

ACCOUNTING 4100

AUDITING I

Course Description

Instructor: Steven Day, CPA, MAac

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Hours: MWF 8:30 to 10:00 am
MWF 11:00 to 12:00 noon
TR 8:30 to 10:30 am

A. TEXT AND MATERIALS

Auditing and Assurance Services -- 13th Edition -- Arens/Elder/Beasley

B. DESCRIPTION OF CLASS

Accounting 4100 -- Auditing is an introductory course in Auditing, and is required for a Bachelor of Science in Accounting at Dixie State College of Utah.

This course is the first in a series of three Auditing courses dealing with Auditing; Auditing I, Audit II, and Forensic Accounting. The latter-two courses are graduate-level courses.

Successful completion of Accounting 3400 is a prerequisite to enrollment in Accounting 4100.

Accounting is NOT just about crunching numbers, and you don't need to be "good at math". Careful planning, research, communicating, ethical strength, and decision-making skills are critical to the success of those entering the Accounting profession. Accounting is an exciting arena, one that not only offers a variety of specialties but, one that continually changes with many challenges throughout your career. Demand is high, income is great, and society still holds accountants in the highest esteem.

PLEASE NOTE:

If you are a student with a medical, psychological, or a learning difference and requesting reasonable academic accommodations due to this disability, you must provide an official request of accommodations to your Professor from The Disability Resource Center within the first two weeks of the beginning of classes. Students are to contact the center on the main campus to follow through with, and receive assistance in the documentation process to determine the appropriate accommodations related to this disability. You may call 435-652-7516 for an appointment and further information regarding the American with Disabilities Act (ADA) of 1990 per section 504 of the Rehabilitation Act of 1973.

C. COURSE OBJECTIVES

Students successfully completing Accounting 4100 will be able to:

1. Describe auditing and assurance services and distinguish audit services from other assurance and nonassurance services provided by CPA's.
2. Describe the nature of CPA firms and the role of the PCAOB and SEC, along with the effects of the Sarbanes-Oxley Act on the CPA profession.
3. Describe the parts of the standard unqualified audit report and the conditions required to issue the standard unqualified audit report. Identify the types of audit report that can be issued when an unqualified opinion is not justified.
4. Explain the importance of ethical conduct for the accounting profession. Distinguish ethical from unethical behavior in personal and professional contexts. Describe the enforcement mechanisms for the rules of conduct.
5. Understand the litigious environment in which CPA's practice. Describe what the profession and the individual CPA can do and what is being done to reduce the threat of litigation.

6. Explain the objectives of conducting an audit. Distinguish management's responsibility for the financial statements and internal control from the auditor's responsibility for verifying the financial statements and effectiveness of internal control.
7. Contrast audit evidence with evidence used by other professions. Understand the purposes of audit documentation and describe how technology affects audit evidence and audit documentation.
8. Assess client business risk and discuss why adequate audit planning is essential. Understand the purposes of analytical procedures and the timing of each purpose.
9. Discuss how materiality and risk are related and integrated into the audit process.
10. Describe the three primary objectives of effective internal control. Understand the process of evaluating, designing, performing and reporting tests of internal control.
11. Describe how IT improves internal control and the inherent risks that arise from using an IT-based accounting system. Explain how general controls and application controls reduce IT risks.
12. Describe the business functions and the related documents and records in the sales and collection cycle. Understand internal control, and design and perform tests of controls and substantive tests of transactions for sales.
13. Describe the business functions and the related documents and records in the acquisition and payment cycle. Understand internal control, and design and perform tests of controls and substantive tests of transactions for the acquisition and payment cycle.
14. Design and perform the final steps in the evidence-accumulation segment of the audit, and integrate the audit evidence gathered and evaluate the overall audit results.
15. Understand the level of assurance and evidence requirements for review and compilation services.

D. CLASS HOURS

Accounting 4100 meets THREE days a week. These periods will be devoted to introductory lectures of new material, review of homework assignments, pop quizzes and exams.

