

## *Tentative Course Syllabus*

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# **Governance, Risk Management, and Compliance (GRC) [ACCT 6386 - 501]**

### **Course Time and Place Information:**

Fall Semester 2016

Tuesday, 7:00 PM – 9:45 PM

Classroom: JSOM 2.803

### **Professor Contact Information:**

*Professor:* Dennis McCuiston  
Clinical Professor of Corporate Governance  
Executive Director, Institute for Excellence in Corporate Governance

*Office Phone:* 972-883-5967

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*Office Location:* JSOM 2.405

*Office Hours:* By appointment

*Web site:* <http://jindal.utdallas.edu/centers-of-excellence/institute-for-excellence-in-corporate-governance/>

### **Course Pre-requisites, Co-requisites, and Other Issues:**

Students who successfully completed ACCT 6377 (Corporate Governance) will benefit from this course which **is open to all SOM graduate students**. For accounting majors, the course **satisfies Texas State Board of Accountancy requirements for taking the CPA Exam** and its topics appear on the new exam.

### **Course Description:**

Directors and senior management depend upon a system of Corporate Governance (G) integrated and supported by programs of risk management (R) and compliance (C). To maximize the benefits of the three interrelated systems (G, R, and C) in supporting organizational strategy, their convergence is required as opposed to a stand-alone, silo-like configuration. These systems, especially compliance, are influenced by laws, regulations, and rules of regulatory bodies as well as internal policies. Together they affect and are affected by important issues such as reporting, corporate culture, ethical conduct, and performance. One result of these linkages and interactions is the need for students to become more cognizant of the contributions of a variety of professions to the development of Corporate Governance. As such, a whole new team of professional service providers has emerged requiring graduates to continuously expand and upgrade their professional capabilities for the benefit of their clients and society.

The course is presented from the perspective of senior managers or professional service providers. Emphasis is on what and how effective governance systems are designed, implemented, operated, and monitored within all forms of organizations: public, private, and not-for-profit. Professionals in the field will provide their insights into current best practices on how these systems are developed to create the linkages identified above. In addition, Federal legislation, rules, etc., will be considered because so much has been created with the stated objective of strengthening regulation and compliance in the various capital markets. Thus, the major objective of the course is to enable students to understand both the theoretical and practical aspects of risk management, compliance, and regulation as they relate to the

linkages between the capital markets and the governance of an organization to include financial and non-financial reporting.

**Student Learning Objectives/Outcomes:**

The principal learning objective is to comprehend the importance of well-designed and carefully implemented risk management, ethics, and compliance programs to the effectiveness of Corporate Governance systems. If these programs are in place and are properly responsive to regulatory requirements, then directors and senior management have a high level of assurance that the organization is operating effectively and efficiently and has minimized the risk of litigation, penalties, and negative publicity. In addition, if the organization has processes in place for the effective monitoring of such programs while concomitantly assisting directors in their oversight role, then shareholders and other stakeholders can be reasonably assured that the organization's strategic direction and on-going operations are executed in their best interests.

The principal outcome will be a comprehensive understanding of the purpose of the design, implementation, and maintenance of risk management, ethics, and compliance systems and how such programs can support corporate culture, ethical behavior, and strict adherence to applicable laws and regulations.

**Required Materials:**

**Corporate Governance and Ethics, Zabihollah Rezaee, John Wiley & Sons 2009**

**Memory Science online learning web site. Required with payment of \$25.**

**Protiviti KnowledgeLeader Website** (access is complimentary).

**SOX = Student Study Guide to the Sarbanes-Oxley Act Second Edition.** South-Western, 2010, by Robert Prentice and Dean Bredeson.

**OCEG (Open Compliance and Ethics Group) Website**

**Other:** internet-accessible references, library sources, and sources from professional services organizations.

**Grading Policy:**

Each student must accept the responsibility for course preparation. Thus, for each session, every student must prepare the assigned topics. In addition, each student is expected to participate actively in classroom discussions and to interact with guest lecturers. Classroom discussion topics about real world examples will be an important part of the course, and your participation in the discussion will be an important part of your grade.

**Grading Criteria:**

Team project	25
Individual paper	15
Mid-term test	20
Class participation and attendance	15
Second test	<u>25</u>
<b>Total</b>	<b>100</b>

Translation of the total point score into a letter grade will be based on the professor's judgment guided initially by >93% = A, 90-93 = A-, etc.

