

SAM HOUSTON STATE UNIVERSITY
COLLEGE OF BUSINESS ADMINISTRATION
Department of Accounting
Course Syllabus
Fall 2017

COURSE NUMBER: Accounting 4372

COURSE TITLE: Auditing Principles

PREREQUISITES: ACCT 3324 (Principles of Accounting Systems Design)
ACCT 3314 (Intermediate Accounting II)

INSTRUCTOR: Leslie Blix, PhD
Assistant Professor of Accounting

OFFICE: 305B Business Building

OFFICE PHONE: 936-294-1261

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OFFICE HOURS: Tuesday/Thursday: 10:00am-11:00am; 1:00pm-2:00pm
Wednesday (Office): 10:00am-12:00pm; 2:00pm-4:00pm
Thursday (Woodlands Center): 5:00pm-6:00pm
Other in-office times: By appointment

CLASS SCHEDULE: Tuesday/Thursday: 11:00am-12:20pm – SHB 331 (Section 01)
Tuesday/Thursday: 2:00pm-3:20pm – SHB 331 (Section 02)
Thursday: 6:00pm-8:50pm – Woodlands Center 341 (Section 10)

**REQUIRED TEXT/
MATERIALS:** **Principles of Auditing & Other Assurance Services (20th ed.)**, McGraw-Hill
(ISBN 9780077729141) Whittington & Pany
McGraw Hill Connect (online book supplement for homework and other assignments,
and tests). This is required for the completion of all assignments in the course.

COURSE DESCRIPTION: An introduction to auditing concepts and procedures. Emphasizes generally accepted auditing standards; professional responsibilities, the nature, acquisition, evaluation, and documentation of audit evidence; internal control; and the auditor's reports.

COURSE OBJECTIVES: After completing this course, students will be able to explain (a) how auditors provide assurance on financial statements, and (b) the procedures that auditors use to substantiate financial statement accounts. This course is designed to provide you with a learning experience similar to the approach you will use when you begin work as an accountant. This experience involves advance reading to learn concepts, interactive discussions to refine your understanding of the concepts, and problem solving exercises that provide feedback about how well you have applied the concepts to situations auditors encounter in the field.

BLACKBOARD: It is your responsibility to ensure you have access to the Blackboard. Therefore, you must have a current SHSU email address and campus ID in order to do this. There is a contact number and email address for technical support if you are having problems. General course information and updates, including the syllabus, Connect assignments and the grade book will be posted on Blackboard.

EMAIL POLICY: If you need to contact me outside of class, **please email me at lhb010@shsu.edu**. I will check emails on a daily basis Monday through Friday. I will only reply to emails that are sent in a professional manner and state your name, which section you are in, and ask a specific question.

REGULAR EXAMINATIONS: (30% of your grade) There will be three (3) regular examinations given during the class time noted on the syllabus. Each exam is worth 100 points. Each examination will consist of a combination of true/false, multiple-choice and essay formatted questions. The exams will include questions from concepts and definitions in the reading assignments as well as topics covered during in class discussions and assigned case studies. All of these topics may not have been specifically covered in class so it is imperative that you read the chapters as well as the written assignments.

MAKE-UP EXAMINATIONS: No make-up exams will be given, unless you have a University-approved trip (I must see documentation prior to the test day) or valid medical excuse. Students who do not report to take the exam at the scheduled time and date will automatically receive a ZERO score for that exam.

AUDIT CASE STUDIES: (33% of your grade) Case studies will be administered prior to the assigned “CASE STUDY” class. Students are responsible for reviewing the case study prior to class and presenting bullet points notes to the professor at the beginning of class. Bullet points should include the major points from the case and how it relates to the current topic being covered in class. If the student does not present bullet point notes, their grade will drop by 50%. Students will be assigned to groups where they will use their knowledge of the case to have a thorough discussion and answer questions about the case. Students assigned to Group #1 will be required to present their answers to the questions in a 5-10 minute presentation at the end of class. Each person in the group presenting must speak during the presentation. All other groups will ask questions of the presenting group or add further information. Each group will turn in one copy of their questions at the end of class. The remaining 50% of the grade will be determined based on the questions answered and presentation/input.

