

Developing Students' Fraud Detection Skills: The Case of the IRS-CI's Adrian Project

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Abstract

This paper describes the Internal Revenue Service Criminal Investigation's (IRS CI's) "Adrian Project." Through a partnership with a college or university and IRS CI, the Adrian Project provides an applied-learning exercise that enables accounting majors to apply their classroom learning by solving hypothetical financial tax fraud crimes. This interactive exercise organizes students into small working teams with oversight and teaching points provided by an assigned "coach," who is an IRS CI special agent. Using pre- and post- questionnaires, we find that students report significant improvement in the development of fraud detection skills and abilities related to: (1) gathering, organizing, and evaluating evidence; (2) employing various law enforcement tools to identify evidence of fraud; (3) conducting interviews for evidence-gathering purposes; and (4) communication. These skills and abilities are not only essential in fraud detection, but many of them are also invaluable to all accounting students regardless of their chosen career path.