

Advance External Auditing
ACCT 6373
The Naveen Jindal School of Management
The University of Texas at Dallas

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Course Information

Course

Course Number/Section ACCT 6373 0W1
Course Title Advance External Auditing
Term and Dates Fall 2016 August 22, 2016 - December 15, 2016

Professor Contact Information

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Office Location 4- 218 School of Management
Online Office Hours By Appointment

About the Instructor

Name: John P. Barden, CFE, CPA, CGMA

John Barden is a Certified Fraud Examiner, Certified Public Accountant in Texas and New York State and a Chartered Global Management Accountant. John has over 20 years of corporate accounting experience working with PricewaterhouseCoopers, Gulf & Western and Azon Corporation. John also is a Clinical Professor at The University of Texas at Dallas, teaching Principles of Accounting, Advanced Auditing and Managerial Accounting. Previously John taught at the School of Management at Binghamton University. John graduated from St. John Fisher College in Rochester, New York with a BS in Accounting in 1983, and an MBA from Manhattan College in New York City in 1988.

Course Pre-requisites, Co-requisites, and/or Other Restrictions: [ACCT 4334](#) will also be counted as a prerequisite. Prerequisite: [ACCT 6334](#).

Course Description

Advanced Auditing (3 semester credit hours) This course provides an in-depth view of issues related to internal and external audit. Current and emerging issues such as Enterprise Risk Management, Advanced Communication Techniques, Managing the Audit Group, and Quality Assessment Reviews are all covered as part of the class. Weekly assignments, quizzes and case studies are discussed in detail along with a 2 major research projects and 2 web presentations. The course covers topics necessary for students to work as an auditor in charge.

COURSE OBJECTIVES

This course is an extension of ACCT 4334/6334 with the addition of research requirements and assignments of the type that auditors perform in public practice. Designed as a heavily participative seminar-style course, content is balanced across lecture, class discussion, and research and student presentations. The subject matter includes the role and responsibilities of public accounting practitioners and firms in providing audit and other attest and/or assurance services. Emphasis is on services to SEC registrant (publicly-traded) companies including audit challenges associated with complex accounting and the necessity to assess audit risk under conditions of uncertainty.

The course consists of three components: a) a detailed look at the professional standards published by the PCAOB and those separately promulgated by the AICPA; b) multi-week student performance of selected auditing areas via discussion topics and video conferencing and c) two significant research projects which culminates in written reports. Research may be drawn from accounting and auditing standards, PCAOB inspection reports and/or adjudicated actions, practical issues in auditing multinational companies, or professional responsibilities associated with attest services or fraud prevention and detection.

The course is planned as both education and development of students' audit experience, judgment and technical communication skills, all of which are essential to a successful career in assurance services within the public accounting profession.

In this course, I will emphasize six areas. They include (1) functional competence in Auditing, (2) critical thinking, (3) global perspective, (4) ethical awareness, (5) social and organization skills, and (6) technology.

Please take a moment to *understand* these objectives and how I propose to meet them during the semester.

CURRICULAR AREAS	COURSE OBJECTIVES	HOW OBJECTIVES ARE MET
Functional competence	To understand auditing theory and processes and apply them to real-world problems.	This is the main objective of the course. The class lectures via PowerPoint slides, discussions, and the Website readings are geared to this objective.
Critical thinking	To identify audit problems and apply the theory/tools taught in class in solving the problems.	The exams will test your ability to identify and apply the relevant theory to the class lectures & notes.
Global Perspective	To understand that business decisions need to be adapted to different cultures	The sessions on International Organizations are geared to understanding policies & procedures.
Ethical Awareness	To recognize the ethical dilemmas that companies often face in pursuing market share and profit.	The session on Ethics is geared to this objective along with the SEC & PCAOB website and our weekly discussions.
Social/Organization Skills	To test for effective written communications, as well as the ability to work on projects.	Think of your own business environment & how it can change. Working on research projects.
Technology	To understand how technology, particularly the Internet, is changing accountants to think.	Each session and the advanced projects are geared to this objective.

