ACC 645: Forensic and Investigative Accounting (Spring 2015)

Professor: Cindy Durtschi, PhD  
Office: DPC 6038  
Phone: 312-362-8789  
Office Hours: M-W 10-11:30 (or by appointment) I am at DePaul every day (unless out of town on business), I can easily stay until 6pm if you are on campus for another class and want to stop by and visit prior to your other classes. You can also contact me quickly via email.

Course texts:  

NOTE: Laptops are welcome in class.

Course Description:  
This course focuses on basic interpersonal and communication skills used to investigate accounting-based fraud. Skills include those that help identify a person who is committing fraud including: reading people discourse, linguistic and handwriting analysis. The course also teaches net worth analysis, writing an expert report and expert witness testimony. The course gives hands-on experience in a case-based setting.

Course Objectives:  
*Professional Skills:*  
1. Identifying the person who commits fraud through their personal characteristics:  
   a. Learning Activities in support of the objective:  
      i. Reading People  
      ii. Spotting lies  
      iii. Handwriting analysis  
      iv. Discourse Analysis  
      v. Linguistic Analysis

2. Identifying the person who commits fraud through observation of lifestyle.  
   a. Learning activities to support objective:  
      i. Net Worth Analysis

3. Communication skills:  
   a. Learning activities to support the objective:  
      i. Oral reports  
      ii. Writing an expert witness report  
      iii. Practice in being an expert witness under mock trial conditions

*Professional Values and Attitudes:*  
1. Increased professional skepticism  
   a. Learning activities to support objective:  
      i. Detection of lies in oral and written communication

2. Interpersonal skills
a. Learning activities to support objectives
   i. reading people exercises
   ii. team building exercises

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Assignment Due</th>
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<tbody>
<tr>
<td>Apr 1</td>
<td>Reading People/Spotting lies</td>
<td><strong>Readings:</strong> Snakes in Suits Chaps 1-3</td>
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<tr>
<td><strong>Day 1</strong></td>
<td></td>
<td><a href="https://www.youtube.com/watch?v=P_6vDLq64gE">https://www.youtube.com/watch?v=P_6vDLq64gE</a></td>
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<td>Reading Faces</td>
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<td>Apr 8</td>
<td>Presentations Reading Faces</td>
<td><strong>Readings:</strong> Snakes in Suits Chaps 4-6</td>
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<td><strong>Day 2</strong></td>
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<td><a href="https://www.youtube.com/watch?v=lmUXp_zE14E">https://www.youtube.com/watch?v=lmUXp_zE14E</a></td>
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<td><strong>Due:</strong> Reading Faces Assignment Readings: Note should upload assignment by <em>Monday Apr 6th, before midnight.</em></td>
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<td>Apr 15</td>
<td>Handwriting Analysis</td>
<td><strong>Due:</strong> Bring to class a handwritten description of your last vacation. It should be on plain white paper—not lined. Please write an entire page.</td>
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<td><strong>Day 3</strong></td>
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<td>Apr 22</td>
<td>Net Worth Analysis</td>
<td>Net Worth Analysis packet, on line, <strong>Readings:</strong> Snakes in Suits Chaps 7-9</td>
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<td><strong>Day 4</strong></td>
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<td>Apr 29</td>
<td>Discourse Analysis</td>
<td>Investigative Discourse Analysis (Chapters 1,3,4,5,10)</td>
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<td><strong>Day 5</strong></td>
<td>Linguistic Analysis</td>
<td><strong>Readings:</strong> Snakes in Suits Chapters 10-11</td>
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<td><em>Due: Net Worth Analysis Assignment</em></td>
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<td>May 6</td>
<td>Debrief Net Worth Analysis Assignment</td>
<td><strong>Due:</strong> Discourse Analysis Assignment (Zimmerman and Drew Peterson)—see D2L</td>
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<td><strong>Day 6</strong></td>
<td>Introduction of Arson Case</td>
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<td>Midterm Exam (includes Days 1-4)</td>
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<td>May 13</td>
<td>Debrief Discourse Analysis</td>
<td><strong>Readings:</strong> Arson article, Forensic Accounting Report, D2L</td>
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<td><strong>Day 7</strong></td>
<td>Writing an Expert Witness Report</td>
<td>Expert witnessing (on D2L) under Arson</td>
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<td>May 20</td>
<td>Testifying in Trial</td>
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<td><strong>Day 8</strong></td>
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<td>May 27</td>
<td>Switch Expert Reports</td>
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<td><strong>Day 9</strong></td>
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<td>Jun 3</td>
<td>Present Arson Case to Jury</td>
<td><strong>Due, Presentation:</strong> Arson Case to Jury</td>
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<td><strong>Day 10</strong></td>
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<td><strong>Due:</strong> Final Expert Report</td>
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<td>Jun 10</td>
<td>Debrief Arson Case (who won)</td>
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<td><strong>Final Exam (includes Days 5-10)</strong></td>
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Course Evaluation:

