

Course	<b>Forensic Accounting and Financial Statement Fraud</b> ACCT-GB.3310-M1 (2467) / M2 (2466)																												
Instructors	Professor Paul Zarowin (Case-based study) <a href="mailto:pzarowin@stern.nyu.edu">pzarowin@stern.nyu.edu</a> Professor Nick Gibbons (Lecture and practice-based study) <a href="mailto:ngibbons@stern.nyu.edu">ngibbons@stern.nyu.edu</a>																												
Required Reading Materials	<b>Case-based study:</b> Course Packet <b>Lecture and practice-based-study:</b> Specific reading assignments to be communicated separately.																												
Course Description	The objective of the course is to impart a detailed understanding of forensic accounting and the schemes used to commit financial statement fraud. The course is designed to highlight fraud schemes, methods of prevention and detection, and investigative practices. The course content should be of interest to those intending to work in management roles as well as those with interest in financial law and regulation.																												
How to Succeed	<ul style="list-style-type: none"> <li>• Complete case and course readings and assignments.</li> <li>• Participate during class discussions by asking thoughtful questions and providing insight derived from relevant experiences or prior learning.</li> <li>• Promote a positive learning environment for your peers by communicating constructively, offering encouragement, and generally, staying engaged.</li> </ul>																												
Attendance	Expectation to attend each lecture live.																												
Laptop, Tablet, Phone Policies	Notetaking on laptops/tablets is permitted. Please step out of class to make calls or message (text).																												
Grade Distribution & Assessment Methods	<p><b>Overall:</b> Your class grade is based on quizzes, assignments, case presentation, and class participation.</p> <table border="1" data-bbox="464 871 1211 1001"> <thead> <tr> <th>Assessment Method</th> <th>Percentage of Grade</th> </tr> </thead> <tbody> <tr> <td>Case Presentations</td> <td>20%</td> </tr> <tr> <td>Assignments and Exercises</td> <td>40%</td> </tr> <tr> <td>Attendance and Class Participation</td> <td>40%</td> </tr> </tbody> </table> <p><b>Case Presentations (20%):</b> Your grade will be driven by the quality of your analysis and presentation on your assigned group case.</p> <table border="1" data-bbox="464 1123 967 1377"> <thead> <tr> <th>Quality of Analysis and Presentation</th> <th>Points Awarded (out of 20)</th> </tr> </thead> <tbody> <tr> <td>Excellent</td> <td>19 – 20</td> </tr> <tr> <td>Good</td> <td>18</td> </tr> <tr> <td>Above Average</td> <td>17</td> </tr> <tr> <td>Average</td> <td>16</td> </tr> <tr> <td>Below Average</td> <td>0 - 15</td> </tr> </tbody> </table> <p><b>Assignments and Exercises (40%):</b> Your aggregate score will be based on your performance across graded assignments, quizzes, and in-class exercises. Each graded item will carry a maximum number of points that will be summed to arrive at the denominator for this category. Your summed individual scores will be summed to arrive at the numerator for this category.</p> <table border="1" data-bbox="464 1560 1019 1719"> <thead> <tr> <th>Assessment Type</th> <th>Point Allocation (out of 40)</th> </tr> </thead> <tbody> <tr> <td>Quiz (5x)</td> <td>10</td> </tr> <tr> <td>Assignments (2x)</td> <td>20</td> </tr> <tr> <td>In Class Exercises (1x)</td> <td>10</td> </tr> </tbody> </table> <p><b>Note: Mix by Assessment Type may be revised.</b></p> <p><b>Class Participation and Attendance (40%):</b></p> <ul style="list-style-type: none"> <li>• <b>Case-based study:</b> For cases that you are not required to present, you will be graded based on your preparation as reflected by class discussion and questions submitted to your peers presenting.</li> </ul>	Assessment Method	Percentage of Grade	Case Presentations	20%	Assignments and Exercises	40%	Attendance and Class Participation	40%	Quality of Analysis and Presentation	Points Awarded (out of 20)	Excellent	19 – 20	Good	18	Above Average	17	Average	16	Below Average	0 - 15	Assessment Type	Point Allocation (out of 40)	Quiz (5x)	10	Assignments (2x)	20	In Class Exercises (1x)	10
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	Assessment	Point Allocation (30 out of 40)
	Full Participation	27 – 30
	Below Average Participation / Unexcused Absences	24 – 26
	Poor Participation / Many Unexcused Absences	0 – 23

- Lecture and practice-based study:** You are expected to contribute to class discussions regarding the lectures and practical exercises that Professor Gibbons administers.