HOMEWORK: (12% of your grade) Homework assignments, for each chapter, are provided on Blackboard. Homework assignments will include multiple choice and word problems. In order to earn homework points you need to complete all homework assignments for each chapter by the due date listed on the attached schedule and Connect. Homework assignments will not be timed and you will be allowed two chances. **Assignments must be completed on Connect. There are no make-ups for homework assignments unless you can provide a University approved excuse.**

BECKER ASSIGNMENTS: (16.5% of your grade) Becker assignments, for each chapter, are provided on Blackboard. In order to earn points you need to complete all homework assignments for each chapter by the due date listed on the attached schedule. Homework assignments will not be timed and you will be allowed two chances. **Assignments must be completed on the Becker Accounting Master website. There are no make-ups for homework assignments unless you can provide a University approved excuse.**

ATTENDANCE: (1% of your grade) Attendance is a requirement of this course and will be taken at each class. You can learn the course content adequately only if you attend and participate in class. Examinations will cover material covered in class as well as material in the textbook. **If you miss class for any reason, it is your responsibility to obtain the material covered.** Historically speaking, students with high attendance records in this class have achieved higher grades than those with poor attendance. <http://www.shsu.edu/dotAsset/2401862f-7847-47e3-89a9-77ba7231c811.pdf>

COURSE GRADING:

Points for course requirements and the percent of each in the final course grade determination are as follows:

<i>Course Requirement</i>	<i>Points</i>	<i>% of grade</i>
Exams (3 @ 100 points each)	300	30%
Audit Case Studies (11 @ 25 points each)	330	33%
Connect Homework (12 @ 10 points each)	120	12%
Becker Assignments (11 @ 15 points each)	165	16.5%
Work paper Tie-outs (3 @ 25 points each)	75	7.5%
Attendance/Participation	10	1%
Total points / percentage available	1,000	100%

- A – 1,000 points – 895 points
- B – 894 points – 795 points
- C – 794 points – 695 points
- D – 694 points – 595 points
- F – 594 points and below

It is the student's responsibility to calculate their own grade. The total points and grade distribution of the course will never change from the numbers stated above. Extra credit points DO NOT increase the "Total points available" but do allow the students the opportunity to make-up points lost from graded course requirements.

CALCULATORS: No Programmable or Graphing Calculators, Cellphones, Or PDAs are allowed to be used on any exam. Sharing calculators is prohibited during exams.

CLASS ETIQUETTE: Everyone attending is expected to conduct himself or herself in a professional manner. This means everyone should: (1) turn off cell phones out of respect for other students in the class and the professor. Please do not leave class to answer phone calls, (2) be prepared PRIOR to class by completing the assigned work (the reading and the problems); (3) bring appropriate materials to class (textbook, notebook, pen/pencil, calculator); (4) be at class on time and do not leave and enter during class. It is required that all students be respectful to all in the class. If you have questions, please raise your hand and ask the instructor. You will not be allowed to come and go during the class. If you must leave class early for some reason, please inform the instructor prior to class. These actions are disruptive to fellow students Please be considerate of all in class and remain quiet and seated until class is dismissed. For a complete listing of university student guidelines, see: <https://www.shsu.edu/dept/dean-of-students/documents/2016-2018%20Student%20Guidelines.pdf>

ACADEMIC DISHONESTY: The University expects all students to engage in all academic pursuits in a manner that is above reproach. Students are expected to maintain complete honesty and integrity in the academic experiences both in and out of the classroom. Any student found guilty of dishonesty in any phase of academic work will be subject to disciplinary action. The University and its official representatives, may initiate disciplinary proceedings against a student accused of any form of academic dishonesty including, but not limited to, cheating, plagiarism, collusion, and the abuse of resource materials. For a complete listing of the university policy, see: <https://www.shsu.edu/dotAsset/728eec25-f780-4dcf-932c-03d68cade002.pdf>

DISABLED STUDENTS POLICY: The University and Students with Disabilities have certain rights and responsibilities related to receiving, providing, and determining reasonable accommodations, the purpose of which is to provide students with disabilities equal access to educational and student support services offered by the University. For a full listing of student's rights and responsibilities, see the university policy at: <https://www.shsu.edu/dotAsset/7ff819c3-39f3-491d-b688-db5a330ced92.pdf>. Students with disabilities that might affect their academic performance as expected to visit with the Office of Services for Students with Disabilities. If you have a disability that may adversely affect your work in this class, then I encourage you to register with the Office of Services for Students with Disabilities and inform me as well. No accommodations can be made until you are registered and all information will be kept confidential.