1. Reading Faces Analysis (Individual grade) 25 points (based on identification of expressions)
2. Discourse Analysis (Individual grade) (total of 50 points)
   a. OJ Simpson (25 points)
   b. Scott Peterson (25 points)
3. Net Worth Case (Individual grade) (25 points)
4. Arson Case (Team) (70 points)
   a. Oral Case Presentation (35 points)*
   b. Written Forensic Report (35 points)
5. Mid-term Examination (Individual grade) (90 points)
6. Final examination (Individual grade) (60 points)

Grading:
95-100%       A
90-94%         A-
85-89%         B+
80-84%         B
75-79%         B-
70-74%         C+
65-69%         C

Honor Code: Students are expected to uphold the Academic Honor Code. The Academic Honor System is based on the premise that each student has the responsibility to 1) uphold the highest standards of academic integrity in the student’s own work, 2) to refuse to tolerate violations of academic integrity in the university community, and 3) to foster a high sense of integrity and social responsibility on the part of the university community.

*Students with disabilities needing academic accommodation should 1) register with and provide documentation to the Office of Students with Disabilities, and 2) bring a letter to the instructor indicating the need for accommodation and what type. This should be done during the first week of class.
Description of assignments:

1. **Reading Faces (Individual grade)**

   The assignment: You will choose a clip from the series, *What Would You Do*. You will watch it, (it helps to keep the sound off) and read the faces of the participants. You are looking for evidence of the seven major facial expressions discussed by Ekman (Fear, Disgust, Happiness, Anger, Surprise, Contempt, and Sadness).

   **Deliverable:** Seven PowerPoint slides. Each slide will capture a different major facial expression (one slide for fear, one for disgust, and so on). Slides should not label the expression, and should not identify you as the compiler.

   a. Please put your slides in the following order:

      1. Anger
      2. Fear
      3. Disgust
      4. Happiness
      5. Surprise
      6. Contempt
      7. Sadness

   b. Upload Slides to D2L Dropbox by Monday April 6th. (to give me time to compile into one continuous presentation).

   B. I will show the slides during the next class period and your classmates will identify the expression to see if they agree with your analysis.

2. **Discourse analysis (Individual grade):** You will be given police interviews with OJ Simpson and a YouTube video of Diane Sawyer’s interview with Scott Peterson. Your assignment is to read the Simpson interview and identify his intent in the interview using the discourse and linguistic analysis tips learned in lecture. You will make a judgment as to whether you believe the evidence points toward truth or deception. You will also watch the Peterson interview and analyze it as to content (i.e., discourse analysis) and facial expression. Use information from class lectures and “Snakes in Suits” to support your position along with quotes or pictures from the interviews.

   **Deliverable:**

   1) Two written reports
      a) For each individual, make a judgment as to whether or not you believe his intent was to convey truth or manage impressions without regard for the truth. Support your judgment with quotes from within the transcript, or facial expressions from the videos.
      b) There is no specified length required for your report, but your report will be compared to others within the class for completeness and how convincing you were in supporting your arguments. In other words, make your report as long as it needs to be to create a clear and convincing case.

3. **Net Worth Analysis: (Individual Grade)**

   You will be given the financials for Jack and Hilda Gibson. There is a suspicion that they have been engaged in illegal activities.
Your deliverables and assignment specifics are given in the handout.

4. **Arson Case:** (Team) You will be given the Examination Under Oath (EUO), the Fire Insurance Policy and other data for someone suspected of arson.

**Deliverables:**
1) Read materials given and request additional information. Forensic accountants assist lawyers in determining what additional financial records should be requested to complete preparations for a case.
2) Prepare an Expert Report (you will switch this report with the other side prior to the case presentation)
3) Prepare a cross examination based on the other side’s expert report
4) Present your case before a jury

Note: Complete instructions are in the case materials.