

Postgraduate Course Fraud Management Detection, Control, Prevention and Action

EGP - UNIVERSITY OF PORTO BUSINESS SCHOOL

Presentation

"The curriculum for this course includes the subjects recommended by the Association of Certified Fraud Examiners and was developed with their assistance." (John D. Gill, J.D., CFE. Research Director)

Fraud in companies represents a leakage of resources. As it is always a negative factor in their activity, its tendency to grow and the staunch competitiveness in which companies operate make fraud particularly serious. It is easy for a company to lose its image and the confidence of the market, but it is difficult to recover them.

The economic environment and society are increasingly sensitive to fraud, but the reality is that it is on the increase. There is a growing need for training in Fraud Management by all those who are involved in economic, social and political activities.

In the last decade important legislative and organizational measures were adopted [particularly in the US] to restore transparency in economic activity. The recent major frauds reveal that there is a lot to do and that new directions have to be explored. The appearance of this course, and the response that it is intended to give, form part of this need for change.

From the experience of two courses, it is with great confidence and a growing interest in understanding the Portuguese situation and in preventing and combating fraud, that we are simultaneously launching one course in Lisbon and another in Porto.

Directors

Carlos José Gomes Pimenta [coordinator] and Fernando da Costa Lima

Objectives

The central objective of this course is to train executives specialized in the detection, control and prevention of fraud, in the private and public sectors, focusing attention on companies in particular and on institutions in general.

In the multiplicity of functions that may have to be performed, the specialist in anti-fraud practices has to have an inter-disciplinary sensibility and training: legal, criminal, computer science and technology, psychology, economics, finance and accounts.

Target group

Professionals linked to management, auditing, inspection and consultancy in companies [internal or external]; directors and personnel of control, auditing, inspection and supervisory public bodies; officers in charge of supervision and control of financial brokering activities, in banking or insurance institutions and those involved with purchasing, sales and the provision of services.

Curricular structure

The course will have a duration of 274 hours of face-to-face training, corresponding to 18 academic modules and 3 seminars

	Disciplines	Hours
1 st Term	Fraud and Principles of Verification of Fraud	20
	Legislation, Fraud and Crime	16
	Deviant behavior and Fraud	12
	Cyber fraud and cyber crime	12
	Introduction to Criminology	12
	Economy and Management complementary subjects	16
	Seminar	4
2 nd Term	Fraud and Forensic Sciences	12
	Auditing and Fraud	16
	Interview Techniques and Fraud	12
	Detection and Prevention of Computer Fraud	16
	Financial Investigations	16
	Analytical Methods in Fraud Management	16
	Seminar	4
3 rd Term	Fraud in Financial Institutions	16
	Money Laundering	16
	Advanced Techniques in Fraud Detection	16
	Code of Ethics and Fraud	12
	Fraud Detection and Prevention Plan	22
	Certification	4
	Seminar	4

Summary Program of Subjects (In alphabetical order)

Advanced Techniques of Fraud Detection

Cycle of conferences by bodies with diversified experiences that present some of the techniques and some of the instruments used in the detection of the probability of fraud and of fraud itself.

Analytical Methods of Fraud Management

Seeks to introduce, in practical form, the analytical methods that are usable for the detection of anomalies in sets of data. Main topics: i] introduction to data mining; ii] exploratory analysis of data [summarizing and visualizing data]; iii] descriptive models [group analysis]; iv] methods of detection of outliers [univariate methods, multivariate methods with and without supervision]; v] detection of fraud with limited resources [rankings of outliers].

Auditing and Fraud

Presentation of Forensic Accounting, its elements and/or perspectives [Forensic Accounting, Fraud Auditing, Forensic Auditing], as well as its approach and methodologies aimed at preventing and detecting Occupational Fraud, in particular Fraud in the Financial Report. During the sessions and, cumulatively, comparative analysis at various levels in relation to the auditing function [internal and external], as well as discussion and analysis of applicable cases.

Certification

Reference to various existing international and national certifications for specialists in detection and prevention of fraud.

Code of Ethics and Fraud

The network codes of conduct from standardizing fields and interpretations of their proliferation. The formalization of standardizing aspects of local cultures [organizational systems: professions: interactions]. Diversity of procedures in drawing these up. Aspects of their formal structure. Conditions of effectiveness.

