

ACCT 760
Advanced Auditing & Assurance Services
Masters of Science in Accountancy Program
University of St. Thomas
Fall 2006

Professor: Diane M. Matson, Ph. D., CPA_{inactive license}

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Office Hours: Tuesdays and Thursdays, 9:45 to 11:00 am, and by appointment, SCH 450

Web Site: This class uses Blackboard to provide access to selected course materials.

Blackboard is available at <http://blackboard.stthomas.edu>. Log in with your UST username and password. Then select ACCT 760: Advanced Auditing & Assurance Services. If you need help with your username and password, call the help desk at 651-962-6230.

Textbook: Messier Glover and Prawitt, Auditing & Assurance Services (selected chapters from the 4th Edition), McGraw-Hill Primis.

Other Sources of Information: AICPA Professional Standards (2006), available in Keffer Library, and COSO Enterprise Risk Management—Integrated Framework (2004), available on Blackboard. You will also be asked to find and print selected articles and auditing standards from various databases.

Lecture Notes and Handouts: The lecture notes provide detailed discussions and examples of the topics. The handouts reinforce the topics with exercises and problems. These will be available on Blackboard.

Class Hours: Tuesdays and Thursdays, 11:15 am – 12:45 pm

Class Location: SCH 419

Course Objectives: This course will expand your knowledge about technical issues, current developments and ethical considerations in auditing. Topics include, but are not limited to: (1) a general review of independent auditing, with an overview and update of generally accepted auditing standards, professional ethics, legal liability, internal control and audit reports; (2) risk-based auditing, including risk identification and relevant audit techniques; (3) forensic accounting and fraud detection, including auditors' responsibility to detect fraud, fraud terminology and investigative techniques; (4) other attestation services, such as compilations and reviews, governmental audits and forecasts and projections; (5) reporting for different engagements, such as compliance, internal control and agreed-upon procedures; (6) internal and operational auditing, including standards, ethics and practices; and (7) recent and current developments, such as technology in auditing and the Sarbanes-Oxley Act. Ethical concerns relating to the auditor and various stakeholders--such as the auditing profession, the client, the government and the general public--will be integrated throughout the course.

Course Structure: Class sessions will include PowerPoint presentations, discussions and in-class exercises and problems. We will hear from several guest speakers and view a few videos.

Grading and Evaluation Guidelines: There will be one midterm exam, a final exam, two projects, three cases, one presentation and participation. The points are as follow:

Item	Points
Midterm Exam	125
2 Projects @ 25	50
3 Cases @ 75	225
Presentation	100
Participation	50
Final Exam	150
Total	<u>700</u>

The midterm exam will be given in class. The final exam is comprehensive. The format of the midterm exam and final exam includes multiple choice, matching, short essay and numerical problems. No notes or books can be used during the exams.

The projects are take-home and will be due one week after they are handed out. These projects are to be completed on an individual basis. The projects will involve answering questions about the material covered in class, to provide additional reinforcement of various topics.

The cases are also take-home. You will work in your teams to complete the cases. More specific instructions will be included with each case.

You will be part of a team presentation during class. These presentations are scheduled for October 24, 26 and 31. Each presentation will take approximately 1 hour, with time for questions after the presentation. The presentation will involve researching and discussing a recent accounting fraud situation. I will consult with each team on the possible fraud situations to cover.

Participation will include attendance, asking questions, answering questions and contributing to class discussions. I may also call on students or groups of students to answer questions during class, and your responses are part of participation.

Academic Honesty: Academic honesty is expected of all students. This course will follow the rules outlined in the Student Policy Book.

Enhancement Statement: To request accommodations due to a disability, please contact the Enhancement Program—Disability Services in Room 110 of Aquinas Hall on the St. Paul campus. The phone number is 651-962-6315. If you already have a form from this office indicating that you have a disability that requires accommodations, please show it to me as soon as possible so that I can facilitate this process.

Course Schedule

Class	Topic	Readings	Homework
September 7	Administrative Details Review of Auditing Topics Case #1 Handed Out Project #1 Handed Out	Textbook Chapters 19, 20	Handout #1
September 12	Review of Auditing Topics	Textbook Chapters 8, 9	Handout #2
September 14	Overview of PCAOB and SOX Project #1 Due	Textbook Chapter 6 Sarbanes-Oxley Act Auditing Standard No. 2	Handout #3
September 19	Guest Speakers on Interviewing Clients		
September 21	Reporting on Internal Control Case #1 Due Project #2 Handed Out	Textbook Chapter 7 COSO ERM--Integrated Framework	Handout #4
September 26	Forensic Accounting and Fraud Detection	Lecture Notes AICPA Professional Standards	Handout #5
September 28	Forensic Accounting and Fraud Detection Project #2 Due	Lecture Notes	Handout #6
October 3	Forensic Accounting and Fraud Detection	Lecture Notes	Handout #7
October 5	Reporting on Other Procedures Reissuing Financial Statements Case #2 Handed Out	Lecture Notes	Handout #8
October 10	Other Attestation Services: Compilations and Reviews Forecasts and Projections	Lecture Notes AICPA Professional Standards	Handout #9
October 12	Midterm Exam		

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Class	Topic	Readings	Homework
October 17	Other Attestation Services: Governmental Auditing	Lecture Notes Governmental Auditing Standards	Handout #10
October 19	No Class		
October 24	Team Presentation		
October 26	Team Presentation		
October 31	Team Presentation		
November 2	Off Balance Sheet Financing	Lecture Notes	Handout #11
November 7	Futures Contracts and Hedging Case #2 Due Case #3 Handed Out	Lecture Notes AICPA Professional Standards	Handout #12
November 9	Stock Options	Lecture Notes	Handout #13
November 14	Guest Speaker on Forensic Accounting		
November 16	Internal and Operational Auditing	Lecture Notes	Handout #14
November 21	Internal and Operational Auditing	Lecture Notes	Handout #15
November 23	Thanksgiving—No Class		
November 28	Guest Speaker on Internal and Operational Auditing		
November 30	Audit Practices in Specialized Industries Case #3 Due	Lecture Notes	Handout #16
December 5	Audit Practices in Specialized Industries	Lecture Notes	Handout #17
December 7	In-Class Project on Internal Controls in a Manufacturing Environment		

Course Schedule

Class	Topic	Readings	Homework
December 15	Final Exam	9:00 am to 12:00 pm	