Instructor
Professor Larry Guerin, M.A., C.F.E., A.H.F.I.

Contact Info: lguerin@gmu.edu
Office hours: By appointment, available before or after class, and during breaks

I will communicate with students through Mason email.

See http://masionlive.gmu.edu for information on how to use your account. If you prefer to use a different email address, please notify me or set up forwarding to that address. I check email frequently, and it’s the quickest way to reach me.

Course Description and Objectives:
Upon completing this course, you will be able to:

1. Become familiar with several forms of fraud and the methods that fraud examiners use to prevent and detect it.
2. Develop expertise in detecting financial statement fraud.
3. Acquire a basic understanding of how interviews are conducted to detect deception.
4. Prepare to resist ethical pressure to commit fraud by gaining familiarity with common ethical dilemmas that you might encounter in the business world.
5. Gain a historical view of financial statement fraud.

NOTE: The instructor reserves the right to change or modify this syllabus at any time during the semester.

MSA Program Learning Goals
Professional skills: Our graduates will demonstrate professional skills necessary for success in the public accounting profession.
Teaming & Leading - Our graduates will demonstrate the team leadership and interpersonal skills needed to form, lead, and work effectively in diverse organizational teams.

Ethics and Professional Responsibility - Our graduates will understand the importance of ethical conduct and the regulatory environment of accounting.

Professional Communications – Our graduates will communicate effectively to professional audiences in both written and oral forms.

Analytical Decision Making - Our graduates will demonstrate analytical decision-making skills.

Accounting Research - Our graduates will effectively conduct and communicate accounting research.

Course Description

Fraud Examination - Introduces strategies and techniques for fraud prevention, detection and investigation. It focuses on financial fraud such as bribery, contract rigging and kickbacks, embezzlement, fraudulent financial reporting, payroll fraud, and misappropriation of inventory and other assets. Several real-life cases and examples will be used to illustrate how to detect and prevent fraud.

Course Objectives

Upon completing this course, you will be able to:

1. Become familiar with several forms of fraud and the methods that fraud examiners use to prevent and detect it.
2. Develop expertise in detecting financial statement fraud.
3. Acquire a basic understanding of how interviews are conducted to detect deception.
4. Prepare to resist ethical pressure to commit fraud by gaining familiarity with common ethical dilemmas that you might encounter in the business world.
5. Gain a historical view of financial statement fraud.

Required Textbook

Fraud Examination, 5th ed.,
Albrecht, Albrecht, Albrecht, & Zimbelman.
ISBN-10: 1305079140

Student content is available at:

URL: https://www.cengage.com/cgi-wadsworth/course_products_wp.pl?fid=M20b&product_isbn_issn=9781305079144
Additional Reading Assignments
In addition to the text, you will be required to read and be able to discuss any instructor-posted reading assignments on the course Blackboard page. When assigned, you will be able to access them by going to our Blackboard page and scrolling down the page until you see the course readings section. All readings will be in PDF format which requires you to have Adobe Acrobat Reader on your computer. You can read the assignments on your screen or you can print them.

Course Format
Class instruction will be in discussion and lecture format. There will be class participation exercises as well as relevant media clips and discussions. Attending discussions and lectures on a regular basis is needed to cover all course material and will be beneficial to your grade in this course.

Course Policies:
Audio recording of classroom instruction to augment in-class note taking is permitted, however; you must let me know you are doing so. Videotaping in any form is not permitted. The use of mobile devices, laptops, iPads & tablets is not permitted. Please be respectful of your peers and the instructor and do not engage in activities that are unrelated to class.

Attendance/Class Participation:
Students are responsible for attending class. An attendance sheet will be passed around or verbally taken during each class. Students are not permitted to sign the attendance sheet for another student. Your attendance is expected and adds to the learning environment and contributes towards class participation. Class participation will count towards your final grade.

Honor Code:
George Mason University has an Honor Code, which requires all members of its community to maintain the highest standards of academic honesty and integrity. All students are expected to be familiar with this Honor Code. Cheating, plagiarism, lying, and stealing are prohibited. You are expected to do your own work and to not share it with any other student(s), except as specifically authorized by your instructor. All violations will be reported. All violations of the Honor Code are the responsibility of the Honor Committee. See honorcode.gmu.edu for more detailed information. You must follow all instructions issued by the instructor regarding all quizzes and exams.

