

---

# TABLE OF CONTENTS

---

<b>Chapter 1: Building a Data Sleuth Team</b>	<b>1</b>
The First Team	2
The Forensic Accountant	3
Technical and Strategic	3
Thorough and Efficient	4
Detail-Oriented and Effective Communication	4
Accounting Knowledge and Legal Knowledge	5
Meeting Deadlines and Developing Business	6
Forensic Accountant Problems	6
The Scalability Problem	7
The Strategy Problem	8
The Review Problem	9
The Sustainability Problem	10
Data Sleuth Solutions	10
The Scalability Solution	11
The Strategy Solution	12
The Review Solution	13
The Sustainability Solution	14
<b>Chapter 1: Test Your Knowledge</b>	<b>15</b>
<b>Chapter 1: Solutions and Suggested Responses</b>	<b>17</b>
<b>Chapter 2: The Data Sleuth Process</b>	<b>19</b>
Engagement Types	19
Simultaneously Managing Client Expectations and Objectivity	22
Professional Standards	24
The Data Sleuth Process	26
<b>Chapter 2: Test Your Knowledge</b>	<b>35</b>
<b>Chapter 2: Solutions and Suggested Responses</b>	<b>37</b>
<b>Chapter 3: The Data Sleuth Necessity</b>	<b>39</b>
Forensic Accounting Engagements Versus External Financial Statement Audits	39
The Evolution of Forensic Accounting	41
The Case of the Cash Back Payroll Scheme	42
Start With the Evidence, Not the Scheme	43
The Case of the Gambling Executive Director	44
<b>Chapter 3: Test Your Knowledge</b>	<b>47</b>
<b>Chapter 3: Solutions and Suggested Responses</b>	<b>49</b>
<b>Chapter 4: Data Sleuth Considerations</b>	<b>51</b>
Investigations Affect Real People	52
The Case of the Nonexistent Inventory	53
The Fraud Formula	55
Staying on Task with Purpose in Mind	55

The Investigation Decision Tree for a Data Sleuth	56
Recovery Avenues	59
The Case of the Man Cave	62
<b>Chapter 4: Test Your Knowledge</b>	<b>65</b>
<b>Chapter 4: Solutions and Suggested Responses</b>	<b>67</b>
<b>Chapter 5: Client Communication and Involvement</b>	<b>69</b>
The Case of the Initial Client Meeting	69
Client Expectations	72
Data Procurement	73
Client Involvement During an Investigation	75
Ongoing Client Communication	77
<b>Chapter 5: Test Your Knowledge</b>	<b>79</b>
<b>Chapter 5: Solutions and Suggested Responses</b>	<b>81</b>
<b>Chapter 6: The Data Sleuth Case Plan</b>	<b>83</b>
The Data Sleuth Process	83
The Client's Investigation Priorities	85
Evaluate the Subject's Access through Risk-Based Analysis	85
Data Sleuth Analysis Framework	87
From Conceptual Venn Diagram to Comparative Data Analysis	93
The Data Analysis Plan	94
Data and Information Gathering	96
Communication of the Case Plan	98
The Case of the Duplicate Payroll – Conclusion	99
<b>Chapter 6: Test Your Knowledge</b>	<b>101</b>
<b>Chapter 6: Solutions and Suggested Responses</b>	<b>103</b>
<b>Chapter 7: Risk-Based Analysis</b>	<b>105</b>
The Case of the Puzzling Entries	105
Risk Focus in Audits versus Risk Focus in Investigations	116
The Case of the Mom of the Year	116
Evaluating Risk in Divorce Cases and Estate and Trust Disputes	123
<b>Chapter 7: Test Your Knowledge</b>	<b>127</b>
<b>Chapter 7: Solutions and Suggested Responses</b>	<b>129</b>
<b>Chapter 8: Data Sources and Data Processing Techniques</b>	<b>131</b>
Data Sources Explained	131
Quantitative and Qualitative Data Sources	132
Data Sources for Quantitative Evidence	132
Data Sources for Qualitative Evidence	135
Using Quantitative and Qualitative Data Sources	136
Data Processing Techniques	137
Relevant Period	137
Getting Organized before Beginning Data Processing	139
Considerations before Processing Data	143

