

Syllabus

SCHOOL OF BUSINESS AND MANAGEMENT **AC 550: Auditing Theory and Practice**

3 Credits
Effective: Winter 2022

Access to the Internet is required.
All written assignments must be in Microsoft-Word-compatible formats.
See the library's APA Style Guide tutorial for a list of resources that can help you use APA style.

FACULTY

Faculty Name: FACULTY NAME

Contact Information: CONTACT INFORMATION

[INSTRUCTOR MAY INSERT PERSONAL MESSAGE IF DESIRED]

COURSE DESCRIPTION

This course focuses on the audit theory pertaining to the examination of financial statements of publicly held companies in an attest function engagement employing Generally Accepted Auditing Standards. Assignments and cases will lead students through the steps of audit planning, implementation, and reporting.

COURSE RESOURCES

Required and recommended resources to complete coursework and assignments are found on the course [Reading List](#). Access is provided through the Reading List link in your online course as well as from the library homepage (“Find Your Reading List” button).

Note: Required resources that must be purchased by the student are tagged “Purchase from a vendor of your choosing.” Required resources with a direct link, “Available through CityU Library”, are available electronically at no cost to students.

Students in Canada may purchase course resources from the [Canada Bookstore](#), and students outside the U.S. and Canada should contact their advisor or textbook coordinator for additional information.

CITYU LEARNING GOALS

This course supports the following City University learning goals:

- Professional competency and professional identity

COURSE OUTCOMES

In this course, learners:

- Implement an audit plan to collect sufficient evidence to support audit objectives.
- Create a detailed and well-structured audit report including findings, conclusions and follow-up recommendations.
- Assess the auditor’s responsibility to follow the various codes of professional ethics.
- Apply the risk-based audit planning process to determine the audit plan.
- Appraise the major types of risk faced by the external auditor and the internal controls to mitigate these risks.
- Evaluate the standards, laws, and regulations governing external audits.

CORE CONCEPTS, KNOWLEDGE, AND SKILLS

- Assessing internal control systems and related control risk

- Assessing materiality and risk as part of audit planning
- Describe audit responsibilities and objectives
- Describe the standards and code of ethics used by external auditors.
- Differentiate analytical procedures to plan the audit, obtain audit evidence, and evaluate audit results
- Differentiate types and purposes of audit reports
- Understand methods of assessing and obtaining audit evidence
- Understand process for audit planning and preparing documentation
- Understand requirements of audit documentation
- Understand statistical sampling procedures to achieve sufficient audit testing
- Understand substantive testing of transactions and account balances for reliability
- Understand the testing internal controls for effectiveness

OVERVIEW OF COURSE GRADING

The grades earned for the course will be derived using City University of Seattle’s decimal grading system, based on the following:

<i>Overview of Required Assignments</i>	<i>% of Final Grade</i>
Homework	10%
Periodic Quizzes	20%
Instructor Determined Assignments and Activities	10%
Individual Case Study #1 on Changing Auditors or Audit Planning	10%
Individual Case Study #2 on Control Documentation and Audit Planning	15%
Individual Case Study #3 on Evaluating or Applying Sampling Approach	15%
Group Case Study on Developing an Audit Plan for Public Company	20%
TOTAL	100%

SPECIFICS OF COURSE ASSIGNMENTS

The instructor will provide grading rubrics that will provide more detail as to how this assignment will be graded.

Homework

Completing all homework assignments will help students ensure that they successfully master the concepts in this course. The best way for students to gain a thorough understanding of the underlying concepts is to apply those concepts to solve the problems. Students should focus on the underlying auditing principles, rather than on just memorizing the steps to solve a problem. All course homework and quizzes have been set up in Pearson’s MyAccountingLab. The work will be submitted through

MyAccountingLab. Due dates will be posted in the Course Schedule.

<i>Components</i>	<i>% of Grade</i>
Completeness	75%
Accuracy of solution	25%
TOTAL	100%

Periodic Quizzes

Students will complete four quizzes on core outcomes contained in course units. Each quiz will cover the material studied in the prior two weeks and can contain multiple choice and exercises selected by instructor. All course homework and quizzes have been set up in Pearson's MyAccountingLab. The work will be submitted through MyAccountingLab. Due dates will be posted in the Course Schedule.

<i>Components</i>	<i>% of Grade</i>
Accuracy of solution	100%
TOTAL	100%

Instructor Determined Assignments and Activities

Whether in class, online, or in a mixed mode setting, students will be graded on their participation in classroom discussions; ability to present, explain, or defend alternative viewpoints; and the degree to which they have mastered the concepts and principles inherent in the study of business management. Written work will be assessed not only on relevance to the subject presented, but also on adherence to good written form, APA style, and professional presentation. The instructor may also choose to create additional activities to support learning in the classroom or online.