Students with Disabilities:
If you are a student with a disability and you need academic accommodations, please contact the Office of Disability Resources at 703-993-2474. All academic accommodations are the responsibility of that office.

Writing Center:
The George Mason University Writing Center staff provides a variety of resources and services (e.g., tutoring, workshops, writing guides, handbooks) intended to support students as they work to construct and share knowledge through writing. [See http://writingcenter.gmu.edu].
You can now sign up for an Online Writing Lab (OWL) session just like you sign up for a face-to-face session in the Writing Center, which means YOU set the date and time of the appointment! Learn more about the Online Writing Lab (OWL).

**Add/Drop Period:**
Students are responsible for verifying their enrollment in class. Schedule adjustments must comply with the deadlines published in the Schedule of Classes, available from the Registrar’s Website at registrar.gmu.edu.

After the last day to drop a class, withdrawing from the class requires the approval of the dean and is only allowed for nonacademic reasons. Undergraduate students may choose to exercise a selective withdrawal. See the Schedule of Classes for selective withdrawal procedures.

**Grading:**
Your final grade will be calculated as follows (total 100 points):

| Attendance/Class Participation: | 15 points |
| In class reading reviews:       | 5 points  |
| Assignment 1:                  | 10 points |
| Assignment 2:                  | 10 points |
| Assignment 3:                  | 10 points |
| Quizzes                        | 30 points |
| Final Exam:                    | 20 points |
| **Total:**                     | **100 points** |

**Grading Scale:**

The final letter grade will be based on the following scale.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>93 – 100</td>
</tr>
<tr>
<td>A-</td>
<td>90 – 92</td>
</tr>
<tr>
<td>B+</td>
<td>87 – 89</td>
</tr>
<tr>
<td>B</td>
<td>83 – 86</td>
</tr>
<tr>
<td>B-</td>
<td>80 – 82</td>
</tr>
<tr>
<td>C+</td>
<td>77 – 79</td>
</tr>
<tr>
<td>C</td>
<td>70 – 76</td>
</tr>
<tr>
<td>F</td>
<td>Below 70</td>
</tr>
</tbody>
</table>
Assignment 1 – Individual Case Study
The assignment will consist of a case study on an individual who has committed a significant fraud. You will be asked to research the fraud and write a report on the fraud, how it was perpetrated, and the amount of loss. You will be responsible to give any details available concerning the personality of the offender, the motive and intent to committing the fraud, as well as the resulting fine/punishment of the offender. You must identify any biological, situational, or developmental factors that contributed to the subject’s decision to commit the offense. You will also be required to recommend what procedures or controls could have prevented or detected the fraud sooner. You will document your study findings in a (5 pages minimum) research paper, written in APA style with proper grammar.* You will then give a maximum of a 10 MINUTE presentation about your case. Your presentation will be precise and to the point. Letting your audience know what and how it happened, how it was discovered, how it was investigated, information about the offender, and how it could have been prevented. This assignment is worth 10 points, late submissions penalty: 10% penalty for submission after the due date but within the first week it is due, and 25% thereafter.

Assignment 2 – Group Case Study
This assignment will consist of a paper and presentation on a case study on an employee, vendor or customer fraud that will be assigned during class. You will be asked to research the fraud and write a report on the fraud, how it was perpetrated, amount of loss, who was involved in the fraud and address the items requested. You will also be required to recommend what procedures or controls could have prevented or detected the fraud sooner. Your study findings will be documented by your group in a research paper (4 pages minimum), written in APA style with proper grammar.* You will then give a maximum of a 10 MINUTE presentation about your case. Your presentation will be precise and to the point. Letting your audience know what and how it happened, how it was discovered, how it was investigated, and how it could have been prevented. This assignment is worth 10 points, late submissions penalty: 10% penalty for submission after the due date but within the first week it is due, and 25% thereafter.

Assignment 3 – Group Case Study 2
The second paper or presentation is a group assignment in which you will be asked to review a current company assigned by the instructor and perform a financial statement assessment of the risk the company is fraudulently reporting. We will be covering the aspects of this presentation as we move through the textbook, mostly chapters 6 - 13. Your grade on this project will be based on your analysis in the paper and presentation. Your study findings will be documented by your group in a research paper (4 pages minimum), written in APA style with proper grammar.* Each presentation will be a maximum of TEN MINUTES (Strictly enforced). This assignment is worth 10 points, late submissions penalty: 10% penalty for submission after the due date but within the first week it is due, and 25% thereafter.

