



**Sam Houston State University  
College of Business Administration  
Department of Accounting  
Syllabus – Spring Semester 2008**

<b>Course Number and Title:</b>	ACC 481(W) – Auditing Principles		
<b>Section, Meeting Days, Time and Location:</b>	01	MW	2:00 - 3:20pm SHB 331
	02	TT	2:00 - 3:20pm SHB 331
	03	MW -- Accelerated	8:00 - 10:50am SHB 331
<b>Prerequisites:</b>	ACC 366 – Intermediate Accounting II (C or better) ACC 381 – Principles of Accounting Systems Design (C or better)		
<b>Professor:</b>	Ronny Daigle		
<b>Office:</b>	SHB 311-D		
<b>Office Hours:</b>	Monday thru Thursday from 3:30-5:00pm Tuesday and Thursday from 11:00am-12:30pm and by appointment		
<b>Telephone:</b>	936-294-1479		
<b>Email:</b>	<a href="mailto:daigle@shsu.edu">daigle@shsu.edu</a>		
<b>Required Text:</b>	<b>Auditing and Assurance Services – An Integrated Approach (12<sup>th</sup> Edition)</b> by Arens, Elder and Beasley (ISBN-10: 0-13-612827-0 or ISBN-13: 0-13-612827-4)		
<b>Supplemental Items:</b>	<b>Bisk CPA Ready Comprehensive CPA Exam Review</b> – Available at <a href="http://www.cpaexam.com/Scripts/Login/Login.aspx?key=FBD1E087-4273-4902-88AF-48C18D458EC2">http://www.cpaexam.com/Scripts/Login/Login.aspx?key=FBD1E087-4273-4902-88AF-48C18D458EC2</a> .		

Please go to the above link and register, setting up your own user name and password. Instructions for doing so are posted at Blackboard under **Course Information**.

I will suggest questions to study from this website in conjunction with course material covered. Suggested questions, answers and explanations will be posted throughout the semester at Blackboard under **Course Documents**. I will use some of the questions (whether modified or verbatim) on exams.

**Other Materials:**

Handouts and Powerpoint slides will be provided throughout the semester for complimenting and emphasizing textbook material. Many of these items will be posted at Blackboard, while some will be handed out in class.

### ***Course Description per the Course Catalog***

An introduction to auditing concepts and procedures. Emphasizes generally accepted auditing standards; professional responsibilities; the nature, acquisition, evaluation, and documentation of audit evidence; internal control; and the auditor's reports.

### ***General Course Objectives***

Upon completion of this course students will have:

1. Gained factual knowledge (terminology, classifications, methods, trends) about auditing, the audit process and the audit profession.
2. Learned fundamental principles, generalizations and theories about auditing, including why audits are demanded, the framework of generally accepted auditing standards, audit assertions and audit objectives.
3. Learned to apply course material to improve thinking, problem-solving, and decisions such as with planning an audit, making materiality decisions and risk assessments, gathering and assessing evidence, and making sound professional judgments as an auditor.
4. Developed specific skills, competencies, and points of view needed by audit professionals, such as professional skepticism and sound ethical behavior as an auditor.

### ***Specific Course Objectives***

Upon completion of this course students will have learned:

1. specific aspects of the **audit profession**, including:
  - why auditing is demanded.
  - the role of audit standards as promulgated by the AICPA Auditing Standards Board and the PCAOB, firm quality control and peer review.
  - types of audit reports and understanding when a particular report may be issued.
  - the importance of ethics, independence, and the code of professional conduct for guiding auditors.
2. specific aspects of the **audit process**, including:
  - auditor vs. client responsibilities on an audit, audit assertions and objectives, evidence accumulation and assessment, and workpaper documentation.
  - planning audit engagements, including the use of analytical procedures.

- materiality judgments and risk assessments on an audit.
  - the importance of understanding, documenting, assessing and testing internal controls on both a financial statement audit and the audit of internal control over financial reporting.
  - the auditor's responsibility for detecting fraud.
3. how to **apply the audit process** to:
- the sales and collection cycle.
  - auditing cash.
5. specific aspects of **completing an audit**, including:
- the review for contingent liabilities and commitments, the review for subsequent events, the issuance of the audit report and required auditor communications.

