

“You've got to understand accounting. You've got to. That's got to be like a language to you.” Warren Buffett

COURSE NUMBER: ACCT 4380.002

COURSE TITLE: Auditing

COURSE DESCRIPTION: Auditing procedures, auditing standards and auditing reports. Responsibilities and ethical standards of independent public accounting firms.

REQUIRED TEXT & MATERIALS:

- *Principles of Auditing & Other Assurance Services* Whittington & Pany; 22nd Edition; McGraw-Hill. Connect access card ISBN 978-1-265-82205-7
- A simple four-function calculator (financial or graphing calculators, cell phones, etc. are not allowed)
- Scantron Form will be required for exams (Form #882-E recommended)
- Computer with webcam and microphone*
- ProctorU*

PREREQUISITES: Grade of ‘C’ or better in Intermediate Accounting II (ACCT 3312)

INSTRUCTOR: Veronda F. Willis, Ph.D., CPA
Associate Professor of Accounting

OFFICE INFORMATION: Room - Soules College of Business 350.05 Phone: 903-565-5822
Email: vwillis@uttyler.edu (preferred method of contact)

OFFICE HOURS: Monday and Wednesday 12:45 p.m. – 2:00 p.m and Tuesday 2:30 p.m.– 3:30 p.m.
All other times by appointment. Virtual Office hours are available via Zoom

TEACHING METHOD: The principles and concepts covered in this course will be facilitated through the use of lecture supplemented with class discussion, problem solving and analysis, and cases/projects.

*In the event that all classes are moved online.

COURSE OBJECTIVES:

I. KNOWLEDGE OBJECTIVES OF THIS COURSE INCLUDE:

During this course, students will

- A. Develop an understanding of US generally accepted auditing standards (GAAS) and principles.
- B. Understand the framework of standards that governs application of the principles of auditing.
- C. Apply the standards and auditing principles to a business entity.
- D. Develop communication skills necessary to the auditing profession.
- E. Develop a basic understanding of the concepts and nature of an audit, the internal control procedures, and the audit objectives of financial statements components.
- F. Develop an understanding of the standard auditor's report and be able to identify circumstances that warrant its modification and/or additional explanatory language.

II. OUTCOMES FOR STUDENTS TO SUCCESSFULLY COMPLETE THIS COURSE:

By the end of this course, students should be able to:

- A. Describe the nature of assurance and attestation services.
- B. Identify key concepts included in the Statements of Auditing Standards (SAS) and PCAOB Auditing Standards (AS).
- C. Demonstrate (through application) an understanding of auditing principles and governing standards.
- D. Understand the standard auditing reports and the various modifications.
- E. Illustrate good written good communication skills through completion of exercises and/or cases assigned during the semester.

CLASSROOM POLICIES:

1. Class starts promptly at the assigned time. If you have a problem that prohibits you from arriving to class on time, please inform me as soon as possible. If this is a continuing issue, please select a seat near the entrance to minimize the disruptions to the classroom.
2. Inform me in advance if you must leave the class before the scheduled ending time.
3. Electronic devices (cell phones, pagers, iPods, etc.) must be deactivated during class. You may use your computer in class but texting and surfing the internet in class is not allowed.
4. Textbooks, materials and calculators should be brought to all classes.
5. Courtesy to the instructor and fellow students is expected. Open discussion is encouraged in the classroom, but derogatory remarks and profanity will not be allowed in the classroom.
6. Dishonesty will not be tolerated in this class. Violations of accepted standards of conduct will result in the imposition of the penalties allowed by the University.
7. In an accounting class, missing just one class can cause you to fall behind! If you are absent, it is your responsibility to obtain materials and class notes. Lengthy instructions will not be repeated on a one-to-one basis.
8. Class assignments are normally due at the beginning of class (except PCQ which are due at 10 am).

