

Credit Hours: 3

Contact Hours: This is a 3-credit course, offered in accelerated format. This means that 16 weeks of material is covered in 8 weeks. The exact number of hours per week that you can expect to spend on each course will vary based upon the weekly coursework, as well as your study style and preferences. You should plan to spend 14-20 hours per week in each course reading material, interacting on the discussion boards, writing papers, completing projects, and doing research.

Faculty Information: Faculty contact information and office hours can be found on the faculty profile page.

COURSE DESCRIPTION AND OUTCOMES

Course Description:

This course is a survey of control and auditing techniques employed in computer-based accounting systems. It focuses on the Information Technology (IT) used in audits by public accountants. The course emphasizes accounting information systems and standard business process cycles. Students learn about IT asset protection and security audit procedures. Topics include audit of cloud systems, asset protection, System and Organization Control (SOC) SSAE 16 Report, as well as users and systems operators. Integrated into the course will be discussion of how tools such as a flowcharting tool - LucidChart, a computer assisted audit tool - ACL, and a data visualization tool - Tableau are changing the landscape of modern auditing.

Course Overview:

This course focuses on modern day auditing techniques, internal controls, transactional processing, and the financial reporting system. The testing of internal controls, substantive testing of transactional processing, and account balances are really nothing new, but what has caused major changes in how auditors carry out these processes are the dramatic advancement of new information technology within accounting core systems, as well as more powerful tools to conduct business intelligence. This course includes the examination of case studies from both the revenue and expenditure cycles.

While analyzing these accounting cycles, we introduce computer-assisted audit tools and techniques (CAATTs) and review a popular tool called Audit Control Language (ACL). The course also samples other automated tools, like LucidChart, to develop Data Flow Diagrams (DFDs), system flowcharts, and data visualization software. We discuss the new trends in Financial Reporting System, with an emphasis on eXtensible Business Reporting Language (XBRL), which is in the process of changing how companies and the Securities and Exchange Commission (SEC) publish financial statements using Internet technology techniques.

The course concludes with a review of Enterprise Resource Planning (ERP) systems and how cloud computing may also be changing the traditional platform of the core financial system. We review the strengths and weaknesses of cloud computing used with accounting data. Throughout the course, we consider the nuances of relational database systems.

Course Learning Outcomes:

1. Explain transaction processing in automated accounting systems.
2. Apply tools and techniques used to understand, evaluate, design and document accounting information systems: data flow diagrams, business process diagrams, and flowcharts.
3. Analyze effective governance and control of information systems including asset protection, Information Technology security, Risk analysis and Database Management Systems (DBMS).
4. Analyze techniques for the audit and evaluation of internal control in a computer-based Accounting Information System (AIS) using computer assisted auditing.
5. Evaluate Enterprise Resource Planning (ERP) fundamental business process cycles.
6. Determine how new technologies like Computer-Assisted Audit Tools & Techniques (CAATT), Audit Data Standards (ADS), Generalized Audit Software (GAS), cloud accounting computing, data visualization, System and Organization Control (SOC) SSAE 16 Report, eXtensible Business Reporting Language (XBRL), and big data are used in industry.

PARTICIPATION & ATTENDANCE

Prompt and consistent attendance in your online courses is essential for your success at CSU-Global Campus. Failure to verify your attendance within the first 7 days of this course may result in your withdrawal from the course. If for some reason you would like to drop a course, please contact your advisor.

Online classes have deadlines, assignments, and participation requirements, just like on-campus classes. Budget your time carefully and keep an open line of communication with your instructor. If you are having technical problems, problems with your assignments, or other problems that are impeding your progress, let your instructor know as soon as possible.

COURSE MATERIALS

Required:

Beasley, M. S., Buckless, F. A., Glover, S. M., & Prawitt, D. F. (2015). *Auditing cases an interactive learning approach* (6th ed.). Boston, MA: Pearson. ISBN-13: 978-0133852103

Hall, J. A. (2016). *Information technology auditing* (4th ed.). Boston, MA: Cengage Learning. ISBN-13: 978-1133949886

NOTE: All non-textbook required readings and materials necessary to complete assignments, discussions, and/or supplemental or required exercises are provided within the course itself. Please read through each course module carefully.

COURSE SCHEDULE

Due Dates

The Academic Week at CSU-Global begins on Monday and ends the following Sunday.

- **Discussion Boards:** The original post must be completed by Thursday at 11:59 p.m. MT and Peer Responses posted by Sunday 11:59 p.m. MT. Late posts may not be awarded points.
- **Critical Thinking:** Assignments are due Sunday at 11:59 p.m. MT.
- **Live Classroom:** Although participation is not required, Live Classroom sessions are held during Weeks 3 and 6.

WEEKLY READING AND ASSIGNMENT DETAILS

Module 1

Readings

- Chapter 1 in *Information Technology Auditing*
- Elbardan, H., Ali, M., & Ghoneim, A. (2016). Enterprise resource planning systems introduction and internal auditing legitimacy: An institutional analysis. *Information Systems Management, 33*(3), 231-247.
- Lenghel, R. D., & Vlad, M. P. (2017). Information systems auditing. *Quaestus, (11)*, 178-182.

Discussion (25 points)

Critical Thinking (75 points)

Choose one of the following two assignments to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the Critical Thinking Assignment, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Please review the following APA Sample Research Paper to better understand the course expectations for what the formatting of your assignment submission should look like, not only for this assignment, but also for any Research Paper or Writing Assignment throughout this course:

http://csuglobal.libguides.com/ld.php?content_id=21534702

Option #1: Role of Internal Audit Function

Note: While the cases for the Critical Thinking Assignments are available in your textbook, the questions and submission requirements will differ. Be sure to answer the questions as written in the course syllabus.

As part of their efforts to be compliant with the Sarbanes Oxley Act of 2002 (SOX), a publicly traded company that produces electronic parts, developed a task force that included several high-ranking individuals in the company to discuss who should be involved in the implementation and maintenance of the company's internal controls. The following individuals were included in the task force:

- Chairman of the Board of Directors (BOD)
- Chairman of the Audit Committee
- President of the company
- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Director of Internal Audit
- Partner from the company's external audit firm

The taskforce main concerns were:

- Compliance with SOX and the Public Companies Accounting Oversight Board (PCAOB) requirements.
- How to strengthen the organization's internal control system by developing control policies and procedures.
- How to detect violations of policies and procedures.
- What should be the primary focus of the internal audit function – financial or operations.
- The members of the audit committee all have extensive industry experience and have been associated with the company for a long time; however, none of them are trained accountants.
- How to ensure a close working relationship between the internal audit function and the external auditors to be able to leverage the work of the internal auditors in an effort to lower the external audit fees.

