

Using Audit Principles and Practices to Prevent, Detect and Respond to Fraud – 8 hours

Course Overview

This introductory course will enhance the participants' understanding of fraud as well as how and why it occurs, and the importance of combatting fraud in a strategic, risk-based manner to minimize the need for costly "pay and chase" recovery schemes. Through lecture, discussion, group exercises, and case studies, this course will help participants hone their skills in designing audits that include a focus on fraud prevention and detection by developing appropriate audit questions, criteria, and related evidence collections strategies. Case studies will be used to reinforce learning and highlight auditor responsibilities for assessing fraud risks and identifying internal control red flags in their work as well as ways of strengthening agency fraud prevention and detection efforts.

CPEs 8

Who Should Attend

This course is designed to help performance and financial auditors and audit managers understand the importance of preventing and detecting fraud in a strategic, risk-based manner using leading practices for fraud risk management, as well as some of the warning signs of fraud. The course also highlights ways of strengthening current fraud prevention and detection practices. Both new and seasoned auditors will benefit from the course.

Course Objectives: By the end of this course, participants will be better able to

- Understand fraud and the elements of fraud
- Plan and conduct audits focusing on fraud prevention and detection issues
- Focus on fraud prevention and detection activities in a strategic, risk-based manner
- Recognize relevant fraud criteria and fraud indicators
- Understand leading practices for identifying fraud risks and strengthening internal controls

Topics Covered

- Understanding Fraud and the Elements of Fraud
 - What is Fraud, Waste and Abuse
 - The Components of the Fraud Triangle
 - Types of Fraud Mitigation Activities
 - Auditor Responsibilities for Preventing and Detecting Fraud
- Understanding the Types of Fraud and How Fraud Occurs
 - Characteristics of Fraud Schemes
 - Common Types of Fraud Schemes

- Planning for Fraud Prevention and Detection in Audits
 - Audit Questions that Focus on Fraud Prevention and Detection
 - Role of the Auditor in Fraud Investigations
 - Evidence Classifications and Standards
- Using Fraud Risk Criteria and Internal Control Standards
 - Requirements for Assessing Fraud Risks
 - Components of Internal Control
 - Approaches to Auditing Fraud-Related Issues
 - GAO Fraud Risk Framework
- Strengthening Fraud Prevention and Detection
 - Prevention and Detection Controls
 - The Role of Data Analytics
 - Challenges in Adopting Anti-Fraud Strategies and Tools