University of Southern Illinois – Carbondale
School of Accountancy Accountancy 468
– Forensic Accounting Spring 2015 –
Syllabus

Instructor: James Cali, CPA, CFF, CGMA
Class Time: Thursday from 5:45 p.m. until 8:30 p.m. and Desire-2-Learn (D2L) Video Lectures
Classroom: Lawson Hall 101
Office Hours: By Appointment – (Please note that I do not have an office on campus)
Phone: (954) 261-2136
E-Mail: jcali@business.siu.edu or forensicaccounting1984@yahoo.com

Course Format: The Forensic Accounting course will be offered in a “Hybrid” Lecture Format. The class will meet four (4) times during the semester employing traditional face-to-face lectures. For the reminder of the classes students will be required to access the Desire-2-Learn (D2L) site for this class to view all of the video lectures.

Course Description: This course is designed to apply your accounting, auditing, information systems, and communications skills to:

- Detect financial discrepancies, irregularities, and unauthorized/unlawful acts
- Prepare clear, concise exhibits of financial transactions
- Present a fraud case for criminal proceedings and/or civil litigation
- Develop a comprehensive factual and financial evaluation of insurance claims

The course will discuss the role of the forensic accountant / expert witness in:

- **Financial Examinations** - fraud, theft, embezzlement, fictitious vendor schemes, tracing of matrimonial assets, money laundering, reconstruction of income and expenses.

- **Insurance** – fidelity bond claims, arson-for-profit, business interruption losses, personal injury, medical malpractice, workers’ compensation claims.

- **Litigation Support** – breach of contract claims, bankruptcy, product liability, business valuations, pre-trial conferences, interrogatories, depositions, mediation, arbitration, civil cases (plaintiff/defendant), and criminal cases (prosecution/defense), discovery, document production.

- **Digital Evidence** – capture of digital media, hard-drives, e-mails, deleted and/or overwritten files, data recovery and extraction.

An emphasis of the course will be upon the use of computer-based aids in forensic accounting.

In addition, the course will review content and material related to the ACFE - Certified Fraud Examiner (CFE) and the AICPA Certified in Financial Forensics examination and certification.

Some forensic accountants/expert witnesses or other guest speakers may visit to share their experiences and forensic, investigative, and claim calculation expertise to enhance the quality of this course.
**Course Objectives:**
- To develop intellectual curiosity, the ability to spot the unusual, and the tenacity to discover the cause.
- To have the willingness to scrutinize details, without losing sight of the big picture.
- To understand financial deception in order to detect it and to develop deterrence measures.
- To understand evidence-gathering and investigative procedures.
- To accept that everything you do will be challenged.
- To develop the confidence to handle the challenge and respond.
- To begin the development of your “Professional Skepticism.”
- To apply your computer skills.
- To produce exceptional quality written reports.
- To enhance your verbal presentation skills.
- To refine your time management technique.

**Text Book:**


**Course Reference & Resources Materials:**

Posted in the Desire 2 Learn (D2L) site for this course is my personal collection of Reference and Resources Materials that I have assembled over the years I have spent as a Forensic Accountant.

I am happy to share this information with you to enhance your Forensic Accounting education as it pertains to Financial Crimes, Civil Litigation and Economic Damages.

**Group Project:** As your group begins to work on the case, I believe that you will find the following Reference and Resources Materials helpful:
- ACFE Report to The Nation
- AICPA Fraud Guide
- Profile of a Fraudster
- Forensic Accounting & Financial Investigation Guide for Law Enforcement
- Irrational Ratios
- Common Question Evasion Tactics
- The Effective Use of Benford’s Law To Assist In Detecting Fraud In Accounting Data
- Forensic Accounting Reference Guide Indirect Methods For Reconstructing Income
- Hiding Money From a Spouse Gets Harder
## Course Schedule - Subject to Revision