Required:

1. Develop an effective and efficient internal control structure that addresses the concerns of the taskforce. In addition, be sure to discuss each of the following in your report:
 - a. The role each person in the scenario will play regarding who will initiate, maintain and evaluate controls.
 - b. The placement of the Director of Internal Audit in the organizational structure, including to whom this person should report and why this reporting structure is important.
 - c. The role of the audit committee within the organizational structure. Discuss the relationship with the internal audit department and external auditors of the company.

Your paper should be four to five pages in length (excluding cover page and references) and formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials. Review the grading rubric to see how you will be graded for this assignment.

Option #2: Evaluation of Controls

Note: While the cases for the Critical Thinking Assignments are available in your textbook, the questions and submission requirements will differ. Be sure to answer the questions as written in the course syllabus.

The warehouse manager for a large office supply wholesaler receives two copies of the customer sales order from the sales department. She selects the goods from the shelves and sends them and one copy of the sales order to the shipping department. She then files the second copy in a temporary file.

At the end of the day, the warehouse manager retrieves the sales orders from the temporary file and updates the inventory subsidiary ledger from a terminal in his office. At that time, she identifies items that have fallen to low levels, selects a supplier, and prepares three copies of a purchase order. One copy is sent to the supplier, one is sent to the accounts payable clerk, and one is filed in the warehouse.

When the goods arrive from the supplier, she reviews the attached packing slip, counts and inspects the goods, places them on the shelves, and updates the inventory ledger to reflect the receipt. She then prepares a receiving report and sends it to the accounts payable department.

Required:

1. Identify control problems in the system.
2. Discuss possible fraudulent activities in the sales order system.
3. Relate the description from the office supply wholesaler to an example you have seen in your career or with which you are familiar, perhaps your own company.

Your submission should be four to five pages in length (excluding cover page and references) and formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials. Review the grading rubric to see how you will be graded for this assignment.

Module 2

Readings

- Chapter 6 in *Information Technology Auditing*
- Bradford, M., Richtermeyer, S. B., & Roberts, D. F. (2007). System diagramming techniques: An analysis of methods used in accounting education and practice. *Journal of Information Systems, 21*(1), 173-212.
- Coyne, J. G., Coyne, E. M., & Walker, K. B. (2017). Accountants and tech: A game changer? *Strategic Finance, 98*(9), 40-47.

Discussion (25 points)

Critical Thinking (75 points)

Choose one of the following two assignments to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the Critical Thinking Assignment, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: System Documentation—Expenditure Cycle

The following describes the expenditure cycle manual procedures for a hypothetical company.

The inventory control clerk examines the inventory records for items that must be replenished and prepares a two-part purchase requisition. Copy 1 of the requisition is sent to the purchasing department and Copy 2 is filed.

Upon receipt of the requisition, the purchasing clerk selects a supplier from the valid vendor file (reference file) and prepares a three-part purchase order. Copy 1 is sent to the supplier. Copy 2 is sent to the accounts payable department where it is filed temporarily, and Copy 3 is filed in the purchases department.

A few days after the supplier ships the order, the goods arrive at the receiving department. They are inspected, and the receiving clerk prepares a three-part receiving report describing the number and quality of the items received. Copy 1 of the receiving report accompanies the goods to the stores, where they are secured. Copy 2 is sent to inventory control, where the clerk posts it to the inventory records and files the document. Copy 3 is sent to the accounts payable department, where it is filed with the purchase order.

A day or two later, the accounts payable clerk receives the supplier's invoice (bill) for the items shipped. The clerk pulls the purchase order and receiving report from the temporary file and compares the quantity ordered, quantity received, and the price charged. After reconciling the three documents, the clerk enters the purchase in the purchases journal and posts the amount owed to the accounts payable subsidiary account.

On the payment due date, the accounts payable clerk posts to the accounts payable subsidiary account to remove the liability and prepares a voucher authorizing payment to the vendor. The voucher is then sent to the cash disbursements clerk. Upon receipt of the voucher, the cash disbursements clerk prepares a check and sends it to the supplier. The clerk records the check in the check register and files a copy of the check in the department filing cabinet.

Required:

1. Register for a student account with LucidChart by following the instructions in the guide available in the module folder. Be sure to review tutorials presented in the interactive lecture this week.
2. Prepare a data flow diagram of the expenditure cycle presented above using LucidChart. Save diagram as a pdf.
3. Prepare a flow chart of the expenditure cycle presented above using LucidChart. Save flow chart as a pdf.
4. Prepare a written analysis in Microsoft Word that describes the process of using LucidChart to prepare these graphical representations and summarize the differences between the two charts.

Your submission should include:

1. A four to five page in length written analysis (excluding cover page, reference page, and appendices) formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials.
2. Pdfs of data flow diagram and flow chart. These will be the appendices for your paper. Review the grading rubric to see how you will be graded for this assignment.

Option #2: System Documentation—Revenue Cycle

The following describes the revenue cycle procedures for a hypothetical company.

The sales department clerk receives hard-copy customer orders and manually prepares a six-part hard-copy sales order. Copies of the sales order are distributed to various departments as follows: Copies 1, 2, and 3 go to the shipping department, and Copies 4, 5, and 6 are sent to the billing department where they are temporarily filed by the billing clerk.

Upon receipt of the sales order copies, the shipping clerk picks the goods from the warehouse shelves and ships them to the customer. The clerk sends Copy 1 of the sales order along with the goods to the customer. Copy 2 is sent to the billing department, and Copy 3 is filed in the shipping department.

When the billing clerk receives Copy 2 from the warehouse, she pulls the other copies from the temporary file and completes the documents by adding prices, taxes, and freight charges. Then, using the department PC, the billing clerk records the sale in the digital sales journal, sends Copy 4 (customer bill) to the customer, and sends Copies 5 and 6 to the accounts receivable and inventory control departments, respectively.

Upon receipt of the documents from the billing clerk, the accounts receivable and inventory control clerks post the transactions to the accounts receivable subsidiary and inventory subsidiary ledgers, respectively, using their department PCs. Each clerk then files the respective sales order copies in the department.

