ACCT 4372.001: Fraud Examination

Spring 2017

Instructor: Roger Lirely, DBA, Professor of Accounting
BUS 154B

Email: rliirely@uttyler.edu (preferred means of communication) Note: For legal privacy reasons, I will respond only to your official patriots email account.

Phone: 903-565-5762

Office Hours: Tuesdays, 1:00-3:00 p.m.; 5:00-6:00 p.m.
Other hours by appointment only.

Catalog Description:
The course will cover all the major methods employees use to commit occupational fraud. Students will learn why occupational fraud is committed, how fraudulent conduct can be deterred, and how allegations of fraud should be investigated and resolved.

Prerequisite: ACCT 2301 or equivalent.

Specific Learning Objectives:

By the end of this course, students will be able to:

1. Define Fraud Methodology and distinguish a fraud examination from an audit.
2. Understand the motivating factors behind fraud and abuse.
3. Diagram various occupational fraud and abuse schemes.
4. Identify weakness in an organization’s internal controls that may allow fraud or abuse to occur undetected.
5. Recommend internal control policies or improvements to same that will decrease the probability of fraud or abuse or increase their detection.

II. Required Course Materials


III. Faculty Expectations of Students/Course Policies

- Course Method:
  We will employ a variety of learning approaches, including lecture, discussion, team-based learning, problem solving, cases, and presentations.

- Attendance, Preparation and Participation Policy:
  As aspiring professionals, each of you should attend all class meetings and be on time for class. This is especially critical given our approach to learning—your contributions are an integral part of everyone’s learning process. Minimum preparation for each class is to have read the assigned materials and answered all of the Review Questions at the end of each chapter.
The success of any class depends on the interaction of the students. Experiences vary greatly and the class members can learn from each other. I place great emphasis on this and carefully note the contributions from and participation of students. My perceptions of student participation are reflected in the student’s final course grading.

- **Examinations:**
  There will be two examinations, worth a total of 60 percent of your course grade.

- **Late Assignments:**
  I do not accept late assignments. If, for reasons beyond your control, you cannot complete a requirement, see me about a grade of “Incomplete.”

- **Retention of Written Work:**
  Students should maintain a copy of all their work in a quality fashion/method. I may not return originals.

### IV. Grading Procedures

<table>
<thead>
<tr>
<th>Participation and in-class assignments</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midterm Exam</td>
<td>45%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>35%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

I will assign letter grades on the basis of 90-100%=“A,” 80-89%=“B,” 70-79%=“C,” and less than 70%=“F.”
## V. Tentative Course Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic/Reading</th>
<th>Assignment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 17</td>
<td>Ch. 1: Introduction</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Jan 24</td>
<td>Ch. 2: Skimming</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Jan 30</td>
<td>Ch. 3: Cash Larceny</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Feb 7</td>
<td>Ch. 4: Billing Schemes</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Feb 14</td>
<td>Ch. 5: Check Tampering</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Feb 21</td>
<td>Ch. 6: Payroll Schemes</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Feb 28</td>
<td>Ch. 7: Expense Reimbursement Schemes</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Mar 7</td>
<td>Ch. 8: Register Disbursement Schemes</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>Mar 14</td>
<td><strong>Spring Break</strong></td>
<td></td>
</tr>
<tr>
<td>Mar 21</td>
<td><strong>Mid-Term Exam:</strong></td>
<td></td>
</tr>
<tr>
<td>Mar 28</td>
<td>Ch. 9: Noncash Assets</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>April 4</td>
<td>Ch. 10: Corruption</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>April 11</td>
<td>Ch. 11: Accounting Principles and Fraud</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>April 18</td>
<td>Ch. 12: Financial Statement Fraud Schemes</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>April 25</td>
<td>Ch. 13: External Fraud Schemes</td>
<td>All Review and discussion questions</td>
</tr>
<tr>
<td>May 2</td>
<td><strong>Final Exam:</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Important Dates:**
- Census date (last day for student schedule changes): Jan. 30
- Last day to withdraw with grade of “W”: March 27
UT Tyler Honor Code
Every member of the UT Tyler community joins together to embrace: Honor and integrity that will not allow me to lie, cheat, or steal, nor to accept the actions of those who do.

Students Rights and Responsibilities
To know and understand the policies that affect your rights and responsibilities as a student at UT Tyler, please follow this link:
http://www.uttyler.edu/wellness/rightsresponsibilities.php

Campus Carry
We respect the right and privacy of students 21 and over who are duly licensed to carry concealed weapons in this class. License holders are expected to behave responsibly and keep a handgun secure and concealed. More information is available at
http://www.uttyler.edu/about/campus-carry/index.php

UT Tyler a Tobacco-Free University
All forms of tobacco will not be permitted on the UT Tyler main campus, branch campuses, and any property owned by UT Tyler. This applies to all members of the University community, including students, faculty, staff, University affiliates, contractors, and visitors.
Forms of tobacco not permitted include cigarettes, cigars, pipes, water pipes (hookah), bidis, kreteks, electronic cigarettes, smokeless tobacco, snuff, chewing tobacco, and all other tobacco products.
There are several cessation programs available to students looking to quit smoking, including counseling, quitlines, and group support. For more information on cessation programs please visit www.uttyler.edu/tobacco-free.