I will form groups for the assignments early in the semester to allow you to begin work. Although, we will cover material in later weeks, getting an advance start will make assignments easier. Detailed instructions will be provided on Blackboard and in class.
* References should be from various sources, including but not limited to textbooks, academic journals, professional journals, and web-based materials (Wikipedia is not a proper source). Proper grammar is required and all sources need to be properly cited in APA style.

Class Participation:
Class participation points will be earned in three ways: (1) your participation within your group will be evaluated by your other group members at the end of the semester, (2) by speaking up in class (making thoughtful comments, asking questions, or by answering questions and by sharing with the class interesting fraud statistics, cases, current news articles, thoughts, etc.) and (3) your participation in our Discussion Boards. For group assignments, students will be asked to rate the involvement and contribution of the other group members. Any student who consistently rates low among the other students, will have their Assignment grade reduced accordingly.

Exams and Quizzes:
There will be three (3) quizzes, of which I will drop your lowest score. Make-up quizzes and exams will only be allowed under exceptional and/or unavoidable circumstances, and with proper documentation provided and will be subject to a penalty. If you know in advance that you have to miss an exam, please notify me ASAP. Any quiz or exam that you miss, there will be a 10% penalty for the first week it is due, and 25% thereafter.

Privacy:
Please respect the privacy of any students who may disclose personal information in the class. Please respect everyone’s right to choose whether to disclose or not disclose personal information freely.

Bad Weather and Other Emergencies:
Check Mason’s homepage at www.gmu.edu or call GMU’s line at 703-993-1000 to see the status of the university for inclement weather or other emergency situations. You can also register for Mason’s emergency alert system at https://alert.gmu.edu. If I have to cancel class due to an emergency, I will attempt to email you ASAP at your GMU emailaddress.
Course Schedule

Schedule of Classes:

01/22/19  First Day: Introduction of Syllabus, Course, and Instructor,
Chapter 1 – “Nature of Fraud
“Down the Rabbit Hole” Presentation
Discussion Board #1 open
01/29/19  Syllabus Quiz / Motivations of Criminals
Chapter 2: Why People Commit Fraud
Chapter 3: Fighting Fraud
Discussion Board #1 closed
02/05/19  In-Class Exercise and Debrief
Spring Break 2/9-17/19
02/12/19  Chapter 4: Preventing Fraud
Chapter 5: Recognizing the Symptoms of Fraud
Review for Quiz #1, Assignment #1 Due
Discussion Board #2 open
02/19/19  Chapter 6: Data-Driven Fraud Detection
The Hightower Case Exercise
Quiz #1
Discussion Board #2 closed
02/26/19  Chapter 7: Investigating Theft Acts
Chapter 8: Investigating Concealment
03/05/19  Chapter 9: Conversion Investigation Methods
Chapter 10: Inquiry Methods and Fraud Reports
Review for Quiz #2
03/19/19  Detection of Deception in Forensic Interviews
Statement Analysis
Quiz #2, Assignment #2 Due
03/26/19  Chapter 11: Financial Statement Fraud
Government Fraud and Detection
04/02/19  Chapter 12: Revenue and Inventory Related Frauds
Chapter 13: Liability, Asset and Inadequate Disclosure Frauds
Review for Quiz #3
04/09/19  Chapter 14: Fraud Against Organizations
Chapter 15: Consumer Fraud
Quiz #3
Discussion Board #3 open
04/16/19  Chapter 16: Bankruptcy, Divorce, and Tax Fraud
Chapter 17: Fraud in E-commerce
Discussion Board #3 open
04/23/19  Chapter 18: Legal Follow-up
Student Presentations – Assignment #3 Due
04/30/19  Review for Final Exam
05/09/19  Last day: Final Exam (9:00 a.m.)
## Assignment #1 - Grading Rubric

Your written assessment and presentation:

