

CRJ556: Criminal Justice and Legal Concepts of Fraud

Credit Hours: 3

Contact Hours: This is a 3-credit course, offered in accelerated format. This means that 16 weeks of material is covered in 8 weeks. The exact number of hours per week that you can expect to spend on each course will vary based upon the weekly coursework, as well as your study style and preferences. You should plan to spend 10-25 hours per week in each course reading material, interacting on the discussion boards, writing papers, completing projects, and doing research.

Course Description and Outcomes



This course provides an overview of the legal systems involved in dealing with fraud and of the expertise required for fraud management professionals, including processes and procedures that focus on fraud investigation, prosecution, and legal remedies. The course begins with an overview of types of fraud followed by an overview of the U.S. court system. It further explores fraud as a civil cause of action and as a crime, reviewing the legal remedies available for both. In discussing fraud as a crime, emphasis is placed on criminal procedure and the rights of the defendant. This course also introduces students to concepts related to evidence and the role of the expert witness in a fraud case.

Course Learning Outcomes:

1. Describe and explain the U.S. court system.
2. Summarize and apply the civil litigation process.
3. Analyze criminal procedure and the prosecution of fraud.
4. Explain and evaluate laws of evidence and their impact on investigation and prosecution.
5. Describe and explain the roles of an expert witness in a fraud trial.
6. Describe and assess different types of criminal and civil fraud and remedies for fraud.

Participation & Attendance



Prompt and consistent attendance in your online courses is essential for your success at CSU-Global Campus. Failure to verify your attendance within the first 7 days of this course may result in your withdrawal. If for some reason you would like to drop a course, please contact your advisor.

Online classes have deadlines, assignments, and participation requirements just like on-campus classes. Budget your time carefully and keep an open line of communication with your instructor. If you are having technical problems, problems with your assignments, or other problems that are impeding your progress, let your instructor know as soon as possible.

Course Materials



Textbook Information is located in the CSU-Global Booklist on the Student Portal.

Course Schedule



Due Dates

The Academic Week at CSU-Global begins on Monday and ends the following Sunday.

- Discussion Boards: The original post must be completed by Thursday at 12 midnight MT and Peer Responses posted by Sunday 12 midnight MT. Late posts may not be awarded points.
- Mastery Exercises: Students may access and retake mastery exercises through the last day of class until they achieve the scores they desire.
- Critical Thinking Activities: Assignments are due Sunday at 12 midnight MT.

Week #	Readings	Assignments
1	<ul style="list-style-type: none"> • Zunker, T. (2013). <i>Types of fraud</i> [PowerPoint slides]. Greenwood Village, CO: Colorado State University-Global Campus. • Engler, B. (2012, August 17). Three arrested for prescription fraud. <i>The Frederick-News Post</i>. • Fraud. (2008). In <i>The Free Dictionary</i>. Retrieved from http://legal-dictionary.thefreedictionary.com/fraud • Houlbrook, B. (2011). An insight into the world of mortgage fraud in the U.S. and U.K. <i>Housing Financial International</i>, 25(3), 34-42. • Kenyon, J. (2009). Investors, turnaround professionals, and fraud: "First do no harm." <i>The Journal of Private Equity</i>, 12(3), 89-93. • Lawrence, M., & Wells, J. T. (2004). Basic legal concepts. <i>Journal of Accountancy</i>. Retrieved from http://www.journalofaccountancy.com/Issues/2004/Oct/BasicLegalConcepts.htm • McCrab, R. (2012, April 21). Fraud cases on the rise. <i>Dayton Daily News</i>. • Stubbs, J. D. (2013). The 2009 amendment expands the types of fraud subject to the Federal False Claims Act. <i>The Florida Bar Journal</i>, 87(2), 16-23. • Svare, C. J. (2009). Fraud in a down economy. <i>Internal Auditor</i>, 66(5), 32-36. 	<ul style="list-style-type: none"> • Discussion (25 points)
2	<ul style="list-style-type: none"> • Chapters 1 & 2 in <i>Introduction to Criminal Evidence and Court Procedure</i> • Zunker, T. (2013). <i>Sources of American law</i> [PowerPoint slides]. Greenwood Village, CO: Colorado State University-Global Campus. • <i>First Nationwide Bank v. Gelt Funding, Corp.</i>, 820 F. Supp. 89 (1993). 	<ul style="list-style-type: none"> • Discussion (25 points) • Critical Thinking (100 points)
3	<ul style="list-style-type: none"> • Zunker, T. (2013). <i>Steps in civil litigation</i> [PowerPoint slides]. Greenwood Village, CO: Colorado State University-Global Campus. 	<ul style="list-style-type: none"> • Discussion (25 points)