| Week 1 Class Meeting | 1/22/15 | Chapter 1 - Introduction Forensic & Investigative Accounting  
Chapter 3 – Fraudulent Financial Reporting  
Attendance Mandatory |
|---------------------|---------|---------------------------------------------------------------|
| Week 2 Class Meeting | 1/29/15 | Group Project Assignments and Case Selection  
Group Project Discussion – Plaintiff-(civil) / Prosecution-(criminal)  
Group Project Discussion – Defense  
Attendance Mandatory  
**Due: Assignment #1 – U.S. Attorney Financial Case Evaluation** |
| Week 3 Video | 2/5/15 | Chapter 4 – Detecting Fraud in Financial Reporting  
Chapter 5 – Employee Fraud: The Misappropriation of Assets  
Case Study Presentation – Arson Insurance Claim Evaluations  
**Due: Assignment #2 – Chapter Questions** |
| Week 4 | 2/12/15 | **Exam #1 on D2L – Chapters 1, 3, 4, & 5** |
| Week 5 Video | 2/19/15 | Chapter 6 – Indirect Method of Reconstructing Income  
Chapter 7 - Money Laundering  
**Due: Assignment #3 - Chapter Questions** |
| Week 6 Video | 2/26/15 | Chapter 8 - Litigation Services Provided by Accountants  
**Exam #2 on D2L – Chapters 6, 7, & 8** |
| Week 7 Class Meeting | 3/5/15 | Group Project – Discovery Will Take Place In Class  
Attendance Mandatory |
| Week 8 | 3/12/15 | **Spring Recess – No Class !** |
### Course Schedule – Subject to Revision

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Activity</th>
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<tbody>
<tr>
<td>Week 9 Video</td>
<td>3/19/15</td>
<td>Chapter 9 – Proper Evidence Management</td>
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<tr>
<td>Week 10 Video</td>
<td>3/26/15</td>
<td>Chapter 10 – Commercial Damages</td>
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<td><strong>Due: Assignment #4 – Chapter Questions</strong></td>
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<tr>
<td>Week 11</td>
<td>4/2/15</td>
<td><strong>Due: Group Project - A draft of the Financial Section and the Methodology Section of your Forensic Accountant’s Report.</strong></td>
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<tr>
<td>Week 12 Video</td>
<td>4/9/15</td>
<td>Chapter 12 – Computing Economic Damages</td>
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<td><strong>Due: Assignment #5 – City of Dixon, Illinois</strong></td>
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<tr>
<td>Week 13 Class Meeting</td>
<td>4/16/15</td>
<td>Group Presentations - Attendance Mandatory</td>
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<tr>
<td>Week 14 Video</td>
<td>4/23/15</td>
<td>Chapter 17 – Business Valuations</td>
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<tr>
<td>Week 15</td>
<td>4/30/15</td>
<td><strong>Exam #3 on D2L – Chapters 9, 10, 12, &amp; 17</strong></td>
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### Grading Criteria:

The final grade for this class will be based on the total number of points earned out of 1,000 total points available. The point values are as follows:

<table>
<thead>
<tr>
<th>Points</th>
<th>Description</th>
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<tbody>
<tr>
<td>250</td>
<td>Homework Assignments (Five (5) assignments, each is worth 50 points)</td>
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<tr>
<td>300</td>
<td>Exams (Three (3) exams, each is worth 100 points)</td>
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<tr>
<td>100</td>
<td>Weekly Timesheet (timesheets submitted late will not receive full credit)</td>
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<tr>
<td>350</td>
<td>Group Project &amp; Presentation</td>
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<tr>
<td>1,000</td>
<td>Grand Total</td>
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The conversion of points earned to establish the final letter grade will be as follows:

<table>
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<tr>
<th>Points Earned</th>
<th>Grade</th>
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<tbody>
<tr>
<td>900 - 1,000</td>
<td>A</td>
</tr>
<tr>
<td>800 - 899</td>
<td>B</td>
</tr>
<tr>
<td>700 – 799</td>
<td>C</td>
</tr>
<tr>
<td>Under 699</td>
<td>D</td>
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**Homework Assignments:**

All five (5) assignments will be posted on the Desire-2-Learn (D2L) site that has been established for this course. Each assignment is worth 50 points towards your final grade. Your completed assignments must be submitted to the D2L Dropbox on or before the posted due date.

**Grades for assignments that are submitted after the due date will be subject to a grade reduction penalty. The penalty for late assignments will depend on the amount of time that has passed after the due date.** If you are experiencing difficulty with the assignment or if there is some personal reason why you will be unable to submit the assignment on time, it is your responsibility to contact Professor Cali to discuss your situation prior to the assignment due date.

**Exams:**

There will three (3) exams for this course. Each exam will be worth 100 points towards your final grade. All exams will be administered through the Desire-2-Learn (D2L) site that has been established for this course. The format for all exams will consist of variety of multiple choice questions, problems, and/or essay questions.