<table>
<thead>
<tr>
<th>Elements/Scoring</th>
<th>2.5</th>
<th>2.0</th>
<th>1.5</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description of background information</td>
<td>Contains detailed and accurate background information which demonstrates a very clear, thorough, and insightful understanding of your position.</td>
<td>Contains accurate background information, demonstrating a clear understanding of the topic.</td>
<td>Contains some background information, but not enough to demonstrate an understanding of the topic and/or the topic is not communicated clearly.</td>
<td>Does not contain background information or it appears to be inaccurate or without sufficient detail. The paper is difficult to understand.</td>
</tr>
<tr>
<td>Information to support your assigned position</td>
<td>Contains ample, pertinent and relevant literature is precisely and efficiently summarized demonstrating a high level of understanding and position.</td>
<td>Accurately, effectively and efficiently details more than sufficient information to support the assigned position</td>
<td>Contains limited information in support of your assigned position.</td>
<td>Does not contain adequate information in support of the assigned position.</td>
</tr>
<tr>
<td>Accurate analysis of information and plausibility of conclusions</td>
<td>Contains a well-developed, clear, insightful and thoughtful analysis of the information and arrives at a clear, concise and convincing understanding of the issues and supporting your arguments.</td>
<td>Contains sufficient analysis of the information and conveys a convincing understanding of the issues affecting your subject.</td>
<td>Contains limited analysis of the information, is somewhat understandable and convincing in conveying an understanding of the issues affecting your subject.</td>
<td>Does not contain sufficient analysis and is not convincing in conveying an understanding of the issues affecting your subject.</td>
</tr>
<tr>
<td>Writing style and APA format</td>
<td>Sentences are well constructed, with varied structure and length. The paper contains very few or no APA format errors. Organization of the argument is clearly and concisely outlined and implemented.</td>
<td>Most of your sentences are well constructed and have varied structure and length. You may have made a few errors in your grammar, mechanics and spelling. Writing is generally clear.</td>
<td>Some of your sentences are well constructed, but they have a similar structure and length. You made several errors in grammar, mechanics and spelling that interfere with my review and understanding.</td>
<td>Your sentences are awkward, repetitive and/or difficult to understand. You made numerous errors in grammar, mechanics and spelling that interfered with my review and understanding.</td>
</tr>
</tbody>
</table>
## Assignments 2 and 3- Grading Rubric

Your written assessment and group presentation:

<table>
<thead>
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<td>Contains accurate background information, demonstrating a clear understanding of the topic.</td>
<td>Contains some background information, but not enough to demonstrate an understanding of the topic and/or the topic is not communicated clearly.</td>
<td>Does not contain background information or it appears to be inaccurate or without sufficient detail. The paper is difficult to understand.</td>
</tr>
<tr>
<td><strong>Information to support your assigned position</strong></td>
<td>Contains ample, pertinent and relevant literature is precisely and efficiently summarized demonstrating a high level of understanding and position.</td>
<td>Accurately, effectively and efficiently details more than sufficient information to support the assigned position</td>
<td>Contains limited information in support of your assigned position.</td>
<td>Does not contain adequate information in support of the assigned position.</td>
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<tr>
<td><strong>Accurate analysis of information and plausibility of conclusions</strong></td>
<td>Contains a well-developed, clear, insightful and thoughtful analysis of the information and arrives at a clear, concise and convincing understanding of the issues and supporting your arguments.</td>
<td>Contains sufficient analysis of the information and conveys a convincing understanding of the issues affecting your subject.</td>
<td>Contains limited analysis of the information, is somewhat understandable and convincing in conveying an understanding of the issues affecting your subject.</td>
<td>Does not contain sufficient analysis and is not convincing in conveying an understanding of the issues affecting your subject.</td>
</tr>
<tr>
<td><strong>Writing style and APA format</strong></td>
<td>All of your sentences are well constructed, with varied structure and length. The paper contains very few or no APA format errors. Organization of the argument is clearly and concisely outlined and implemented.</td>
<td>Most of your sentences are well constructed and have varied structure and length. You may have made a few errors in your grammar, mechanics and spelling. Writing is generally clear.</td>
<td>Some of your sentences are well constructed, but they have a similar structure and length. You made several errors in grammar, mechanics and spelling that interfere with my review and understanding.</td>
<td>Your sentences are awkward, repetitive and/or difficult to understand. You made numerous errors in grammar, mechanics and spelling that interfered with my review and understanding.</td>
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</tbody>
</table>
### School of Business Recommendations for Honor Code Violations

#### Graduate Students

<table>
<thead>
<tr>
<th>Type of Violation</th>
<th>First Offense</th>
<th>Second Offense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plagiarism, lying, cheating on an assignment, homework, or including other’s work as your own</td>
<td>An F in the class</td>
<td>An F in the class and dismissal from program</td>
</tr>
<tr>
<td>Egregious Violation [e.g., stealing an exam; passing on confidential course material; cheating on an exam, project, or otherwise violating specified rules for an exam or project; etc.]</td>
<td>An F in the class and dismissal from program</td>
<td>An F in the class and dismissal from program</td>
</tr>
</tbody>
</table>

