

Accounting 5318-001
 Studies in Auditing
 Assignment Sheet – Fall 2007
 Dr. McConnell

<u>DATE</u>	<u>TEXT CHAPTERS</u>	<u>AICPA CODIFICATION PROFESSIONAL STANDARDS:</u>	<u>OTHER READINGS: BIRD'S COPIES PACKET: and <u>KNAPP TEXT CASES</u></u>	<u>HOMEWORK ASSIGNMENTS</u>
Aug. 27	Orientation; Video: Money Laundering Schemes			
Sep. 3	Labor day			
Sep. 10	Chapter 3	Au 508, 543, 504, 410 <u>411,420,431,341,532</u>		3-23, 24, 25, 28, 29, 33
Sep. 17	Chapter 15	Au 350; SAS <u>111</u> : Amendments to Au 350		15-26, 33
Sep. 24	Chapter 5		Fred Stern & Co., Bar Chris Construction@, <i>First Securities Co., Health Management,</i> Oak Industries	5 -16, 17, 19, 20
Oct. 1	Chapter 20	Au <u>342</u> , <u>332</u> *	<i>U.S. Surgical, ZZZ Best, HealthSouth.</i>	
Oct. 8	EXAM I (Chapters 3, 5, 15 and associated cases)			
Oct. 15	Critique exam and Chapter 21	Au 331, 901*	<i>Livent, Inc., National Medical Transportation</i>	
Oct. 22	Chapter 21	Au <u>625</u>	<i>Leslie Fay, Doughtie's Foods@, Crazy Eddie, Goodner Bros.@, Bill Deberger</i>	20-17, 18, 19, 20

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Oct. 29	Chapter 24	Au 333,337,560,530,561,390,550, 544*, 551	<i>Triton Energy Ltd., Star Technologies</i>	24-22,23,24,25,28 (#28 is very important)
Nov. 5	EXAM II (Ch. 20 through Ch. 24 and associated cases)		<i>AMRE, Inc. [this case tested on Final exam]</i>	
Nov. 12	Critique exam and Chapter 25	Au 558, <u>623</u> , 801*, 622, <u>625</u> , <u>722</u> 324*; AR100, 110, 200*-600*; AT101, also AT 201*-701*[excluding AT 501]	<i>National Student Marketing</i>	25-18, 19, 20
Nov. 16	Last day to drop course			
Nov. 19	New AICPA Risk Assessment Audit Standards	<u>120</u> , <u>339</u> ; <u>SAS 104 -114</u>	Regina Vacuum Cleaner Co.@; <i>Lincoln Savings and Loan</i> , "Implementing The New ASB Risk Assessment Audit Standards," <u>CPA Journal</u> , 6/07	
Nov. 22	Thanksgiving Holiday			
Nov. 26	Embezzlement Schemes and Missappropriation of Assets: Chapter 11	Au 316	<i>Equity Funding</i>	
Dec. 3	Sarbanes-Oxley sec. 404 Internal Control Certification Requirements; considerations in auditing journal entries		<i>Enron Corporation</i> ; "Sarbanes-Oxley: Auditing the Auditors?" 2003; "How Sarbanes-Oxley Will Change The Audit Process", <u>J of A</u> , 9/03; Perspectives on Internal Control Reporting	
Dec. 10	Final Exam [includes AMRE case]			

COURSE OBJECTIVES: This course is a continuation of Accounting 5316 (or 4318). There are three major objectives in this course. The first of these is to prepare you to perform competently as an entry-level Auditor in public or private accounting. For those not entering the Auditing profession, this objective may be stated in terms of familiarizing you with the auditing function. The second objective is to develop audit judgment through analysis of actual cases involving auditing issues and difficulties. The third objective is to prepare you for the uniform CPA exam.

Course coverage includes the acquisition and payment cycle, inventory cycle, ethics, legal liability, IT auditing considerations, procedures to complete the Audit, and in-depth analysis of reports, other assurance and non-assurance services, and fraud and forensic auditing.

COURSE PREREQUISITES: Accounting 4318, 5316 or equivalent is a prerequisite for this course.

FINAL EXAMINATION: Section 001 – Meets in COBA 348 on Mondays at 7:00 pm -9:50 pm. Final on Final on Monday, December 10, 2007 at 8:15pm – 10:45pm.

COURSE GRADE:

	<u>Pts.</u>	<u>%</u>	
Examinations (2), approximately 33% essay or short answer	320	58	A -- 90%
Comprehensive Final Examination	150	27	B -- 80%
Fraud Case Presentation	30	6	C -- 70%
Class quizzes on assigned case readings at beginning of classes	<u>50</u>	<u>9</u>	D -- 60%
	<u>550</u>	<u>100</u>	F -- below 60%

*Exams will contain some old CPA exam questions. You may optionally purchase a copy of Auditing & Systems Objective Questions at the bookstore for about \$15.00. Also, a diskette version of this book (Auditing EQE) can be obtained at the UTA bookstore or ordered at <http://www.gleim.com>, and is highly suggested due to the new CPA exam format. Either source is invaluable in learning "how" to answer exam questions. Appx. A, text cross-reference index (at back of Objective Questions book) links questions to your text chapters. (Experience regrettably shows **students who do not review old CPA exam questions will score about a letter grade less than the class exam average**).

