MBA 694: Fraud Examination  
**COURSE SYLLABUS**  
Summer 2010 (On-line Class)

**Course Description:** Fundamentals of fraud examination including nature and types of fraud, prevention of fraud, and techniques to detect fraud in organizations.

The objectives of this course are to: (1) understand the pervasiveness and causes of fraud in our society (both misappropriation of assets and financial statement fraud) and (2) discuss the methods of fraud detection and prevention. In addition, the course will emphasize the importance of corporate social responsibility in an organization as well as the need for reporting systems that focus on integrity and accountability.

**Instructor:** Dr. Venkat Iyer, Ph.D., CPA  
Office: Bryan 325  
Phone: 256-0187  
E-mail: vmiyer@unceg.edu

**Prerequisites:** MBA 602 or equivalent.

**Learning Objectives:** At the end of this semester, you should be able to

1. Understand the seriousness of the fraud problem and how it affects individuals, consumers, and organizations.
2. Describe the fraud triangle and explain why people and organizations commit fraud.
3. Discuss the different ways that organizations fight fraud.
4. Describe how to create a culture of honesty and how to eliminate opportunities for fraud.
5. Identify accounting symptoms of fraud and describe internal controls that help detect fraud.
6. Describe the nature of financial statement fraud and outline the framework for detecting financial statement fraud.
7. Discuss the fraud schemes relating to asset misappropriation.
8. Understand the importance of ethical principles, codes of conduct, and social responsibility in corporate governance.

**Office Hours:** By appointment.

Any time I am in my office you may call or stop by to ask any questions pertaining to the class. Please call 256-0187 (you can leave a message if I am not there) or e-mail me if you wish to set a specific appointment. Call me at home in case of an emergency. My home phone number is 336-286-9933.

I plan to use Elluminate which facilitates live online discussions for the class as a group. More information will be provided on BB and the course website. This may facilitate discussion of course topics and enable us to get questions clarified.
**Required Materials:**


3. Reading List (links provided on Blackboard)

Additional readings/lecture notes posted on the course web page.

**Additional Topics and Emphasis of MBA 694:**

1. Light to medium coverage of technology issues, developments, and applications.
2. Heavy coverage of ethical issues.
3. Little or light coverage of political, diversity, and environmental issues.
4. Heavy coverage of written communication and analytical skills.
5. Moderate to medium coverage of group skills.
6. Light coverage of international issues.

**Course Participation:**

This is an **online** course and hence no face-to-face meetings are mandatory! Much of what we will do on-line will involve student discussion. You cannot learn from this discussion if you do not participate. Students are required to access the online course through the course website. **Please note that I will be using an iSpartan website for course management.** Students are also required to participate in all class activities such as discussion board, chat or conference sessions, and group projects. Please note that summer courses are short and intense. We have only five weeks to cover the materials.

**Netiquette:**

The same guidelines that apply to traditional classes should be observed in the virtual classroom environment. Please use proper netiquette when interacting with class members and the professor.

**Policy on Server Unavailability or Other Technical Difficulties:**

The university is committed to providing a reliable online course system to all users. If you are not able to access a working computer with a consistent and reliable internet connection you will not be able to complete this class. However, in the event of any unexpected server outage or any unusual technical difficulty which prevents students from completing a time sensitive assessment activity, the instructor will extend the time windows and provide an appropriate accommodation based on the situation. Students should immediately report any problems to the instructor and also contact 6-tech@uncg.edu to report the problem. Provide as much details about the situation in your communication to help resolve it soon.

**Performance Evaluation:**

All students are required to follow the provisions of the UNCG Academic Integrity Policy in completing course work. All individual assignments must be done by only you or your group, respectively.
Individuals should not work on assignments together. Individuals or groups may seek the general advice of others (any student or faculty), but at no time should a student or group seek or accept the answer to an assignment exercise from anyone else. A single failure to follow this policy will result in a grade of 0 on that assignment; subsequent violations of this policy will result in a grade of F for the course. Tentatively, it is planned that course grades will be based upon:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Final Exam</td>
<td>35%</td>
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<tr>
<td>Group Case Analysis</td>
<td>35%</td>
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<tr>
<td>Video Assignments</td>
<td>10%</td>
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<tr>
<td>Current Events Blog</td>
<td>15%</td>
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<td>Student profile and online contribution</td>
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<td>Total</td>
<td>100%</td>
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The grade scale is based upon percent of points earned on each item. Appropriate cutoffs for letter grades will be determined at the end of the course.