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**School of Business Standards of Behavior:** The mission of the School of Business at George Mason University is to create and deliver high quality educational programs and research. Students, faculty, staff, and alumni who participate in these educational programs contribute to the well-being of society. High quality educational programs require an environment of trust and mutual respect, free expression and inquiry, and a commitment to truth, excellence, and lifelong learning. Students, program participants, faculty, staff, and alumni accept these principles when they join the School of Business community. In doing so, they agree to abide by the following standards of behavior:

- **Respect** for the rights, differences, and dignity of others
- **Honesty** and integrity in dealing with all members of the community
- **Accountability** for personal behavior

Integrity is an essential ingredient of a successful learning community. Ethical standards of behavior help promote a safe and productive community environment, and ensure every member the opportunity to pursue excellence. School of Business can and should be a living model of these behavioral standards. To this end, community members have a personal responsibility to integrate these standards into every aspect of their experience at the School of Business. Through our personal commitment to these Community Standards of Behavior, we can create an environment in which all can achieve their full potential.

**MasonLive/Email (GMU Email):** Students are responsible for the content of university communications sent to their George Mason University email account and are required to activate their account and check it regularly. All communication from the university, college, school, and program will be sent to students solely through their Mason email account. [See https://masonlivelogin.gmu.edu](https://masonlivelogin.gmu.edu).

**Students with Disabilities:** Students with disabilities who require special accommodation should contact the Student Disability Resource Center (http://www.gmu.edu/student/drc/ or 703-993-2474) and should inform the instructor of their needs so it can be taken into consideration. Please take care of this during the first two weeks of the semester.

**Students are expected to follow courteous Internet etiquette at all times;** see [http://www.albion.com/netiquette/corerules.html](http://www.albion.com/netiquette/corerules.html) for more information regarding these expectations.
**Course Support:** Preparedness is a major facilitator for a heightened learning experience in an online course. For help on Blackboard tools like Collaborate, Kaltura, Respondus Lockdown Browser and other resources, please refer to courses support or tutorials for additional information. If you encounter any difficulties accessing Blackboard or your course you can reach the Technical Help Desk at the following email: courses@gmu.edu.

**University Libraries:** University Libraries provides resources for distance students. [See http://library.gmu.edu/distance and http://infoguides.gmu.edu/distance_students].

**Writing Center:** The George Mason University Writing Center staff provides a variety of resources and services (e.g., tutoring, workshops, writing guides, handbooks) intended to support students as they work to construct and share knowledge through writing. [See http://writingcenter.gmu.edu]. You can now sign up for an Online Writing Lab (OWL) session just like you sign up for a face-to-face session in the Writing Center, which means YOU set the date and time of the appointment! Learn more about the Online Writing Lab (OWL).

**Counseling and Psychological Services:** The George Mason University Counseling and Psychological Services (CAPS) staff consists of professional counseling and clinical psychologists, social workers, and counselors who offer a wide range of services (e.g., individual and group counseling, workshops and outreach programs) to enhance students' personal experience and academic performance [See http://caps.gmu.edu].

**Family Educational Rights and Privacy Act (FERPA):** The Family Educational Rights and Privacy Act of 1974 (FERPA), also known as the "Buckley Amendment," is a federal law that gives protection to student educational records and provides students with certain rights. [See http://registrar.gmu.edu/privacy].

**University Policies:** The University Catalog is the central resource for university policies affecting student, faculty, and staff conduct in university affairs.

**Inclement Weather:** Information regarding weather related changes in the University’s schedule (e.g., closing or late opening) will be provided on the GMU website and via MasonAlert. Changes to schedule or deliverable due dates, if any, will be communicated via email and on Blackboard.

**Copyright:** Any audio or visual recording of lectures, reuse or remix of course materials, or further dissemination of course content is not permitted without prior written consent of the course instructor and George Mason University unless the recording is part of an approved accommodation plan.

**Disclaimer:** Any changes to assignments or course schedule will be announced on Blackboard and/or via e-mail. Inability to access the course webpage or failure to read e-mails cannot be an excuse for late submissions or non-completion of assignments.