<i>Components</i>	<i>% of Grade</i>
Quality of Responses	50%
Quantity of Responses	30%
Timeliness	20%
TOTAL	100%

Individual Case Study #1 on Changing Auditors or Audit Planning

Students will prepare a case study that covers changing auditors or audit planning process. The instructor will provide details about the specific case. This case is designed to simulate an actual audit experience and provide better understanding of how various parts of the audit process are applied. For this case study, the student will study Changing Auditors - The Case of Callaway Golf Company or a similar case as assigned by the instructor. The paper on the case should be at least 4 pages, not including cover page, in APA format. Student's should incorporate a minimum of 3 references.

<i>Components</i>	<i>% of Grade</i>
Risk-based audit planning	20%
Audit Reporting	20%
Style and Mechanics	20%
Audit Program	20%
Risks	20%
TOTAL	100%

Individual Case Study #2 on Control Documentation and Audit Planning

Students will prepare a case study that covers control documentation and/or audit planning. The instructor will provide details about the specific case. This case is designed to simulate an actual audit experience and provide better understanding of how parts of the audit process is applied. For this case study the student will go through the audit process for an audit cycle of a small company from flow-charting the system to designing the audit program. The paper on the case should be at least 6 pages, including cover page and control documents, in APA format. Student's should incorporate a minimum of 3 references.

<i>Components</i>	<i>% of Grade</i>
Audit Reporting	20%
Style and Mechanics	20%
Audit Program	20%
Risk-based audit planning	20%
Risks	20%
TOTAL	100%

Individual Case Study #3 on Evaluating or Applying Sampling Approach

Students will a prepare case study that covers evaluating or applying an audit sampling approach. The instructor will provide details about the specific case. This case is designed to simulate an actual audit experience and provide better understanding of how parts of the audit process are applied. For this case study, students will evaluate or apply sampling approach used by an auditor for an audit cycle of a small business. The case may use non statistical sampling, difference estimation, or monetary unit sampling as specified by the instructor. The paper on the case should be at least 6 pages, including cover page, in APA format. Student's should incorporate a minimum of 3 references.

<i>Components</i>	<i>% of Grade</i>
Risk-based audit planning	20%
Audit Reporting	20%
Style and Mechanics	20%
Audit Program	20%
Risks	20%
TOTAL	100%

Group Case Study on Developing an Audit Plan for Public Company

Students will be assigned teams and prepare a case study that develops an audit plan for a public company. The instructor will provide details about the public company to use for this specific case. This case is designed to acquaint students with the Form 10-K of a publicly held company audited by a CPA firm, provide data for the practical application of certain steps in the audit process, and allow students to experience working in teams, as is done in actual auditing. The instructor will have students obtain a public company's recent Form 10-K filing with the SEC and, using a team approach, prepare an analysis of business risks affecting the financial reporting process and develop an audit plan for the company selected. The paper on the case should be at least 6 pages, including cover page, in APA format.

Students will be required to submit an evaluation on every member of their group including an evaluation of their own participation. The evaluation will detail each student's participation and engagement in the group project. The instructor can adjust an individual student's grade for the project based on these evaluations.

<i>Components</i>	<i>% of Grade</i>
Risk-based audit planning	20%
Audit Reporting	15%
Style and Mechanics	10%
Audit Program	20%
Risks	20%
Teamwork/Group Work	15%
TOTAL	100%

COURSE POLICIES

Late Assignments

A critical aspect of management is to meet predefined deadlines. Therefore, all assignments are expected to be submitted when due. No late assignments are accepted. Life-situations do occur. When an issue arises coordinate with the instructor prior to the assignment's due date and the due date may be adjusted. It is in the best interest of the student to ensure that all assignments are submitted on time.

Participation

Class participation will be evaluated during class. Participation includes being prepared for class discussions and contributing meaningful content when appropriate. It also includes individual effort contributed to the team project.

Professional Writing

Assignments require error-free writing that uses standard English conventions and logical flow of organization to address topics clearly, completely, and concisely. CityU requires the use of APA style.

UNIVERSITY POLICIES

Students are responsible for understanding and adhering to all of City University of Seattle's academic policies. The most current versions of these policies can be found in the [University Catalog](#) that is linked from the CityU Web site.