	<ul style="list-style-type: none"> English, D. (2005). A legal insider breaks down nuts and bolts of a lawsuit. <i>Buffalo Law Journal</i>, 77(45), 16. Steinberg, M. I., & Gomez-Cornejo, G. (2010). Blurring the lines between pleading doctrines: The enhanced rule 8(a)(2) plausibility pleading standard converges with the heightened fraud pleading standards under rule 9(b) and the PSLRA. <i>Review of Litigation</i>, 30(1), 1-51. <i>Olsen v. Pratt & Whitney Aircraft</i>, 136 F.3d 273 (1998). Pas9709. (2012). Steps in a civil lawsuit [Video file]. Retrieved from https://www.youtube.com/watch?v=QTBWgcgknlo Sample Fraud Complaint from the Superior Court of the State of California (PDF located in Module 3 of the course) 	<ul style="list-style-type: none"> Critical Thinking (150 points)
4	<ul style="list-style-type: none"> Zunker, T. (2013). <i>Civil remedies</i> [PowerPoint slides]. Greenwood Village, CO: Colorado State University-Global Campus. Grow, B., & Bigg, M. (2011, December 21). Special report: Phantom firms bleed from Medicare. Retrieved from http://www.reuters.com/article/2011/12/21/us-shellcompanies-medicare-idUSTRE7BKOPY20111221 Hurd, S. E. (2008). Stonebridge investment partners: The Supreme Court rejects 'scheme' liability under rule 10(b)6. <i>Corporate Accountability</i>, 6(7), 168-170. Retrieved from http://www.alston.com/Files/Publication/fee8c0ed-cb33-4389-a22b-2c84d8885ded/Presentation/PublicationAttachment/4a082581-0a39-4dba-bc47-ef234122b5d6/Hurd.pdf Mesenbring Field, K. (2009). Agency, code or contract: Determining employees' authorization under the Computer Fraud and Abuse Act. <i>Michigan Law Review</i>, 107(5), 819-852. Rice, P. (2012). Civil liability theories for insufficient security authentication in online banking. <i>DePaul Business & Commercial Law Journal</i>, 10(3), 439-460. Stern, S., & Lemmens, T. (2011). Legal remedies for medical ghostwriting: Imposing fraud liability on guest authors in ghostwritten articles. <i>PLoS Medicine</i>, 8(5), 1-5. United States Attorney's Office Southern District of New York. (2013, March 22). David Levy and Donna Levy found guilty in Manhattan Federal Court of orchestrating "pump And dump" stock fraud schemes. Retrieved from http://www.justice.gov/usao/nys/pressreleases/March13/DavidandDonnaLevyVerdictsPR.php <i>Ernst & Ernst v. Hochfelder</i>, 425 U.S. 185 (1976). Retrieved from http://scholar.google.com/scholar_case?case=4219834259989886465&q=fraud+liability+&hl=en&as_sdt=2003 <i>Harrison v. Westinghouse Savannah River Co.</i>, 176 F 3d 776 (1999). Retrieved from http://scholar.google.com/scholar_case?case=9626141159595024809&q=fraud+liability+berge+&hl=en&as_sdt=2003 	<ul style="list-style-type: none"> Discussion (25 points) Critical Thinking (200 points)
5	<ul style="list-style-type: none"> Chapters 3 & 4 in <i>Introduction to Criminal Evidence and Court Procedure</i> Zunker, T. (2013). Constitutional criminal procedure [PowerPoint slides]. Greenwood Village, CO: Colorado State University-Global Campus. 	<ul style="list-style-type: none"> Discussion (25 points)

	<ul style="list-style-type: none"> • Sample search warrant: http://graphics8.nytimes.com/packages/pdf/business/Cox_Affidavit.pdf 	
6	<ul style="list-style-type: none"> • Chapters 5, 7, 8, & 14 in <i>Criminal Evidence and Court Procedure</i> • Association of Fraud Examiners. (2011). <i>The fraud trial</i>. Retrieved from http://www.acfe.com/uploadedFiles/Shared_Content/Products/Self-Study_CPE/Fraud-Trial-2011-Chapter-Excerpt.pdf 	<ul style="list-style-type: none"> • Discussion (25 points)
7	<ul style="list-style-type: none"> • Chapters 6, 9, 11, & 13 in <i>Criminal Evidence and Court Procedure</i> • Zunker, T. (2013). Evidence and privileges [PowerPoint slides]. Greenwood Village, CO: Colorado State University-Global Campus. • Cornell University Law School. (2011, December 1). The federal rules of evidence. Retrieved from http://www.law.cornell.edu/rules/fre (***Students should <i>skim</i> the sections listed on this site to help identify the correct provision to list in their evidence charts.) • Guide to Combating Corruption & Fraud in Development Projects. (2013). The basics of evidence for fraud and corruption investigators. Retrieved from http://guide.iacrc.org/the-basics-of-evidence-for-fraud-and-corruption-investigators/ 	<ul style="list-style-type: none"> • Discussion (25 points)
8	<ul style="list-style-type: none"> • Chapters 10 & 12 in <i>Criminal Evidence and Court Procedure</i> • Hinder, C. B., & Feder, R. D. (2006). The role of the fraud expert in domestic relations cases: Part I and II. <i>American Journal of Family Law</i>, 20(2), 93-101. • Sweeney, P. (2007). Going after the bad apples. <i>Financial Executive</i>, 23(10), 24-27. 	<ul style="list-style-type: none"> • Discussion (25 points) • Portfolio (350 points)

