Southern New Hampshire University

ACC 646 Final Project Milestone One Guidelines and Rubric

Overview: Forensic accounting has been identified as the fastest growing area of accounting. Fraud examiners must understand the legal aspects of fraud and what constitutes fraud. To be successful in this industry, they must be able to determine why people commit fraud and how to prevent it from happening. Through this analytical process, examiners may then provide organizations with recommendations for improving their internal controls, thus preventing further financial losses and additional harm to their reputations.

For this assessment, you will assume the role of a fraud examiner using a case study based on an actual fraud occurrence. Cressey's fraud triangle will be used to assess the three conditions present in fraud cases: incentives, opportunity, and rationalization. The case will also provide you with the opportunity to employ basic techniques for identifying red flags for fraud occurrence, recognize legal and regulatory issues, and compose an executive report for management.

Note: You will be using the same case for all milestones and the final project.

For Milestone One, you will submit an introduction to fraud as it applies to your case study analysis. Consider the elements of fraud, the theories of crime causation, red flags of evidence based on the elements of the fraud triangle, regulatory and legal factors in preventing and/or detecting fraud, and developments in the accounting industry that impact fraud investigation.

Prompt: Introduce fraud, theories of crime causation, legal and regulatory factors involved in prevention or detection, and recent developments in the field.

Specifically, the following **critical elements** must be addressed:

I. **Introduction**
   a) What are the **elements** of fraud and the importance of studying fraud? How does knowledge of fraud benefit stakeholders beyond the accounting department?
   b) What are the different **theories of crime causations**? How does the identification of the cause of the fraud assist the investigator in determining the perpetrator and the extent of the crime? Provide specific examples that link crime causation to the perpetrator and the crime.
   c) Use the fraud triangle to discuss red flags of **evidence** of pressure, opportunity, and rationalization typically present when fraud occurs. Be sure to link each red flag to a specific area of the fraud triangle.
   d) Describe the **regulatory and legal factors** that impact the prevention and/or detection of fraud.
   e) Explain the **recent developments** that impact the accounting industry and specifically the fraud investigation. Consider linking previous cases of fraud to changes in the fraud investigation.

Guidelines for Submission: Your introduction must be submitted as a 2–3 page Microsoft Word document with double spacing, 12-point Times New Roman font, one-inch margins, and at least three sources cited in APA format.

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Rubric

Critical Elements	Proficient (100%)	Needs Improvement (75%)	Not Evident (0%)	Value
Introduction: Elements	Explains the elements of fraud, the importance of studying fraud, and how knowledge of fraud benefits various stakeholders beyond the accounting department	Explains the elements of fraud and the importance of studying fraud but does not explain how knowledge of fraud benefits stakeholders beyond the accounting department or explanation is cursory or contains inaccuracies	Does not explain the elements of fraud and the importance of studying fraud	19
Introduction: Theories of Crime Causations	Discusses the different theories of crime causation and how the identification of the cause of the fraud assists the investigator in determining the perpetrator and the extent of the crime and provides specific examples linking crime causation to the perpetrator and the crime	Discusses the different theories of crime causation and how the identification of the cause of the fraud assists the investigator in determining the perpetrator and the extent of the crime but does not provide specific examples linking crime causation to the perpetrator and the crime or discussion is cursory or contains inaccuracies	Does not discuss the different theories of crime causation	19
Introduction: Evidence	Discusses the red flags of evidence of pressure, opportunity, and rationalization typically present when fraud occurs using the fraud triangle and links each red flag to a specific area of the fraud triangle	Discusses the red flags of evidence of pressure, opportunity, and rationalization typically present when fraud occurs but does not use the fraud triangle	Does not discuss the red flags of evidence of pressure, opportunity, and rationalization typically present when fraud occurs	19
Introduction: Regulatory and Legal Factors	Describes the regulatory and legal factors that impact the prevention and/or detection of fraud	Describes the regulatory and legal factors that impact the prevention and/or detection of fraud but description is cursory or contains inaccuracies	Does not describe the regulatory and legal factors that impact the prevention and/or detection of fraud	19
Introduction: Recent Developments	Explains the recent developments that have impacted the accounting industry and specifically fraud investigation	Explains the recent developments that have impacted the accounting industry and specifically fraud investigation but explanation is cursory or contains inaccuracies	Does not explain the recent developments that have impacted the accounting industry and specifically fraud investigation	19
Articulation of Response	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	5
			Earned Total	**100%**