

## FORENSIC NEWS

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*A summary of recent developments, literature, opinions and information available on various aspects of forensic accounting, auditing, and taxation. New and noteworthy items are sought for future publication.*

### Articles and Business Periodicals

Mark Bigler

**“Computer forensics,”**

LVII *Internal Auditor* 53 (February 2000).

“The term ‘computer forensics’ is affiliated with a relatively new class of crime. ‘Forensics’ means ‘relating to the courts of law,’ and computer forensics is defined as ‘procedures applied to computers and peripherals for the purpose of producing evidence that may be used in a criminal or civil court of law.’” (p. 54)

“Auditors are often charged with investigating acts that are illegal, unethical, or against company policy. When such inappropriate acts involve a computer, they might include incidences of fraud, harassment, theft, pornography, or deception committed by employees, contractors, vendors, customers, or other third parties. To support an investigation and possibly subsequent legal action, the auditor may be required to utilize

computer forensics. Established policies, procedures, and tools can facilitate the investigative process and are clearly in the best interests of auditors and the organization.” (p. 54)

The article states “Sound policies help to deter or minimize the number of inappropriate acts, as well as to protect the auditor and organization from legal action.” (p. 54) The article lists and discusses a number of benefits when organizations have sound policies to deal with inappropriate acts by managers or employees. In terms of the internal audit department role if such acts occur, the article states: “Two potential legal issues, employee privacy and defamation of character, could arise as a result of an investigation.” (p. 55) The article then makes suggestions for how internal auditors can effectively deal with such possibilities.

The article concludes: “Effective forensic procedures are critical to successful investigations of abuses involving computers. The auditor can minimize the risk of lawsuits and maximize the effectiveness of an investigation by ensuring that adequate company policies are in place; sound investigative procedures are established; and required forensic investigation tools and techniques are acquired, developed, and properly used.” (p. 55)

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