FLORIDA ATLANTIC UNIVERSITY
COLLEGE OF BUSINESS
ACCOUNTING DEPARTMENT
AUDITING & ASSURANCE SERVICES I - ACG 4651 (3 credit hours)
SUMMER 2011 – Wednesday 6:30 PM - 9:40 PM
Boca-Section 001 (FLEMING HALL # 424)
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COURSE DESCRIPTION:
An introduction to and overview of auditing concepts and techniques. Emphasis is placed on concepts and techniques applicable to audits of financial statements by independent certified public accountants.

Prerequisite: ACG 4401 and ACG 3141

REQUIRED TEXT:

LEARNING OUTCOMES:
After studying Auditing I, the student should be able to:

1. Describe and illustrate the types of services a CPA firm may render, and the auditing standards applicable to a financial statement audit.

2. Explain the nature and importance of professional ethics and discuss the essence of each of the rules in the AICPA’s Code of Professional Conduct and the Sarbanes-Oxley Act.

3. Describe and illustrate the types of auditing procedures, and explain the process of deriving specific audit objectives from management financial statement assertions.

4. Identify the phases of a financial statement audit and describe the components of audit planning.

5. Define and explain the concepts of materiality used in auditing, and audit risk.

6. Identify and explain the elements of internal control structure.

7. Explain the methodology for testing internal controls and assessing control risk.
8. Describe the process for evaluating the planned level of substantive tests and explain how the auditor varies the nature, timing, and extent of substantive tests to achieve an acceptable level of detection risk.

9. Describe the nature and use of audit programs. (In depth coverage will include the following processes: Acquisition & Payments, HR, and Inventory).

10. Illustrate and explain the essential steps in the design, execution, and evaluation of an attribute sampling for tests of controls.

11. Describe and write the standard auditor's report and the circumstances that result in a departure from the standard report.

COURSE REQUIREMENTS:

1. Sessions will consist of lectures, solutions of problems and class discussions. Class attendance and completion of assigned questions and problems are important for acquiring knowledge and receiving a good grade. Please come to class prepared.

2. There will be three exams given during the semester.

3. Regardless of an absence, students are responsible for material covered in class.

4. There will be no make-up examinations, quizzes, or homework unless prior arrangements are approved by the instructor.

5. All students enrolled in this class are required to regularly check their FAU email accounts. The professor actively communicates via FAU email with students regarding class assignments. Not receiving an email is not grounds for a waiver to any policy, deadlines or other requirements.

ACADEMIC POLICIES:

You are responsible for School of Accounting policies at [http://business.fau.edu/index.php?src=gendocs&ref=uniformpolicies&category=Accounting&submenu=departments_Accounting](http://business.fau.edu/index.php?src=gendocs&ref=uniformpolicies&category=Accounting&submenu=departments_Accounting)

For more information on the Code of Academic Integrity, please refer to the link below [http://www.fau.edu/regulations/chapter4/4.001_Code_of_Academic_Integrity.pdf](http://www.fau.edu/regulations/chapter4/4.001_Code_of_Academic_Integrity.pdf)
COURSE OUTLINE: (TENTATIVE)

DATE:
- May 18 Introduction, Course Overview and Chapters 1 & 2
  - 25 Chapters 2 & 3.
- June 1 Chapters 3 & 5
- June 8 Chapters 5 & 6
  - 15 Examination #1 Chapters 1, 2, 3 & 5.
  - 22 Chapters 6 & 7.
  - 29 Chapters 7 & 8.
- June 15 Examination #1 Chapters 1, 2, 3 & 5.
- June 22 Chapters 6 & 7.
- June 29 Chapters 7 & 8.
- July 6 Chapter 8 appendix (Statistical sampling techniques).
  - 13 Examination #2 Chapters 6, 7 & 8.
- July 20 Chapters 9, 10, 11, 12 (Selected portions)
- July 27 Chapters 13, 14, 15 (Selected portions)
- Aug 3 Final Examination Chapters 9, 10, 11, 12, 13, 14 & 15.

EVALUATION:

Examination #1 = 33 points
Examination #2 = 33 points
Examination #3 = 34 points
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100 points

GRADING SCALE:

A = 90 - 100
B = 80 - 84     B+ = 85 - 89
C = 70 - 74     C+ = 75 - 79
D = 60 - 64     D+ = 65 - 69
F = below 60

ATTENDANCE:

1. Attendance will be taken. Coming to class is perceived as an indication of student interest and motivation.
2. Class participation, attitude and attendance will count towards giving the student the "benefit of the doubt" when final grades are submitted.