### *Student Syllabus Guidelines*

The link below provides a more detailed description of a number of syllabus guidelines. Students are responsible for familiarizing themselves with these guidelines and understanding the implications of not following them.

<http://www.shsu.edu/syllabus/>

**Academic Dishonesty:** Students are expected to maintain honesty and integrity in the academic experiences both in and out of the classroom. University policies will be enforced for any and all instances of academic dishonesty. *See link above for further discussion of this policy.*

**Student Absences on Religious Holy Days:** Students are allowed to miss class and other required activities, including exams, for the observance of a religious holy day, including travel for that purpose. Students remain responsible for all work. *See link above for further discussion of this policy.*

**Students with Disabilities Policy:** It is the policy of Sam Houston State University that individuals otherwise qualified shall not be excluded, solely by reason of their disability, from participation in any academic program of the university. Further, they shall not be denied the benefits of these programs nor shall they be subjected to discrimination. Students with disabilities that might affect their academic performance should visit with the Office of Services for Students with Disabilities located in the Counseling Center. *See link above for further discussion of this policy.*

**Visitors in the Classroom:** Only registered students may attend class. Department of Accounting policy requires permission of the Department Chair for non-registered students to attend class. Students wishing to audit a class must apply to do so through the Registrar's Office.

**Classroom Conduct:** Students will assist in maintaining a classroom environment that is conducive to learning. Everyone will treat everyone else in the class with respect. This includes, but is not limited to:

- arriving to class on time;
- not leaving early unless giving notification to the professor before class;

- not talking about non-class-related matters during class;
- not reading newspapers, books or other items during class;
- not browsing or working on a computer for non-class related matters during class;
- not text-messaging during class;
- not studying or working on items from other classes during class.

Electronic devices such as cellphones, PDAs, iPods, etc. are to be powered down and put away during class. No type of electronic device is to be used during exams. All electronic devices are to be powered down and put away during exams. Any use of an electronic device during an exam can be considered an act of academic dishonesty.

Students are expected to read assigned material and perform assigned homework before class. Students should not be afraid to speak up and/or ask questions during class. Students will be called upon to answer questions (including homework problems) rather than a simple asking for volunteers. This practice is not intended to be embarrassing; rather, verbal communication skills and the ability to "think on one's feet" are important for all business professionals, including auditors.

### *Measurements of Progress*

There are three types of evaluation and progress measurement methods in this course: 1) exams, 2) homework and quizzes and 3) a written assignments. The total number of points from these is **600 points**.

#### **Exams (a.k.a. Opportunities for Excellence):**

There will be three regular semester exams **each worth 100 points** and a final exam worth **115 points**. The class schedule shows the date of, as well as the material covered on, each exam. Exams will consist of both multiple choice and essay/discussion questions. This component of a student's grade is worth a total of **415 points**.

A comprehensive make-up exam of concepts covered on the first three exams will be given during the second to last regularly scheduled class period of the semester (see schedule for that date. Any student can take this exam for the purpose of replacing his/her lowest score of the first three exams taken. There is no penalty for earning a score on the make-up exam that is lower than the lowest test grade of the first three exams taken. The three highest exam scores of those four exams will be used to determine a student's letter grade in the course.

Students who miss any one of the first three exams for a university-allowable excuse can take the comprehensive make-up exam in lieu of the missed exam. Failing to take advantage of this make-up opportunity will result in a grade of zero being assigned to the missed exam. The student is responsible for letting the professor know as soon as reasonably possible his/her university-allowable excuse. Failing to do so within a reasonable timeframe will result in no opportunity for taking the make-up exam to replace the missed exam. If more than one of the first three exams is missed, no make-up will be allowed for those missed exams beyond the first one, with a grade of zero assigned to those missed exams beyond the first one being made up for.

***The final exam is not comprehensive. All students must take the final exam.***

## **Homework and Quizzes:**

The purpose of homework is to help students introduce themselves to course material, acquire knowledge, motivate students to consistently keep up with course material, aid class discussion and prepare students for exams. The class schedule shows specific homework problems assigned from the textbook and their associated due dates. Instructions for some homework problems may be modified by the professor. Such modifications will be communicated to students in a timely manner.

Homework problems are to be completed before the scheduled class period shown on the class schedule. Homework will be randomly checked at the beginning of the class period due. Points will be earned based on the attempt at answering the assigned problems. Each set of homework problems checked is worth **5 points**.