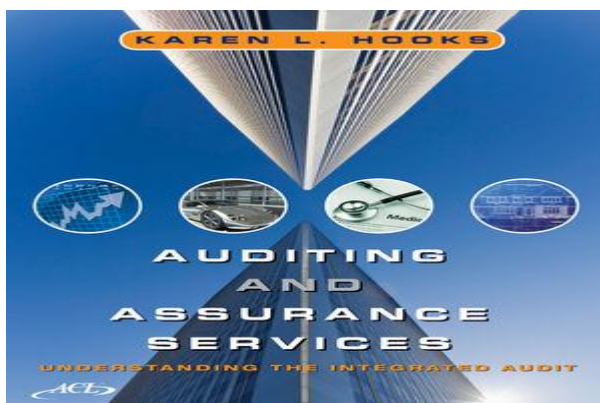
Student Learning Objectives/Outcomes

To develop an understanding of advanced auditing in pursuit of "organizational goals and strategies." By the end of the course students should be familiar with the technical skills of Advanced Auditing, Accounting Information Systems Audit and Risks. As auditors you should be able to identify relevant information, the appropriate methods for analyzing information, working together in on financial, global, and ethical environment. In addition, you will have the ability to communicate information to others in the organization using a critical thinking approach.

<u>Learning Goal or Objective</u>	<u>Learning Outcome or Assessment</u>
Extend understanding of auditing standards and the application of audit procedures to situations found in publicly-traded entities.	Readings from the text On Line PowerPoint slides and conference calls Student work product in conformity with professional standards
Refine students' understanding of audit risk assessment, planning of audit procedures, and documentation of understandings with clients.	Development of audit documentation Audit case Research Projects
Extend understanding of the auditors' responsibility to collect and evaluate audit evidence.	Development of audit documentation
Develop familiarity with research of the scope and application of auditing standards to difficult accounting situations requiring research of underlying accounting standards, interpretation of client's application of such accounting standards and, based on the accounting research, development of audit procedures associated with the area of complex accounting.	Research project Development of research report Development of flowcharts or other graphic descriptions of applicable GAAP and audit procedures corresponding to the application of accounting standards researched.
Enhance students' written communication	Development and presentation of research report.

Required Textbooks and Materials

Required Texts



Wiley E-Text 

Auditing and Assurance Services: Understanding the Integrated Audit

ISBN : 978-0-470-57130-9

960 pages

June 2010, ©2010

\$71.50 [BUY](#)

Hardcover

Auditing and Assurance Services: Understanding the Integrated Audit

ISBN : 978-0-471-72634-0

960 pages

March 2010, ©2011

\$253.95 [BUY](#)

Suggested Course Materials

www.sec.gov

www.AICPA.com

<http://pcaobus.org/Pages/default.aspx>

Note: it is critical you review the PowerPoint slides, read the chapters, do the Multiple Choice and review the answers to Multiple Choice. After you have accomplished this than take the quiz after each chapter.

Textbooks and some other bookstore materials can be ordered online through [Off-Campus Books](#) or the [UTD Bookstore](#). They are also available in stock at both bookstores.

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Course Policies

Make-up exams

No make up quizzes will be given. If you have an extraordinary situation, please contact me immediately.

Extra Credit

No Extra credit

Class Participation

Students are required to login regularly to the online class site. The instructor will use the tracking feature in eLearning to monitor student activity. Students are also required to participate in all class activities such as discussion board activities, chat or conference

sessions and group projects. **It is required that you attend the 2 on line conference calls.**

Virtual Classroom Citizenship

The same guidelines that apply to traditional classes should be observed in the virtual classroom environment. Please use proper netiquette when interacting with class members and the professor.