Grade Replacement/Forgiveness and Census Date Policies
Students repeating a course for grade forgiveness (grade replacement) must file a Grade Replacement Contract with the Enrollment Services Center (ADM 230) on or before the Census Date of the semester in which the course will be repeated. (For Fall, the Census Date is Sept. 12.) Grade Replacement Contracts are available in the Enrollment Services Center or at
http://www.uttyler.edu/registrar. Each semester’s Census Date can be found on the Contract itself, on the Academic Calendar, or in the information pamphlets published each semester by the Office of the Registrar.
Failure to file a Grade Replacement Contract will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates are eligible to exercise grade replacement for only three course repeats during their career at UT Tyler; graduates are eligible for two grade replacements. Full policy details are printed on each Grade Replacement Contract.
The Census Date (Sept. 12th) is the deadline for many forms and enrollment actions of which students need to be aware. These include:

- Submitting Grade Replacement Contracts, Transient Forms, requests to withhold directory information, approvals for taking courses as Audit, Pass/Fail or Credit/No Credit.
- Receiving 100% refunds for partial withdrawals. (There is no refund for these after the Census Date)
- Schedule adjustments (section changes, adding a new class, dropping without a “W” grade)
- Being reinstated or re-enrolled in classes after being dropped for non-payment
- Completing the process for tuition exemptions or waivers through Financial Aid

State-Mandated Course Drop Policy
Texas law prohibits a student who began college for the first time in Fall 2007 or thereafter from dropping more than six courses during their entire undergraduate career. This includes courses dropped at another 2-year or 4-year Texas public college or university. For purposes
of this rule, a dropped course is any course that is dropped after the census date (See Academic Calendar for the specific date).

Exceptions to the 6-drop rule may be found in the catalog. Petitions for exemptions must be submitted to the Enrollment Services Center and must be accompanied by documentation of the extenuating circumstance. Please contact the Enrollment Services Center if you have any questions.

Student Accessibility and Resources
In accordance with Section 504 of the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) the University offers accommodations to students with learning, physical and/or psychiatric disabilities. If you have a disability, including non-visible disabilities such as chronic diseases, learning disabilities, head injury, PTSD or ADHD, or you have a history of modifications or accommodations in a previous educational environment you are encouraged to contact the Student Accessibility and Resources (SAR) office and schedule an interview with the Accessibility Case Manager/ADA Coordinator, Cynthia Lowery Staples. If you are unsure if the above criteria applies to you, but have questions or concerns please contact the SAR office. For more information or to set up an appointment please visit the SAR office located in the University Center, Room 3150 or call 903.566.7079. You may also send an email to cstaples@uttyler.edu

Student Absence due to Religious Observance
Students who anticipate being absent from class due to a religious observance are requested to inform the instructor of such absences by the second class meeting of the semester.

Student Absence for University-Sponsored Events and Activities
If you intend to be absent for a university-sponsored event or activity, you (or the event sponsor) must notify the instructor at least two weeks prior to the date of the planned absence. At that time the instructor will set a date and time when make-up assignments will be completed.

Social Security and FERPA Statement
It is the policy of The University of Texas at Tyler to protect the confidential nature of social security numbers. The University has changed its computer programming so that all students have an identification number. The electronic transmission of grades (e.g., via e-mail) risks violation of the Family Educational Rights and Privacy Act; grades will not be transmitted electronically.

Emergency Exits and Evacuation
Everyone is required to exit the building when a fire alarm goes off. Follow your instructor’s directions regarding the appropriate exit. If you require assistance during an evacuation, inform your instructor in the first week of class. Do not re-enter the building unless given permission by University Police, Fire department, or Fire Prevention Services.

Student Standards of Academic Conduct
Disciplinary proceedings may be initiated against any student who engages in scholastic dishonesty, including, but not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts.

i. “Cheating” includes, but is not limited to:
- copying from another student’s test paper;
- using, during a test, materials not authorized by the person giving the test;
- failure to comply with instructions given by the person administering the test;
- possession during a test of materials which are not authorized by the person giving the test, such as class notes or specifically designed “crib notes”. The presence of textbooks constitutes a violation if they have been specifically prohibited by the person administering the test;
• using, buying, stealing, transporting, or soliciting in whole or part the contents of an unadministered test, test key, homework solution, or computer program;
• collaborating with or seeking aid from another student during a test or other assignment without authority;
• discussing the contents of an examination with another student who will take the examination;
• divulging the contents of an examination, for the purpose of preserving questions for use by another, when the instructors has designated that the examination is not to be removed from the examination room or not to be returned or to be kept by the student;
• substituting for another person, or permitting another person to substitute for oneself to take a course, a test, or any course-related assignment;
• paying or offering money or other valuable thing to, or coercing another person to obtain an un-administered test, test key, homework solution, or computer program or information about an un-administered test, test key, home solution or computer program;
• falsifying research data, laboratory reports, and/or other academic work offered for credit;
• taking, keeping, misplacing, or damaging the property of The University of Texas at Tyler, or of another, if the student knows or reasonably should know that an unfair academic advantage would be gained by such conduct; and
• misrepresenting facts, including providing false grades or resumes, for the purpose of obtaining an academic or financial benefit or injuring another student academically or financially.

ii. “Plagiarism” includes, but is not limited to, the appropriation, buying, receiving as a gift, or obtaining by any means another’s work and the submission of it as one’s own academic work offered for credit.

iii. “Collusion” includes, but is not limited to, the unauthorized collaboration with another person in preparing academic assignments offered for credit or collaboration with another person to commit a violation of any section of the rules on scholastic dishonesty.

iv. All written work that is submitted will be subject to review by SafeAssign™, available on Blackboard.

UT Tyler Resources for Students
• UT Tyler Writing Center (903.565.5995), writingcenter@uttyler.edu
• UT Tyler Tutoring Center (903.565.5964), tutoring@uttyler.edu
• The Mathematics Learning Center, RBN 4021, this is the open access computer lab for math students, with tutors on duty to assist students who are enrolled in early-career courses.
• UT Tyler Counseling Center (903.566.7254)