On the payment due date, the customer sends a check for the full amount and a copy of the bill (the remittance advice) to the company. These documents are received by the mailroom clerk who distributes them as follows:

1. The check goes to the cash receipts clerk, who manually records it in the hard-copy cash receipts journal and prepares two deposit slips. One deposit slip and the check are sent to the bank; the other deposit slip is filed in the cash receipts department.
2. The remittance advice is sent to the accounts receivable clerk, who posts to the digital subsidiary accounts and then files the document.

Required:

1. Register for a student account with LucidChart by following the instructions in the guide available in the module folder. Be sure to review tutorials presented in the interactive lecture this week.
2. Prepare a data flow diagram of the revenue cycle presented above using LucidChart. Save diagram as a PDF and submit along with your written analysis.
3. Prepare a flow chart of the revenue cycle presented above using LucidChart. Save flow chart as a PDF and submit along with your written analysis.
4. Prepare a four to five-page written analysis in Microsoft Word that describes the process of using LucidChart to prepare these graphical representations and summarize the differences between the two charts.

Your submission should include:

1. A four to five page in length written analysis (excluding cover page, reference page, and appendices) formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You

must include a minimum of three credible, academic, or professional references beyond the text or other course materials.

2. PDFs of data flow diagram and flow chart. These will be the appendices for your paper.

Review the grading rubric to see how you will be graded for this assignment.

Portfolio Project Milestone (25 points)

Choose one of the following two Portfolio Milestones to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the milestone, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: Revenue Cycle PowerPoint Presentation

The requirements for Portfolio Project Milestone #1 are:

1. Review Option #1 and Option #2 and select the Portfolio Project you will complete. You need to complete only one of the two options.
2. Prepare a PowerPoint presentation that you will use during a kickoff meeting with the audit client. The requirements for the PowerPoint are:
 - a. Six to eight slides, not including title and reference page slides.
 - b. Indicate the option that you selected in the title of your presentation.
 - c. Address the techniques you anticipate using during the audit and the anticipated report format.
 - d. Explain the difference between the planned audit and an audit of a public company.
 - e. Explain how deficiencies will be reported.
 - f. Given the company's large number of customers and vendors, describe the importance of control activities.
 - g. Discuss what types of similar experiences you may have had or perhaps anticipate having in your career.
 - h. Provide a reference draft for the Portfolio Project you selected.
 - i. Provide three articles that you might consider using for your final Portfolio Project. These sources cannot include the textbook or other course materials.

Option #2: Expenditure Cycle PowerPoint Presentation

The requirements for Portfolio Project Option #2 Milestone 1 are:

1. Review Option #1 and Option #2 and select the Portfolio Project you will complete. You only need to complete one of the two options.
2. Prepare a PowerPoint presentation that you will use during a kickoff meeting with the audit client. The requirements for the PowerPoint are:
 - a. Six to eight slides, not including title and reference page slide.
 - b. Indicate the option that you selected in the title of your presentation.
 - c. Address the techniques you anticipate using during the audit and the anticipated report format.
 - d. Review and comment on the flowcharts that are presented on audit schedules E20-1 and E20-2.
 - e. Provide a reference draft for the Portfolio Project you selected.
 - f. Provide three articles that you might consider using for your final Portfolio Project. These sources cannot include the textbook or other course materials.

Module 3

Readings

- Chapter 9 in *Information technology auditing*
- AICPA. (2014). *AU Section 318 performing audit procedures in response to assessed risks and evaluating the audit evidence obtained*. Retrieved from www.aicpa.org/research/standards/auditattest/downloadabledocuments/au-00318.pdf
- Tsao, H. (2015). Auditing Oracle ERP using ACL: An example of the sales and collection cycle. *ICAEA--Computer Auditing Education Syllabus*. Retrieved from <http://www.iacae.org/english/ResourceCenter/data/paper12.pdf>

Discussion (25 points)

Live Classroom (0 points)

Critical Thinking (75 points)

Choose one of the following two assignments to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the Critical Thinking Assignment, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: Tight Lines Fishing and Camping Supplies – Revenue Cycle

Tight Lines Fishing and Camping Supplies is a New York-based wholesaler of fishing and camping equipment that serves fishing and camping retailers throughout the northeast. You have been hired by Tight Lines to evaluate their processes, risks, and internal controls. The following paragraphs describe Tight Lines' revenue cycle procedures.

Revenue Cycle

Sales order processing procedures

Wholesale customer orders are mailed, e-mailed, or faxed to the sales department. When the order is received, the sales clerk checks the customer's credit worthiness from a computer terminal. After the customer's credit is verified, the clerk then records the sales order through his computer terminal. A digital copy of the order is distributed to the warehouse and the shipping department terminals for further processing. The computer system automatically records the sale in the sales journal. Finally, the clerk files the hard copy of the customer order in the sales department.

The warehouse manager is prompted by receipt of the digital sales order on the warehouse terminal. The manager prints out two copies of order: the stock release and a shipping notice. Using the stock release copy, a warehouse clerk picks the selected items from the shelves and sends them to the shipping department along with stock release and the shipping notice. The warehouse manager then updates the inventory subsidiary ledger and the general ledger control account from his computer terminal.

When the shipping clerk receives the goods, the stock release, and the shipping notice, he matches them to the corresponding digital sales order displayed on his terminal. If everything matches, he prints out three hard copies of the BOL and a packing slip. Two copies of the BOL and the packing slip are sent, along with the goods, to the carrier. The stock release copy and the shipping notice are sent to the AR department. The third BOL copy is filed in the shipping department.

Upon receipt of the stock release and shipping notice, the AR clerk manually creates a hard-copy invoice, which is immediately mailed to the customer. After mailing the invoice, the clerk uses information on the stock release to update the AR subsidiary ledger and general ledger from his computer terminal. After the records are updated, the clerk files the stock release and shipping notice in the AR department.

Cash receipts procedures

Customer payments come directly to the general mail room along with other mail items. The mail clerk sorts the mail, opens the customer payment envelope, removes the customer's check and remittance advice, and reconciles the two documents. To control the checks and remittance advices, the clerk manually prepares two hard copies of a remittance list. He sends one copy to the AR department, along with the corresponding remittance advices. The other copy of the remittance list accompanies the checks to the cash receipts department.

