

ACC 473 – Introduction to Auditing and Assurance Services

**Fall 2017– Monday/Wednesday–10 am and 12 noon
(ACC201)**

Friday Session meets in Hoffman Hall Edison at 2 pm

Professor: Rose Layton

Office: ACC 112

Office Phone: 213/740-5022 (prefer e-mail)

Office Hours: Monday 3-6 pm or appointment

E-Mail: rlayton@marshall.usc.edu

Course Description

Financial statement auditing will be discussed from the perspectives of the external auditor, the standard setters and management.

Learning Objectives

1. Appraise the client business and industry in order to assess audit risk and plan the auditor's audit approach by preparing a written cases and presenting information in class.
2. Understand Professional Judgment and Professional Skepticism.
3. Assess control risk and recommend the approach for testing controls by reviewing information available on selected company.
4. Select the appropriate management assertions and recommend testing to gather appropriate sufficient audit evidence by describing assertions and testing for identified company process. Understand the choices of audit procedures to perform both tests of control and substantive testing.
5. Understand the concepts of sampling and the effects of changes in techniques and parameters by using Computer Assisted Auditing Tools to a case and preparing a written report demonstrating an understanding of performing this analysis and interpreting the results.
6. Identify the steps necessary to complete and conclude on an audit by discussing situations presented in class.

Required Materials

Course Materials: ACC 473 – You will be able to access all course material from Blackboard. This will include sites for accessing professional standards and literature, as well as professional articles, cases and other documents. (See daily assignments)

Please bring a laptop computer or tablet to class.

Prerequisites Preparation:

ACC 373

Course Notes:

This course uses Blackboard. All materials, including PowerPoint slides will be maintained on Blackboard. I will also ask that you turn in assignments in Turnitin, which is located within Blackboard.

Grading Policies:

I believe that a variety of skills are necessary to be an excellent professional. Therefore, there are several components to your overall grade.

Component	Points
Cases (3 group cases)	30
Confirmation.com case (individual)	10
ACL project (Individual)	10
Friday - Technology	5
Friday – A/R audit activity	10
Participation/in-class assignments	10
Evaluation of Team	*
Final	<u>35</u>
Total	<u>110</u>

All of the sections of ACC 473 will be graded together. Historically, accounting electives' mean GPA target is a 3.3. After each grade is posted or returned, you will have **one week to challenge** your grade in writing. After this time, the grades will become final.

* Considered for overall grade for group projects.

Prepared Cases:

You will select a group on the first day of classes. Each group will have 3-4 members. All groups are required to turn in a digital copy of **each** case. The Confirmation and the ACL cases are Individual. One or two groups will be responsible to present the case and initiate discussion on the case. All members of the group will receive the same grade unless their level of participation is not the same as the other group members. Each group member will sign (electronic) their name indicating their level of participation in each project. Please note that it is an **honor code violation** to indicate that you have participated, when in fact you have not participated in the project. Additionally, each group member is held responsible for the level of participation of the group members. The cases will be in the on-line text and I will discuss in class. **No late papers or presentations will be accepted.**

Readings:

You will use the Professional Audit Standards to understand the topics and cases we will be discussing in class. Additionally, I will provide professional readings

to supplement the standards. Finally, you will have access to Rogers CPA-Audit Materials to test your understanding of the topics covered.

Lab Activity

There will be two labs this semester. The labs will require you to submit the case activity we do during the lab. The lab on November 11th will be from 2-5 pm and will include dinner.

Participation and in-class activities

You will be expected to fully participate in the case discussions for prepared questions, as well as, the additional questions prepared in the classroom. We will also do exercises during class.

Group Evaluations:

You will be allowed to evaluate your group members at the conclusion of the course. I will take this into consideration when assigning final grades.

Examination:

There is one written examination for this class. Details regarding the final will be provided in class. The exam will consist of a case with several questions.

Retention of Graded Coursework

Final exams and all other graded work which affected the course grade will be retained for one year on-line after the end of the course *if* the graded work has not been returned to the student (i.e., if I returned a graded paper to you, it is your responsibility to maintain it).

Technology Policy

Laptop and Internet usage is permitted during academic or professional sessions when engaged in a technology related class activity. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, PDAs, I-Phones, Blackberries, other texting devices, laptops, I-pods) must be completely turned off during class time. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

Statement for Students with Disabilities

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability, which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs (www.usc.edu/disability). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

No recording and copyright notice

No student may record any lecture, class discussion or meeting with me without my prior express written permission. The word “record” or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. I reserve all rights, including copyright, to my lectures, course syllabi and related materials, including summaries, Power Points, prior exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Blackboard or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites. *Exceptions are made for students who have made prior arrangements with DSP and me.*

Emergency Preparedness/Course Continuity

In case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies.

Please activate your course in Blackboard with access to the course syllabus. Whether or not you use Blackboard regularly, these preparations will be crucial in an emergency. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.

Statement on Academic Integrity, Conduct and Support Systems Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>. This is important for the safety whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage sarc@usc.edu describes reporting options and other resources.