**It will be your responsibility to complete each exam during the allotted time. Exams submitted after the posted due date will not be accepted.** If you are unable to take the exam within the allotted time period, it is your responsibility to contact Professor Cali to discuss your situation.

**Weekly Timesheet:**

The Weekly Timesheets will count 100 points towards your final grade. Every student will be responsible for maintaining a Weekly Timesheet and submitting via the Dropbox on the Desire-2-Learn (D2L) site. You are required to use the same Weekly Timesheet for the entire semester. You will find the Weekly Time Template on the D2L site. Because of the limited number of class meetings I will rely on your Weekly Timesheet to document your activity and progress for the Chapter Readings, Video Lectures, Homework Assignments, and your work on the Case Study.

**Submission of weekly timesheets after the due date will be subject to a grade reduction penalty. The penalty will depend on the amount of time that has passed after the due date.** If you are experiencing difficulty with the preparation of your time sheet or if there is some personal reason why you will be unable to submit the weekly timesheet on the due date, it is your responsibility to contact Professor Cali to discuss your situation prior to the due date.
**Group Project and Presentation:**

You will be given a realistic forensic accounting and/or financial investigation case to examine. Due to the large amount of data that will need to be examined to complete your analysis, you will be required to work in a group throughout the majority of the semester. On April 16, 2015, each of the eight (8) groups will be required to make a 10-15 minute presentation of their Forensic Accountant’s Report in class.

Four (4) groups will be assigned a case representing the Plaintiff and/or the Prosecution, and four (4) groups will be representing the Defense.

- **The Plaintiff/Prosecution presentation.** Your group will be given a case to review and present as either an expert witness for the Plaintiff in a civil proceeding or as the Forensic Accountant (fact witness) for the Prosecution in a criminal case.

- **The Defense presentation.** Your group will serve as the Forensic Accountant (expert witness) for the Defense. In this role, you will have to develop a presentation that will challenge the case presented by the Plaintiff/Prosecution.

- **In Week 2, the group assignments will be established and the information pertaining to your case will be distributed.**

- **In Week 7, Discovery will take place.** Each group must submit a copy of the information, trial exhibits, reports, etc. that they plan to use in their presentation. The information obtained in Discovery should be used to assist you in preparing your final presentation.

- **In Week 14 the group presentations will take place and Attendance is Mandatory.** Using your forensic accounting investigation skills, your group will present an evaluation of the evidence to support your position. Each member of the group is required to participate.

- **Your participation in the group is extremely important. You will be responsible for maintaining a weekly timesheet to document your activity and progress.** You are responsible for submitting your weekly timesheets via the D2L DropBox. Please note that the timesheets count for 100 points towards your final grade.

- **In order to properly grade group member participation, you will be required to submit a Group Member Performance Evaluation for each member of your group.** All Group Member Performance Evaluations are due on April 16, 2015. **If you fail to submit the required Group Member Performance Evaluation on the due date your Group Project grade will be subject to a grade reduction penalty.**

- **If you are experiencing problems with members of your group, it is your responsibility to contact Professor Cali to discuss your situation.**
**Attendance Policy:**

This course is being presented in a “Hybrid Format.” A Hybrid Format course combines a limited number of actual in class lectures with on-line lectures available on the Desire-2-Learn (D2L) site that has been established for this course.

It is mandatory that you attend each class meeting that is indicated on the course schedule and actively participate in the discussions. Accept that everything you do will be challenged; therefore, your class participation is necessary to help you develop the confidence to handle these challenges and to respond. In order to meet these expectations, you should be committed to the following:

- Come to class prepared and ready to enhance your intellectual curiosity.
- Complete the readings, research, homework, and assignments on time.
- Ask and/or answer questions and take the initiative to provide information that is relevant and/or useful to the class.

**Classroom Etiquette:**

Professionally speaking, you never want to be late for a meeting with your clients, so with that thought in mind, kindly be ready to begin class on time. Prior to the start of class, be sure to turn off your smart phone, or place it in silent mode. Allow for adequate time to deal with jackets, backpacks, and class materials without disturbing others.

Respect your fellow students and your instructor by refraining from unwarranted side comments and personal conversations during class. Furthermore, you should never leave a meeting until your client has indicated the meeting is over.

