

ACCOUNTING 561
SEMINAR IN ADVANCED AUDITING
(Spring I, 2015)
Blended Format

PROFESSOR Brad Reed

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OFFICE HOURS: 5:30 - 6:00 p.m. Monday and Tuesday, 1:00-2:00 Wednesday and by appointment

TEXT: *Readings will be provided on BB each week.*

COURSE DESCRIPTION

This course is intended for graduate business school students who have an interest in auditing. The course will provide a review of the most important topics that are normally covered in an undergraduate auditing course. Additionally, a number of auditing topics that are not normally covered at the undergraduate level, or are only covered lightly, will be discussed. This course will help prepare students for the CPA exam and a career in public accounting. Emphasis is given to using actual auditing pronouncements, SEC issuances, and PCAOB standards. The course also provides an introduction to the practice of fraud auditing. Cases are used to supplement the course.

Blended Course Delivery:

This course is being offered in an eight week term using a blended format. Fulfilling the three-credit hour requirement for this course requires about 5.5 hours of instructional time per week. This course uses both in-class “seat time” and on-line lectures to fulfill this requirement. Each week, class will meet from 6:00-8:30 p.m. The remaining instructional time (about 2 hours per week) will be provided via on-line lectures available through Blackboard Collaborate. In-class time will be used to lecture on some topics and to work problems and assignments.

In addition to the time spent listening to lectures, you will also be required to spend time each week completing reading, homework and case analysis assignments. You can expect to spend five to eight hours per week on this work.

COURSE MATERIALS:

This course requires that you have internet access. Materials and links to materials will be provided using Blackboard. The Blackboard shell for the course is divided into weeks. When you log on to Blackboard, you will see a Course Materials section of the course. In this section

you will find a weekly folder. Each folder will provide a list of activities for the week along with access to the required materials and instructions for assignments that need to be completed that week.

REQUIREMENT FOR THE BLENDED COURSE FORMAT

The course activities, including online lecture sessions and assignment submissions require online access. For effective participation in this portion of the course, you will need a good and reliable internet connection and appropriate browsers. Here are links for support for BB issues:

ITS support BB: <http://www.siue.edu/its/bb/index.shtml>.

Issues for Browsers: http://www.siue.edu/its/bb/fac_staff/known_issues.shtml

BB Collaborate Support <http://www.siue.edu/its/bb/collaborate/index.shtml>

LEARNING OBJECTIVES:

Upon completion of this class students should be able to:

- Understand and describe how auditing standards are set.
- Recognizing unethical behavior and situations that might violate the code of conduct
- Demonstrate an appropriate level of professional skepticism
- Understand the key skills required for an external auditor
- Be able to identify and understand the appropriate professional auditing standard pertaining to the issue at hand. Including issuers vs. nonissuers.
- Understand the Sarbanes-Oxley Act and how it pertains to auditing.
- Be able to perform risk assessments.
- Be able to perform and interpret statistical sampling applications.
- Be able to design audit tests and evaluate evidence

GRADING

Exam 1 @ 150 points	150
Cases/Assignments (approximately)	150
Fraud Case	<u>100</u>
Total	400

Class Participation

Everyone is expected to make contributions every class meeting in the form of questions, answers, commentary, or other kinds of meaningful contribution.

Cases/Assignments

During the semester various short cases and assignments will be given. Due dates and requirements will be given with the assignments.

Late Assignments

Many exercises are given and completed during class time. If you miss a class, you may obtain and complete the exercise and hand it in the following week. There will be a 25% deduction in the score assigned to the late assignment.

School of Business Code of Professionalism (What We Expect of Each Other)

Faculty, staff, and students in the School of Business at Southern Illinois University Edwardsville are expected to contribute to a culture of integrity and professionalism. Our School's culture encourages behaviors associated with educated and self-disciplined individuals. Those behaviors include:

- being honest;
- being reliable and prepared;
- being responsible for one's own actions and decisions; and
- being respectful of all individuals

Tentative Class Schedule—Any Changes will be announced in Class

Date	Topic(s)	In Class Activities	On-Line Activities
Jan. 5	Auditing Research Financial Statement Assertions		Auditing Research Exercise Assertions Exercise
Jan. 12	Fraud Auditing (SAS No. 99) Brainstorming Employee Fraud	Brainstorming - Team Exercise Working in Teams on Fraud Case	Fraud Case
Jan. 19	MLK Day – No Class		
Jan. 26	Employee Fraud Illegal Acts SAS No. 99 Related Party Transactions	Exercise on Fraud Risk Factors Working in Teams on Fraud Case	Related Party Transactions Collaborate Lecture
February 2	Fraudulent Financial Reporting Materiality	Discussion of Earnings Manipulation Working in Teams on Fraud Case	Auditing Research Collaborate Lecture Collaborate Lecture on SAB 99 - Materiality
February 9	Substantive Audit tests Sampling	Working in Teams on Fraud Case	Collaborate Lecture on Code of Conduct

February 16	TBC Case due Risk Assessments Auditor Communications with management and those charged with governance Auditing Revenue Code of Conduct	Exercise on types of Auditor Communications Vouch and Trace exercise	
February 23	Risk Assessment-Internal Control Performing Integrated Audits Audit Report Issues Audit Sampling	Auditing Standard No. 5 – Integrated Audits Audit Sampling Exercise	Collaborate Lecture on Consistency
March 2	Exam will be given in class from 6:00 – 9:30.		