Announced/unannounced quizzes may be given throughout the semester. The purpose of quizzes is to motivate students to retain knowledge discussed in the course and prepare students for exams. Each quiz is worth **5 points**.

The 15 highest homework/quiz grades will be considered in the determination of a student's letter grade for the course. Because only the 15 highest are considered, there is no make-up policy for missed homework and quizzes. If a student knows he/she is going to miss a class period, the student may turn in their homework beforehand, either in person or via email, so as to get credit for that day if homework is checked or a quiz is given. This component of a student's grade is worth a total of **75 points**.

## **Assignments:**

Three assignments will be completed during this semester. Respective due dates and points worth are shown on the class schedule. The purposes of assignments are to provide further appreciation of a particular audit topic, as well as help develop problem-solving, decision-making and technical writing skills. This course is noted in the course catalog as a writing course. Because of this, such aspects as grammar, spelling, and sentence structure will be evaluated when assigning grades to assignments. Professional writing skills are absolutely essential for having a successful business career, including that of an auditor.

The first two assignments will be done individually while the third will be done in groups of three students. At a later time this semester, I will form groups for the third assignment. Group members will evaluate each other for determining individual assignment grades, as opposed to the grade given to the assignment at the group level. I will provide suggested guidance that should be helpful with evaluating group members.

Failing to turn in an assignment at the beginning of the class due without a university-allowable excuse will result in a score of zero. Students are responsible for letting the professor know as soon as reasonably possible their university-allowable excuse. Failing to do so within a reasonable timeframe will result in a score of zero for the assignment (this includes the group assignment). This component of a student's grade is worth **110 points**.

## *Course Evaluation*

A student will guarantee earning a specific letter grade in the course based on the following:

≥ 540 points earned guarantees a letter grade of A

≥ 480 and < 539 points earned guarantees a letter grade of B

≥ 420 and < 479 points earned **AND** at least **291** of those points earned through exams (at least 70% of 415 exam points possible) guarantees a letter grade of C – else a letter grade of D is earned

≥ 360 and < 419 points earned **AND** at least 249 of those points earned through exams (at least 60% of 415 exam points possible) guarantees a letter grade of D – else a letter grade of F is earned

< 360 points earned results in a letter grade of F

Note that there are two requirements for earning of a course letter grade of C and D. A student must ***first*** exhibit through exams that a certain minimum level of knowledge has been acquired. The purpose of homework, quizzes, and assignments is to help acquire knowledge – knowledge that will be tested via exams. If a given minimum level of knowledge through taking exams is not shown to have been acquired by a given student, the purpose of homework, quizzes and assignments is not met, thereby eliminating their value for determining the student’s course letter grade.

### ***Attendance Policy***

Department of Accounting policy requires that roll be taken each class period for administrative purposes. However, attendance is ***not*** considered in a student’s course letter grade. Missing class will seriously detract from one’s learning experience, as well as that of all other students, because class discussion by all students helps all who are present. Handouts and assignment materials may be provided in class. If a student is not present when such items are distributed, the student remains responsible for taking the initiative to obtain them.

***Last Day to Drop Without Receiving a Letter Grade of an F: May 8, 2007***

### ***Utilization of Blackboard***

Many course-related items will be distributed through Blackboard. To access your specific Blackboard account for this class, log on to the SHSU home page at [www.shsu.edu](http://www.shsu.edu) and click on the term “Blackboard” in the lower right hand portion of the screen. A screen requiring your user name and password will come up. Your user name is your SHSU user name such as STDXXXXXX and your password is the one you use to get on to the SHSU system. If you do not have an account set up on Blackboard, you can click on the Account Activation tab.

### ***Utilization of Email***

Email will be used to communicate time sensitive information to the class. The Blackboard mail system will be utilized which will send email to your student address as recorded in the SHSU system. If that address is not the primary address that you use and check daily, you can have that address forwarded to your preferred address by contacting University Computer Services help desk at extension 1950.

### ***Changes in the Class Schedule***

Course progress over a semester may differ from that specified in the initial class schedule. If adjustments are necessary, an updated schedule will be provided in a timely manner, incorporating any necessary schedule changes.

***One last item – I hope you have a great semester in this and all your courses!***