



FOR IMMEDIATE RELEASE
March 27, 2013

Contact: Jake Leon
202-609-8048

Cutting Edge Case Study Zeroes in on Financial Reporting Fraud

New Resource from Anti-Fraud Collaboration Builds Awareness of Fraud Deterrence and Detection

Washington, D.C. – In the fight against financial reporting fraud, members of the financial reporting supply chain have a new tool to advance their fraud deterrence and detection capabilities.

The Anti-Fraud Collaboration – the Center for Audit Quality (CAQ), Financial Executives International (FEI), The Institute of Internal Auditors (The IIA) and the National Association of Corporate Directors (NACD) – has published the “[Hollate Manufacturing Case Study](#),” a study of a potential material fraud at a fictitious public company in order to raise awareness of environments in which financial reporting fraud might flourish. The case study and a companion discussion guide provide a roadmap to help audit committees, financial executives and internal and external auditors engage in interactive discussions on what could have been done to mitigate the risk of fraud.

“Historically, financial reporting fraud is the workplace fraud that has had the highest cost impact on public companies,” said CAQ Executive Director Cindy Fornelli. “The new case study, which recreates the conditions that could allow fraud to occur and provides opportunities to discuss steps that can be taken to mitigate the risks, is an important new resource for the deterrence of such frauds.”

The CAQ, FEI, The IIA and NACD formed the Anti-Fraud Collaboration to develop thought leadership, awareness programs, educational opportunities and related resources to promote the deterrence and detection of financial reporting fraud. The Hollate Manufacturing Case Study represents the first in a series of anti-fraud case studies that the Collaboration has underway.

To help teach the case, the Anti-Fraud Collaboration has also published a discussion guide that provides a framework for leading a robust interactive dialogue that addresses the key learning objectives of the case. The case study and discussion guide are inspired by the Harvard Business School (HBS) case study method. The Anti-Fraud Collaboration consulted with two HBS faculty members in developing the case study and the discussion guide.

The discussion guide is specially designed for individuals with experience in teaching continuing professional education programs to members of the financial reporting supply chain and college and university instructors and professors.

The Collaboration has developed a series of videos on how to effectively lead a discussion using the Harvard case study method. Instructors new to the case method approach will find the content useful; experienced case study teachers will find the information a helpful reminder of some of the key techniques for managing a case discussion.

The videos feature insight from Willis Emmons, Senior Lecturer and Director of the Christensen Center for Teaching and Learning at the Harvard Business School. The videos also feature V.G. Narayanan, Thomas D. Casserly, Jr., Professor of Business Administration at the Harvard Business School, leading a discussion of the Hollate Manufacturing Case Study.

The [case study is available on the CAQ's website](#), where visitors can register for the discussion guide and access the videos and other case method resources, and also may be accessed on [the Anti-Fraud Collaboration's website](#).

###

About the Anti-Fraud Collaboration

The Anti-Fraud Collaboration represents the collaborative efforts of the Center for Audit Quality, Financial Executives International, The Institute of Internal Auditors and the National Association of Corporate Directors, organizations that actively engage in efforts to mitigate the risks of financial reporting fraud. The Collaboration's goal is to promote the deterrence and detection of financial reporting fraud through the development of thought leadership, awareness programs, educational opportunities, and other related resources specifically targeted to the roles and responsibilities of participants across the financial reporting supply chain.