

**DFOR 670**  
**Fraud Analytics**  
**Fall 2022**

**Instructor:** Bob Osgood [rosgood@gmu.edu](mailto:rosgood@gmu.edu)<sup>1</sup>  
**Engr 3800 Office Hours Thursday 2:00 PM – 5:00 PM**  
**in-person or by phone (703-993-5443<sup>2</sup>), and also by appointment**

**Class Meets:** **Day:** Friday  
**Time:** 4:30 PM – 7:10 PM  
**Where:** ENGR 1108

**Course Description:** Looks at financial information from a forensic perspective. Financial statement analysis, detection techniques, computer aided investigative processes, fraud detection, money laundering, interviewing, and other topics are covered. The class culminates in a final project where the student will present their findings to the class.

**Course Goals:** Prepares students to undertake forensic analysis of financial statements and business records. This is a specialty practice area of investigations closely dependent on digital forensics. Digital forensics and fraud analysis are closely linked. You will develop the necessary expertise and be prepared to give expert evidence in any resultant legal proceedings.

**Class Logistics:** This class is in class but is designed to be both synchronous and asynchronous meaning that lectures are also pre-recorded. We will be meeting every Friday at 4:30 PM. Prior to Friday, you need to review all material for the lecture including the instructional videos. The live in-class lecture will consist of a review and discussion of the lecture material for that week. Preparation is key for every class. The review/discussion time will vary based on **your** involvement.

**Covid-19 Matters:** Please follow Mason policy.

**Prerequisites:** A working knowledge of financial statements and accounting.

**Honor Code:** The Mason Honor Code is in effect <https://oai.gmu.edu/mason-honor-code/>

**Mason Calendar:** [https://registrar.gmu.edu/calendars/fall\\_2022/](https://registrar.gmu.edu/calendars/fall_2022/)

The above link will provide you with Mason's important dates and deadlines.

**Course Schedule:** (Subject to Change)

Class begins on Friday, 8/27/2021. The class exam will be online on Friday, 11/5/2021. Project presentations start on 11/19/2021.

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<sup>1</sup> Keep emails short and to the point

<sup>2</sup> You can call at any time and leave a message.

<b>Week</b>	<b>Topic</b>	<b>Reading Assignments</b>
1 8/26	Introduction DFOR 770 Forensic Investigation & Financial Audits – Compare & Contrast	Blackboard Notes Zack Ch 19
2 9/2	Library Resources Potential Red Flags & Fraud Detection Techniques	Zack Ch 1, 15
3 9/9	Financial Statement Fraud: Revenues and Receivables Project Topic Due	Zack Ch 2, 3, 4 Project Topics Due
4 9/16	Financial Statement Fraud: Other Schemes and Misappropriations	Zack Ch 6, 7, 9
5 9/23	Analyzing Financial Statements	Zack Ch 16 and 17
6 9/30	Computer Aided Forensic Accounting Investigative Techniques – Online only – See Recorded Lecture – No class at Mason. <b>Exam</b>	Blackboard Notes
7 10/7	Money Laundering	Blackboard Notes
8 10/14	Psychology of the Fraudster	Blackboard Notes
9 10/21	Financial Reporting Fraud & Other Capital Markets	Zack Ch 12
10 10/28	Non-financial Information	Blackboard Notes Zack Ch 18
11 11/4	<b>Exam</b>	
12 11/11	The Art of the Interview	Blackboard Notes Projects Due
13 11/18	Project Presentations	
11/25	No Class – Thanksgiving Break	
14 12/2	Project Presentations	
15 12/9	Project Presentations	

Course material is self-contained on Blackboard. I highly recommend you buy Zack's book (see below) since it will help you tremendously with financial statement analysis. Lectures are broken up by folder. Blackboard also contains content folders for both the Enron and WorldCom frauds. We will cover this material as we work through other material during the semester. These frauds are so significant that they require their own folders. Complete the review of this material and its entirety by the time of the exam on 11/4.

**Chapter and page references in the notes on Blackboard are referring to A Guide to Forensic Accounting Investigation (1<sup>st</sup> and 2<sup>nd</sup> Ed's). To reduce cost, these text are excellent but not required.**

<b>Grading:</b>	<b>Exams:</b>	<b>40%</b>
	<b>Project Topic</b>	<b>1%</b>
	<b>Project:</b>	<b>39%</b>
	<b>Project Executive Summary</b>	<b>10%</b>
	<b>Project Presentation:</b>	<b>10%</b>
	<b>Total</b>	<b>100%</b>

**Project: See Project Document – In Assignments on Black Board**

**Exam:** The format of the exam will be a combination of multiple choice, fill-in, and short answer questions. Expect approximately 50 – 70 questions. The exam is open book/notes, open computer, no search engines. The exam is timed (2 hours). Calculators are allowed. Case studies **will** be on the exam.

**Required Reading and Reference Material:**

**Required:**     **Financial Statement Fraud**  
**Gerard M. Zack**  
**Wiley & Sons, Inc.**  
**ISBN: 978-1-118-30155-5**

**Supplemental:** A Guide to Forensic Accounting Investigation  
Not Required Golden, Skalak, and Clayton and Pill (2<sup>nd</sup> Edition)  
But Great Sources Wiley & Sons, Inc  
ISBN: 10-0471-46907-6 (1<sup>st</sup> Edition)  
ISBN: 13-978-0-470-59907-5 (2<sup>nd</sup> Edition)

Reading Financial Reports for Dummies  
Lita Epstein, MBA  
Wiley & Sons, Inc  
ISBN: 978-0-470-37628-7

Financial Statement Analysis – A Practitioner’s Guide  
Martin Fridson and Fernando Alvarez  
Wiley & Sons Inc  
ISBN: 978-0-470-63560-5

**References from the Web include the following sites:**

[www.sec.gov](http://www.sec.gov)  
[www.doj.gov](http://www.doj.gov)  
[www.aicpa.org](http://www.aicpa.org)  
<http://pcaobus.org>  
<http://www.cert.org>

**Students with disabilities who seek accommodations in a course must be registered with the Mason Office of Disability Services (ODS) and inform the instructor, in writing, at the beginning of the semester. See <https://ds.gmu.edu/> or call 703-993-2474 to access the ODS.**

**Course Material: All course material is available on Mason Blackboard.**

**How do you get on Blackboard?**

- Go to: <https://mymasonportal.gmu.edu/webapps/login/>
- Login with your Mason Credentials
- Click on the Courses tab
- Click on the DFOR 770

**How do I get to the online Collaborate lectures?**

- Follow instructions to login into Blackboard
- Click on Tools
- Click on Blackboard Collaborate Ultra
- You should see the current session listed
- Previously recorded sessions are accessed via the Previously Recorded Tab

**Note: ALL STUDENTS MUST HAVE A MASON EMAIL ACCOUNT AND HAVE ACCESS TO BLACKBOARD (<https://mymasonportal.gmu.edu>) !!!**

**Note: All Email Correspondence Will Take Place From Your Mason Account to [rosgood@gmu.edu](mailto:rosgood@gmu.edu)!!!**

**Note: All Students Are Responsible for All of the Material in This Syllabi.**