**Accounting 5316.001**

**Auditing**

**Assignment Sheet – Spring 2015**

**Dr. Don McConnell**

 **AICPA
 PROFESSIONAL STANDARDS: BIRD’S PACKET: HOMEWORK
DATE TEXT CHAPTERS SAS’s (Au-Vol. 1) ARTICLES AND OTHER ASSIGNMENTS**

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| Jan. 20 | Orientation, Auditing:A Historical Perspective,The Public AccountingEnvironment |  |  |  |
| Jan. 22 | Chapters 1 & 2 | .02-.07, 200 [Note thatAu-C GLO defines terms in course readings] and  | NOTE: articles for this date are not test material, but are valuable for job interviewing: “To My Fellow Job Hunting Seniors,” WSJ; “11 Rules for Living” New Acct. Employer characteristics and related questions; possible interviewer questions. Important Interviewing Point [Power Point file]; “Stepping Stones to the Top”, Bus. Wk Careers, 9/85; “Joys of Small Firm Acctg”, Acctg, 3/93; “Beyond the Hype Questions to: Help Determine Best Acctg. Firm for You”, New Acct, 11/88; “Interviewers Speak Out”, New Acct, 9/90;  |  |
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| Jan. 27 Jan. 29 | Chapter 1 & 2; AlsoSyllabus policies quizChapter 3 | 700, 705, 706 |  | 2-16, 17, 19, 21 |
| Feb. 3 | Chapter 3 |  |  |  |
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| Feb. 5 | Chapters 3 & 6 |  | “WCOM: Uncooking the Books…” WSJ | 3-23, 24, 25, 29, 30 |
| Feb. 10 | Chapter 6 | 250, 300, 580 |  | 6-20, 21, 26, 27 |
| Feb. 12 | Chapter 7 |  |  |  |
| **DATE** | **TEXT CHAPTERS** | **AICPA****PROFESSIONAL STANDARDS:****SAS’s (Au-Vol. 1)** | **BIRD’S PACKET:****ARTICLES AND OTHER**  | **HOMEWORK****ASSIGNMENTS** |
| Feb. 17 | Chapters 7 & 15;pp. 481-487 only | 230, 520, 260, 500 |  |  |
| Feb. 19 | Chapters 7 & 8 |  |  | 7-25, 26, 28 |
| Feb. 24 | Chapters 8 & 9 | 210, 550, 620, 510, 320, 450 | “Practice Considerations inAccepting and Performing Re-Audits”,J of A, 1/02 | 8-25, 26, 27 |
| Feb. 26 | Chapter 9 |  |  |  |
| March 3 | Chapter 9 |  |  | 9-23, 24(a) and (b), 25, 32, 35 |
| March 5 | **Exam1 :Through Ch.6 only** |  |  |  |
|  | **Spring Break Week: Erin Go Bragh!** |  |  |  |
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| March 17 | Critique exam and Chapters 10 & 13 | 315, 330, 265, 610 |  | 10-30, 31, 32, 3713-22, 23, 24 |
| March 19 | Chapters 10 & 13 |  |  |  |
| March 24 | Chapter 14 |  | “Implementing the New ASB RiskAssessment Audit Standards”, CPA Journal, 6/07 |  |
| March 26 | Chapter 14 | 240 | “Expanded Guidance for Auditor FraudDetection Responsibilities”, CPA Journal, 6/03 | 14-21, 22, 23, 27  |
| March 31 | Chapter 11 |  |  |  |
| April 2 | Chapter 11 |  |  | 11-20, 21, 22 |
| April 3April 7 | **LAST DAY TO DROP****COURSE**Chapter 16 | 505 | “Common Peer Review Deficiencies in the Application of Confirmation Procedures”, J of A, 6/98; “Better Evidence Gathering”, J of A, 4/08 |  |
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 **AICPA CODIFICATION
 PROFESSIONAL STANDARDS: BIRD’S PACKET: HOMEWORK
DATE TEXT CHAPTERS SAS’s (Au-Vol. 1) ARTICLES AND OTHER ASSIGNMENTS**

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| April 9 | Chapter 16 |  | “The External ConfirmationProcess…,” CPA Journal, 1/14 |  |
| April 14 | Chapters 16 & 20 |  | “Advance to Go: Collect $800,000”,Internal Auditor, 6/05 | 16-20, 21, 2220-17,18; 11-29 |
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| April 16 | **EXAM II**: **Ch. 7-10, 13 and 14** |  |  |  |
| April 21 | Critique exam and Chapter 18 & 20 |  |  | Optional book report due |
| April 23 | Chapter 18  |  |  |  |
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April 28 Chapter 18 18-12, 18, 19, 28

April 30 Chapter 23 23-18, 19, 20

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| May 5 | Chapter 24 | 580, 501.16 – 24 and A39 – A65, 560 |  |  24-22, 23, 24, 25,28 |
|  |  | 585, 720, 725, 730 |  |  |
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May 8 Chapter 25 800, 915, 402; **Vol. II** (not I): AR 80, 90 23-18, 19, 20

**COURSE OBJECTIVES AND STUDENT LEARNING OUTCOMES:** There are two 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 prepare you for the uniform CPA exam. The course provides an introduction to auditing and the profession of accounting. Emphasis is placed upon generally accepted auditing standards and professional responsibilities, the auditor's decision making process in obtaining and evaluating sufficient competent evidential matter, and assurance reporting responsibilities. Students completing this course will have a : (1) basic knowledge of auditing procedures which would typically be performed by entry-level auditors in public accounting; (2) basic knowledge of typical fraud schemes (misstatements arising from fraudulent financial reporting and misstatements arising from misappropriation of assets) relevant to transaction cycles studied in the course; and (3) reasonable knowledge of the auditing standard setting process and related regulatory environment, e.g. the Securities and Exchange Commission and Public Company Accounting Oversight Board.