**Requirements for Papers:**

**Team Paper:** Each team will prepare a report, using **Word**, and a PowerPoint presentation on an assigned topic by your professor. The report's length should not exceed 10 pages (exclusive of exhibits and appendices), double-spaced, and using twelve (12) point Times New Roman font. **The report and PowerPoint presentation must be handed in to the instructor at the beginning of class on December 8, 2014, and presented in class that same evening.** The criteria for evaluation follow:

Organization, grammar, and balance between too much and too little detail	30
Well researched	40
Quality of PowerPoint presentation	20
Peer Evaluation	<u>10</u>
Total	100

**Individual Paper:** Each class member will **individually** prepare a report, using **Word**, on a significant GRC issue found in Chapters 14-15 of the text that the professor must approve. The report's length should exceed six (6) pages (exclusive of exhibits and appendices), double-spaced, and using twelve (12) point Times New Roman font. The report must be properly researched to include footnotes and a bibliography of sources used. **Both the team and individual papers must be submitted through eLearning and will be automatically checked by "TurnItIn", a software program that checks for plagiarism. A hard copy of the individual report must be handed in at the beginning of class on December 1, 2014.**

The criteria for evaluation of the paper and presentation will be:

Organization, grammar, and balance between too much and too little detail	40
Well researched with emphasis on the important aspects of the topic	40
"Cutting edge" developments identified and developed	<u>20</u>
Total	<u>100</u>

**NOTE: Always place your team number on all communications with the Professor and in the file names of your papers when you submit them. E-mail "subject line" should always be "ACCT 6386."**

#### **Important, Time-Sensitive Requirement**

Note: Study teams will be formed **immediately**. To facilitate the process, please e-mail [dennis.mccuiston@utdallas.edu](mailto:dennis.mccuiston@utdallas.edu), with the subject **"ACCT 6386"**, the information below:

1. Last Name; First Name; UTD Degree Program and Expected Graduation Semester.
2. Day-Time Telephone Number; E-mail Address for You to Receive Materials from me.
3. Collegiate Degree(s) Earned; Year(s) Earned; Name(s) of the Granting Institution(s).
4. Name of Current Employer; Your Position or Title; Months with Employer.
5. Very Short Summary of Prior Business Experience with Most Recent Experience First.
6. Very Short Statement of Your Career Objectives and How You Expect This Course to Help.

### Tentative Academic Calendar

Date	Topic	Assignments
Aug 23 Week 1	Introduction to the course. Review syllabus and assignments. Introduce definitions of corporate governance, regulations, risks, compliance. The Free Market System and Business	Read Chapter 1 in Rezaee
Aug 30 Week 2	Corporate Governance	Read Chapter 2
Sept 6 Week 3	Introduction to Business Ethics presented by David Reid, TI Ethics Director Emeritus	Read Chapter 3
Sept 13 Week 4	Board of Directors' Roles and Responsibilities	Read Chapter 4
Sept 20 Week 5	Board Committee Roles and Responsibilities	Read Chapter 5 Read Student Study Guide to SOX
Sep 27 Week 6	Roles and Responsibilities of Management Presentation on ERM by Philip Boneberg of Solera <b>Review for mid-term test covering Chapters 1-6</b>	Read Chapter 6
Oct 4 Week 7	<b>Mid-term test covering Chapters 1-6</b> Regulatory Bodies, Standard Setters, and Best Practices	Study for mid-term test Read Chapter 7
Oct 11 Week 8	Internal Auditors' Roles and Responsibilities Presentation by Joe Mauriello of UTD	Read Chapter 8
Oct 18 Week 9	External Auditors' Roles and Responsibilities Presentation by Chris Lewis of Deloitte	Read Chapter 9
Oct 25 Week 10	Technology and Corporate Governance	Read Chapter 12
Nov 1 Week 11	Stakeholders' Roles and Responsibilities Presentation by Richard Bowen, UTD Professor and Citigroup Whistleblower	Read Chapter 10
Nov 8 Week 12	Roles and Responsibilities of Other Corporate Governance Participants Presentation by legal counsel	Read Chapter 11
Nov 15 Week 13	<b>Second Test covering Chapters 7-11</b> Corporate Governance in Private and Nonprofit Organizations Presentation by Board Member	
Nov 29 Week 14	Work with teams on papers and presentations <b>Individual papers due</b>	Read Chapter 13
Dec 6 Week 15	<b>Team papers due</b> <b>Presentations will be made</b>	Students presenting

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## Student Conduct & Discipline

The University of Texas System and The University of Texas at Dallas have rules and regulations for the orderly and efficient conduct of their business. It is the responsibility of each student and each student organization to be knowledgeable about the rules and regulations which govern student conduct and activities.

