



ACC441

Siena Heights University @LMC

Session: Fall 2009

Instructor: Sheri Geddes, CPA, MBA

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Required text(s):

Auditing & Assurance Services: Third Edition By Louwers, Ramsay, Sinason, Strawser

Class Dates: Saturdays 9-5
Sept 19, Oct 17, Nov 7, Dec 5
Classroom: TBA

University Mission

The mission of Siena Heights, a Catholic University

founded and sponsored by the Adrian Dominican Sisters, is to assist people to become more competent, purposeful, and ethical through a teaching and learning environment which respects the dignity of all.

Department / Division Learning Outcomes

■ Course description

Auditing is an advanced level accounting course which studies the auditing function as it relates to the examination and attestation of financial statements. The course provides an outline of auditing procedures necessary for satisfactory audit performance in accordance with GAAS. The course also outlines procedures related to internal auditing, tax audits, compliance audits, and operational audits.

We will explore the role that reliable and relevant information plays in organizational decision making. For this reason, it is important to recognize that reliable information is not only used to report on organizational activities (Financial Accounting), but it is used to assist managers within an organization with operational decisions (Managerial Accounting). Because these types of decisions are supported by assurance service providers, it is imperative, and assumed by the instructor, that students have a solid understanding of both managerial and financial accounting.

■ Learning Strategies

After completing this course, it is expected that the student will be able to:

- Demonstrate full understanding of the financial statement audit, including knowledge of generally accepted auditing standards (GAAS).
- Describe and explain the relationship of the three fundamental concepts in conducting an audit: materiality, audit risk, and evidence.
- Apply the knowledge of audit theory (GAAS) and basic audit procedures.
- Prepare various types of auditing memorandums in good form.
- Demonstrate an understanding of the importance of internal controls and how they relate to the audit function.
- Understand the legal and ethical considerations involved in the audit process.
- Relate previous accounting and business course work to the audit of financial statements.
- Identify some of the most common financial shenanigans used by businesses to fool auditors and investors.
- Begin preparation for the CPA and/or CIA Exam by completing Kaplan auditing simulations.
- Understand how Sarbanes-Oxley is impacting companies and auditing firms.
- Demonstrate full understanding of the auditing process by completing various stages of the Apollo Shoes auditing case.
- Enhance problem solving skills; learn to work creatively and professionally in teams. Students will **NOT** be provided all information to perform assignments. Students will be required to seek out information and make decisions about problems when information is not perfect. These aspects of problem solving are commensurate with real-world professional decision making and are viewed by the professor as an integral part of the learning process.

■ Grading policy and scale

	Percentages
• Homework Assignments	15%
• Quizzes	15%
• Attendance	4%
• Exams	<u>66%</u>
• TOTAL	100%

Generally, cut-off percentages for final grades are as follows:

90–100 A	80-89 B	65-79 C	50-64 D	0-49 F
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■ Attendance policy

In class we will discuss auditing concepts. Students are expected to participate in class discussions on a regular

basis. Participation is a function of your willingness to share your ideas and questions with your classmates. The class participation grade is **not an attendance grade**. Coming to class and not engaging in classroom discussions will not provide you with a satisfactory participation grade.

■ Academic dishonesty policy & class rules

Siena Heights University expects students to demonstrate the ability to think clearly and exhibit personal moral integrity in every sphere of life. Honesty in all academic matters is a vital component of personal integrity. Breaches in academic integrity principles are taken seriously by the University. To avoid involvement in academic dishonesty in this course, the use of all electronic equipment (computers, cell phones, and handheld devices other than a calculator) is banned during all exams. In addition, students will not be allowed to leave the examination room once they have looked at or started working on an exam. Student's who choose to leave the room during an exam for any reason, will not be allowed to reenter the room again. This policy is necessary to prevent breaches of academic dishonesty and to minimize disruption to other students. If students are late for an exam, no extra time will be given. Students violating academic honest policies are subject to penalties of failure of an exam or failure of the course.

