

Course Syllabus

XCPD-563	Fraud Examination: Detecting Misappropriation		
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 Texts</p> <ol style="list-style-type: none"> 1. Principles of Fraud Examination, 2nd Ed.; by Joseph T. Wells; Pub. John Wiley & Sons; ISBN 13: 978-0-470-12883-1 2. Forensic Accounting and Fraud Investigation for Non-Experts, by Howard Silverstone and Michal Sheetz 		
Office Hours	<p>Immediately before class by appointment. Email dialogue can augment this process as well.</p>		
Course Abstract:	<p>This class concentrates on common misappropriation schemes and detection methods. Successful forensic examiners need to understand how these schemes are perpetrated and detected. Students will learn how to identify, detect and document misappropriation schemes. Interviewing techniques in addition to evidence gathering techniques will be taught.</p>		
Learning Objectives:	<p>The class covers on Skimming, Cash Larceny and other schemes including Billing, Check Tampering, Payroll, Expenses Reimbursement, Register Disbursement, and Non-cash Asset.</p> <p>At the completion of the course, a successful student will be able to:</p> <ul style="list-style-type: none"> ▪ List and understand the two principal categories of skimming schemes ▪ Understand how sales skimming is committed and concealed ▪ Understand schemes involving understated sales ▪ Understand how cash register manipulations are used to skim currency ▪ Understand what “lapping” is and how it is used to hide skimming schemes. ▪ Define cash larceny ▪ List the five major categories of fraudulent disbursements. ▪ Define the term “billing schemes.” ▪ Understand what a shell company is and how it is formed. ▪ List and understand the ways false invoices are approved for payment. ▪ Define check tampering ▪ Understand the principal categories of check tampering ▪ Differentiate between forged maker and forged endorsement schemes ▪ List and understand the main categories of payroll fraud. ▪ Define a ghost employee ▪ Explain what constitutes expense reimbursement fraud ▪ Understand how mischaracterized expense reimbursement schemes are committed ▪ Understand how employees commit commission schemes ▪ Explain what constitutes a register disbursement and non-cash asset scheme ▪ Understand controls and procedures that can be used to prevent and detect 		

Grading Procedure	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.
Class Participation	You are expected to interact in class with the instructor, fellow students and guest speakers. 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.
Professionalism	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.
Note on "Off the Record"	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!
Caveats	<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>
Guest Speakers	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.
Class 1	<ol style="list-style-type: none"> 1. Employee Theft <ol style="list-style-type: none"> a. Employee Attitudes b. Theft vs. Larceny c. Usual Suspects d. Who is responsible? 2. Types (Cash vs. Non-cash Schemes) <ol style="list-style-type: none"> a. Asset <ol style="list-style-type: none"> i. Cash ii. Inventory iii. Fixed Assets iv. Payroll b. Financial Statements c. Tax d. Corruption 3. Cash Misappropriations <ol style="list-style-type: none"> a. Skimming b. Billings/Revenues c. Check tampering

Class 2	<ol style="list-style-type: none"> 1. Cash Misappropriations <ol style="list-style-type: none"> a. Payroll b. Reimbursements 2. Detecting Methods 3. Following the Cash 4. Interviewing Techniques 5. Documenting techniques 6. Case Study
Class 3	<ol style="list-style-type: none"> 1. Non-cash Misappropriations <ol style="list-style-type: none"> a. Inventory b. Fixed Assets c. Supplies 2. Role of Internal Controls <ol style="list-style-type: none"> a. Evaluating current / control self assessment <ol style="list-style-type: none"> i. Cash ii. Inventory iii. Fixed Assets iv. Payroll v. Financial Statements b. Documenting and understanding c. Measuring Risk d. Strengthening e. Personnel Manual f. Bonding