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the Rules and Regulations of the Board of Regents of the University of Texas System, Part 1, Chapter VI, Section 3, and in Title V, Rules on Student Services and Activities of the Course Syllabus Page 8, University's Handbook of Operating Procedures. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SSB 4.400, 972/883- 6391).

A student at the university neither loses the rights nor escapes the responsibilities of citizenship. He or she is expected to obey federal, state, and local laws as well as the Regents' Rules, university regulations, and administrative rules. Students are subject to discipline for violating the standards of conduct whether such conduct takes place on or off campus, or whether civil or criminal penalties are also imposed for such conduct.

## Academic Integrity

The faculty and administration of the School of Management expect from our students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrate a high standard of individual honor in his or her scholastic work. We want to establish a reputation for the honorable behavior of our graduates, which extends throughout their careers. Both your individual reputation and the school's reputation matter to your success.

The Judicial Affairs website lists examples of academic dishonesty. Dishonesty includes, but is not limited to cheating, plagiarism, collusion, facilitating academic dishonesty, fabrication, failure to contribute to a collaborative project and sabotage. Some of the ways students may engage in academic dishonesty are:

- Coughing and/or using visual or auditory signals in a test;
- Concealing notes on hands, caps, shoes, in pockets or the back of beverage bottle labels;
- Writing in blue books prior to an examination;
- Writing information on blackboards, desks, or keeping notes on the floor;
- Obtaining copies of an exam in advance;
- Passing information from an earlier class to a later class;
- Leaving information in the bathroom;
- Exchanging exams so that neighbors have identical test forms;
- Having a substitute take a test and providing falsified identification for the substitute;
- Fabricating data for lab assignments;
- Changing a graded paper and requesting that it be regraded;
- Failing to turn in a test or assignment and later suggesting the faculty member lost the item;
- Stealing another student's graded test and affixing one's own name on it;
- Recording two answers, one on the test form, one on the answer sheet;
- Marking an answer sheet to enable another to see the answer;
- Encircling two adjacent answers and claiming to have had the correct answer;
- Stealing an exam for someone in another section or for placement in a test file;
- Using an electronic device to store test information, or to send or receive answers for a test;
- Destroying or removing library materials to gain an academic advantage;
- Consulting assignment solutions posted on websites of previous course offerings;
- Transferring a computer file from one person's account to another;
- Transmitting posted answers for an exam to a student in a testing area via electronic device;
- Downloading text from the Internet or other sources without proper attribution;
- Citing to false references or findings in research or other academic exercises;
- Unauthorized collaborating with another person in preparing academic exercises;
- Submitting substantial portion of same academic work more than once without written authorization from instructor.

<http://www.utdallas.edu/judicialaffairs/UTDJudicialAffairs-Basicexamples.html>

Plagiarism on written assignments, especially from the web, from portions of papers for other classes, and from any other source is unacceptable. On written assignments, this course may use the resources of turnitin.com, which searches the web for plagiarized content and is over 90% effective.

During tests and quizzes, students in this section are not allowed to have with them any food or drinks, scratch paper, course materials, textbooks, notes, invisible ink pens, or electronic devices, including iPads, iPhones, iPods, MP3 Players, earphones, radios, smart phones, cameras, calculators, multi-function timepieces, or computers. When possible, students should sit in alternating seats, face forward at all times, and remove any clothing which might conceal eye movements, reflect images of another's work, or hide course material for copying. Exam proctors will monitor any communication or signaling between students by talking, whispering, or making sounds, or by using your hands, feet, other body movements, the test paper itself or your writing implement.

Students in this course suspected of academic dishonesty are subject to disciplinary proceedings, and if found responsible, the following minimum sanctions will be applied:

1. Tests – Zero
2. Individual Paper – F for the course
3. Team Paper and Presentation – F for the course

These sanctions will be administered only after a student has been found officially responsible for academic dishonesty, either through waiving their right for a disciplinary hearing, or being declared responsible after a hearing administered by Judicial Affairs and the Dean of Student's Office.

