

Certified Fraud Examiners: A Survey of Their Training, Experience and Curriculum Recommendations

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The certification of professionals dedicated to preventing and detecting fraud began in 1988 with the formation of the organization now known as the Association of Certified Fraud Examiners (ACFE). Today, membership in the ACFE includes approximately 16,000 Certified Fraud Examiners (CFEs) and 33,000 total members. The work that CFEs perform, their training, and their perceptions of important skills and knowledge for detecting and preventing fraud have not yet been documented. This paper provides survey results from 725 CFEs regarding their training, job experiences, and curriculum recommendations. In particular, we provide data on why professionals become CFEs and describe the typical educational background and employment history of CFEs. We also document CFEs' recommended career path and the types of frauds CFEs work on including both the number and magnitude of the frauds. Finally, we document the skills and knowledge that CFEs believe are most important for preventing and detecting fraud and which skills and knowledge bases CFEs believe are deficient among financial statement auditors.

In the last few years, there has been a heightened interest in and concern about fraud. Scarcely a day goes by without a news story about a major business scandal involving fraud such as Enron, WorldCom, Adelphia, HealthSouth, Tyco, Qwest, Xerox, or any number of the smaller, less-publicized frauds. These frauds have led to higher costs for products and services, mistrust for business leaders, lost retirement funds and job insecurity. They also led to legislation, such as the Sarbanes-Oxley Act of 2002, the regulation of the auditing profession with the creation of the Public Company Accounting Oversight Board and new auditing standards such as SAS No. 99, *Consideration of Fraud in a Financial Statement Audit*. Fortunately, public accounting firms are responding to these frauds by stepping up their efforts to detect fraud, including more and better training for auditors on detecting fraud. Educational institutions have also responded as more institutions of higher education are implementing new courses on fraud prevention, detection, and audit. Finally, these frauds have also led to an awareness of and a greater need for the growing body of professionals known as Certified Fraud Examiners (CFEs).