Cyber Fraud and Cyber Crime

Fundamental principles of the functioning of computer networks that underlie the vulnerabilities that allow the practice of Internet crimes and fraud. Basic notions of cryptography and security of systems and presentation of some security protocols that are used in the combat of various types of crime and fraud in computer networks.

Types of cyber crime and cyber fraud and respective practical examples using simulated demonstration of some situations of "cracking" systems. Summary presentation of the legislation existing in Portugal, the means of proof and respective admission in Court.

Detection and Prevention of Computer Fraud

The relationship between information security and computer fraud. Awareness of security as a basic pillar for protection against fraud. Frameworks of best practices. Principal measures of detection and prevention.

Deviant Behavior and Fraud

Indicators of criminality: official indicators of criminality; surveys of self-revealed delinquency; victimization surveys. Concepts of deviant behavior: statistical concept, positivist perspectives; constructionist perspectives. Contributions of these theories to the understanding of fraud and of business crime. White-collar crime and business crime.

Economy and Management complementary subjects

Economy complementary subjects: introductory aspects; unregistered economy - concepts, causes, dimension, detection, assessment and implications.

Management complementary subjects: introductory aspects - quality of the financial information: distinction between fraud and management [manipulation] of results [evidence and motivations: earnings smoothing, gap closing, systems of incentives and others]; areas sensitive to creative accounting; illustrations.

Financial Investigation

An overview of the study of financial crime and fraud in the context of business acts. Methods of detection and methods of investigation, including the analysis of financial documents, the processes and techniques of investigation and the production of investigation reports. Differences by sectors and types of companies. Analysis of cases. Evidence in court.

Fraud and Forensic Sciences

Forensic Sciences and investigation of fraud. Framework of expertise in the context of obtaining evidence in criminal proceedings; the specific case of criminal typologies that tend towards fraud. Expert reports carried out in the context of economic criminality; some technical and practical aspects.

Fraud and Principles of Verification of Fraud

Concepts of fraud: characterization, standard and deviation. Examples: rethinking the concept, perspectives of reading and possibilities of classification. Fraud in and of the institution; occupational, organizational. The "fraud tree" of the ACFE. Detection of

fraud: signals, procedures, results. Anti-fraud policy: organization; instruments. Aspects of the Portuguese situation. Complexity of the fraud and challenges.

Fraud Detection and Prevention Plan

Implies the development of fieldwork in real Companies/Organizations. In an initial phase it is intended to carry out an assessment of the risk of occupational fraud of these organizations; thereafter, to draw up a report of suggestions in order to make the systems of internal control and risk management more resistant to occupational fraud. With an initial classroom context, focusing on the principal frameworks at international level, particularly in the area of Internal Control. Risk Management and Auditing of the Information Systems, also calling on the training obtained throughout the course as well as the professional experience of the students themselves.

Fraud in Financial Institutions

Banking and insurance companies as financial institutions. Specific frauds in banking and insurance activities: endogenous and exogenous frauds. Analysis of cases, accompanied by reference to legislation and to applicable regulations. Specific references to investigation techniques. Techniques of prevention, particularly applicable to these sectors.

Interview Techniques and Fraud

Processes of Communication as a result of Social Interaction. Dynamics. The interview as a process of communication and as a means of obtaining information/evidence. Care in the preparation of the Minutes. Main traits characterizing a fraud and the precautions an investigator must take when carrying out Interviews. Phases of realization of an interview and strategic model to be used.

Introduction to Criminology

After a brief analysis of the evolution of criminological thought aimed at understanding those who must today be seen as the subject and function of criminology, there will be analysis of the theory of white collar crime and reflection on the new paradigm of response to the crime - restorative justice.

Legislation, Fraud and Crime

The general system of tax offences - crimes and infringements. The problem of abusive tax planning and the definition of the obligations of taxpayers in an internal and international context. The principle of tax transparency and the systems applicable as an exchange of information.

Money Laundering

Brief history. What money laundering [ml] is. The effects of ml. The prevention and suppression of ml. International organizations involved in the prevention and

suppression of ml and combating the financing of terrorism. Prevention measures. The Portuguese situation. The process of ml. The 3 phases of ml. Methods of ml. Types of ml. The special case of tax havens. Examples and specific cases. Processes and practices of control and combating ml. Establishing a program of combating ml.

Stages in the establishment of internal control mechanisms. The practical experience of credit institutions.

