speakers</p>	<p>The class may host several guest speakers. Usually, questions will be allowed. Please keep in mind that all information is "off-the-record" and confidential.</p>
<p>Class 1</p>	<ol style="list-style-type: none"> 1. Basics 2. Importance <ol style="list-style-type: none"> a. Source of many problems b. Understanding <ol style="list-style-type: none"> i. Supermarket ii. Bank iii. Restaurant iv. Your employer 3. Before Enron <ol style="list-style-type: none"> a. Kreuger & Toll b. McKesson & Robbins 4. After Enron 5. Definition of Internal Control 6. Expenditure Cycle 7. COSO 8. Components of Internal Control 9. Other aspects 10. Responsibility 11. Control objectives 12. Control activities 13. Manual vs. programmed 14. Potential errors 15. How to test <ol style="list-style-type: none"> a. Sampling b. Types of Testing c. Reviews
<p>Class 2</p>	<ol style="list-style-type: none"> 1. Cases <ol style="list-style-type: none"> a. Country club b. Pump distributor c. Freight forwarders 2. COSO 3. Components of internal control <ol style="list-style-type: none"> a. Control environment b. Risk assessment c. Control activities d. Information and communication e. Monitoring 4. Where to begin? <ol style="list-style-type: none"> a. Trustful employees b. Policies and procedures 5. Financial attributes

Class 3	<ol style="list-style-type: none">1. Sarbanes Oxley Act<ol style="list-style-type: none">a. Corporate governanceb. Financial reportingc. Audit functiond. Audit committee2. Reviewing internal controls<ol style="list-style-type: none">a. Expendituresb. Fixed assetsc. Inventoryd. Payrolle. Revenuef. Treasury
----------------	---