	Assessment	Point Allocation (10 out of 40)
	Full Participation	9 – 10
	Below Average Participation / Unexcused Absences	7 – 8
	Poor Participation / Many Unexcused Absences	0 – 6

### Tuesday Lecture Schedule

Lecture Class #	Date	Topic Area
1	2022-02-08	Introduction & Defining Fraud
2	2022-02-15	Who Commits Fraud and Why
3	2022-02-22	Financial Statement Fraud
4	2022-03-01	Detecting and Assessing Fraud Risks
5	2022-03-08	Revenue Recognition Part 1
-	<b>2022-03-15</b>	<b>No Class – Spring Break</b>
6	2022-03-22	Revenue Recognition Part 2
7	2022-03-29	Inventories and Cost Capitalization
8	2022-04-05	Liabilities and Expense Recognition
9	2022-04-12	Asset Valuation and Cash Flows
10	2022-04-19	Earnings Quality and Financial Disclosure Quality
11	2022-04-26	Financial Statement Integrity and Other Qualitative Risk Indicators
12	2022-05-03	Current and Emerging Fraud Risks & Synthesizing the Risk Assessment

### Thursday Case Schedule

Case Class #	Date	Case Leader	Case
1	2022-02-10	Prof. Zarowin	Overview: discussion of motives, methods, and financial analysis of frauds & Longtop Financial Technologies (9-112-036, -037, -038; 9-113-076)
2	2022-02-17	Prof. Zarowin	Enron (9-109-039)
3	2022-02-24	Group 1	Accounting Fraud at Tesco Stores (9-120-032, -033, -034)
4	2022-03-03	Group 2	“GENron”? Markopolos versus General Electric (A) (HBS Case N2-121-005)
5	2022-03-10	Group 3	Green Mountain Coffee Roasters (9-113-035)
-	<b>2022-03-17</b>	-	<b>No Class – Spring Break</b>
6	2022-03-24	Group 4	Bausch & Lomb (9-198-009, 9-101-010, 9-101-008, 9-101-009)
7	2022-03-31	Group 5	WorldCom (9-104-071)
8	2022-04-07	Group 6	Bristol Myers-Squibb (Ivey School of Business Case 905B08)
9	2022-04-14	Group 7	Muddy Waters vs. eHealth: The Debate of a Lifetime (HBS Case # 5-121-079)
10	2022-04-21	Group 8	Sino Forest (9-112-004, 9-112-066, 9-112-067)
11	2022-04-28	Group 9	Diamond Foods (9-113-055)
12	2022-05-05	Group 10	Manufactured Homes (9-190-090)

## ACADEMIC INTEGRITY

Academic integrity and honesty is central to our mission as an educational institution. [The MBA Code of Conduct](#), which all students sign, therefore places particular emphasis on academic integrity. Notably this includes refraining from any method or means that provides an unfair advantage in exams or papers, and clearly acknowledging the work of others in your own work. As a reminder, the [entire Code of Conduct is available here](#).

To help ensure the integrity of our learning community, prose assignments you submit to NYU Classes will be submitted to Turnitin. Turnitin will compare your submission to a database of prior submissions to Turnitin, current and archived Web pages, periodicals, journals, and publications. Additionally, your document will become part of the Turnitin database.

## STUDENT ACCESSIBILITY

New York University is committed to providing equal educational opportunity and participation for students with disabilities. Students who are interested in applying for academic accommodations are advised to reach out to the Moses Center for Student Accessibility (CSA) as early as possible in the semester. If you already receive accommodations through CSA, you are encouraged to request your accommodation letters through the Moses portal as soon as possible.

Moses Center for Student Accessibility (CSA), 212-998-4980, [mosescsa@nyu.edu](mailto:mosescsa@nyu.edu), [www.nyu.edu/csa](http://www.nyu.edu/csa)

If you will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Moses Center for Student Accessibility (212-998-4980, [mosescsa@nyu.edu](mailto:mosescsa@nyu.edu)) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the Moses Center for Student Accessibility, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation. For more information, visit the CSA website: <https://www.nyu.edu/students/communities-and-groups/student-accessibility.html>

## STUDENT WELLNESS

Classes can get stressful. I encourage you to reach out if you need help. The NYU Wellness Exchange offers mental health support. You can reach them 24/7 at 212 443 9999, or via the “NYU Wellness Exchange” app. There are also drop in hours and appointments. Find out more at <http://www.nyu.edu/students/health-and-wellness/counseling-services.html>