Each student will be required to provide a 15 – 25 minute class presentation on a significant fraud case from the Knapp text. Your grade will be lowered if you exceed 30 minutes in your presentation. Student presentations should be researched such that content is not just a synopsis of the Knapp text, but provides more insights, a different "slant," etc. In your presentation, identify relevant fraud risk factors (from AU 316.85: Appendix titled, "Examples of Fraud Risk Factors") existing in the facts of the case. In addition to the usual literature and internet background search tools, students may find SEC Accounting and Auditing Enforcement Releases to be useful sources for insights. Your presentation should include handouts for your classmates. Also, provide me a list of bibliographical references used in your presentation. Use PowerPoint for your class presentation. In order to (hopefully) accommodate your scheduled exams, etc. you may choose the case you wish to present from the italicized case titles shown on your syllabus. Note: Cases followed by an @ symbol will be found on my web site.

A considerable portion of what you need to learn from an Auditing course can only be conveyed through my lectures. Much of this material is not "in the book," and is not amenable to testing on exams; however, it is important because I want to provide you with practical insights into the practice of public accounting. Consequently, attendance is important.

Trends in examination scores will be considered in assigning grades to students who are "borderline" between A and B, B and C, etc. "Borderline" grade cases will also be considered in terms of the individual's performance on the comprehensive final exam. Specifically, a student whose final exam score is less than the class average on the final should expect to receive a lower course grade. Students who are "borderline" and have two or more recorded unexcused absences should expect to receive a lower course grade. Also, "borderline grade" students who have not fully availed themselves of extra credit opportunities, if any, should expect to receive the lower grade.

There will be no make up examinations. The final examination will carry a weight of 310 points in the event that you have missed a regular examination; the final examination is required for course credit. Trends in examination scores will be considered in course grade. An "A" grade will not be awarded unless all regular examinations are taken or where the final is being used as a make-up exam for a regular exam missed due to an excused absence. Grades of "X" (incomplete) will not be granted except in the most extenuating of circumstances.

I will be providing answers to you for most of the written assignments by e-mail attachments. If no answer has been provided for an assigned course problem, this means that we will cover the problem in class and you should be prepared to discuss it once we have covered that topic in class. Some exam questions will come from the assigned written assignments or variations of those assignments.

GENERAL ADMINISTRATIVE MATTERS: You may be required during this semester to complete a short behavioral lab experiment, or, alternatively, a review of two articles from "acceptable" accounting journals. Details will be provided to you during the semester. This is a departmental policy, and I am required to give you a grade of incomplete in the course if you do not fulfill this requirement.

If you are in some way disabled, please let me know if there is anything I can do to accommodate your disability in satisfying the requirements of this course. All policies pertaining to academic dishonesty as described in the UTA undergraduate catalog will be adhered to.

TEXT AND OTHER COURSE MATERIALS:

NOTE: Reading assignments designated by * need only be read cursorily.

Auditing and Assurance Services: An Integrated Approach, 11th or 12th ed., Arens, Elder, and Beasley. Unless you have the 11th edition from the previous course, you should buy the more current 12th edition, as it reflects the new risk assessment audit standards. These are very important.

2006 AICPA Professional Standards, vols. 1 and 2 (contains SAS's 1-114). AICPA SAS's are referenced as Au sections in the codification. Au sections numbered 9000's contain interpretations of the preceding Au sections and are coded to those sections. For example, Au 9311 contains staff interpretations of questions posed pertaining to Au 311. You are encouraged, though not required, to read sections numbered 9000's. Underscored Au section numbers are recent and, therefore, of extreme importance to those who will sit for the CPA exam within the next few years. Very recent SAS's, if any, are contained at the back of the Bird's Copies course packet.

Contemporary Auditing: Issues and Cases, 6th ed., Knapp

All items under "Articles and Other" are contained in a course packet at Bird's Copies (208 S. East St.). Bird's will mail the course packet to you, if you wish. Call 817-459-1688, or e-mail via web site: www.birdscopies.com. Any newly released SASs are at the end of the packet.

A packet of Scantron sheets, Form 882E (preferable) or Form 882

OPTIONAL:

Auditing and Systems Objective Questions, Gleim and Hillison, or preferably Gleim Auditing EQE Software (**Extremely Important for exam preparation!**)

Bring Arens text, Pro. Stds. Vol. I, and Bird's Packet to every class meeting.

OFFICE HOURS: Room 420 COBA, ph: 272-3057, MW 2:30-4:30 pm, M 10:00 p.m - ?, W 7:00 p.m. - ?

E-mail: McConnell@uta.edu

Website: <http://www2.uta.edu/accounting/mcconnell>

"No man ever reached to excellence in any one art or profession without having passed through the slow and painful process of study and preparation."

Horace

"It is attitude, not aptitude, which determines altitude."

Author Unknown