Antidiscrimination

City University of Seattle and its staff and faculty are committed to supporting our students. We value equity, diversity, and inclusion as a way of life as well as the educational opportunities it provides. City U will not tolerate any form of discrimination based on race, color, ethnicity, sexual orientation, gender identification, socioeconomic status, or religious values. If you have experienced any discrimination based on any of the above, we encourage you to report this to the University. Please report this to your instructor. If you do not feel safe reporting this to your instructor, please report to the Provost or to the Vice President of Student Affairs.

Non-Discrimination & Prohibition of Sexual Harassment

City University of Seattle adheres to all federal, state, and local civil rights laws prohibiting discrimination in employment and education. The University is committed to ensuring that the education environment is bounded by standards of mutual respect and safety and is free from discriminatory practices.

In the U.S., the University is required by Title IX of the Education Amendments of 1972 to ensure that all of its education programs and activities do not discriminate on the basis of sex/gender. Sex include sex, sex stereotypes, gender identity, gender expression, sexual orientation, and pregnancy or parenting status. Sexual harassment, sexual assault, dating and domestic violence, and stalking are forms of sex discrimination, which are prohibited under Title IX and by City University of Seattle policy. City University of Seattle also prohibits retaliation against any person opposing discrimination or participating in any discrimination investigation or complaint process internal or external to the institution. Questions regarding Title IX, including its application and/or concerns about noncompliance, should be directed to the Title IX Coordinator. For a complete copy of the policy or for more information, visit <https://my.cityu.edu/titleix> or contact the Title IX Coordinator.

In Canada, in compliance with the British Columbia Human Rights Code, the Alberta Human Rights Act, WorksafeBC, and the Workers' Compensation Board of Alberta, the University believes that its environment should at all times be supportive and respectful of the dignity and self-esteem of individuals. Discrimination, harassment and bullying conduct, whether through person to person behaviour or via electronic communications such as email or social media is not acceptable and will not be tolerated. As an educational institution, it is our responsibility to cultivate an environment of excellence, equity, mutual respect and to recognize the value and potential of every individual. The University will take all necessary steps to meet or exceed the requirements of the law to prevent discrimination, harassment and bullying. The Respectful Workplace Policy for the prevention of discrimination, harassment and bullying policy and procedure can be found at <https://www.cityu.edu/discover-cityu/about-cityu/> under the Policies section or at <https://www.cityuniversity.ca/about/>.

Religious Accommodations

City University of Seattle has a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The University's policy, including more information about how to request an accommodation, is available in the University Catalog and on the my.cityu.edu student portal. Accommodations must be requested by the 20% mark of this course (e.g. day 14 of a ten-week course, day 7 of a 5-week course) using the Religious Accommodations Request Form found on the student dashboard in the my.cityu.edu student portal.

Academic Integrity

Academic integrity in students requires the pursuit of scholarly activity that is free from fraud, deception and unauthorized collaboration with other individuals. Students are responsible for understanding CityU's policy on academic integrity and adhering to its standards in meeting all course requirements. A complete

copy of this policy can be found in the [University Catalog](#) under *Student Rights and Responsibilities* on the page titled *Academic Integrity Policy*.

Attendance

Students taking courses in any format at the University are expected to be diligent in their studies and to attend class regularly.

Regular class attendance is important in achieving learning outcomes in the course and may be a valid consideration in determining the final grade. For classes where a physical presence is required, a student has attended if they are present at any time during the class session. For online classes, a student has attended if they have posted or submitted an assignment. A complete copy of this policy can be in the [University Catalog](#) under *Student Rights and Responsibilities* on the page titled *Attendance*.

Final Assignment Due Date

Final assignments for each class at CityU must be due on or before the final date of the course as indicated in the university's course information system. Due dates that extend beyond the final date of the course may negatively impact tuition funding for students.

SUPPORT SERVICES

Disability Services Accommodations Statement

Students with a documented disability who wish to request academic accommodations are encouraged to contact Disability Support Services to discuss accommodation requests and eligibility requirements. Please contact Disability Support Services at disability@cityu.edu or 206.239.4752 or visit the [Disability Support Services](#) page in the my.cityu.edu portal. Confidentiality will be observed in all inquiries. Once approved, information about academic accommodations will be shared with course instructors.

Library Services

CityU librarians are available to help students find the resources and information they need to succeed in this course. Contact a CityU librarian through the [Ask a Librarian](#) service, or access [library resources and services online](#), 24 hours a day, seven days a week.

Smarthinking Tutoring

CityU students have access to free online tutoring offered through Smarthinking, including writing support, from certified tutors 24 hours a day, seven days a week. Contact CityU's Student Support Center at help@cityu.edu to request a user name and password.