Students enrolled in any class offered by the Leventhal School of Accounting are expected to uphold and adhere to the standards of academic integrity established by the Leventhal School of Accounting Student Honor Code. Students are responsible for obtaining, reading, and understanding the Honor Code System handbook. Students who are found to have violated the Code will be subject to disciplinary action as described in

the handbook. For more specific information, please refer to the Student Honor Code System handbook, available in class or from the receptionist in ACC 101.

Support Systems

Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. <https://engemannshc.usc.edu/counseling/>

National Suicide Prevention Lifeline - 1-800-273-8255

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

<http://www.suicidepreventionlifeline.org>

Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. <https://engemannshc.usc.edu/rsvp/>

Sexual Assault Resource Center

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086

Works with faculty, staff, visitors, applicants, and students around issues of protected class. <https://equity.usc.edu/>

Bias Assessment Response and Support

Incidents of bias, hate crimes and micro aggressions need to be reported allowing for appropriate investigation and response.

<https://studentaffairs.usc.edu/bias-assessment-response-support/>

Student Support & Advocacy – (213) 821-4710

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic.

<https://studentaffairs.usc.edu/ssa/>

Diversity at USC – <https://diversity.usc.edu/>

Tab for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students.

INDIVIDUAL CLASS TOPICS AND ASSIGNMENTS

Class	M	W/F	Discussion	Readings	Assignments Present
			Week 1		
1	10/16		Audit Review/ Professional Judgment Case	In class Professional Judgment Case	
		10/18	Professional Skepticism Judgment Case	CAQ; AS1015, AS2401, AU-C200; AU-C240; PCAOB Alert#10	Work on Group Cases
			Week 2		
2	10/23		Professional Judgment/ Audit Planning	Present Cases; AS1101; AU-C200	Professional Judgment Group Cases Due
3		10/25	Audit Risk Model – Focus Control Risk and Internal Controls	AS2110; AU-C200; AS2201; PCAOB Alert #11; Rogers	
4		10/27	Friday Lab- 2 pm – 3:45 pm Hoffman Hall Edison	Technology – bring Laptop	
			Week 3		
5	10/30		Audit Sampling	Present Internal Control Case AS2301; AU530; Rogers Introduction to ACL Case	Internal Control Case Due
6		11/1	Cash/Confirmation Case	AS2310; AU-C505	Register for Case
			Week 4		
7	11/6		Audit Assertions and Evidence	AS1105; AS2305; AU-C500; AU-C520; Rogers	Discuss progress on Confirmation Case
8		11/8	Audit Assertions and Evidence	Evidence Case Introduction and discussion AS2110; AS2501; AS2810; AU-C 330	

Class	M	W/F	Discussion	Readings	Assignments Present
9		11/10	Friday Lab- 2 pm – 5 pm Hoffman Hall Edison	Audit of Accounts Receivable	Confirmation Case Due
			Week 5		
10	11/13		Sales and Accounts Receivable	Discuss Confirmation Case PCAOB Audit Alert #15	
11		11/15	Audit Assertions and Evidence; Sampling	Present Evidence Case Progress on ACL Case	Evidence Case Due
			Week 6		
12	11/20		Audit of Payables and Inventory	AS2501	
		11/22- NO Class		Happy Thanksgiving!	
			Week 7		
13	11/27		Completing the Audit	AS2505; AS2801; AS2805; AS2810 AU-C560; AU-C 580; Rogers	
14		11/29	Case and Review	Discuss ACL Case Review	ACL Case Due
			Finals Week		
			Final	10 am class – Monday, December 11 th - 8am- 10 am 12 noon class- Friday, December 8 th - 11am- 1pm	

LSOA STUDENT LEARNING OBJECTIVES

OBJ 1	Technical Knowledge Heavy (473)	Students will demonstrate technical proficiency in the accounting discipline, including the use of technical accounting knowledge to help solve problems and make decisions.
OBJ 2	Research, Analysis and Critical Thinking Heavy (473)	Students will demonstrate the ability to research, critically analyze, synthesize, and evaluate information including professional standards for decision making in the local, regional and global business environment.
OBJ 3	Ethical Decision Making Light (473)	Students will demonstrate an understanding of ethics, ethical behavior and ethical decision-making.
OBJ 4	Communication Moderate (473)	Students will demonstrate the ability to communicate ideas both orally and in writing in a clear, organized and persuasive manner.
OBJ 5	Leadership, Collaboration and Professionalism Moderate (473)	Students will demonstrate leadership skills and the ability to work cooperatively and productively to accomplish established goals.



Important Dates: Fall 2017

First Day of Class, 2nd Half, Session 442	Monday, October 16
Last Day to Add/Drop without "W" for ACCT courses (2nd Half Session 442)	Tuesday, October 24
Last Day to change enrollment from P/NP to a Lettergrade (2nd Half Session 442)	Monday, November 6
Last Day to Drop with a "W", Regular Session Courses	Friday, November 10
Last Day to Drop with "W" for ACCT courses (2nd Half Session 442)	Monday, November 20
Thanksgiving Break	Wednesday-Friday, November 22-24
Last Class Meeting	Friday, December 1
Final Examinations	December 6 – December 13
Winter Recess	Thurs., December 14 – Sun., January 7