

The mission of McKendree University is to provide a high quality educational experience to outstanding students.

~Responsible Citizenship ~Engagement ~Academic Excellence ~Lifelong Learning~

**COURSE SYLLABUS
ACC 421 - INTRODUCTION TO AUDITING
ONLINE**

Text: Auditing & Assurance Services (16th edition) by Arens, Elder, Beasley and Hogan published by Pearson, 2017 ISBN: 9780134065823

Course overview: This course deals with the professional service industry of auditing. Emphasis is on the professional standards and procedures used by certified public accountants and internal auditors in examination of accounting records and financial statements. Topics covered include independence, internal controls, audit evidence, audit reports, professional ethics, fraud, and auditor's legal liability.

Course goals:

1. Students should understand the current auditing environment.
2. Students should understand the steps in the audit process and the role of risk assessment and internal controls in the process.

Course objectives: At the end of the term, the student should:

1. Understand the current auditing environment. This includes knowledge of auditing standards (AICPA and PCAOB), quality control, ethics, and legal liabilities associated with audits.
2. Understand the steps in the audit process.
3. Understand the role of internal controls in an audit and the requirement to attest to the adequacy of the internal controls of public companies.
4. Understand audit objectives and the nature of audit evidence accumulated to meet these objectives.
5. Demonstrate knowledge of reports to be issued.

Course grading: Final grades will be assigned based on points earned on homework, case questions, case presentations, three examinations and course engagement as follows:

Homework (10 points each)	210
Case questions (4 X 15)	60
Case presentation & discussion (presenter)	50
Exam #1	150
Exam #2	150
Comprehensive final exam	300
Course Engagement & Evaluation	<u>80</u>
Total points	1000

Letter grades will be assigned based on the following scale:

935-100 A
895-934 A-
865-894 B+
835-864 B
795-834 B-
765-794 C+
735-764 C
695-734 C-
595-694 D
< 594 F

The instructor reserves the right to make adjustments to the grading criteria. Homework must be submitted by 11:59 PM on the due date – no points will be awarded for late homework. This is an accelerated course that covers much material so you should plan on reading, completing homework or posting to discussion boards most evenings.

The homework consists of fill-in notes for each chapter, textbook problems, and various worksheets and Internet assignments to be completed throughout the course. Each of these will be worth 10 points. Note: Auditing involves reading and understanding extensive and detailed standards and other literature. You must read the book with a focus on the detailed language – reasonable assurance and limited assurance are not the same thing. The fill-in notes from each chapter are intended to encourage your reading at a detailed level and help you focus on the most important content. Please ask questions on the discussion board thread if you have question on the module content. As with most accounting topics, videos covering auditing topics are also available on the internet.

Four groups of 1-2 students will prepare presentations for assigned audit cases. Case questions will be worth 15 points per case (for presenting and non-presenting students). The quality of student case presentations will be graded out of 50 points with 10 of those points for the quality of student discussion the group generates.

Course engagement points of 0 – 9 will be awarded for each module depending on student level of engagement with classmates and with the instructor. This is a critical portion of the class and, historically, students who earned high discussion points were better prepared for the exams. Engagement points can be earned for asking questions, answering a classmate's question, responding to a discussion question posted by me, or posting about an interesting experience or article related to auditing (e.g., internal controls in your workplace or audit failures about which you have read).

Eight points will be awarded to students who complete the course evaluation prior to the last day of class (I can see who has completed the evaluation but not what they have said).

There will be three exams, including a comprehensive final exam, during the course. The exams must be completed independently and students will be required to use Respondus software to reduce collaboration during exams.

Schedule of Module Topics (See separate Calendar of Assignments with due dates):

Module 1

Chapter 1 Auditing and Attestation

(Also refer to Chapter 25 and the Web link for SSARS 21)

Chapter 2 (Part 1) CPA Profession

Case ZZZZ Best

Module 2

Chapter 2 (Part 2) Auditing Standards and Quality Control

Chapter 9 Audit Risk Model

Case IFG Leasing

Module 3

Exam #1

Chapter 3 Audit Reports

Module 4
Chapter 4 Independence and Ethics
Chapter 5 Legal Liability

Module 5
Chapter 6 Audit Objectives
Exam #2

Module 6
Chapter 7 Audit Evidence
Case Mattel

Module 7
Chapter 8 Audit Planning and Materiality
Case USSC

Module 8
Chapters 11 & 12 Internal Control
Comprehensive Final Exam

Professional integrity: An audit opinion from an auditor whose integrity is questioned is of little value. Therefore, each auditing student must exhibit the highest standards of ethical behavior. Anything less such as cheating (including working together on exams or accessing publisher or outside answer keys), plagiarizing, or lying will result in a failing class grade. In the case of serious or repeated violations, additional sanctions (such as academic probation or suspension) are possible.

Student email: Every student is issued a McKendree email account which is one of the major means of communication from departments such as the Office of Academic Records, Student Affairs and the Business Office. All students are responsible for checking their McKendree email accounts regularly, and are accountable for all information disseminated to their email accounts. Failure to read university communications sent to McKendree email accounts does not absolve students from knowing and complying with the content of these communications. I will use McKendree email accounts (and Blackboard) for class announcements.

ADA policy: The School of Business conforms to the disability policies of McKendree University. The Student Success Center provides coordination and implementation of special accommodations for students with documented disabilities. Services for students with disabilities are provided to help the student integrate in the entire college experience.