**General Considerations:**

The Forensic Accounting course will be offered in a “Hybrid” Lecture Format. This class is scheduled to meet four (4) times during the semester. Each in class meeting will be for 2 and 1/2 hours. Please keep in mind that the duration of this class may be longer than your other classes. Therefore, in order to gain the most from this class it will take a real commitment from you.

There is a great deal of material that needs to be covered in each in-class meeting in order to achieve the stated Course Objectives. I will attempt to structure each class to accommodate a short break. Objections and complaints pertaining to deadlines and time commitments required for the successful completion of this class will generally not be viewed favorably.

Please keep in mind that the “real world” of the accounting profession has time constraints, deadlines, and pressure for “billable hours” which are far greater than your current academic life.
**Statement on ADA:**

As per 504 of the Vocational Rehabilitation Act of 1973 and the American Disabilities Act (ADA) of 1990, if accommodations are needed, because of a disability, if you have emergency medical information to share with me, or if you need special arrangements in case the building must be evacuated, please inform me immediately. Please see me privately after class, or contact me by email or phone. (see contact information listed above)

To request academic accommodations (for example, a notetaker), students must also register with the office of Disability Support Services (DSS) Woody Hall B150, at dsssiu@siu.edu, (618) 453-5738, TTY (618) 453-2293. DSS is responsible for reviewing documentation provided by students requesting academic accommodations, and for accommodations planning in cooperation with students and instructors, as needed.

**Statement on Academic Dishonesty:**

Academic honesty is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person’s work has been responsibly and honorably acquired, developed, and presented.

Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards academic dishonesty as an extremely serious matter, with serious consequences that range from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, or collaboration consult the course instructor.

**Statement on Intellectual Pluralism:**

The University community welcomes intellectual diversity and respects student rights. Students who have questions concerning the quality of instruction in this class may address concerns to the Departmental Chair.

**Course Evaluation:**

All students will have the opportunity to submit an anonymous evaluation of the instructor(s) and the course format at the end of the semester.

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**Additional Reference Material**


Syllabus Attachment
Spring 2015
http://pwc22.siu.edu/

SAFETY AWARENESS FACTS AND EDUCATION
Title IX makes it clear that violence and harassment based on sex and gender is a Civil Rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, etc. If you or someone you know has been harassed or assaulted, you can find the appropriate resources here: http://safe.siu.edu

SALUKI CARES
The purpose of Saluki Cares is to develop, facilitate, and coordinate a university-wide program of care and support for students in any type of distress—physical, emotional, financial, or personal. By working closely with faculty, staff, students, and their families, SIU will continue to display a culture of care and demonstrate to our students and their families that they are an important part of the community. For information on Saluki Cares: (618) 453-5714, or sacares@siu.edu, http://salukicares.siu.edu/index.html

EMERGENCY PROCEDURES
Southern Illinois University Carbondale is committed to providing a safe and healthy environment for study and work. We ask that you become familiar with the SIU Emergency Response Plan and Building Emergency Response Team (BERT) programs. Please reference the Building Emergency Response Protocol for Syllabus attachments on the following pages. It is important that you follow these instructions and stay with your instructor during an evacuation or sheltering emergency.

INCLUSIVE EXCELLENCE
SIU provides opportunities for all walks of life, from many different cultures and sub-cultures, and representing all strata of society, nationalities, ethnicities, lifestyles, and affiliations. Learning and working with people who are from different backgrounds is an important part of education as well an essential preparation for any career. For more information please visit: http://www.inclusivenessiu.siu.edu/

LEARNING AND SUPPORT SERVICES
Help is within reach. Learning support services offers free tutoring on campus and math labs. To find more information please visit the Center for Learning and Support Services website:
Tutoring: http://tutoring.siu.edu/
Math Labs: http://tutoring.siu.edu/math_tutoring/index.html

WRITING CENTER
The Writing Center offers free tutoring services to all SIU students and faculty. To find a Center or Schedule an appointment please visit: http://wrc.siu.edu/

AFFIRMATIVE ACTION & EQUAL OPPORTUNITY
One of SIU’s main focus is to ensure that the university complies with federal and state equity policies and handles reporting and investigating of discrimination cases. For more information visit: http://diversity.siu.edu/

Additional Resources Available:
SALUKINET: https://salukinet.siu.edu/en/home/displaylogin
ADVISEMENT: http://advisement.siu.edu/
SIU ONLINE: http://online.siu.edu/

Spring 2015. O’Ferrall