

FORENSIC ACCOUNTING

MIS03 14014

Students in Forensic Accounting, sometimes called investigative accounting, will explore the application of accounting concepts and techniques to legal problems. Forensic accountants investigate and document financial fraud and white-collar crimes such as embezzlement. They also provide litigation support to law enforcement agencies investigating financial wrongdoing.

Credit ½ credit
Max credit = ½

Level Grades 11-12

Prerequisite: Accounting IV

-These are the standards/competencies taken from the larger Business Education document that are the bare minimum to be covered in the class in any school using this MIS03 code.

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Standard 1	ACCOUNTING	
THE ACCOUNTING PROFESSION		
Topic 1.1	Explain the role that accountants play in business and society.	
Student Competencies		
	1.1.1	Describe the current and historical regulatory environment of the accounting profession.
	1.1.2	Identify the major policy-setting bodies in the accounting profession and explain their role.
	1.1.3	Explain how current events impact the accounting profession.
	1.1.4	Explain how the rapid advances in technology continue to impact the accounting profession.
	1.1.5	Explain the need for a code of ethics in accounting and the ethical responsibilities required of accountants.
Topic 1.2	Explain career opportunities in the accounting profession.	
Student Competencies		
	1.2.1	State and explain the role, service, or mission of student and professional accounting organizations and associations.
	1.2.2	State and explain the professional designations and certifications in the accounting profession.

	1.2.3	Explain the educational requirements for various careers, professional designations, and certifications in the accounting profession.
	1.2.4	Explain why accounting firms are shifting their hiring models to focus more on technology skills and nonaccountants.
	1.2.5	Explain the skills and competencies needed to succeed in the accounting profession and how those required skills and competencies are evolving with the rapid advances in technology.
	1.2.6	Explain the areas of specialization within the accounting profession and careers that require a knowledge of accounting.
Topic 1.3	Demonstrate the business and professional skills and competencies required to succeed in the accounting profession and/or in an accounting-related career.	
Student Competencies		
	1.3.1	Deliver a speech and make a presentation.
	1.3.2	Perform research and communicate in writing the results of the research.
	1.3.3	Demonstrate ethical decision-making skills and conduct in a business scenario.
	1.3.4	Apply analytical and critical decision-making skills.
	1.3.5	Use information technology productively.
	1.3.6	Exhibit leadership skills.
	1.3.7	Demonstrate the ability to work within a team.
	1.3.8	Demonstrate the ability to draft properly written communication based on the task (e.g., e-mail, memorandum, analytics, process document).
FINANCIAL REPORTS		
Topic 1.4	Use an annual report and financial statements to make informed business decisions.	
Student Competencies		
	1.4.5	State and explain the types of audit opinions.
	1.4.6	Explain the role of accounting and regulatory organizations in relation to financial reports.
	1.4.7	State and explain the information provided in each financial statement and how the statements articulate with each other.
	1.4.13	Explain how and why the conceptual framework of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements.
	1.4.20	Explain how disclosure requirements impact financial reporting.
FINANCIAL ANALYSIS		
Topic 1.5	Assess the financial condition and operating results of a company and analyze and interpret financial statements and information to make informed business decisions.	
Student Competencies		
	1.5.1	Discuss the information that can be obtained from analyzing financial statements.
	1.5.2	Recognize the primary areas of analysis (e.g., trend analysis, profitability, liquidity, capital structure) and explain the information that can be obtained from each type of analysis.

	1.5.8	Research industry averages and explain their use in assessing the financial condition, operating results, profitability, liquidity, and capital structure.
	1.5.9	Use current technology, research tools, financial/business or data analytic software to conduct financial analysis.
	1.5.10	State and explain common methods for manipulating financial statements and financial ratios.
	1.5.11	Explain the ethical and legal implications resulting from the manipulation of financial statements and financial ratios.
ACCOUNTING PRINCIPLES		
Topic 1.6	State and explain generally accepted accounting principles (GAAP) and explain how applying GAAP impacts the recording of financial transactions and the preparation of financial statements.	
Student Competencies		
	CONCEPTUAL FRAMEWORK FOR FINANCIAL REPORTING	
	1.6.1	Explain the conceptual framework of accounting and GAAP and assumptions.
	1.6.2	Discuss U.S. GAAP and International Financial Reporting Standards (IFRS) and explain the role of the Financial Accounting Standards Board (FASB), Securities and Exchange Commission (SEC), and International Accounting Standards Board (IASB).
	EQUITY	
	1.6.24	Explain how classes of stock can be converted into other classes and how to account for the conversion.
	1.6.27	Explain how the acquisition and sale of a company's own stock (treasury stock) impacts the financial statements.
	1.6.28	Explain a stock split and the impact on equity.
	OTHER COMPREHENSIVE INCOME/(LOSS)	
	1.6.38	Distinguish between revenue, gains, and other comprehensive income.
	1.6.39	Distinguish between expenses, losses, and other comprehensive losses.
ACCOUNTING PROCESS		
Topic 1.7	Complete the steps in the accounting cycle to prepare financial statements.	
Student Competencies		
	1.7.12	Use ledgers and financial statements to determine the business transactions that occurred and to trace back to source documents.
INTERPRETATION AND USE OF DATA		
Topic 1.8	Use planning and control principles to evaluate the organization's performance and apply differential analysis and present-value concepts to make informed business decisions.	
Student Competencies		
	PLANNING AND CONTROL	
	1.8.1	State and explain internal control procedures used to safeguard assets and ensure the integrity of the accounting information system.
	1.8.2	State and explain the most effective way to test internal controls.
	1.8.3	Explain how to apply appropriate information technology to the accounting system.