LATE WORK IS GENERALLY NOT ACCEPTED.

| | | |
|------------------------|-----------------------------------|------------------|
| TOPICS COVERED: | CPAs and the auditing profession | 4 hours |
| | Legal/regulatory environment | 5 hours |
| | Internal Control | 6 hours |
| | Attribute and substantive testing | 6 hours |
| | Statistical sampling | 6 hours |
| | Audit planning | 6 hours |
| | Types of Reports | <u>4</u> hours |
| | Total hours | <u>37</u> |

EVALUATION: The student’s grade for the semester will determined by performance on the following – all course work is to be done individually unless otherwise stated.

| | | |
|---------------------------|-------------------|---------------|
| Test #1 | 20% | A = 90% |
| Test #2 | 20 | B = 80% |
| Test #3 | 20 | C = 70% |
| Test #4 | 20 | D = 60% |
| Class projects & homework | <u>20</u> | F = below 60% |
| Total | <u>100</u> | |

NOTE: Any deviation from the above grading scale will be to the benefit of the student. All deviations, if any, are automatically forfeited in cases of grade disputes and the above grading scale will stand. This is a complete listing of the course requirements. Extra-credit assignments will not be available on an individual basis—no exceptions. Don’t ask.

CLASS LECTURE & READING ASSIGNMENTS

Each chapter should be read and the end-of-chapter multiple choice questions should be completed prior to coming to class. All course lectures, in class activities, and discussions assume that you have completed the required reading prior to coming to class. Textbooks and calculators should be brought to all classes. Chapter Quizzes will be given (via Connect) at the beginning of each chapter.

CLASS PROJECTS, CASES, AND HOMEWORK (20% OF FINAL GRADE)

There will be cases studies assigned throughout the semester. The cases may require analysis of accounting data and written conclusions/recommendations in a professional business format. Solutions will be graded for completeness, accuracy, and professionalism. **Please type or word-process your written work.** No handwritten cases are accepted. Electronic documents are accepted in Microsoft Word or Excel only. **No late cases are accepted.** Homework from each chapter (quizzes and/or reading notes may substituted) will be assigned and Connect access is required. One homework assignment will be dropped. Class participation and attendance will be assessed every class period.

ATTENDANCE AND PARTICIPATION – This course is one of several courses that will prepare you for your future career as an accountant and, if you desire, this course will help prepare you for the Auditing core section of the Certified Public Accounting Examination. In order to be successful to that end, we must meet the high standards set by the Texas State Board of Public Accountancy. Based on past experience, I know that attendance and participation is the best way to ensure student success in this class. As your Professor, I will be here to help guide you to success. I strive to give students many of the tools necessary to be successful in their endeavors. Therefore, I strongly encourage you to make every effort to attend all classes and to arrive on time to class prepared to actively participate and learn the material.

EXAMINATIONS (80% OF FINAL GRADE)

Four exams will be given throughout the semester. The content and format of the exams will vary but may include of the following: multiple choice questions, problems, fill in the blank, completion, matching, or essays. During exams, only simple four-function calculators are allowed. Sharing calculators is not permitted. No programmable calculators or cell phones are allowed during an examination. All other electronic/photographic devices (e.g., watches, cameras, etc.) must be removed during exams.

Make-up exams will **ONLY** be given under extenuating conditions. The following are considered extenuating conditions: hospitalization, medical emergency, physical injury, or death of an immediate family member. You **MUST** bring proof of your medical issue (or death), in order to facilitate an exam make-up. For extenuating conditions, make-up exams must be taken within three days of your medical release. A modified final exam (will include material from the missed exam in addition to the regular final material) *may* be weighted to count for the missed exam contingent *upon my prior approval*. All athletes must present (at the beginning of the semester) a schedule of approved absences in order to make up work.

Exams will not be returned to you in class as class time is short. You should review your exam in my office. If you believe there is an error in grading of a midterm exam, bring it to my attention within two weeks of the date that the exam is graded by stating your reason in writing.