RELIGIOUS HOLY DAYS: Section 51.911 (b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence. For a complete listing of the university policy, see: <https://www.shsu.edu/dotAsset/0953c7d0-7c04-4b29-a3fc-3bf0738e87d8.pdf>

The instructor reserves the right to make changes in the syllabus and class schedule.
Such changes will be announced in class.

DAILY ASSIGNMENT SHEET - SUBJECT TO CHANGE

DATES	Assigned Reading	TOPIC	HOMEWORK ASSIGNMENT Due @ the Beginning of Class
Thursday Aug 24		Introduction Syllabus Review	
Tuesday Aug 29	Chapter 1 Chapter 2 (pages 35-43, 50-56) Chapter 3 (pages 78-90)	Forms of Attestation Developments in Auditing CPA examination Firms and roles within firms Professional Standards Auditor Responsibilities Quality Control Peer Reviews/Inspections Independence	Chapter 1 & 2 Multiple Choice Enron Case Assigned (Bonus Points)
Thursday Aug 31	Chapter 6 (pages 189-203, 223-224)	Stages of an Audit Accepting an Engagement Steps in Planning an Engagement Risk Assessment Procedures Sources of Information	Chapter 1 & 2 Word Problems Becker Assignment #1 Chapter 6 Multiple Choice
Tuesday Sept 5		CASE STUDY #1 – Texas Drug WH (7.7) Group #1 Presents	
Thursday Sept 7	Chapter 5 Chapter 6 (pages 204-222)	Audit Risk Audit Procedures Introduction to Evidence Documentation within the Audit File Determining Materiality Assessing Risk and Further Audit Procedures	Becker Assignment #2 Chapter 5 & 6 Multiple Choice
Tuesday Sept 12		CASE STUDY #2 – Just For Feet (1.3) Group #1 Presents	Chapter 5 & 6 Word Problems
Thursday Sept 14	Chapter 7 Chapter 8 Becker Handout	Internal Control COSO/ERM Control Activities Testing Controls Communication of Results Internal Control in an IT Environment	Becker Assignment #3 Chapter 7 & 8 Multiple Choice
Tuesday Sept 19		CASE STUDY #3 – “ZOU Fencing Controls” Group #1 Presents	Chapter 7 & 8 Word Problems

Thursday Sept 21	Becker Handout	Financial Ratios Overview of Sampling Techniques	Becker Assignment #4
Tuesday Sept 26		EXAM #1	Financial Ratio Handout Due (Bonus Points)
Thursday Sept 28	Chapter 10 (pages 389–412)	Cash and Cash Equivalents Auditor's Objectives Controls Environment Substantive Procedures	Chapter 10 Multiple Choice
Tuesday Oct 3		CASE STUDY #4 – First Keystone Bank (3.4) Group #1 Presents	Chapter 10 Word Problems
Thursday Oct 5	Chapter 11	Accounts Receivable, Notes Receivable, and Revenue Auditor's Objectives Controls Environment Substantive Procedures	Becker Assignment #5 Tie-out of Cash work papers Chapter 11 Multiple Choice
Tuesday Oct 10		CASE STUDY #5 – “Controlling Revenue” Group #1 Presents	Chapter 11 Word Problems
Thursday Oct 12	Chapter 12	Inventories and Cost of Goods Sold Auditor's Objectives Controls Environment Substantive Procedures First year clients	Becker Assignment #6 Tie-out of AR work papers Chapter 12 Multiple Choice
Tuesday Oct 17		CASE STUDY #6 – Jack Greenberg (2.1) Group #1 Presents	Chapter 12 Word Problems
Thursday Oct 19	Chapter 13	Property, Plant, and Equipment Auditor's Objectives Controls Environment Substantive Procedures Audit of Depreciation	Chapter 13 Multiple Choice
Tuesday Oct 24		CASE STUDY #7 – “Billy's Beats Inc.” Group #1 Presents	Chapter 13 Word Problems