Once the checks and remittance list arrive in the cash receipts department, the treasurer reconciles the documents, endorses the checks, and manually prepares three hard copies of a deposit slip. He then updates the cash receipts journal and the general ledger from his computer terminal. Next, the treasurer sends the checks and two copies of the deposit slip to the bank. Finally, he files the third copy of the deposit slip and the remittance in the department.

When the AR clerk receives the remittance list and remittance advices from the mail room, he reconciles the two documents. He then updates the AR subsidiary ledger and the general ledger. Finally, he files the two documents in the department.

Required:

1. Create a system flowchart of the existing system using LucidChart. The submission will express your view of the system. Save flowchart as a PDF.
2. Identify internal control weaknesses in the system and discuss the risks associated with these weaknesses in your memo.
3. Using LucidChart, prepare a revised system flowchart of a redesigned computer-based system that resolves the control weaknesses that you identified. Explain your solution in your memo.
4. Provide potential uses of how CAATT tools might be used.
5. Prepare a memo to the client using Microsoft Word. The memo will describe the situation and summarize the two flowcharts.

Your submission should include:

1. A four to five page memo (excluding cover page, reference page, and appendices) formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials.
2. PDFs of flowcharts. These will be the appendices for your paper.

Review the grading rubric to see how you will be graded for this assignment.

Option #2: Performance Water Pumps – Revenue Cycle

Performance Water Pumps (PWP) is a leading manufacturer of water pumps with high capacity capability. These pumps are used in both civil and private disaster situations. PWP's primary market is disaster recovery companies that assist home owners following basement flooding. They also sell to building contractors, municipalities, and rental companies. The company publishes an industry catalog of pumps and other auxiliary equipment, which it distributes to customers and prospective customers. PWP's headquarters and manufacturing facilities are in Leesville, Louisiana, where they employ 125 manufacturing and clerical staff.

PWP employs a centralized computer system with distributed terminals in the departments. Recently they have been having operational problems with it. PWP has hired your auditing firm to assess its operations and internal control procedures.

Sales Order Procedures

The revenue process begins in the sales department of the firm where customers submit orders by fax, e-mail, or phone. A clerk in the sales department creates a sales order that details the items needed. Next, the sales clerk performs a credit check on the customer. If it is a returning customer, then the sales clerk checks the customer's payment history from the centralized credit records. For new customers, a full credit check is performed via an online credit bureau. Once the sales clerk approves the creditworthiness of the customer, he prints a sales order, a packing slip, and a stock release document from his terminal. The clerk adds a record to the digital open sales order file and sends the hard copy sales order, packing slip, and stock release documents to the billing department, shipping department, and warehouse, respectively.

When the warehouse receives the stock release, a warehouse clerk arranges for the merchandise to be sent to the shipping department, along with the stock release document. Finally, the warehouse clerk updates the inventory subsidiary ledger from the terminal in the warehouse.

When the shipping department clerk receives the stock release, he compares it to the packing slip previously received from the sales department. The clerk then prepares a BOL, which accompanies the goods to the carrier. Finally, the shipping clerk records the shipment in the digital shipping log.

Upon receipt of the sales order, the billing department clerk adds prices and freight charges to create a sales invoice, which is sent to the customer. From the department terminal, the clerk then updates the digital account receivable subsidiary ledger and records the sales details in the sales journal. At the end of the day, the billing department clerk prints a hard-copy account receivable summary and sales journal voucher, which she sends to the general ledger department.

Upon receipt of the account receivable summary and the sales journal voucher, the general ledger department clerk updates the general ledger and posts the voucher details to the journal voucher file from the department terminal.

Cash Receipts Procedures

The mail room clerk opens customer cash receipts, reviews the check and remittance advices for completeness, and prepares two copies of a remittance list. One copy is sent with the checks to the cash receipts department. The second copy of the remittance advice is sent to the billing department. When the cash receipts clerk receives the checks and remittance list, he verifies the checks received against those on the remittance list and signs the checks "For Deposit Only." Once the checks are endorsed, he records the receipts in the cash receipts journal from his terminal. The clerk then fills out a deposit slip and deposits the checks in the bank. At the end of the day, the clerk prints a hard-copy cash receipts journal voucher and sends it to the general ledger department.

Upon receipt of the remittances, the billing department clerk records the amounts in the account receivable subsidiary ledger from the department terminal. At day's end, the clerk also prints a hard-copy AR summary and sends it to the general ledger department.

The general ledger department verifies the AR summary with the journal vouchers and then updates the journal voucher file and the general ledger with the verified transaction amounts.

Required:

1. Create a system flowchart of the existing system using LucidChart. The submission will express your view of the system. Save flowchart as a PDF.
2. Analyze the physical internal control weaknesses in the system and discuss the risks associated with these weaknesses.
3. Describe the IT controls that should be in place in this system.
4. Using LucidChart, prepare a revised system flowchart of a redesigned computer-based system that resolves the control weaknesses that you identified. Explain your solution.
5. Prepare a memo to the client using Microsoft Word. The memo will describe the situation and summarize the two charts. The completed data flow diagram and the system flowchart should also be included.

Your submission should include:

1. A four to five page memo (excluding cover page, reference page, and appendices) formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials.
2. PDFs of flow charts. These will be the appendices for your paper.

Review the grading rubric to see how you will be graded for this assignment.

Portfolio Project Reminder (0 points)

At this stage in your Portfolio development, you have completed Milestone 1 (Module 2) and should be working ahead to Milestone 2 (due in Module 5). You should also be beginning initial development on your final submission (due in Module 8).

You will notice that the material in Module 3 relates to the auditing of the Revenue Cycle, which is what is also covered in Portfolio Option #1. The material in Module 4 relates to the auditing of the Expense Cycle, which is what is also covered in Portfolio Option #2.

Module 4

Readings

- Chapter 10 in *Information technology auditing*
- Alles, M. & Gray, G. L. (2016). Incorporating big data in audits: Identifying inhibitors and a research agenda to address those inhibitors. *International Journal of Accounting Information Systems*, 22, 44-59.
- Appelbaum, D., Kogan, A., & Vasarhelyi, M. A. (2017). Introduction to data analysis for auditors and accountants. *CPA Journal*, 87(2), 32.
- Janvrin, D. J. & Weidenmier Watson, M. (2017). "Big Data": A new twist to accounting. *Journal of Accounting Education*, 38, 3-8.

