

MGT/P-429
Detection and Prevention of Asset Misappropriation Fraud in the Workplace
Final Syllabus – Winter 2021
(Updated 1/3/2021)

General Information

Sunday, January 10, 2021, 9:00am – 12:20pm

Sunday, January 24, 2021, 9:00am – 12:20pm

Sunday, January 31, 2021, 9:00am – 12:20pm

Location

Zoom Online – Please see Zoom login instruction posted to Canvas

Instructor:

Nicholas Briscoe

Email: nabriscoe@ucdavis.edu

Telephone: (916) 890-3889

Office & Office Hours: By email and by appointment

Course Description

Asset misappropriation fraud involves third parties or employees in an organization who abuse their position to steal from it through fraudulent activity. This type of fraud can be committed by company directors, or its employees, or anyone else entrusted to hold and manage the assets and interests of an organization.

This course will discuss the fundamentals of fraud detection and prevention in the workplace involving asset misappropriation. Students will learn the major types and schemes of asset misappropriation fraud, how management can detect fraud and what policies and procedures can be put in place to prevent fraud. In addition, this course will discuss forensic accounting analyses that experts utilize to demonstrate theft as well as the technology available for detection. Furthermore, this course will review workplace cyber fraud threats and methods of prevention. The course will have guest speakers in the areas of forensic technology and cyber fraud.

Specific topics the course will cover include:

- The Fraudster Profile
- Common Fraud Schemes
- Prevention of Workplace Fraud
- Detection of Workplace Fraud
- Forensic Accounting Investigation, Forensic Technology Investigation
- Cyber Fraud

Course Learning Outcomes

As managers or future owners in corporations, both small and large, as well as government agencies, students should be aware of asset misappropriation fraud schemes involving employees, vendors, or even high-level executives. This course is attended to address workplace fraud and theft from employees, management or outsiders. This course does not address financial statement fraud, accounting statement fraud or ponzi schemes, as other courses do a great job of addressing those areas.

By the end of this course students should be able to:

- Identify different types of workplace asset misappropriation fraud
- Describe different methodologies to detect occupational fraud
- Evaluate key areas in which fraud prevention can be performed in a company
- Comprehend the analysis of various financial and accounting records in order to demonstrate or detect asset misappropriation theft

Required Text, Problem Solutions and Class Handouts

The required reading for this course is:

Class Session 1

Report to the Nations 2020 Global Study on Occupational fraud and Abuse, Association of Certified Fraud Examiners. Downloadable at:

<https://acfe-public.s3-us-west-2.amazonaws.com/2020-Report-to-the-Nations.pdf>

Class Session 2

Managing the Business Risk of Fraud: A Practical Guide, The Institute of Internal Auditors, The American Institute of Certified Public Accountants, Association of Certified Fraud Examiners. Downloadable at:

https://www.acfe.com/uploadedfiles/acfe_website/content/documents/managing-business-risk.pdf

Briscoe, Nicholas, Byran, Tim, Theobald, Jonathon, “Public Funds, Public Scrutiny: Reducing Fraud Risk in Local Government,” Crowe Horwath LLP White Paper, April 2016. (Will be provided in class)

Other reading materials will be handed out in class.

Couse Standards

As always, students are expected to fulfill their responsibilities under the University Of California Code Of Academic Conduct for Students. You can find the full text here:

<http://sja.ucdavis.edu/files/cac.pdf>

Instructor Availability

Please feel free to contact me whenever you have a question or concern. I am committed to providing the educational support expected by University of California students, so please do not hesitate to contact me via email or to visit during my office hours.

Statement on Accommodation

UC Davis is committed to educational equity in the academic setting, and in serving a diverse student body. All students who are interested in learning about how disabilities are accommodated can visit the Student Disability Center (SDC). If you are a student who requires academic accommodations, please contact the SDC directly at sdc@ucdavis.edu or 530-752-3184. If you receive an SDC Letter of Accommodation, submit it to your instructor for each course as soon as possible, at least within the first two weeks of a course.

Rights and Responsibilities

All participants in the course, instructor and students, are expected to follow the UC Davis Principles of Community, which includes affirmation of the right of freedom of expression, and rejection of discrimination. The right to express points-of-view without fear of retaliation or censorship is a cornerstone of academic freedom. A diversity of opinions with respectful disagreement and informed debate enriches learning. However, in this course, any expression or disagreement should adhere to the obligations we have toward each other to build and maintain a climate of mutual respect and caring.