Thursday Oct 26	Chapter 14 (pages 572–586)	Accounts Payable and Other Liabilities Auditor’s Objectives Controls Environment Substantive Procedures	Becker Assignment #7 Tie-out of PP&E work papers Chapter 14 Multiple Choice
Tuesday Oct 31		CASE STUDY #8 – CBI Holding Co. (2.6) Group #1 Presents	Chapter 14 Word Problems
Thursday Nov 2		EXAM #2	Becker Assignment #8
Tuesday Nov 7	Chapter 16 (pages 639-652)	Audit of Cash Flows Completion of Audit Subsequent Events Representation Letter Summary of Audit Differences	Chapter 16 Multiple Choice
Thursday Nov 9		CASE STUDY #9 – “To Recognize or Not, That Is the Question” Group #1 Presents	Chapter 16 Word Problems
Tuesday Nov 14	Chapter 2 (pages 44-49) Chapter 17	Audit Reports	Becker Assignment #9 Chapter 2 & 17 Multiple Choice
Thursday Nov 16		CASE STUDY #10 – “Going, Going, Gone” Group #1 Presents	Chapter 2 & 17 Word Problems
Tuesday Nov 21	Chapter 3 (pages 68-78, 90-101) Chapter 4	Ethics Code of Professional Conduct Legal Liability Accounting Cases	Becker Assignment #10 Chapter 3 & 4 Multiple Choice
Thursday Nov 23		NO CLASS – Happy Thanksgiving	
Tuesday Nov 28		CASE STUDY #11 – IPOC (5.4) Group #1 Presents	Chapter 3 & 4 Word Problems
Thursday Nov 30	Becker Handout	Government Audits Single Audits Review Engagements Interim Reviews	Becker Assignment #11
Tuesday Dec 5		FINALS WEEK	Other Audits Handout Due (Bonus Points)
Thursday Dec 7		FINALS WEEK	Other Audits Handout Due (Bonus Points)

ACCT 4372 Final Examination:

Section 1: December 7th, Thursday, 12:00pm – 2:00pm

Section 2: December 5th, Tuesday, 3:30pm – 5:30pm

Section 10: December 7th, Thursday, 8:30pm – 10:30pm

<https://www.shsu.edu/dept/registrar/calendars/final-exam-schedules.html>

IMPORTANT ITEMS:

For resignation, refunds, and drop policies see: <https://www.shsu.edu/dept/registrar/students/registration/resignations-refunds-drops.html>

Important Resignation Deadlines:

Actions (Fall 2017)	Full Term	7-Week A	7-Week B
Deadline to Resign with 100% refund (Must be received by 5 pm)	August 22	August 22	October 13
Deadline to Resign without a mark of "W"	September 8	August 29	October 20
Deadline to Resign and not receive a grade of "F" (Must be received by 5 pm)	December 1	October 12	December 1

Writing Center: The Writing Center offers free tutoring services to all SHSU students. To determine the resources offered or to schedule an appointment please visit <http://www.shsu.edu/centers/academic-success-center/writing/index.html>

Important Dates:

Date	Event
Thursday, Sept. 14 (COBA Courtyard, 3:30)	COBA Courtyard Cookout
Tuesday, Sept. 19 (Mafrige Auditorium, 9:30)	Executive-in-Residence – Sam Golden
Tuesday, Sept. 19 (LSC Ballroom, 6:00-8:30)	Meet the Firms
Thursday, Sept. 21 (SHB Foyers, 12:30)	COBA Internship Fair
Tuesday, Oct. 17 (Rooms TBA, 3:30)	COBA Alumni Career Panel and Cookout