



- C. Assessing Internal Controls (2 hours)
 - 1. Preventive controls
 - 2. Breakdowns
 - 3. Correcting weaknesses
- D. Overview of Human Relations Within the Audit Environment (3 hours)
 - 1. The audit interview
 - 2. The forensic interview
- E. The Preliminary Survey and Audit Program (5 hours)
 - 1. Entrance conference
 - 2. Interviews and documentation
- F. Divisional Assignments (4 hours)
 - 1. Operational, management, and performance audits
 - 2. Special investigations
 - 7 Clinat Communications
- G. Audit Reporting and Follow-Up (3 hours)

Exam (1 hour)

- H. Fraud Auditing (1 hour)
 - 1. Responsibilities under SAS No. 82
- I. Current Fraudulent Financial Reporting Cases (7 hours)
 - 1. Motivation to produce fraudulent business results
 - 2. Red flags
 - 3. Reasons for lack of detection
- J. Employee Theft (9 hours)
 - 1. Extent of problem
 - 2. The historic lack of discovery by auditors and the failure to prosecute
 - 3. Rationale of criminals
 - 4. Examination of case studies
- K. The Ultimate Integration of Forensic Work Within the Internal Audit Department (1 hour)

Final Exam (2 hours)

Total Course Hours: 42

IV. Evaluation Methods

Although this is left to the discretion of the instructor, recommendations are as follows:

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VI. Special Resource Requirements

None

VII. Bibliography

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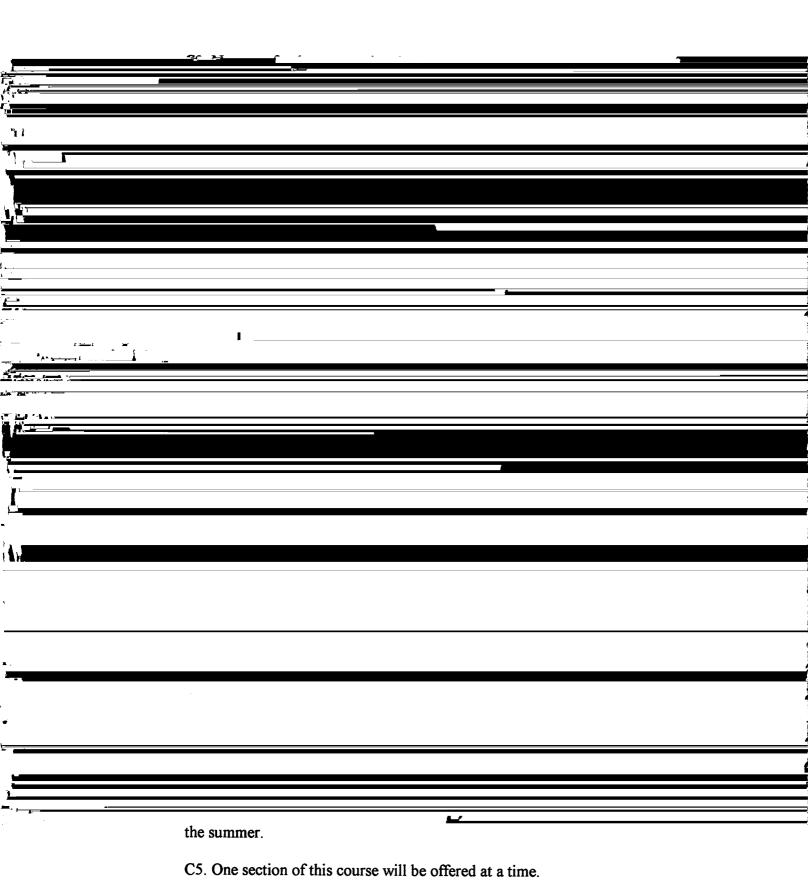
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·	Accountancy, 43-46. Heiman-Hoffman, V. B., Morgan, K. P., and Patton, J. M. (1996, October). The	
	Warning Signs of Fraudulent Financial Reporting. <u>Journal of</u>	1
_	Accountancy, 75-77. Jurinski J and Linnman F. (1999 Anril) Preventing Financial Fraud	
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2. CQURSE ANALYSIS OUESTIONNAIRE	
A. Detai ls of the Course	
A1. This course is a controlled elective course for accounting majors.	
A? This course has affect on other courses	
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C7. No professional society recommends enrollment limits for this course.

C6. Twenty-five students will be accommodated in this course. Due to

participation and discussion, a larger class is not recommended.

D. Miscellaneous