Discussion (25 points)

Critical Thinking (75 points)

Choose one of the following two assignments to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the Critical Thinking Assignment, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: Tight Lines Fishing and Camping Supplies – Expenditure Cycle

Tight Lines Fishing and Camping Supplies is a New York-based wholesaler of fishing and camping equipment that serves fishing and camping retailers throughout the northeast. Tight Lines obtains its inventories of fly rods, reels, tents, and other products from manufactures in the United States and from abroad. Tight Lines uses a centralized accounting system with networked terminals in the departments. You have been hired by Tight Lines to evaluate their processes, risks, and internal controls. The following paragraphs describe Tight Lines expenditure cycle procedures.

Purchases System

The process begins when the purchasing clerk checks the inventory subsidiary ledger on his computer terminal each morning. When an item is deemed to be too low, the clerk selects a vendor from the valid vendor file and prepares a digital PO. The clerk prints two hard copies: one copy is sent to the vendor, and the other is filed in the department. Digital PO record is added to the PO File.

When the goods arrive in the receiving department, the receiving clerk inspects them and reconciles the items against the information in the digital PO and the packing slip. The clerk then manually prepares two hard copies of the receiving report. One of these accompanies the goods to the inventory warehouse, where the clerk shelves the goods and updates the inventory subsidiary ledger from his terminal. The clerk then files the receiving report in the department. The other copy of the receiving report is sent to the AP department, where the AP clerk files it until the supplier's invoice arrives. When the AP clerk receives the invoice, he pulls the receiving report from the temporary file, prints a hard

copy of the digital PO, and reconciles the three documents. At this time, the clerk updates the digital AP subsidiary ledger, the AP control account and the inventory control account in the GL from his terminal. The clerk then sends the invoice, receiving report, and the PO copy to the cash disbursements department.

Cash Disbursements System

Upon receipt of the documents from the AP department, the cash disbursements clerk files the documents until their payment due date. On the due date, the clerk prepares a check for the invoiced amount, which is sent to the treasurer who signs it and mails the check to the vendor.

The cash disbursement clerk then updates the check register, AP subsidiary ledger, and the AP control account from his terminal. Finally, the clerk files the invoice, PO copy, receiving report, and check copy in the department.

Required:

1. Create a Data Flow Diagram (DFD) of the current system using LucidChart. The submission will express your view of the DFD.
2. Create a system flowchart of the existing system. The submission will express your view of the system.
3. Describe internal control weaknesses in the system and discuss the risks associated with these weaknesses.
4. Explain the financial statement misrepresentations that may result from the control weaknesses.
5. Describe the substantive tests that an auditor would perform to identify the material misrepresentations.
6. Describe a situation in your current or recent job position that you may be involved in this type of function.
7. Provide potential uses of how CAATT tools might be used.
6. Prepare a memo to the client using Microsoft word. The memo will describe the situation and summarize the two charts. The completed data flow diagram and the system flowchart should also be included.

Your submission should include:

1. A four to five page memo (excluding cover page, reference page, and appendices) formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials.
2. PDFs of diagram and flowchart. These will be the appendices for your paper.

Review the grading rubric to see how you will be graded for this assignment.

Option #2: Discount Tools Inc. – Expenditure Cycle (Networked Computer System with Manual Procedures)

Discount Tools is a rapidly growing online and catalog-based retailer of low-cost tools and equipment directed to the do-it-yourself consumers and to small service companies in the automotive repair and

home improvement industries. Discount Tools offices and warehouse are located in Atlanta, Georgia. The firm purchases from a large number of manufacturers in China and India, and to a lesser extent from U.S.-based suppliers.

The company employs a networked accounting system with distribution terminals in several departments, but some tasks are performed manually. Until recently, the system had functioned satisfactorily, but Discount Tools is now experiencing operational inefficiencies and accounting errors. Your firm has been hired to evaluate Discount Tools' business processes and internal controls. The expenditure cycle is described in the following paragraphs.

Purchase System Procedures

Discount Tools' purchase transactions are initiated when the purchasing department clerk reviews the inventory file for items that need to be replenished. The clerk selects a vendor, adds a record to the digital PO File, and prints four hard copies of the PO. One copy is filed in the department; the second copy is sent to the receiving department; the third copy is sent to the AP department; and the final copy is sent to the vendor.

When the goods and the packing slip arrive at the receiving department, the receiving clerk examines the items for condition and verifies the quantities received against the packing slip. Upon completion of the inspection, the clerk manually creates two hard copies of a receiving report. One copy is filed in the department and the second accompanies the goods to the warehouse.

In the warehouse, the clerk receives and shelves the goods. In addition, the clerk updates the inventory file by posting the amounts received to the various inventory records affected. When the AP department clerk receives the invoice from the supplier, he visually matches it to the hard copy PO on file. The clerk then adds a record to the vendor invoice file, which serves as the AP subsidiary ledger and sets a due date for payment.

Finally, at the end of each day, the warehouse clerk and the AP clerk create digital journal vouchers to reflect the day's transactions. The system automatically posts the journal vouchers to the relevant GL control accounts.

Required:

1. Create a Data Flow Diagram (DFD) of the current system. The submission will express your view of the DFD.
2. Create a system flowchart of the existing system. The submission will express your view of the system.
3. Describe internal control weaknesses in the system and discuss the risks associated with these weaknesses.
4. Explain the financial statement misrepresentations that may result from the control weaknesses.
5. Describe the substantive tests that an auditor would perform to identify the material misrepresentations.
6. Describe a situation in your current or recent job position that you may be involved in this type of function.

7. Provide potential uses of how CAATT tools might be used.
8. Prepare a memo to the client using Microsoft word. The memo will describe the situation and summarize the two charts. The completed data flow diagram and the system flowchart should also be included.

Your submission should include:

1. A four to five page in length written analysis (excluding cover page, reference page, and appendices) formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials.
2. PDFs of flow charts. These will be the appendices for your paper.

Review the grading rubric to see how you will be graded for this assignment.

Module 5

Readings

- Chapter 7 in *Information technology auditing*
- Tysiac, K. (2015). Driving faster decisions. *Journal of Accountancy*, 219(4), 48-51,10.
- Vasarhelyi, M. A., Warren Jr., D., Teeter, R. A., & Títera, W. R. (2014). Embracing the automated audit. *Journal of Accountancy*, 217(4), 34-37.