Assignment Details



This course includes the following assignments/projects:

Module 2

Critical Thinking: Fraud Case Brief (100 points)

Read the following fraud case (**linked on the Week 2 Assignments page**): *First Nationwide Bank v. Gelt Funding, Corp.*, 820 F. Supp. 89 (1993).

Prepare a case brief of this case. Writing a case brief includes the following components:

1. Case name and citation
2. Description of the procedural history-what happened in lower courts, and which courts were they
3. Key facts (this refers to the relevant facts only)
4. Issue – why is this matter even in court
5. Holding (this refers to the court's decision)
6. Rule of law (this refers to the law upon which the court makes its decision)
7. Court's analysis – similar to rule of law, but expanded to include the court's reasoning in addition to reliance on the rule of law
8. Legally significant/key facts in the case
9. Your thoughts and impressions on the case

In addition to the components listed above, be sure to include the fraud cause of action. What was it, and what elements needed to be proven?

For additional information about writing a case brief, review <http://lawschool.about.com/od/casebriefs/ht/howtocasebriefs.htm>.

Your case brief should be 2-4 pages in length and formatted per CSU-Global guidelines for writing and APA Style.

Module 3

Critical Thinking: Case Study: Fraud Pleadings (150 points)

Read the following case (**linked on the Week 3 Assignments page**): *Olsen. v. Pratt & Whitney Aircraft*, which is required reading for this module.

Based on this case, address the following questions and items:

1. What court is this case in? What is the procedural history by which this case reaches this court. In answering this question, demonstrate your understanding of the court structure in the U.S.
2. What is the cause of action advanced by the plaintiff? What elements must plaintiff prove for this cause of action?
3. What issue of civil procedure is raised in this case? What steps in civil litigation logically occurred to reach this result?
4. Evaluate the result in this case. Explain what legal principles were applied and critique the finding.

In answering your question, demonstrate your knowledge of a civil case of fraud, the structure of the court system, and the steps in a civil lawsuit.

Your paper should be 3-5 pages in length. Include a separate reference page and be sure to cite per CSU-Global guidelines for writing and APA style.

Module 4

Critical Thinking: Fraud: Liability, Remedies, and Fairness (200 points)

Review the following two cases (**linked on the Week 4 Assignments page**):

Ernst & Ernst v. Hochfelder, 425 U.S. 185 (1976).

Harrison v. Westinghouse Savannah River Co., 176 F 3d 776 (1999).

Compare and contrast the two cases, providing analyses and critical evaluations of each with reference to the other regarding:

1. the type of fraud at issue;
2. the legal theories discussed;
3. the result of the case.

Note that what is required *is not a summary* of the cases. Instead, offer an informed discussing of your thoughts on fraud liability and the rules for fraud liability, based on the specifics of what you have learned in Module 4.

Consider the different scenarios for fraud liability, including those based on an individual, a business, or an employee committing fraud on behalf of an unknowing business.

Finally, address the remedies available in such fraud actions. How do remedies in fraud actions attempt to address fairness and how are they successful in this respect or not? In answering these questions, research an additional case that supports your position.

Your paper should be 3-5 pages in length, formatted per CSU-Global guidelines for writing and APA style, and should include citation and discussion of an additional case to support your proposed remedy.

Module 8

Portfolio Project (350 points)

For the Portfolio Project due at the end of Week 8, you will apply what you have learned about legal concepts of fraud to fact patterns based on four Fact Patterns, which will serve as fictional case studies. Each Fact Pattern involves a different type of fraud and raises different legal procedural issues.

See the *Week 8 Assignments Page* to access the four Fact Patterns.

For this assignment, assume you are a fraud examiner. You are called as an expert witness in several current cases. Your final deliverable will include three parts. The first and second part will assess your understanding of applicable fraud laws and the third part will discuss your role as an expert witness.

Part I: Burden of Proof and Violations of Criminal Procedure

Write 3-4 pages addressing the following questions separately for each of the four Fact Patterns:

1. What are the elements of the crime the prosecution must prove?
2. What violations of criminal procedure by law enforcement, if any, occurred?