*Keep a record of all points possible and earned on each item. This will make it easy for you to determine your exact grade status throughout the course.*

**Electronic Mail and iSpartan course site:**

This course is set up in iSpartan Google Website. You will be given access to the site and all course materials (powerpoint slides, assignment details, group pages, video and other links, etc.) will be posted to the site. A course calendar is set up which will provide you with additional details and due dates. We welcome any suggestions you have to improve the site. You should check your UNCG email and Google Course site regularly as I may send email updates or add new info on the course site on an ongoing basis. Grades and exams will still be posted on BB. Elluminate will also be run using Blackboard. You will be responsible for any information or announcements contained in the email messages or updates on the course site.

**Assignments:**

Details of all assignments will be posted on the course website. All assignments are due on the date/time indicated. Assignments turned in late will be assessed a grading penalty. Assignments submitted after the due date may not be accepted but, if they are, there will be a minimum of a 20% reduction for each day late. Also, any assignment that requires rework will be assessed at least 20% penalty.

Please use word processors and submit the printouts. Use software features to check spelling and grammar. However, DO NOT assume that the software will catch all errors. Please proofread your work carefully. **Spelling, sentence structure and grammar errors will reduce your grade.** Be sure to cover all assignment parts. Use headings for each part.

**MAKE-UP EXAM WILL NOT BE GIVEN** except in very rare circumstances. You should contact me immediately if you cannot attend on the exam date.

**Backup Copies of Assignments:** Please keep a backup copy of any material (hard or soft copies) submitted to me.
Important Dates:

Please refer to [http://www.uncg.edu/reg/Calendar/acaCal/su10.html](http://www.uncg.edu/reg/Calendar/acaCal/su10.html) for important dates.

Adverse Weather:

The University of North Carolina at Greensboro will remain open during adverse weather conditions unless an administrative decision on changing work and class schedules is made by the Chancellor. Students can receive details on the UNCG home page (www.uncg.edu), or by dialing three campus telephone numbers: Adverse Weather Line (336-334-4400); Campus Switchboard (336-334-5000); and University Police (336-334-5963).

Academic Honor Policy:

The Academic Honor Policy, administered by the Vice Chancellor for Student Affairs, is described in detail in the Policies for Students handbook ([http://studentconduct.uncg.edu/policy/academicintegrity](http://studentconduct.uncg.edu/policy/academicintegrity)).

Students are responsible for becoming familiar with the Honor Policy in all its aspects and for indicating their knowledge and acceptance of the Honor Policy by signing the honor pledge for all major work submitted. Students should recognize their responsibility to uphold the Honor Policy and to report apparent violations to the appropriate persons.

It is my policy to collect and retain all examination materials. This means that students are to return all test materials (test documents, scrap paper, etc.) to the instructor immediately after completion of the examination. Notes, textbooks, and other reference materials may not be used unless specifically authorized by the instructor for the particular exam. Students should feel free, however, to request a review of examination results during regular office hours.
A detailed schedule with readings will be posted on the course website

<table>
<thead>
<tr>
<th>Date</th>
<th>Topics</th>
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<td><strong>Week 1</strong></td>
<td>Introduction</td>
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<tr>
<td>May 17</td>
<td>Chapter 1 – The Nature of Fraud</td>
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<td>Chapter 2 – Why People Commit Fraud</td>
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<td>ACFE Survey</td>
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<td><strong>Week 2</strong></td>
<td>Chapter 3 – Fighting Fraud: An Overview</td>
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<td>May 24</td>
<td>Chapter 4 – Preventing Fraud</td>
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<td><strong>Week 3</strong></td>
<td>Chapter 5 – Recognizing the symptoms of fraud</td>
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<td>May 31</td>
<td>Chapter 6 – Data driven fraud detection</td>
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<td><strong>Week 4</strong></td>
<td>Chapter 11 – Financial Statement Fraud</td>
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<td>June 7</td>
<td>Chapter 12 – Revenue and Inventory related Financial Statement Frauds</td>
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<td><strong>Week 5</strong></td>
<td>Chapter 13 – Liability, Asset, and Inadequate Disclosure Frauds</td>
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<td>June 14</td>
<td>Chapter 14 – Fraud against organizations</td>
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<td><strong>Week 6</strong></td>
<td>Final Exam</td>
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Group Case Analysis

Wrap-Up