Discussion (25 points)

Critical Thinking (75 points)

Choose one of the following two assignments to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the Critical Thinking Assignment, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: Input Controls and Data Processing

You have been hired by a catalog company to computerize its sales order entry forms. Approximately 60 percent of all orders are received over the telephone, with the remainder either mailed or faxed in. The company wants the phone orders to be input as they are received.

The mail and fax orders can be batched together in groups of fifty and submitted for data entry as they become ready. The following information is collected for each order:

- Customer number (if a customer does not have one, one needs to be assigned)
- Customer name
- Address
- Payment method (credit card or money order)
- Credit card number and expiration date (if necessary)
- Items ordered and quantity
- Unit price.

Required: Determine control techniques to make sure that all orders are entered accurately into the system. Discuss any differences in control measures between the batch and the real-time processing.

Your submission should be four to five pages in length (excluding cover page and references) and formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials. Review the grading rubric to see how you will be graded for this assignment.

Option #2: Using CAATT to test controls

In the textbook, other readings, and provided videos we were introduced to computer-assisted audit tools (CAATT). Our textbook uses examples from the tool called ACL. Please provide a hypothetical example of how you might use this tool to audit controls within an automated system for your client. The textbook includes a description of five test approaches. You may use diagrams as appropriate.

Make sure you address the following:

- Describe your client's industry.
- Describe the type of Cloud- or ERP-based accounting system the client has.
- Explain the area(s) for testing controls. Be sure to address the five approaches we learned from the textbook.
- Describe the application logic you are proposing to test.
- Describe the test data you will utilize
- Describe the anticipated results.

Your submission should be four to five pages in length (excluding cover page and references) and formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials. Review the grading rubric to see how you will be graded for this assignment.

Portfolio Project Milestone (25 points)

Choose one of the following two Portfolio Milestones to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the milestone, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: Identification of Controls

For this milestone, submit a Word document describing how you plan to do the following. Note that the actual audit schedule will not be completed until Module 8. In the paper, discuss your plan for the following:

1. Identify "what could go wrong" in the audit.
2. Identify SSD's Control Activities.
3. Identify potential Test of Controls.
4. Identify Internal Control Deficiencies SSD may have.

5. Summarize how SSD can take advantage of CAATT tools.

Option #2: Expenditure Cycle

For this milestone, submit a Word document describing how you plan to do the following. Note that the actual audit work will not be submitted until Module 8. In the paper, discuss your plan for the following:

1. Steps 1a-h from the audit program E1-1
2. Step 4a from the audit program E1-1
3. Proposed adjusting journal entries. You should assume that there was no systematic pattern or intent to commit a fraud based on a review and discussion with client personnel concerning observed deviations and misstatements.

Module 6

Readings

- Chapter 8 in *Information technology auditing*
- Corkern, S. M., Kimmel, S. B., & Morehead, B. (2015). Accountants need to be prepared for the big question: Should I move to the cloud? *International Journal of Management & Information Systems (IJMIS)*, 19(1), 13.
- Johnston, R. (2017). Cloud accounting—Way of the future or a tool for now? *CPA Practice Advisor*, 27(9), 26-27.

Discussion (25 points)

Live Classroom (0 points)

Critical Thinking (75 points)

Choose one of the following two assignments to complete this week. Do *not* complete both assignments. Identify your assignment choice in the title of your submission. Note that, while there are two options for the Critical Thinking Assignment, there is only one rubric. Review the rubric to confirm you are meeting the assignment requirements.

Option #1: St James Clothiers

Beasley et al. (2015): St. James Clothiers (Case 5.4)

Note: While the cases for the Critical Thinking Assignments are available in your textbook, the questions and submission requirements will differ. Be sure to answer the questions as written in the course syllabus.

Requirements:

1. After reviewing the case, complete the following requirements:
 - a. Describe cloud accounting.
 - b. Discuss the benefits to St. James of Cloud accounting.
 - c. Discuss the risks to St. James of Cloud accounting.
2. Prepare a memorandum for the audit partner. In the memo, describe the following:
 - a. The risk in the current system
 - b. The features that can minimize the risk of current system
 - c. The new risks for material misstatement

- d. The recommendations for the suggested conversion.

Use the information and documents provided in the 5.4 case study. Submit your answer in a Microsoft Word file.

Your submission should be four to five pages in length (excluding cover page and references) and formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials. Review the grading rubric to see how you will be graded for this assignment.

Option #2: Henrico Retail, Inc.

Beasley (2015) et al.: Henrico Retail, Inc. (Case 9.2)

Note: While the cases for the Critical Thinking Assignments are available in your textbook, the questions and submission requirements will differ. Be sure to answer the questions as written in the course syllabus.

Requirements:

1. After reviewing the case, complete the following requirements.
 - a. Describe the sales transaction audit trail from the point of sale to the general ledger posting to the consolidated sales accounts at the corporate office. Be sure to emphasize which aspects of the audit trail are in paper and which are in electronic form.
 - b. Define *preventative control* and *detective control*. Then explain the differences between the two controls. Use Henrico's sales system as examples of the controls.
 - c. Propose strategy for auditing occurrence assertion, accuracy assertion, and completeness assertion for sales. In your strategy, address paper-based audit trail and electronic audit trail.
 - d. Describe the risks related to the manual as well as automated controls.
2. Prepare a memorandum for the audit partner. In the memo, describe the following:
 - a. The control deficiencies in the current sales system
 - b. The features that can minimize the deficiencies in the current sales system.

Use the information and documents provided in the 9.2 case study. Submit your answer in a Microsoft Word file.

Your submission should be four to five pages in length (excluding cover page and references) and formatted according to the *CSU-Global Guide to Writing and APA*. Be sure to discuss and reference concepts taken from the assigned textbook reading and relevant research. You must include a minimum of three credible, academic, or professional references beyond the text or other course materials. Review the grading rubric to see how you will be graded for this assignment.

Module 7

Readings

- Chapter 11 in *Information technology auditing*

- Grabski, S. V., Leech, S. A., & Schmidt, P. J. (2011). A review of ERP research: A future agenda for accounting information systems. *Journal of Information Systems*, 25(1), 37-78.
- PricewaterhouseCoopers. (2017). System and Organization Controls (SOC) reporting. Retrieved from <https://www.pwc.com/us/en/services/risk-assurance/third-party-assurance/soc-reporting.html>

Discussion (25 points)

Portfolio Project Reminder (0 points)

You do not have a Critical Thinking Assignment this week. Instead, you should be working on your Portfolio Project, which is due next week.