When you have a job, it is your responsibility to fulfill ALL requirements on or before the deadline. Thus, all assignments must be submitted on or before the due date. The only exception is for medical emergencies (involving hospitalization) or a death in the family. Please notify the teacher if you have either a medical emergency or a death in the family. Procrastination is never a good idea. Deadline extensions will not be granted! **Late homework will not be accepted.**

Attendance and punctuality are minimum job requirements and should be no less in the classroom environment. Students are expected to be ready to start class at 9:00. Coming in late or leaving early disrupts the class. Students who arrive late should make up missed material with another student, not the instructor.

Homework should be a high quality professional work: **This means that students will either use Excel or Word to complete all of their assignments.** To minimize data entry, some Excel templates are on the textbooks website. Assignments received in a hand-written version will have a **25%** penalty. Since all homework must be completed in either Excel or Word, students who are unable to attend class can electronically send their homework to the instructor **BEFORE the start of class**. The lowest two homework scores of the semester will be dropped.

Extra credit is a process of rewarding bad behavior and will **NOT** be offered in this class. Approaching the instructor about reducing homework requirements, extending deadlines and extra credit is **NOT** acceptable.

Quizzes will be given throughout the semester to help students gauge their learning and prepare them for exams. Students not attending class on the day of a quiz can either ask the instructor to take the quiz early (the class before) or forego those points. Students will not be allowed to take quizzes after the due date. This rule is necessary to provide all students with timely feedback on their progress in this course. The lowest quiz of the semester will be dropped.

There will be two exams, each consisting of multiple choice questions, exercise-type problems and potentially short essays. Students are expected to take the exam on the date listed in the syllabus. If you are not able to take the test at the scheduled time due to a legitimate excuse (which involves hospitalization or a death in the family), you must notify the instructor before the exam. Students who do not notify the instructor in advance will not be

allowed an opportunity to make up the exam.

Please understand that the instructor grades on the merit of your work. Thus the instructor cannot factor into grades any of the following: graduation status, job situations, family situations, interview schedules, GPA, assistantship status, or company reimbursement procedures.

■ Disability statement

If you qualify for accommodations under the American Disabilities Act, please see the instructor as soon as possible for referral and assistance in arranging for necessary accommodations.

■ Incomplete Grade Policy

The instructor will only consider giving an incomplete grade in the event of a serious illness (involving hospitalization or death in the family). Incomplete grades are never a substitute for poor performances.

■ Course schedule

Date	Chapter	Class Discussion	Assignment Due
19 Sept	1	Auditing and Assurance Services	1.47, 1.52, 1.51
	2	Professional Standards	2.41, 2.43, 2.44, 2.50
	3	Management Fraud & Audit Risk	3.46 (Range needed), 3.48,3.49, 3.50 (Range needed), 3.51
	4	Engagement Planning	4.47, 4.50, 4.51 (Need to recompute interest Exp.), 4.53
	Quiz	(Quiz Chapters 1-2)	In Class Quiz
????	Quiz	Format TBD (Chapters 3-4)	Quiz
17 Oct	5	Internal Controls	5.62, 5.66, 5.68
	6	Employee Fraud & Audit of Cash	6.46 (page 242), 6.50, 6.53
	7	Revenue & the Collection Cycle	7.54 (photocopy the table), 7.57, 7.58, 7.60 (Select 4 from list)
	8	Acquisition and Expenditures	8.41, 8.49(B only),8.45(A&C only), 8.46
	Quiz	(Quiz Chapters 5-6)	In Class Quiz
????	Exam	TBD (Chapters 1-6)	
7 Nov	Quiz	(Quiz Chapters 7-8)	In class Quiz
	9	Production Cycle	9.45, 9.46, 9.52 (Calculation needed)
	10	Finance & Investment	10.48, 10.51
	11	Completing the Audit Cycle	11.50, 11.51,11.60, 11,62 (Part A only)
	12	Reports on the Audit Cycle	12.39, 12.48, 12.44 (Part A only), 12.54
	Quiz	(Quiz Chapters 9-10)	In class Quiz
????	Quiz	Format TBD (Chapters 11-12)	Quiz
5- Dec	Exam	Final Exam	(Focus on Chapters 7-12) Application of all chapters