**COURSE PREREQUISITES:** Accounting 5312 and 5315, or equivalent, are prerequisites for this course.

**FINAL EXAMINATION:** Section 001 – Meets in COBA 251, Tuesday & Thursday at 5:30 – 6:50 p.m., Final on Tue., 5/12/2015, 5:30 – 8:00 p.m.

**COURSE GRADE:** Pts. %

Examinations (2), approximately 33% essay\* 320 64.0 A -- 90%

Comprehensive Final Examination\*(Roughly 70% of material since Exam II) 180 36.0 B -- 80%

 C -- 70%

 D -- 60%

 \_\_\_\_ \_\_\_\_ F – below 60%

 500 100

\*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 (Gleim Auditing EQE) can be obtained at the UTA bookstore or ordered at <http://www.gleim.com>, and is highly suggested because of the new CPA Exam format. This source is invaluable in learning "how" to answer exam questions. Appx A, text cross-reference index (in Objective Questions book and software) links questions to your text chapters. (Experience regrettably shows students who do not review old questions will score about a letter grade less than the class exam average).

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. **For each two full weeks of unexcused class absences (4 absences) a student’s grade will be reduced by one letter grade.** [Proof must be provided for excused absences.]

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. Also, “borderline grade” students who have not availed themselves of extra credit opportunities should expect to receive the lower grade. No student whose final exam grade is less than the class average on the comprehensive exam will receive an A in the course.

There will be no make up examinations. The final examination will carry a weight of 340 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.

The optional book report, if turned in late, will be penalized 33% of total possible project points. Book reports submitted late will not be accepted after May 9, 2014. If you have received a grade for the book report in a previous semester, you will not have to redo the report. However, it is your responsibility to notify me, so a grade transfer can be made.

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. IMPORTANT NOTE: Homework assignments are arranged differently in the international (paperback) version of the text book. I recommend that you not use the international version, which is typically available from internet book selling services.

If you have a question about your course grade, you must contact me within two weeks after the first class day of the immediately following regular or summer semester. Due to storage limitations, I discard exams, projects, etc. after that time.

To better understand classroom discussion, you should always read assigned course materials before my lectures. Pop quizzes may be given if it is my sense that many students are coming to class unprepared. If given, these quizzes will be for extra course credit, typically given at the beginning of class, and will cover the most basic issues from the assigned reading materials. If you are keeping up with the reading assignments, you should do well on any such quizzes.

A word about leaving the room while class is in session, then returning—DON’T. Obviously, if you have some kind of real emergency, then you should leave the room. Otherwise, do whatever you need to do before or after class.

TEXT MATERIALS:

 **REQUIRED:**

Auditing and Assurance Services: An Integrated Approach, 15th ed., Arens, Elder and Beasley. It is not advisable to buy the international version [available on the internet], as the end of chapter problems do not correspond with those in the domestic version.

2014 AICPA Professional Standards, vols. 1 - 2. AICPA SAS’s are referenced as Au sections in the codification. Au sections contain interpretations of the preceding Au sections and are coded to those sections. For example, Au 9265 contains staff interpretations of questions posed pertaining to Au 265. CPA exam candidates 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.

The standards contained in the book above can also be accessed at no cost at: <http://www.aicpa.org/research/standards/auditattest/pages/clarifiedsas.aspx>; however, we will often reference the auditing standards in class, so you will need to be able to access them readily in class. The assigned Au sections will be found in the third column of the displayed pages, with the underlying SAS references in the first column.

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

All items under "Articles and Other" are located in a course packet you need to purchase from Bird's Copies (208 S. East St.). Bird’s Copies will mail packet to you, if you wish. Call 817-459-1688, or email to www.birdscopies.com. Note: Bird's Copies currently closes about 5:00 p.m.

NOTE: The above materials are also used in the second auditing course at the graduate level: Acct. 5318.

**OPTIONAL:**

* The Auditor: An Instructional Novella, Loebbecke. This is an interesting, realistic short novel about an individual’s career experiences and ultimate promotion to partnership in a fictional West Coast public accounting firm. Students who choose to read this novel, and write a good book report can receive up to 15 additional grade points (3% of course grade). There is no required length; however, your report must summarize and analyze the entire novel. You will be submitting your book report file as a safe assignment on UTA’s blackboard system. [In uploading the file, if you get a blackboard message stating you aren’t logged into SafeAssign, upload your file with Google Chrome.] Blackboard analyzes all submitted files to seek out instances of plagiarism, using a data base of world-wide breadth. [Note: Don’t wait beyond mid-term to buy this book, as the Book Store often returns excess inventory to publishers before the end of semester.] If you are planning to go into public accounting as an auditor, this is a must read, even if you do not write the book report.

# Auditing and Systems Objective Questions, or preferably Gleim Auditing EQE Software. (**Extremely helpful** **for exam preparation**!)

Bring Arens text, AICPA Professional Standards Vol. 1, and Bird's Packets to every class meeting.

OFFICE HOURS: Room 420 COBA, ph: (817) 272-3057, TTh 2:00 pm - 4:00 pm; Tue 8:00 pm - ? [It is advisable to let me know beforehand when you want to come by for office hours in case a presently unscheduled meeting arises during the semester.]

 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