In the event of unforeseen circumstances that impact everyone or if this class is moved online, exams may be given online using Canvas and proctoring services on the days designated in the syllabus. If this is the case, you will complete the entire exam on Canvas, and it will be timed. There will also be multiple versions of the exam. You will be required to use a proctoring service to access and complete the exam. You will need a computer, webcam and microphone (either computer installed or separate) to take the exams. Webcams are available at Walmart or Amazon for \$10-15. You are not permitted to use your textbook, notes, google, or any other resources on the exam. Your exams will be proctored via a web camera with a microphone. During your exam you are not permitted to leave the computer (bathroom breaks, etc.), you must take the exam in a quiet room, and you must have good lighting and sound. You will need to follow the registration instructions for the proctoring service. Copying any questions/answers on an exam or discussing exam questions with other students is considered cheating and may result in failing the course and/or other scholastic dishonesty disciplinary actions.

Canvas and Connect

Course materials are available on [Canvas](#) and [Connect](#). Announcements, grades, lecture slides, case projects, assignments, and activities are posted on Canvas. You should check Canvas regularly for updates. You are responsible for meeting deadlines and retrieving any information from Canvas.

EMAIL PROTOCOL

The best way to contact me is by email. Please use the following protocol: (1) use your UT Tyler email account; (2) put your course number (ACC 4380) in the subject line; (3) sign the email with your full name. The UT Tyler Canvas site is the primary means of communication with students outside of class and should be checked on a regular basis. When you read this, email me one of your favorite sports or hobbies at vwillis@uttyler.edu by Wednesday, January 17, 2024 at 9 am CST.

STUDENTS RIGHTS AND RESPONSIBILITIES

To know and understand the policies that affect your rights and responsibilities as a student at UT Tyler, please follow this link: <http://www.uttyler.edu/wellness/rightsresponsibilities.php>

UNIVERSITY POLICIES

Please see the University Policies and Information in the UT Tyler Syllabus Module in this course's Canvas page for further explanation of the policies contained in this syllabus and additional student policies.

UT TYLER HONOR CODE

Every member of the UT Tyler community joins together to embrace: *Honor and integrity that will not allow me to lie, cheat, or steal, nor to accept the actions of those who do.*

SOULES COLLEGE OF BUSINESS STATEMENT OF ETHICS

The ethical problems facing local, national and global business communities are an ever-increasing challenge. It is essential the Soules College of Business help students prepare for lives of personal integrity, responsible citizenship, and public service. In order to accomplish these goals, both students and faculty of the Soules College of Business at The University of Texas at Tyler will:

- ~ Ensure honesty in all behavior, never cheating or knowingly giving false information.
- ~ Create an atmosphere of mutual respect for all students and faculty regardless of race, creed, gender, age or religion.
- ~ Develop an environment conducive to learning.
- ~ Encourage and support student organizations and activities.
- ~ Protect property and personal information from theft, damage and misuse.
- ~ Conduct yourself in a professional manner both on and off campus.

ACADEMIC DISHONESTY STATEMENT

The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrates a high standard of individual honor in his or her scholastic work.

Scholastic dishonesty includes, but is not limited to, statements acts or omissions related to applications for enrollment of the award of a degree, and/or the submission, as one's own work of material that is not one's own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

University regulations require the instructor to report all suspected cases of academic dishonesty to the Dean of Students for disciplinary action. In the event disciplinary measures are imposed on the student, it becomes part of the student's official school records. Also please note that the handbook obligates you to report all observed cases of academic dishonesty to the instructor.

“All that is required for dishonesty to flourish is that good men and women do nothing.”

**ACCT 4380.002 – Auditing
Spring 2024**

TENTATIVE COURSE OUTLINE

(AR – Auditor’s Reports, MC – Multiple Choice, CC – Concept Check,
PCQ – Chapter Pre- Class Quiz is due at 10 am, Chapter Homework is due at 11:00 am)

