

Degree Level: Undergraduate/baccalaureate or (post) graduate

Course Description:

This course provides an overview of forensic auditing and fraud examination. Students will develop an understanding of fraud in business, the circumstances in which fraud arises, and techniques for detecting, measuring, preventing, and deterring fraud. Emphasis is placed on the development of practical skills for conducting interviews, interrogations, and communications with key stakeholders involved in fraud cases, such as organizational management, individuals under investigation, law enforcement, and regulatory bodies. The course also integrates basic data analytics to enhance students' ability to identify and investigate fraudulent activities through the analysis of financial and non-financial data.

Sample Overall Learning Objectives:

1. Understand the definition of fraud, including fraud within the organization and fraud against the organization.
2. Understand assurance and advisory responsibilities related to fraud detection, investigation, prevention, and deterrence.
3. Identify common fraud schemes and red flags, analyze potential fraud scenarios, and evaluate employee training programs to mitigate risks and enhance internal controls.
4. Explain electronic fraud prevention, detection, and investigation techniques, including the use of data analytics and other emerging technologies, such as artificial intelligence (AI).
5. Develop effective communication skills essential for conducting fraud interviews, interrogations, and litigation procedures; supporting management, regulatory bodies, and law enforcement; and promoting organizational compliance.

General Topic	Content Recommendations
Introduction to Fraud	<ul style="list-style-type: none"> • Definition, theories, elements, schemes • Symptoms, red flags, and/or indicators • Consequences and determinants
Types of Fraud	<ul style="list-style-type: none"> • Financial statement • Corruption • Misappropriation of assets • Others
Assurance and Advisory Responsibilities	<ul style="list-style-type: none"> • Applicable guidance (e.g., IIA Global Internal Audit Standards, Topical Requirements, or Global Guidance) • Applicable country-specific guidance • Oversight of governance and training programs • Risk analysis and audit liaison
Prevention and Deterrence	<ul style="list-style-type: none"> • Policies and procedures enforcement • Risk-based assessments • Preventative controls (e.g., segregation of duties) • Employee training

General Topic	Content Recommendations
Detection	<ul style="list-style-type: none"> • Detective controls (e.g., bank reconciliations) • Trend analysis and ongoing risk monitoring • Fraud detection, via analytics, investigation, and compliance testing
Investigation	<ul style="list-style-type: none"> • Planning interviews/interrogations • Investigative interviewing and interrogation techniques
Communication and Reporting	<ul style="list-style-type: none"> • Responsibilities for reporting fraud • Reporting channels (e.g., hotlines) • Key stakeholder communication (e.g., internal and external auditors, organizational management, law enforcement agencies, and regulatory authorities) • Role in litigation procedures • Overall communication skills
Tools and Technology	<ul style="list-style-type: none"> • Data analytics (financial and non-financial) in prevention, detection, and investigation • Analytics to quantify potential fraud losses • Other emerging technologies, (e.g., AI) for committing and detecting fraud • Visualization tools (e.g., dashboards)
Ethics	<ul style="list-style-type: none"> • Tone at the top • Standards/codes of conduct • Code of ethics • Whistleblowing • Confidentiality and privacy within investigations