Teaching staff

Alexandra E. Alves de Oliveira

Assistant Professor in the Department of Psychology and Education Sciences at the University of Porto.

Antonio J. Esteves

Former visiting Assistant Professor of the Department of Economics of the University of Porto.

António João Marques Maia

Criminal Police Inspector. Teaching staff in the Criminal Police School.

Baltazar M. Proença Rodrigues

Inspector of the Criminal Police. Teaching staff of the Criminal Police School.

Carlos José Gomes Pimenta

University Professor of the Department of Economics of the University of Porto. Management of the Economy and Fraud Management Observatory (OBEGEF - Observatório de Economia e Gestão de Fraude).

Cláudia Cruz Santos

Assistant at the Law Department of the University of Coimbra.

David Churchill

Former West Midlands Police Fraud Squad officer for combating complex frauds. Director of a fraud investigation company. Teaching staff of the ACFE.

Domingos Sequeira

President of the Portuguese Institute of Internal Auditors (IPAI-Instituto Português de Auditores Internos). Director of Internal Auditing and Risk Management of a company.

Edgar M. Correia Pimenta

Teacher. Information Systems Auditor, CISA - Certified Information Systems Auditor (US). CISSP - Certified Information Systems Security Professional. Member of the OBEGEF.

Fernando Costa Lima

Visiting Assistant Professor of the Department of Economics of the University of Porto.
Member of the OBEGEF.

João Félix Nogueira

Doctor of Tax Law. Investigator of the Center for Legal-Economic Investigation.

João Nascimento Gomes

Consultant of the Risk, Compliance & Fraud Management unit of a company. Member of the OBEGEF.

Jorge N. Negreiros de Carvalho

University Professor of the Department of Psychology and Education Sciences at the University of Porto. Responsible for the CIPCDS.

Jorge R. Reis Duque

Chief Inspector of the Criminal Police. Teaching staff of the Criminal Police School.

Jorge B. R. Barbosa Farinha

Professor of the Department of Economics of the University of Porto. Program Director of the Magellan MBA.

José António Moreira

Assistant Professor of the Department of Economics of the University of Porto. Member of the OBEGEF.

José Jesus Oliveira

Ex-director of the Audit and Inspection Directorate of a credit institution. Economist. Lawyer.

José Rodrigues Jesus

Former visiting Assistant Professor of the Department of Economics of the University of Porto. Statutory auditor.

Luis F. R. Alves Torgo

Associate Professor of the Department of Sciences of the University of Porto. Member of the OBEGEF.

Manuel Eduardo Correia

Assistant Professor of the Faculty of Sciences of the University of Porto.

Mariana Maria do Couto Raimundo

Senior Criminal Investigation Coordinator of the Criminal Police. Teaching staff of the Criminal Police School.

Nuno R. Oliveira Moreira

University professor of the Department of Economics of the University of Porto and in the EGP-UPBS. Founding partner and Councilor of the Supervisory Council of the OBEGEF.

Oscar J. Atanázio Afonso

Assistant Professor of the Department of Economics of the University of Porto. Director of the OBEGEF.

Pedro Santos Moura

Director of the Risk, Compliance and Fraud Management Unit of a company. Member of the OBEGEF.

Rogério Matos Bravo

Chief Inspector of the Criminal Police. Teaching staff of the Criminal Police School.

Susana Aires de Sousa

Master in Criminal Law Science. Assistant at the Law Department of the University of Coimbra.

Diploma

Students who hold bachelor's degrees or their equivalent and who obtain approval in all the disciplines shall be awarded the Postgraduate Diploma in Fraud Management and a certificate of the disciplines completed.

Students who opt not to sit the exams or who, having sat them, do not obtain approval, if they attend at least $\frac{3}{4}$ of the classes shall be awarded a Certificate of Attendance at the Postgraduate Course in Fraud Management, with an indication of

the disciplines. The same shall apply to students who do not hold university degrees or their equivalent and who have attended at least $\frac{3}{4}$ of the classes.

Under the terms of the respective Regulations of the University of Porto, the Postgraduate Course in Fraud Management allows its diploma holders to obtain 30 ECTS (European Credit Transfer System) credits in the area of Business Sciences. The course prepares for the international certification in Fraud Management, awarded by the ACFE (Association of Certified Fraud Examiners) but the exam and the documentation is the responsibility of that institution, with headquarters in the US.

Information and Applications

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