Course Number: ACCT 5341
Course Name: Advanced Auditing and Assurance Services
Instructor: Dr. Donald Deis
Office: Dr. Donald Deis - Faculty Center 142
Phone: Dr. Donald Deis - (361) 825-2826
Office Hours: Six hours per week as posted.

or


HANDOUTS: *Island Online WebCT Materials (in Adobe Acrobat format)* and on a CD Rom provided by your instructor. See class schedule for listing of materials for each class date. Includes:

- AICPA [Authoritative Standards and Related Guidance for Nonissuers](#)
- PCAOB [Standards and Related Rules](#)
- IAASB [2007 Handbook of International Auditing, Assurance, and Ethics Pronouncements](#)


Prerequisites: Accounting foundation courses or their equivalent.

Course Description: Advanced topics in auditing such as auditor ethics, legal liability, client acceptance,
Responsibility for fraud, audit materiality, and audit.

**Relationship to Other Coursework:**

Effective auditing involves developing an understanding of the client's business and industry, evaluating internal control, using judgment, and obtaining and evaluating evidence as a basis for the audit report. Auditing is an interdisciplinary field and has its foundations in other disciplines including ethics, marketing, economics, business law, statistics, accounting, and information systems. A background in these subjects provides the student with the tools to better understand the material covered in the course.

**Learning Objectives:**

By the end of this course, the student will be able to:

- learn to find and use resources (reference materials, data, and information sources) to solve problems
- understand and appreciate the role of the economic, regulatory, and technology environment in auditors’ decision making (i.e., seeing the big picture)
- develop abilities and skills in working with others as a team
- improve their analysis, problem-solving, research, and decision-making skills
- develop the technological skills, competencies, and ethical decision making points of view accounting professionals require
- develop skills in expressing their self, an idea, or point of view – both orally and in writing
- conduct an risk assessment of a company and recommend materiality and tolerable misstatement ranges for audit planning purposes
- developing your ethical principles to guide ethical decision making
- analyze and critically evaluate ideas, arguments, and points of view

**Instructional Methodology:**

Lecture, class discussion, in class group discussion and analyses of cases, writing assignments.

**Performance Evaluation and Grading:**

Student performance evaluation may be based on cases work, the final exam, “lessons learned from litigation” paper, and class participation. A sample of the relative weights of each of these components is as follows.

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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</thead>
<tbody>
<tr>
<td>Leadership for class discussion and write up of case(s)</td>
<td>100</td>
</tr>
<tr>
<td>Class participation</td>
<td>40</td>
</tr>
<tr>
<td>Quality of rough draft write-ups of cases</td>
<td>60</td>
</tr>
<tr>
<td>Capstone Case</td>
<td>20</td>
</tr>
<tr>
<td>Midterm examination</td>
<td>100</td>
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<tr>
<td>Final Group Project</td>
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</table>
Written Paper 40 points  
Presentation 20 points  
Peer evaluation 20 points  
Total 400 points

A letter grade will be determined based on the percentage earned of total points possible, as follows: A: 90-100%; B: 80-89%; C: 70-79%; D: 60-69%; F: 0-59%. In some instances, a curve may be applied in determining letter grades.

Class Preparation:

Students are expected to read the assigned chapter prior to class and to be prepared to discuss issues and answer questions during class. Successful students should plan to spend at least 6 hours a week outside of class studying for this class.

Attendance Policy:

Class attendance is required. Attendance will be taken each class period. Students are expected to arrive on time and to stay for the entire class period. Please contact the instructor before class by e-mail or phone, if possible, in the event you are unable to attend class.

Oral and Written Communication Content:

Auditing involves many judgment areas and classroom learning is enhanced by active discussion of the issues. Students are expected to come to class prepared to ask and answer questions. Auditing questions frequently do not have one correct answer. Therefore students should be prepared to defend the conclusions they reach.

Technology Applications:

Technological advances in auditing will be addressed where appropriate.

Ethical Perspectives:

Auditors routinely encounter situations that require the application of ethics and the Code of Professional Conduct.

Global Perspectives:

The globalization of many audit clients raises the issue of international accounting and auditing standards and practices. The discussion of international issues is limited to a discussion of reports on financial statements prepared for use in other countries.

Demographic Diversity Perspectives:
This course will not specifically address the issue of demographic diversity.

Political, Social, Legal, Regulatory, and Environmental Perspectives:

A portion of the course will address the auditor's legal liability and the impact of regulatory bodies on the auditor and on the audit scope. Coverage of political, social, and environmental issues will be limited.

Academic Honesty:

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, forgery, or plagiarism. (Plagiarism is the presentation of the work of another as one's own work.)

Code of Ethics

This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at www.cob.tamucc.edu). Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

Disability Statement

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in Driftwood 101.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

Summary of Topical Coverage:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Roles</td>
<td>3</td>
</tr>
<tr>
<td>Corporate Governance and Audit Committees</td>
<td>3</td>
</tr>
<tr>
<td>Regulations: Sarbanes-Oxley Act of 2002</td>
<td>3</td>
</tr>
<tr>
<td>Fraudulent Financial Statements</td>
<td>3</td>
</tr>
<tr>
<td>Professional Ethics and Responsibility</td>
<td>3</td>
</tr>
<tr>
<td>Fraud (SAS # 99)</td>
<td>6</td>
</tr>
</tbody>
</table>
Earnings Management and Auditor Objectivity ........................................................3
Risk Assessment ........................................................................................................3
Client Acceptance and Materiality ...........................................................................3
Internal Controls ......................................................................................................6
Audit Evidence ..........................................................................................................3
Audit Practice Case Simulation (Flowcharting) ......................................................3
Audit Practice Case Simulation (Walkthroughs) ....................................................3
Final Exam Period Group Presentations .................................................................3
Total ..........................................................................................................................45