E. EXAMS

Five exams are given in Accounting 4100. All of the exams will be taken in the Classroom on the scheduled date. Students will not be allowed to leave anytime during the exam period. All exams will be closed-book, closed-notes and individual effort. Any form of cheating may result in an F grade for the course.

No early or late Exams will be allowed!

F. HOMEWORK

All homework must be completed prior to the class period in which the assignment is due. Additionally, all homework must be presented in a professional manner. Format, organization and completeness are all considered in addition to accuracy. Hand-written homework will NOT be accepted!

Any late homework will receive one-half credit, and will not be accepted more than one class period late!

G. COMPILATION/REVIEW ASSIGNMENT

A Compilation/Review assignment will be handed out at the end of Chapter 25. This assignment will be a team effort, and the class will be split into groups of two. As you are progressing throughout this semester, please be aware of others in the class. Consider with whom you would like to be your team-mate and be prepared to provide the instructor with your chosen team-mate during the Chapter 25 discussion. The instructor reserves the exclusive right to re-assign any team-mate after this date.

H. GRADING

Grading is not on a curve. Your grade will be based on the percentage of total points that you earn.

Exams	50%	A	93.0 - 100%	C	73.0 - 76.9%
Homework	30%	A-	90.0 - 92.9%	C-	70.0 - 72.9%
Compilation/Review Assignment	15%	B+	87.0 - 89.9%	D+	67.0 - 69.9%
Class Participation/Pop Quizzes	5%	B	83.0 - 86.9%	D	63.0 - 66.9%
Total	<u>100%</u>	B-	80.0 - 82.9%	D-	60.0 - 62.9%
Note: All percentages are approximate		C+	77.0 - 79.9%	F	below 60.0%

I. ACCOUNTING INTEGRITY

The Accounting profession is well known for a reputation of honesty, high ethical standards, and integrity. This reputation may very well be one of the reasons many of you made Accounting your career choice. To this end, I will expect all students to follow this practice, especially in this class. ANY form of cheating will be punished and I expect students to protect their work and not allow other student access, by any method, to your quizzes, homework or exams. This includes allowing another student team access to your team's work on the Compilation/Review assignment. Please notify me if you witness any cheating in this class.

NOTE: No grade improvement projects are available in this class!

REBEL SYLLABUS STATEMENT

Important class and college information will be sent to your Rebelmail email account. This information includes your DSC bill, financial aid/scholarship notices, notification of dropped classes, reminders of important dates and events, and other information critical to your success in this class and DSC. All DSC students are automatically assigned a Rebelmail email account. If you don't know your user name and password, go to www.dixie.edu and select "Rebelmail", for complete instructions. You will be held responsible for information sent to your Rebelmail email, so please check it often.