Module 8

Readings

- Chapter 4 in *Information technology auditing*
- Ilias, A. (2017). The practitioner's expectation of real-time reporting: Case of the eXtensible business reporting language (XBRL). *Global Business and Management Research*, 9(3), 1.
- Raphae, J. (2017). Rethinking the audit. *Journal of Accountancy*, 223(4), 28-32.

Discussion (25 points)

Portfolio Project (300 points)

Choose one of the following two Portfolio Projects to complete. Do not do both assignments. Identify your assignment choice in the title of your submission. Review the Portfolio Project grading rubric to understand how you'll be graded on your project. Note that both assignment choices require Portfolio Project Milestone assignments throughout the course.

Portfolio Project Option #1: The Revenue Cycle

Review Option #1 and Option #2 and select the Portfolio Project you will complete. You only need to complete one of the two options. For Portfolio Project Option #1, we will explore various aspects of auditing of the fictitious company Southeast Shoe Distribution, Inc. We will recap various topics studied in our module work and utilize a Case Study. The project will have two milestones and a final deliverable.

1. **Milestone #1 (25 points, in Module 2)** will be to review the case information and requirements provided in Option #1 and Option #2 and select the option you will complete. Additionally, based on your option selection, you will answer a few questions.
2. **Milestone #2 (25 points, in Module 5)** will explore the identification of tests of control for the revenue cycle. We will use Case Study 10.1. We will explore how tests of control of the revenue cycle could also be done using CAATT software.
3. **Final Deliverable (300 points):** In addition to milestones #1 and #2, you will include the following:
 - a. Explore, more specifically, the use of substantive tests. Using Case Study 10.2, we will explore and identify how substantive tests of the revenue cycle could also be done using CAATT software.
 - b. Prepare a PowerPoint presentation and Memo to Client about the phases of the fieldwork and the results of testing.

Each of the Case studies is provided in our casebook (Beasley et al., 2015). Documents and other supporting material used in the case can be found at:

https://media.pearsoncmg.com/ph/bp/bridgepages/bp_beasley_bridgepage/6e/

Note: the questions you will answer about the cases will be different than the questions in the text. Be sure to answer the questions from the course syllabus.

Prepare and submit a PowerPoint presentation, which will serve as the kickoff meeting between you and the client. The PowerPoint requirements are as follows:

- a. Six to eight slides, not including title and reference page slide.
- b. Slide # 1 should indicate the Option choice that you have selected.
- c. Address the techniques you anticipate using on the audit work, form, and report formats.
- d. Explain how this work would differ if this was a public company.
- e. Explain how you will report findings of deficiencies, the format of blank form R-33.
- f. Next, describe the importance of SSD's control activities given its large number of customers and vendors.
- g. Discuss what types of similar experiences you may have had, or perhaps anticipate having, in your career.
- h. Provide a reference draft for the project portfolio you selected. Cite three articles other than the textbook or other course materials.

Case 10-1

For this segment, we are completing Case 10.1 in the casebook. The table below shows all the requirements for this case.

	Requirement	Audit schedule to use:
1	Identify "what could go wrong" by completing step 5 of the R1-1 audit program.	R1-1, R31-1, R31-2, R31-3
2	Identify SSD's Control Activities by completing step 6 of the R1-1 audit program.	R1-1, R32-1, R32-2, R32-3
3	Identify potential Test of Controls by completing step 7 of the R1-1 audit program.	R1-1, R40-1, R40-2, R40-3
4	Identify Internal Control Deficiencies SSD may have by completing step 8 of the R1-1 audit program.	R1-1, R32
5	How would your work differ if SSD was a public company? What other factors would you need to consider?	Answer using a blank Word File
6	For each internal control deficiency, you listed in audit schedule R 33 (requirement 3), identify at least one control activity that would remediate the deficiency.	R33 (or R32)
7	Describe the importance of SSD's control activities given its large number of customers and vendors.	Answer using a blank Word File

8	Describe a hypothetical scenario where SSD could take advantage of CAATTs as we described in the textbook & videos.	Answer using a blank Word File
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1. Complete and submit the audit schedules in #1 above, relating to “what could go wrong.” Use the audit schedules identified above.
2. Complete and submit the audit schedules in #2 above, relating to Control Activities. Use the audit schedules identified above.
3. Complete and submit the audit schedule in #3 above, relating to potential tests of controls. Use the audit schedules identified above.
4. Complete and submit the audit schedule in #4 above, relating to internal control deficiencies. Use the audit schedules identified above.
5. Complete and submit the audit schedule in #6 above, relating to internal control deficiencies.
6. Complete Step 8 and submit your ideas on how SSD could take advantage of CAATT tools.

Case 10.2

For this segment, we are completing Case 10.2 in the casebook. The table below shows all the requirements for this case.

	Requirement	Audit schedule to use:
1	Complete audit steps 1 and 2 from the audit program R1-2 to obtain an understanding of the documents and records used by SSD for sales and cash transactions by completing the items in R1-2 audit program.	R1-2
2	Identify potential substantive tests by completing steps 3a, 3b, and 3c from the audit program R1-2. SSD’s Control Activities by completing step 6 of the R1-1 audit program.	R1-2, R41-1, R41-2, R41-3
3	What are some of the factors that influence the level of assurance obtained through substantive audit tests?	Answer using a blank Word File
4a	For a given account, why might an auditor choose to not conduct substantive tests?	Answer using a blank Word File
4b	For a given account, why might an auditor choose to not conduct substantive tests?	Answer using a blank Word File
5	Continue the hypothetical example where SSD could take advantage of CAATTs. Describe a scenario on how a CAATS tool could be used for substantive testing.	Answer using a blank Word File

Prepare and submit a PowerPoint presentation, which will serve as the Close-out meeting between you and the client. The requirements of the PowerPoint are as follows:

1. Six to eight slides, not including title and reference page slide.
2. Slide #1 should summarize the results.
3. Presentation should include a discussion of CAATTs.
4. Other considerations.

Portfolio Project Option #2: The Expense Cycle

For Portfolio Project Option #2, we will do a Case Study 10.4 and 10.5 for the fictitious company Southeast Shoe Distribution, Inc. The project will have two milestones and a final deliverable.

