

Syllabus
ACC 626
Enterprise Risk Management: Assurance of
Corporate Governance

Winter 2013

Class Time: 6:30 - 9:20 W

Class Location: 223 Elliott Hall

Professor Nehmer

200H Elliott Hall

248-370-4980

Office Hours: M 1 - 2:30, W 4:30 - 5:30, and by appointment

email: nehmer@oakland.edu

Course Description

The course examines current theories and methods of providing assurance over corporate governance. It includes in depth coverage of risk management, IT governance, and an examination of organizational development methodologies and their usefulness in the evolution of corporations. The course includes a thorough examination of current developments in information assurance as it affects corporate governance including Sarbanes Oxley.

Credit - 3 semester hours

Prerequisites: ACC 411

Required Materials

§ *Enterprise Risk Management and COSO*, Harry Cendrowski and William C. Mair

§ *The Failure of Risk Management*, Douglas W. Hubbard

§ Additional materials, such as eTexts, are posted or referenced on Moodle.

Goals

By the end of the semester you should be able to:

1. Design implementation plans for Enterprise Risk Management (ERM) models and analyze and address problems which occur during implementation.
2. Understand the COSO Governance framework and apply it to issues of corporate information technology governance and risk management.
3. Recognize issues in corporate and IT governance and understand how to design models of corporate governance.
4. Recognize enterprise assurance issues, design plans to test assurance, and understand how to implement and manage the plans.
5. Recognize the issues that SOX compliance has created in the ERM governance realm. Understand methods for assuring compliance in a SOX world.
6. Recognize a spectrum of assurance issues as they affect public and private entities in modern business environments.

Methods of Instruction: Stream of consciousness lectures, round table discussions, group problem solving.

Official Notification Area: The course is listed on Moodle. You are responsible for looking for course changes, notifications, handouts, etc., on Moodle. You are responsible for maintaining a current email address in the OU email system. Messages mailed to your listed OU email account (e.g., cornfield@oakland.edu) serve as official notification for the purposes of this course and your evaluation in this course. Please note that Moodle does not correctly calculate the course total and that I cannot turn off the total function. You can calculate your totals in a spreadsheet. Assignment grades will be posted to Moodle as soon as is practical.

Academic Conduct: Plagiarism and cheating are serious offenses and may be punished by failure on exam, paper or project; failure in course; and or expulsion from the University. Cases, problems, and exams in this course all require individual work only. For more information refer to the "Academic Conduct" policy in the Student Handbook on the Oakland University website.

Need for Assistance: If you have any condition, such as a physical or learning disability, which will make it difficult for you to carry out the work as I have outlined it, or which will require academic accommodations, please notify me as soon as possible.

Cell Phones: Please turn off cell phones, Blackberries, and other personal communication devices during class.

Class Participation:

For good participation, students should

- always be well prepared;
- ask insightful, penetrating questions;
- push the discussion to a higher, more sophisticated level;
- help us understand, in a constructive manner, why some of the arguments that have been voiced are flawed or incomplete.

Poor participation is when students

- rarely talk;
- sleep in class;
- skip classes;
- make irrelevant comments;
- are unprepared when they are called upon;
- arrive late;
- leave early.

Incompletes: An "Incomplete" grade can only be used in cases of severe hardship beyond the control of the student (e.g., hospitalization). It cannot be used to make up for inadequate performance. See OU catalog for policy and request procedure.

Attendance Policy: You are expected to have read all assignments before attending class. Attendance at all class sessions is strongly encouraged. Your participation grade will reflect your interaction with your peers in the in-class cases and discussions. Lack of attendance will cause this component of your grade to suffer accordingly.

Assignments: All assignments are due at the beginning of class on the day they are scheduled to be turned in.

Evaluation and Grading

5 Cases	50%
2 Exams	40%
Class Participation	<u>10%</u>
	100%

Abbreviations Used in the Schedule of Class Assignments

CM: *Enterprise Risk Management and COSO*, Harry Cendrowski and William C. Mair

H: *The Failure of Risk Management*, Douglas W. Hubbard

eT: Electronic text stored on Moodle

<u>Week of</u>	<u>Assignment</u>
Jan 9	Introduction Organizational Evolution and Conscious Design
Jan 16	Risk and Enterprise Risk Management CM: Chapters 1 and 2 H: Chapter 2
Jan 23	Mitigating Risk CM: Chapters 3 and 4 Case 1 Due
Jan 30	Governance and Risk eT: IT Governance Board Briefing pp. 6 - 63 H: Chapters 1 and 3
Feb 6	Control Frameworks eT: COBIT 5: Overview pp. 13 -46 CM: Chapters 5 and 6 Case 2 Due

<u>Week of</u>	<u>Assignment</u>
Feb 13	The Riskiness of Risk H: Chapters 4, 5 and 9
Feb 20	Winter Break
Feb 27	Midterm
Mar 6	Qualitative and Quantitative Analysis CM: Chapters 7 and 8 H: Chapters 6 and 7
Mar 13	Assessing and Monitoring Internal Control CM: Chapters 12 and 13 Case 3 Due
Mar 20	IT Assurance eT: IT Audit and Assurance Standards pp. 4 - 27 eT: IT Assurance Framework pp. 18 - 61 H: Chapter 10
Mar 27	Empirics, Policies and Processes CM: Chapters 14 and 15 H: Chapter 11 Case 4 Due
Apr 3	Managing Enterprise Risk CM: Chapters 16, 17, 18 and 19 H: Chapter 12
Apr 10	eT: Risk IT Framework pp. 7 - 97 Case 5 Due
Apr 17	Catch up
Apr 24	Final Exam

University Grading Scale

4.0	98-100
3.9	96-97.99
3.8	94-95.99
3.7	92-93.99
3.6	90-91.99
3.5	88.33-89.99
3.4	86.67-88.32
3.3	85.00-86.66
3.2	83.34-84.99
3.1	81.67-83.33
3.0	80-81.66
2.9	79-79.99
2.8	78-78.99
2.7	77-77.99
2.6	76-76.99
2.5	75-75.99
2.4	74-74.99
2.3	73-73.99
2.2	72-72.99
2.1	71-71.99
2.0	70-70.99
1.9	69-69.99
1.8	68-68.99
1.7	67-67.99
1.6	66-66.99
1.5	65-65.99
1.4	64-64.99
1.3	63-63.99
1.2	62-62.99
1.1	61-61.99
1.0	60-60.99
0	<60