ACCOUNTING 4100
AUDITING
Schedule & Assignments

Fall 2009

Subject to change

DATE	DISCUSSION TOPIC IN CLASS	READING SCHEDULE	HOMEWORK DUE THIS DAY
AUGUST			
Mon 24th	Auditing Profession/Demand for Audit Services	Chapter 1	None
Wed 26th	Auditing Profession/Demand for Audit Services	Chapter 1	MC1-14 / MC1-15
Fri 28th	Auditing Profession/The CPA Profession	Chapter 2	MC2-16 / MC2-17
Mon 31st	Auditing Profession/The CPA Profession	Chapter 2	DQ2-20 / DQ2-21
SEPTEMBER			
Wed 2nd	Auditing Profession/Audit Reports	Chapter 3	MC3-23 / MC3-24 / MC3-25
Fri 4th	Auditing Profession/Audit Reports	Chapter 3	MC3-25 / DQ3-29
Mon 7th	Labor Day -- No Class	None	None
Wed 9th	Review -- Chapters 1,2,3	Review	DQ3-30 & TBA
Fri 11th	Exam #1 -- Chapters 1,2,3	Review	None
Mon 14th	Auditing Profession/Professional Ethics	Chapter 4	MC4-18 / MC4-19
Wed 16th	Auditing Profession/Professional Ethics	Chapter 4	DQ4-20 / DQ4-21 / DQ4-22
Fri 18th	Auditing Profession/Legal Liability	Chapter 5	MC5-16 / MC5-17
Mon 21st	Auditing Profession/Legal Liability	Chapter 5	DQ5-23
Wed 23rd	The Audit Process/Responsibilities and Objectives	Chapter 6	MC6-19 / MC6-20
Fri 25th	The Audit Process/Responsibilities and Objectives	Chapter 6	DQ6-26 / DQ6-28
Mon 28th	Review -- Chapters 4,5,6	Review	TBA
Wed 30th	Exam #2 -- Chapters 4,5,6	Review	None
OCTOBER			
Fri 2nd	Auditing Profession/Other Assurance Services	Chapter 25	MC25-18 / MC25-19
Mon 5th	Auditing Profession/Other Assurance Services	Chapter 25	MC25-20 / DQ25-22
Wed 7th	Auditing Profession/Other Assurance Services	Chapter 25	DQ25-21 / DQ25-23
Fri 9th	Hand Out Compilation & Review Project	Chapter 25/Research	None
Mon 12th	Research Compilation & Review Project/No Class	Chapter 25/Research	None
Wed 14th	Work On Compilation & Review Project/No Class	Chapter 25/Research	None
Fri 16th	Fall Semester Break -- No Class	None	None
Mon 19th	Complete Compilation & Review Project/No Class	Chapter 25/Research	None
Wed 21st	The Audit Process/Audit Evidence	Chapter 7	Ch 25 Assign. / MC7-27 / MC7-28
Fri 23rd	The Audit Process/Audit Evidence	Chapter 7	DQ7-30 / DQ7-31
Mon 26th	The Audit Process/Audit Planning	Chapter 8	MC8-25 / MC8-26 / MC8-27
Wed 28th	The Audit Process/Audit Planning	Chapter 8	DQ8-28 / DQ8-31
Fri 30th	Review -- Chapters 25,7,8	Review	TBA
NOVEMBER			
Mon 2nd	Exam #3 -- Chapters 25,7,8	Review	None
Wed 4th	The Audit Process/Materiality and Risk	Chapter 9	MC9-22 / MC9-23
Fri 6th	The Audit Process/Materiality and Risk	Chapter 9	MC9-24 / DQ9-35
Mon 9th	The Audit Process/Internal Control	Chapter 10	MC10-30 / MC10-31
Wed 11th	The Audit Process/Internal Control	Chapter 10	MC10-32 / DQ10-34
Fri 13th	The Audit Process/Impact of IT	Chapter 12	MC12-17 / MC12-18
Mon 16th	The Audit Process/Impact of IT	Chapter 12	DQ12-19

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DATE	DISCUSSION TOPIC IN CLASS	READING SCHEDULE	HOMEWORK DUE THIS DAY
<i>NOVEMBER</i>			
Wed 18th	Review -- Chapters 9,10,12	Review	TBA
Fri 20th	Exam #4 -- Chapters 9,10,12	Review	None
Mon 23rd	The Sales and Collection Cycle	Chapter 14	MC14-21 / MC14-22
Wed 25th	Thanksgiving Holiday -- No Class	None	None
Fri 27th	Thanksgiving Holiday -- No Class	None	None
Mon 30th	The Sales and Collection Cycle	Chapter 14	MC14-23 / DQ14-29
<i>DECEMBER</i>			
Wed 2nd	The Acquisition and Payment Cycle	Chapter 18	MC18-18 / MC18-19
Fri 4th	The Acquisition and Payment Cycle	Chapter 18	DQ18-27
Mon 7th	Completing the Audit	Chapter 24	MC24-22 / MC24-23
Wed 9th	Completing the Audit	Chapter 24	MC24-24 / MC24-25
Fri 11th	Review -- Chapters 14,18,24	Review	DQ24-28 / TBA
Wed 16th	9:30 a.m. / Final Exam -- Chapters 14,18,24	Review	None