| <i>DATE</i> | <i>CHAPTER</i> | <i>TOPIC</i> | <i>ASSIGNMENT DUE</i> |
|----------------------|----------------|--|---------------------------|
| Wed., Jan. 17 | 1 | Overview & Chapter 1 | AR, Syllabus Sheets, MC 1 |
| Mon., Jan. 22 | 1 - 2 | The Role of the Public Accountant in the American Economy | Info Sheet, PCQ 1 |
| Wed., Jan. 24 | 2 - 3 | Professional Standards | Ch. 1, PCQ 2 |
| Mon., Jan. 29 | 3 | Professional Ethics | Ch. 2, PCQ 3, CC 3 |
| Mon., Jan. 29 | | Census Day: deadline for all registrations and schedule changes | |
| Wed., Jan. 31 | 3 - 4 | Professional Ethics | Ch. 3, PCQ 4 |
| Mon., Feb. 5 | 4 | Legal Liability of CPAs | Ch. 4 |
| Wed., Feb. 7 | | Exam 1, Chapters 1- 4 | |
| Mon., Feb. 12 | 5 | Audit Evidence and Documentation | PCQ 5 |
| Wed., Feb. 14 | 5 | Audit Evidence and Documentation | |
| Mon., Feb. 19 | 6 | Audit Planning, Understanding the Client, Assessing Risks | Ch. 5, PCQ 6 |
| Wed., Feb. 21 | 6 | Audit Planning, Understanding the Client, Assessing Risks | Case |
| Mon., Feb. 26 | 7 | Internal Control | Ch. 6, PCQ 7 & 18 |
| Wed., Feb. 28 | 7 - 18 | Internal Control | |
| Mon., Mar. 4 | 18 | Integrated Audits of Public Companies | Ch. 7 & 18 |
| Wed., Mar. 6 | | Exam 2, Chapters 5 – 7, 18 | |
| Mon., Mar. 11 | | <i>Spring Break</i> | |
| Wed., Mar. 13 | | <i>Spring Break</i> | |
| Mon., Mar. 18 | 9 | Audit Sampling | PCQ 9 |
| Wed., Mar. 20 | 9 | Audit Sampling | |
| Mon., Mar. 25 | 9 - 10 | Audit Sampling | Ch. 9, part 1 |
| Mon., Mar. 25 | | Last day to withdraw from a class | |
| Wed., Mar. 27 | 10 | Cash and Financial Investments | Ch. 9, PCQ 10 |

TENTATIVE COURSE OUTLINE CONTINUED

| <i>DATE</i> | <i>CHAPTER</i> | <i>TOPIC</i> | <i>ASSIGNMENT DUE</i> |
|------------------------------|----------------|---|---------------------------|
| Mon., Apr. 1 | 10 | Cash and Financial Investments | |
| Wed., Apr. 3 | 10 - 14 | Cash and Financial Investments | Ch. 10 |
| Mon., Apr. 8 | | Exam 3, Chapters 9 – 11 | |
| Wed., Apr. 10 | 14 | Accounts Payable and Other Liabilities | PCQ 14 |
| Mon., Apr. 15 | 16 | Auditing Operations and Completing the Audit | Ch. 14, PCQ 16 |
| Wed., Apr. 17 | 16 | Auditing Operations and Completing the Audit | |
| Mon., Apr. 22 | 17 | Auditor’s Reports | Ch. 16, PCQ 17 |
| Wed., Apr. 24 | 17 | Auditor’s Reports | Ch. 17, Case |
| APR 29 OR MAY 1, 2024 | | COMPREHENSIVE FINAL EXAM: 11:00 A.M. – 1:00 P.M. | |

Census Day - (deadline for all registrations and schedule changes) - Monday, January 29, 2024

Last day to drop or withdraw – Monday, March 25, 2024

This is a tentative syllabus and course outline. The instructor reserves the right to make changes as necessary. Changes to this syllabus will be announced in class and all students (whether present or not during the announcement) will be held accountable for these changes.

Recording of Class Sessions

Class sessions may be recorded by the instructor for use by students enrolled in this course. Recordings that contain personally identifiable information or other information subject to FERPA shall not be shared with individuals not enrolled in this course unless appropriate consent is obtained from all relevant students. Class recordings are reserved only for the use of students enrolled in the course and only for educational purposes. Course recordings should not be shared outside of the course in any form without express permission.