Be specific in your discussion of the applicable law and discuss arguments that could be made on both sides of any issue raised.

Your response should be 3-4 pages in length. Be sure the formatting of your pages and any citations of outside sources are in conformity with CSU-Global guidelines for APA Style.

Part II: Analysis of Evidence

Part II itself has two parts. First download the template of the Evidence Chart (*from the Week 8 Assignments page*), which you will fill out for all four Fact Patterns.

Then write an essay 2-3 pages in length (not including the Evidence Chart, which should be on the same document) with four separate sections addressing the following items concerning the four Fact Patterns:

For Fact Pattern A:

- The prosecution calls John's ex-wife to discuss her knowledge of John's finances. The prosecution also raises questions about John's finances while the two were married.
- The prosecution also calls ex-wife's attorney and asks him why he decided to report John to State Agency. Attorney testifies he heard "through the grapevine" that John had been claiming he had the kids full-time.

Rely on the entire fact pattern and any new facts introduced in directions here. What rules from the Federal Rules of Evidence will apply in this case?

For Fact Pattern B:

- At trial, the prosecution calls Mary's husband to ask him what Mary tells him about her work duties. The defense objects to the question.

What rules from the Federal Rules of Evidence will apply in this case? Rely on the entire Fact Pattern and any new facts introduced in directions here.

For Fact Pattern C:

- At trial, the prosecution seeks to introduce statements of Beth as made to the police in a police report.

What rules from the Federal Rules of Evidence will apply in this case? Rely on the entire Fact Pattern and any new facts introduced in directions here.

For Fact Pattern D:

- Assume the DA did charge Bill with a crime. At trial, Dan is called as a witness and testifies that Bill told him this was an investment fund and that Bill was an investment manager. Bill also told Dan all the information he had been told by Amy. Dan testified to Amy’s statements as told to Bill.

What issue of evidence does this raise, if any? Rely on the entire Fact Pattern and any new facts introduced in directions here.

Part III: The Role of the Expert Witness

Write 4-5 pages addressing the following items with separate sections for each of the Fact Patterns:

1. If you are called as an expert witness in this case in your capacity as a fraud examiner, what would you focus on to support the prosecution?
2. What if you were called to support the defense?
3. Indicate what additional investigation and research you might need to do.
4. Also indicate what qualifications you would need to have to qualify as an expert witness.

The complete Portfolio Project assignment should be 9-12 pages in length (not counting the Evidence Chart), well-written, and in conformity with CSU-Global guidelines for writing and APA Style. Citation of outside academic sources are not required for this assignment, but if you do cite sources, be sure to apply proper APA format.

Course Policies



Course Grading

- 20% Discussion Participation
- 45% Critical Thinking Activities
- 35% Final Portfolio Paper

Grading Scale and Policies

A	95.0 – 100
A-	90.0 – 94.9
B+	86.7 – 89.9
B	83.3 – 86.6
B-	80.0 – 83.2
C+	75.0 – 79.9
C	70.0 – 74.9

D	60.0 – 69.9
F	59.9 or below

In-Classroom Policies

For information on late work and Incomplete grade policies, please refer to our [In-Classroom Student Policies and Guidelines](#) or the Academic Catalog for comprehensive documentation of CSU-Global institutional policies.

Academic Integrity

Students must assume responsibility for maintaining honesty in all work submitted for credit and in any other work designated by the instructor of the course. Academic dishonesty includes cheating, fabrication, facilitating academic dishonesty, plagiarism, reusing /re-purposing your own work (see *CSU-Global Guide to Writing and APA Requirements* for percentage of repurposed work that can be used in an assignment), unauthorized possession of academic materials, and unauthorized collaboration. The CSU-Global Library provides information on how students can avoid plagiarism by understanding what it is and how to use the Library and Internet resources.

Citing Sources with APA Style

All students are expected to follow the *CSU-Global Guide to Writing and APA Requirements* when citing in APA (based on the APA Style Manual, 6th edition) for all assignments. For details on CSU-Global APA style, please review the APA resources within the CSU-Global Library under the “APA Guide & Resources” link. A link to this document should also be provided within most assignment descriptions on your course’s Assignments page.

Netiquette

Respect the diversity of opinions among the instructor and classmates and engage with them in a courteous, respectful, and professional manner. All posts and classroom communication must be conducted in accordance with the student code of conduct. Think before you push the Send button. Did you say just what you meant? How will the person on the other end read the words?

Maintain an environment free of harassment, stalking, threats, abuse, insults or humiliation toward the instructor and classmates. This includes, but is not limited to, demeaning written or oral comments of an ethnic, religious, age, disability, sexist (or sexual orientation), or racist nature; and the unwanted sexual advances or intimidations by email, or on discussion boards and other postings within or connected to the online classroom.

If you have concerns about something that has been said, please let your instructor know.