

Syllabus
Business 3160 - Auditing
North Park University
Spring 2013

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Texts: Principles of Auditing and Other Assurance Services, Eighteenth Edition,
Whittington & Pany; ISBN 9780077486273

Course Overview:

One of the qualitative characteristics of accounting information that was identified in the Conceptual Framework was reliability. One of the indicators that information is reliable is that it is verifiable. The process of auditing is one approach to verifying accounting information and increasing its reliability. In this course, we will discuss the principles of auditing as well as the standards, ethics and legal liability to which CPA's are held. Incorporated into our discussions will be the changes in the field of auditing and accounting that have arisen as a result of the Enron and WorldCom scandals.

Course Objectives:

After completing the course, students should be able to:

1. Describe the attestation standards.
2. Describe and explain the components of the AICPA Code of Professional Conduct
3. Describe the types of CPA liability.
4. Explain the relationship between audit risk, audit evidence, and financial statement assertions..
5. Describe the accounting and reporting treatment for the three categories of debt securities.
6. Explain the auditors' responsibilities when planning an audit.
7. Describe the auditors' responsibilities as they relate to internal control.
8. Plan, perform, and evaluate samples for tests of controls and substantive procedures.
9. Describe the auditors' responsibilities as they relate to auditing the various sections of the financial statements.
10. Explain the types of procedures that are necessary to complete the audit.

Course Policies:

Class participation and preparation of homework assignments are critical to understanding accounting concepts. Although I do not collect homework assignments except as described below, they are learning tools and it is to your benefit to prepare all homework.

Students are expected to be in attendance and arrive on time. Late arrival disrupts the class in progress, which is inconsiderate to your colleagues. **Cell phones are expected to be turned off and remain off during class. This means that no texting is allowed during class time.**

Quizzes and exams will be announced in advance. **Students will not be allowed to make-up any quiz or exam unless it is approved by me prior to the testing date.** This means that you are not to assume a make-up quiz or exam has been approved until you have heard back from me via email or telephone.

Students are expected to read the assigned material prior to the class period in which it is discussed and are expected to prepare homework assignments prior to the class period in which they are due. Homework problems will be assigned during class, based on the class discussions. If students are absent from class, it is their responsibility to contact a colleague or me to find out what transpired in class during their absence.

Since mathematical calculations are an integral component of the course material, students are encouraged to bring calculators to all class meetings. Students are allowed and encouraged to use calculators on all quizzes and exams and should come to the exams prepared with their own calculators. **Calculators will not be provided and sharing of calculators will not be allowed during quizzes or exams. In addition, cell phone and PDA calculators will not be allowed on quizzes or exams.**

Students are encouraged to review the university guidelines regarding academic honesty. These guidelines are summarized at the end of this syllabus. I will take any necessary steps to ensure that these guidelines are upheld in this class.

Quizzes

There will be twelve quizzes administered via Moodle throughout the quad – as follows:

<u>Quiz</u>	<u>Material Covered</u>
One	Chapters One and Two
Two	Chapter Three and Four
Three	Chapters Five
Four	Chapter Six
Five	Chapter Seven
Six	Chapters Nine
Seven	Chapter Ten
Eight	Chapter Eleven
Nine	Chapter Twelve
Eleven	Chapters Sixteen
Twelve	Chapters Seventeen

The due dates for the quizzes will be determined as we progress through the quad. Each quiz will be worth 10 points and your lowest two quiz scores will be dropped. **No makeup quizzes will be accepted.**

The course grade will be based on the following:

	<u>Points</u>
3 Exams (100 points each)	300
Projects	75
SOX Paper	25
Quizzes	100
Presentations	30
Attendance and Participation	<u>25</u>
Total Possible	<u><u>555</u></u>

My office hours are:

Monday	10: 30 a.m. – 12:30 p.m
Tuesday and Thursday	3:30 p.m. – 4:30 p.m.
Wednesday	Noon – 3:00 p.m.

I am available at other times by appointment.

Students with Disabilities:

Students with disabilities who believe that they may need accommodations in this class are encouraged to contact the Center for Academic Services at 773-244-8500, advising@northpark.edu or stop by the office located on the 2nd floor of the Student Services Building. Please do so as soon as possible to better ensure that such accommodations are implemented in a timely manner. For further information please review the following website: <http://www.northpark.edu/ada>

Course Outline:

Chapter	Topic	Homework Problems – Assigned in Class
One	The Role of the Public Accountant in the American Economy	
Two	Professional Standards	
Three	Professional Ethics	
Four	Legal Liability of CPA's	
Five	Audit Evidence and Documentation	
Six	Planning the Audit; Linking Audit Procedures to Risk	
Exam 1: Chapters 1 – 6		
Seven	Internal Control	
Nine	Audit Sampling	
Ten	Cash and Financial Investments	
Eleven	Accounts Receivable, Notes Receivable, and Revenue	
Twelve	Inventories and Cost of Goods Sold	
Exam 2: Chapters 7 and 9 – 12		
Thirteen	Property, Plant, and Equipment: Depreciation and Depletion	
Fourteen	Accounts Payable and other Liabilities	
Fifteen	Debt and Equity Capital	
Sixteen	Auditing Operations and Completing the Audit	
Seventeen	Auditors' Reports	
Exam 3: Chapters 13 – 17		

Academic Honesty:

In keeping with our Christian heritage and commitment, North Park University and the School of Business and Nonprofit Management are committed to the highest possible ethical and moral standards. Just as we will constantly strive to live up to these high standards, we expect our students to do the same. To that end, cheating of any sort will not be tolerated. Students who are discovered cheating are subject to discipline up to and including failure of a course and expulsion.

Our definition of cheating includes but is not limited to:

1. Plagiarism – the use of another’s work as one’s own without giving credit to the individual. This includes using materials from the internet.
2. Copying another’s answers on an examination.
3. Deliberately allowing another to copy one’s answers or work.
4. Signing an attendance roster for another who is not present.

In the special instance of group work, the instructor will make clear his/her expectations with respect to individual vs. collaborative work. A violation of these expectations may be considered cheating as well.

For further information on this subject you may refer to the Academic Dishonesty section of the University’s online catalog.

In conclusion, it is our mission to prepare each student for a life of significance and service. Honesty and ethical behavior are the foundation upon which such lives are built. We therefore expect the highest standards of each student in this regard.