You are expected to take UC Davis's Code of Academic Conduct as seriously as we do. You were given this code of conduct with explicit explanations of violations (e.g. plagiarism, cheating, unauthorized collaboration, etc.) and your responsibilities in regard to them during orientation, and you signed a statement affirming that you understand it. Academic conduct violations will not be tolerated, and your instructor will not hesitate to turn violators over to Student Judicial Affairs. If you are uncertain about what constitutes an academic conduct violation, please refer to the code linked above, contact your instructor, or refer to the Office of Student Judicial Affairs.

All material in the course that is not otherwise subject to copyright is the copyright of the course instructor and should be considered the instructor's intellectual property.

Safety and Emergency Preparedness

UC Davis has many resources to help in case of emergency or crisis. While reviewing campus Emergency Information, you may want to register for UC Davis Warn Me and Aggie Alert, which will give you timely information and instructions about emergencies and situations on campus that affect your safety.

If there is an emergency in the classroom or in non-Davis locations, follow the instructions of your instructor.

Disclaimer

Unexpected events might require elements of this syllabus to change. Your instructor will keep you informed of any changes.

Course Assignments and Grading

This course will be graded on a normal grading scale

- A = 95% and above
- A- = 90% – 94.9%
- B+ = 87.5% – 89.9%
- B = 85% – 87.4%
- B - = 82.5% – 84.9%
- C and below = < 82.5%

Assignments	Percent of Final grade
Class participation and in-class discussion	33.3%
Project / Presentation	33.3%
Take-Home Case Study	33.3%

Class Participation and in-class exercises (33.3%)

Class participation and in-class discussion are worth 33.3% of your final course grade. Class attendance is mandatory. This class is only three days in length. If you are unable to make the three days of class, please contact me in advance.

You are encouraged to think critically and comprehensively, and to actively participate in classroom discussions and interact with guest speakers. To be fully prepared for class discussions, it is advisable to outline the assigned readings before each class session.

Day 3 Project – Due January 31, 2021 (33.3%)

Students will present individually to the class at the beginning of day 3. If the class size is too large, teams will be formed at the end of day 1. Students will present a case study in-class with a short ~ 10-minute presentation.

The instructor will provide case briefs from the Association of Certified Fraud Examiners Fraud Magazine. The student is to tell the story of the workplace fraud that took place, how it was detected, how much was stolen, and how it could have been or attempted to have been prevented. Please include at least one additional method of possible prevention not mentioned in the case study.

Take-Home Case Study - Due February 14, 2021, 10:00pm (33.3%)

After the final day of class, students have two options...

Option 1: Students will take home a short case study involving fraudulent transactions in asset misappropriation fraud. Students will utilize the skills learned in class to analyze case information to determine how fraud is being performed. A short 1-2 page report will be required outlining the fraud, what was done to detect the fraud and what could have been done to prevent the fraud. More info to come at the beginning of class. This project will be due one week after the final class. Students must submit their report through **Canvas** to the instructor by **10:00pm on February 14, 2020**.

Option 2: The second option for the Take-Home Case Study is evaluate the fraud prevention and detection techniques at your current or former workplace. This might entail interviewing management, human resources or in-house counsel. Note: We do not need to know about proprietary prevention methods, but we are interested in the methods we study in class and how they are implemented. You are then to ask the question to yourself of what else your company can do to prevent or detect fraud and employee theft. A short 1-2 page report will be required outlining your evaluation and conclusions. This project will be due one week after the final class. Students must submit their report through **Canvas** to the instructor by **10:00pm on February 14, 2020**.

Tentative Class Schedule

Sunday, January 10, 2021

9:00am – 9:30am: Introduction

9:30am – 11:00pm: Introduction to Fraud Prevention and Detection

11:00pm – 12:20pm: Fraud Detection

Sunday, January 24, 2021

9:00am – 10:00am: Fraud Prevention

10:00am – 11:00pm: Guest Speaker, Cyber Fraud, Forensic Technology

11:00pm – 12:00pm: Forensic Accounting, Cyber fraud

12:00pm – 12:20pm: Overview of Day 3 presentation/project

Sunday, January 31, 2021

9:00am – 12:00am: Class Presentations

12:00pm – 12:20pm: Overview of Take-Home Case Study, Class Wrap-up