Account Scheduling Steps	143
Formatting Account Schedules and Normalizing Payees	147
<b>Chapter 8: Test Your Knowledge</b>	<b>149</b>
<b>Chapter 8: Solutions and Suggested Responses</b>	<b>151</b>
<b>Chapter 9: Standard Data Sleuth Analyses: Comparative Analysis and Source and Use Summaries</b>	<b>153</b>
Comparative Analysis	154
The Case of the Cash Flow Fiasco	155
Source and Use Summary and Analysis	158
Bank Account Source and Use Analysis	158
Credit Card Account Source and Use Summary	164
<b>Chapter 9: Test Your Knowledge</b>	<b>169</b>
<b>Chapter 9: Solutions and Suggested Responses</b>	<b>171</b>
<b>Chapter 10: Standard Data Sleuth Analyses: Interesting Data Findings, Risk Indicator Analysis, and Payroll Analysis</b>	<b>173</b>
Interesting Data Findings	173
Risk Indicator Analysis	180
Payroll Analysis	182
Overpayments of Payroll	190
<b>Chapter 10: Test Your Knowledge</b>	<b>193</b>
<b>Chapter 10: Solutions and Suggested Responses</b>	<b>195</b>
<b>Chapter 11: Findings, Reports, and Testimony</b>	<b>197</b>
Findings	197
Reports	199
A Report for Criminal Charges	200
Report Recommendations for Law Enforcement Referral	201
An Expert Report for Civil Litigation	203
An Expert Report for Insurance Reimbursement	203
Report Organization Recommendations	204
Testimony	205
<b>Chapter 11: Test Your Knowledge</b>	<b>207</b>
<b>Chapter 11: Solutions and Suggested Responses</b>	<b>209</b>
<b>Chapter 12: Practice the Data Sleuth Process</b>	<b>211</b>
Review of the Data Sleuth Case Plan	211
Review of Data Sleuth Data Processing	212
Review of the Data Analysis Plan and Standard Data Sleuth Analyses	212
Case Study 1: The Case of the Disappearing Business	213
Case Study 2: The Case of the Sneaky CFO	216
<b>Chapter 12: Test Your Knowledge</b>	<b>223</b>
<b>Chapter 12: Solutions and Suggested Responses</b>	<b>225</b>

<b>Chapter 13: The Cases that Went Wrong</b>	<b>227</b>
The Client Who Believes He Was Wronged	227
The Client Whose Decisions Affect an Investigation	232
<b>Chapter 13: Test Your Knowledge</b>	<b>237</b>
<b>Chapter 13: Solutions and Suggested Responses</b>	<b>239</b>
<b>Chapter 14: Data Sleuth Expansion</b>	<b>241</b>
Data Sleuth Empowers the Curious	242
Data Sleuth Divisions	243
Public Accounting Firms	244
Consulting and Advisory Firms	245
The Case of the Phony Professional	245
Law Firms	247
Law Enforcement	248
The Future of Data Sleuth	248
Data Sleuth as Prevention	248
Licenses, Credentials, and Professional Development	249
<b>Chapter 14: Test Your Knowledge</b>	<b>251</b>
<b>Chapter 14: Solutions and Suggested Responses</b>	<b>253</b>
<b>Appendix: Case Study Exercise Solution Recommendations</b>	<b>255</b>
Case Study 1: Exercise 1 – Solution Recommendations	255
Case Study 2: Exercise 1 – Solution Recommendations	256
Case Study 2: Exercise 2 – Solution Recommendations	258
<b>Glossary</b>	<b>260</b>
<b>Index</b>	<b>261</b>
<b>About the Website</b>	<b>264</b>
<b>Final Exam Copy</b>	<b>265</b>