1. **Milestone #1 (25 points, in Module 2)** will be to review the case information and requirements provided in Option #1 and Option #2 and select the option you will complete. Additionally, based on your option selection, you will answer a few questions.
2. **Milestone #2 (25 points, in Module 5)** will explore the Case Study 10.4 that relates primarily to the Performance of Tests of Transactions for the Expenditure Cycle (Acquisition and Cash Disbursement).
3. **Final Deliverable (300 points):** In addition to Milestones #1 and #2, you will include the following:
 - a. Explore the Case Study 10.5 that relates primarily to the Performance of Tests of Balances for the Expenditure Cycle.
 - b. Prepare a PowerPoint presentation and Memo to Client about the phases of the fieldwork and the results of testing.

Each of the Case studies is provided in our casebook (Beasley et al., 2015). Documents and other material used in the case can be found

at: https://media.pearsoncmg.com/ph/bp/bridgepages/bp_beasley_bridgepage/6e/

Note: the questions you will answer about the cases will be different than the questions in the text. Be sure to answer the questions from the course syllabus.

Case 10.4

Prepare and Submit a PowerPoint presentation which will serve as the kickoff meeting between you and the client. The requirement of the PowerPoint is:

- a) Six to eight slides, not including title and reference page slide.
- b) Slide # 1 should indicate the Option choice that you have selected.
- c) Address the techniques you anticipate using on the audit work, form and report formats.
- d) Review and comment on the flowcharts on audit schedules E20-1 and E20-2 and become familiar with the accounting Documents and records used with purchases (requirement 1 in Beasley et al. 10.4 (2015).
- e) Provide a reference draft for the Portfolio Project you selected.

Case 10.4

For this segment, we are completing Case 10.4 in the casebook. The table below shows all the requirements for this case.

	Requirement	Audit schedule to use:
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1	Review and comment on the flowcharts on audit schedules E20-1 and E20-2 and become familiar with the accounting documents and records used with purchases. Review the work of your colleague, auditor Joy Avery.	E1-1, E1-2, E30, E32, E33, E34, E40, E41, E42, E43, E44
2	Complete Steps 1a-h from the audit program E1-1. See various assumptions and policies listed in casebook material.	E1-1, E31 and E1-1 and E35
3	Complete step 4a from the audit program E1-1. See assumptions listed in casebook material.	E1-1 and E35
4	Document any adjusting journal entries you propose on audit schedule E11 for any observed misstatements. You should assume that there was no systematic pattern or intent to commit a fraud based on a review and discussion with client personnel concerning observed deviations and misstatements.	E11
5	Describe a hypothetical scenario where SSD could take advantage of CAATTs as we described in the textbook and videos.	Answer using a blank Word File

1. Complete requirement 2 as listed in the Casebook and use the audit schedules identified above.
2. Complete requirement 3 as listed in the Casebook and use the audit schedules identified above.
3. Complete requirement 4 as listed in the Casebook and use the audit schedules identified above.

Case 10.5

For this segment, we are completing Case 10.5 in the casebook. The table below shows all the requirements for this case.

	Requirement	Audit schedule to use:
1	Complete audit procedures listed on audit program E2. The supporting documents to be examined for this audit procedure are vouchers, vendor invoices, receiving reports, and purchase orders. See casebook for additional assumptions and details.	E53, E2
2	Document your adjusting entries for any observed misstatements that you propose on schedule E11. Then update the accounts payable lead schedule on audit schedule E10. Assume that there was no systematic pattern or intent to commit a fraud based on a review and discussion with client personnel concerning observed misstatements, if any.	E11, E10
3	Continue the hypothetical example where SSD could take advantage of CAATTs. Describe a scenario on how a CAATS tool could be used for testing of balances.	Answer using a blank Word File

Prepare and submit a PowerPoint presentation, which will serve as the Close-out meeting between you and the client. The requirements of the PowerPoint are as follows:

1. Six to eight slides, not including title and reference page slide
2. Slide #1 should summarize the results.
3. Presentation should include a discussion of CAATTs.
4. Other considerations.

COURSE POLICIES

Grading Scale	
A	95.0 – 100
A-	90.0 – 94.9
B+	86.7 – 89.9
B	83.3 – 86.6
B-	80.0 – 83.2
C+	75.0 – 79.9
C	70.0 – 74.9
D	60.0 – 69.9
F	59.9 or below

Course Grading

20% Discussion Participation
45% Critical Thinking Assignments
35% Portfolio Project & Milestones
0% Live Classroom Sessions

IN-CLASSROOM POLICIES

For information on late work and incomplete grade policies, please refer to our [In-Classroom Student Policies and Guidelines](#) or the Academic Catalog for comprehensive documentation of CSU-Global institutional policies.

Academic Integrity

Students must assume responsibility for maintaining honesty in all work submitted for credit and in any other work designated by the instructor of the course. Academic dishonesty includes cheating, fabrication, facilitating academic dishonesty, plagiarism, reusing /re-purposing your own work (see *CSU-Global Guide to Writing and APA Requirements* for percentage of repurposed work that can be used in an assignment), unauthorized possession of academic materials, and unauthorized collaboration. The CSU-Global Library provides information on how students can avoid plagiarism by understanding what it is and how to use the Library and Internet resources.

Citing Sources with APA Style

All students are expected to follow the *CSU-Global Guide to Writing and APA Requirements* when citing in APA (based on the APA Style Manual, 6th edition) for all assignments. For details on CSU-Global APA style, please review the APA resources within the CSU-Global Library under the “APA Guide & Resources” link. A link to this document should also be provided within most assignment descriptions in your course.

Disability Services Statement

CSU–Global is committed to providing reasonable accommodations for all persons with disabilities. Any student with a documented disability requesting academic accommodations should contact the Disability Resource Coordinator at 720-279-0650 and/or email ada@CSUGlobal.edu for additional information to coordinate reasonable accommodations for students with documented disabilities.

Netiquette

Respect the diversity of opinions among the instructor and classmates and engage with them in a courteous, respectful, and professional manner. All posts and classroom communication must be conducted in accordance with the student code of conduct. Think before you push the Send button. Did you say just what you meant? How will the person on the other end read the words?

Maintain an environment free of harassment, stalking, threats, abuse, insults or humiliation toward the instructor and classmates. This includes, but is not limited to, demeaning written or oral comments of an ethnic, religious, age, disability, sexist (or sexual orientation), or racist nature; and the unwanted sexual advances or intimidations by email, or on discussion boards and other postings within or connected to the online classroom. If you have concerns about something that has been said, please let your instructor know.