In the event that the student receives a failing grade for the course for academic dishonesty, the student is not allowed to withdraw as a way of preventing the grade from being entered on their record. Where a student receives an F in a course and chooses to take the course over to improve their grade, the original grade of F remains on their transcript, but does not count towards calculation of their GPA.

The School of Management also reserves the right to review a student's disciplinary record, on file with the Dean of Students, as one of the criteria for determining a student's eligibility for a scholarship.

### **Judicial Affairs Procedures**

Under authority delegated by the Dean of Students, a faculty member who has reason to suspect that a student has engaged in academic dishonesty may conduct a conference with the student in compliance with the following procedures:

- (i) the student will be informed that he/she is believed to have committed an act or acts of academic dishonesty in violation of University rules;
- (ii) the student will be presented with any information in the knowledge or possession of the instructor which tends to support the allegation(s) of academic dishonesty;
- (iii) the student will be given an opportunity to present information on his/her behalf;
- (iv) after meeting with the student, the faculty member may choose not to refer the allegation if he/she determines that the allegations are not supported by the evidence; or
- (v) after meeting with the student, the faculty member may refer the allegations to the dean of students along with a referral form and all supporting documentation of the alleged violation. Under separate cover, the faculty member should forward the appropriate grade to be assessed if a student is found to be responsible for academic dishonesty;
- (vi) the faculty member may consult with the dean of students in determining the recommended grade;
- (vii) the faculty member must not impose any independent sanctions upon the student in lieu of a referral to Judicial Affairs;
- (viii) the faculty member may not impose a sanction of suspension or expulsion, but may make this recommendation in the referral documentation

If the faculty member chooses not to meet with the student and instead forwards the appropriate documentation directly to the dean of students, they should attempt to inform the student of the allegation and notify the student that the information has been forwarded to the Office of Dean of Students for investigation.

The student, pending a hearing, remains responsible for all academic exercises and syllabus requirements. The student may remain in class if the student's presence in the class does not interfere with the professor's ability to teach the class or the ability of other class members to learn. (See Section 49.07; page V-49-4 for information regarding the removal of a student from class).

Upon receipt of the referral form, class syllabus, and the supporting material/documentation from the faculty member, the dean shall proceed under the guidelines in the Handbook of Operating Procedures, Chapter 49, and Subchapter C. If the respondent disputes the facts upon which the allegations are based, a fair and impartial disciplinary committee comprised of UTD faculty and students shall hold a hearing and determine the responsibility of the student. If they find the student in violation of the code of conduct, the dean will then affirm the minimum sanction as provided in the syllabus, and share this information with the student. The dean will review the student's prior disciplinary record and assess additional sanctions where appropriate to the circumstances. The dean will inform the student and the faculty member of their decision.

### **Email Use**

The University of Texas at Dallas recognizes the value and efficiency of communication between faculty/staff and students through electronic mail. At the same time, email raises some issues concerning security and the identity of each individual in an email exchange. The university encourages all official student email correspondence be sent only to a student's U.T. Dallas email address and that faculty and staff consider email from students official only if it originates from a UTD student account. This allows the university to maintain a high degree of confidence in the identity of all individual corresponding and the security of the transmitted information. UTD furnishes each student with a free email account that is to be used in all communication with university personnel. The Department of Information Resources at U.T. Dallas provides a method for students to have their U.T. Dallas mail forwarded to other accounts.



## **Withdrawal from Class**

The administration of this institution has set deadlines for withdrawal of any college-level courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. It is the student's responsibility to handle withdrawal requirements from any class. In other words, I cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled.

## **Student Grievance Procedures**

Procedures for student grievances are found in Title V, Rules on Student Services and Activities, of the university's *Handbook of Operating Procedures*.

In attempting to resolve any student grievance regarding grades, evaluations, or other fulfillments of academic responsibility, it is the obligation of the student first to make a serious effort to resolve the matter with the instructor, supervisor, administrator, or committee with whom the grievance originates (hereafter called "the respondent"). Individual faculty members retain primary responsibility for assigning grades and evaluations. If the matter cannot be resolved at that level, the grievance must be submitted in writing to the respondent with a copy of the respondent's School Dean. If the matter is not resolved by the written response provided by the respondent, the student may submit a written appeal to the School Dean. If the grievance is not resolved by the School Dean's decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the dean will appoint and convene an Academic Appeals Panel. The decision of the Academic Appeals Panel is final. The results of the academic appeals process will be distributed to all involved parties.

Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations.

## **Incomplete Grade Policy**

As per university policy, incomplete grades will be granted only for work unavoidably missed at the semester's end and only if 70% of the course work has been completed. An incomplete grade must be resolved within eight (8) weeks from the first day of the subsequent long semester. If the required work to complete the course and to remove the incomplete grade is not submitted by the specified deadline, the incomplete grade is changed automatically to a grade of **F**.

## **Disability Services**

The goal of Disability Services is to provide students with disabilities educational opportunities equal to those of their non-disabled peers. Disability Services is located in room 1.610 in the Student Union. Office hours are Monday and Thursday, 8:30 a.m. to 6:30 p.m.; Tuesday and Wednesday, 8:30 a.m. to 7:30 p.m.; and Friday, 8:30 a.m. to 5:30 p.m.

The contact information for the Office of Disability Services is:

The University of Texas at Dallas, SU 22

PO Box 830688

Richardson, Texas 75083-0688

(972) 883-2098 (voice or TTY)

Essentially, the law requires that colleges and universities make those reasonable adjustments necessary to eliminate discrimination on the basis of disability. For example, it may be necessary to remove classroom prohibitions against tape recorders or animals (in the case of dog guides) for students who are blind. Occasionally an assignment requirement may be substituted (for example, a research paper versus an oral presentation for a student who is hearing impaired). Classes enrolled students with mobility impairments may have to be rescheduled in accessible facilities. The college or university may need to provide special services such as registration, note-taking, or mobility assistance.

It is the student's responsibility to notify his or her professors of the need for such an accommodation. Disability Services provides students with letters to present to faculty members to verify that the student has a disability and needs accommodations. Individuals requiring special accommodation should contact the professor after class or during office hours.

## **Religious Holy Days**

The University of Texas at Dallas will excuse a student from class or other required activities for the travel to and observance of a religious holy day for a religion whose places of worship are exempt from property tax under Section 11.20, Tax Code, Texas Code Annotated.

The student is encouraged to notify the instructor or activity sponsor as soon as possible regarding the absence, preferably in advance of the assignment. The student, so excused, will be allowed to take the exam or complete the assignment within a reasonable time after the absence: a period equal to the length of the absence, up to a maximum of one week. A student who notifies the instructor and completes any missed exam or assignment may not be penalized for the absence. A student who fails to complete the exam or assignment within the prescribed period may receive a failing grade for that exam or assignment. If a student or an instructor disagrees about the nature of the absence [i.e., for the purpose of observing a religious holy day] or if there is similar disagreement about whether the student has been given a reasonable time to complete any missed assignments or examinations, either the student or the instructor may request a ruling from the chief executive officer of the institution, or his or her designee. The chief executive officer or designee must take into account the legislative intent of TEC 51.911(b), and the student and instructor will abide by the decision of the chief executive officer or designee.

## **Off-Campus Instruction and Course Activities**

Off-campus, out-of-state, and foreign instruction and activities are subject to state law and University policies and procedures regarding travel and risk-related activities. Information regarding these rules and regulations may be found at the website address given below. Additional information is available from the office of the school dean.

[http://www.utdallas.edu/Business Affairs/Travel\\_Risk\\_Activities.htm](http://www.utdallas.edu/Business Affairs/Travel_Risk_Activities.htm)

### **EVALUATION OF INDIVIDUAL CONTRIBUTION TO TEAM**

**ACCT 6386: GRC;**

NAME OF EVALUATOR: \_\_\_\_\_

NOTE: Please do not evaluate yourself!

***Dimensions of evaluation:***

- A. Significant number of Innovative ideas/items
- B. Quality and depth of “mining” for a proposed knowledge area
- C. Useful, effective and organized method of disseminating knowledge
- D. Personal benefit to the individual completing this questionnaire

	A	B	C	D	Total
NAME OF CLASS MEMBER	(0-5)	(0-5)	(0-5)	(0-5)	(0-20)

Each team member is to be evaluated on the scale shown above for each dimension. Rank each team member on all four dimensions. **Evaluation must be handed in or e-mailed to the professor by 7pm on the last night of class.**