COMPLIANCE		
Topic 1.9	PERSONAL FINANCE---Explain the individual income tax procedures and requirements to comply with tax laws and regulations.	
	Student Competencies	
	1.9.1	Explain the history and purpose of tax law in the United States and the process by which tax laws are created.
	1.9.2	Explain the composition of taxable income and calculate individual income tax.
	1.9.4	Identify, discuss, and apply strategies for minimizing taxable income.
	1.9.5	Distinguish between tax avoidance and tax evasion.
Topic 1.10	PAYROLL---Apply appropriate accounting practices to payroll.	
	Student Competencies	
	1.10.1	Explain the employer's responsibility in reporting payroll records through federal tax forms.
	1.10.2	Explain common methods of paying compensation (e.g., hourly, salary, commission, independent contractor) and the financial and tax implications of each.
	1.10.3	Calculate net pay and the employer's payroll taxes.
	1.10.5	Record payroll-related transactions (e.g., payroll payment, accrued payroll, payroll taxes).

Standard 4	COMMUNICATION	
FOUNDATIONS OF COMMUNICATION		
Topic 4.1	Listen actively, use the communication process, read and research information, and integrate technology to enhance communication effectiveness.	
Student Competencies		
	ACTIVE LISTENING	
	4.1.2	Listen attentively for the purpose of recording information and taking accurate notes.
	4.1.3	Interpret verbal and nonverbal cues in messages.
	4.1.4	Listen discriminately to separate fact from opinion.
	4.1.10	Ask clarifying questions to verify understanding.
	BASIC COMMUNICATION PROCESS	
	4.1.23	Evaluate the message to ensure it meets the purpose.
	READING AND RESEARCH	
	4.1.32	Detect when information and data is misused to distort meaning.
	4.1.33	Demonstrate basic research techniques.
	4.1.42	Analyze and evaluate the validity, reliability, accuracy, and currency of sources.
	TECHNOLOGY	
	4.1.49	Select the most efficient and effective technology tool to communicate information based on audience and context.
INTERPERSONAL SKILLS		
Topic 4.2	Apply interpersonal skills in personal and professional environments to communicate effectively.	
Student Competencies		
	PROFESSIONALISM AND BUSINESS ETIQUETTE	
	4.2.26	Define ethics and identify the process by which individuals develop the foundation for making ethical decisions.
	4.2.27	Discuss common types of unethical behavior in the workplace.
	4.2.28	Solve problems using techniques that take into consideration personal and ethical values.
	4.2.29	Analyze an organization’s code of ethics.
WRITTEN COMMUNICATION		
Topic 4.3	Prepare clear, complete, concise, correct, and courteous written messages for personal and professional uses.	
Student Competencies		
	BUSINESS MESSAGES	
	4.3.33	Prepare informal and formal reports using professional format and appropriate supporting graphics.

Standard 6	<i>ENTREPRENEURSHIP</i>	
ENTREPRENEURIAL TRENDS		
Topic 6.2	Recognize trends in society that can lead to entrepreneurial opportunities.	
	Student Competencies	
	<i>ROLE OF THE ENTREPRENEUR IN BUSINESS</i>	
	6.2.3	Discuss the ethical dilemma between what is profitable and what is socially responsible.
ACCOUNTING		
Topic 6.7	Recognize that entrepreneurs must establish, maintain, and analyze appropriate records to make business decisions.	
	Student Competencies	
	6.7.2	Describe the impact of incomplete and/or inaccurate financial statements on a business.
	6.7.5	Analyze the effect that inaccurate and/or missing records have on other financial statements.
	6.7.9	Compare actual income and expenses to budgeted amounts for a specific period.