Policy on Server Unavailability or Other Technical Difficulties

The university is committed to providing a reliable online course system to all users. However, in the event of any unexpected server outage or any unusual technical difficulty which prevents students from completing a time sensitive assessment activity, the instructor will extend the time windows and provide an appropriate accommodation based on the situation. Students should immediately report any problems to the instructor and also contact the UTD eLearning Help Desk: <http://www.utdallas.edu/elearninghelp>, 1-866-588-3192. The instructor and the UTD eLearning Help Desk will work with the student to resolve any issues at the earliest possible time.

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Technical Requirements

In addition to a confident level of computer and Internet literacy, certain minimum technical requirements must be met to enable a successful learning experience. Please review the important [technical requirements](#) on the [Getting Started with eLearning webpage](#).

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Course Access and Navigation

This course was developed using a web course tool called eLearning. It is to be delivered entirely online. Students will use their UTD NetID account to login at: <http://elearning.utdallas.edu>. Please see more details on [course access and navigation information](#).

To get familiar with the eLearning tool, please see the [Student eLearning Tutorials](#).

UTD provides eLearning technical support 24 hours a day/7 days a week. The services include a toll free telephone number for immediate assistance (1-866-588-3192), email request service, and an online chat service. Please use this link to access the UTD eLearning Support Center: <http://www.utdallas.edu/elearninghelp>.

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Communications

This eLearning course has built-in communication tools which will be used for interaction and communication. Some external communication tools such as regular email and a web conferencing tool may also be used during the semester. For more details, please visit the [eLearning Tutorials webpage](#) for video demonstrations on numerous tools in eLearning.

Interaction with Instructor: The instructor will communicate with students mainly using the Announcements and Discussions tools. Students may send personal concerns or questions to the instructor using the course Email tool. The instructor will reply to student emails messages within 3 working days under normal circumstances. If it is an Emergency feel free to call my Cell Phone at 607 759-0918.

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Student Resources

The following university resources are available to students:

UTD Distance Learning: <http://www.utdallas.edu/elearning/students/cstudents.htm>

McDermott Library: Distance Learners (UTD students who live outside the boundaries of Collin, Dallas, Denton, Rockwall, or Tarrant counties) will need a UTD-ID number to access all of the library's electronic resources (reserves, journal articles, ebooks, interlibrary loan) from off campus. For UTD students living within those counties who are taking online courses, a Comet Card is required to check out materials at the McDermott Library. For more information on library resources go to <http://www.utdallas.edu/library/distance.html>.

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Student Assessments

Grading Information

Weights

Quiz Chapters 1-10	20%
Cumulative Final Exam Given at Testing Center 12/12-12/15	40%
Research Project SAS	10%
Research Project FRAUD	20%
Two Conference Calls Must Participate	10%
Total	100%

Grading criteria

Scaled Score	Letter Equivalent
100- 90	A
89-80	B
79-70	C
Less than 69	F

Grading Policy

Grades to the quizzes will be posted to your grade book automatically via eLearning. All final grades will be posted by December 20, 2016 to the Orin Official UTD Grade site!!

Accessing Grades

Students can check their grades by clicking “My Grades” under Course Tools after the grade for each assessment task is released.

Assignments & due Dates

- 1) **Research Project on SAS 11/22**
- 2) **Research Project on Fraud 12/7 LAST DAY OF CLASS!!**

Students can group into teams of ONLY 3 students or can complete the paper by themselves. Each team is responsible for preparing the Financial Analysis and Audit Review for each Research project. You must include an audit plan for each research paper. Each team or individual is required to submit a written (typed) professional analysis of regarding the audit position and must use appropriate auditing illustrations and terms. Failure to submit the project will result in a grade of zero for the research paper. Please include the following in your written analysis:

1. Choose a company from any of the given industries: Healthcare/Hospital, Hi tech (software, Pharmaceutical, Biotech...), Government Contractors, Retail, Investment Companies or Banking.
2. Provide content for Permanent Working Papers for this engagement i.e. a brief background of the selected Company, the industry environment, specific regulations if any that may be subject to risks, Auditor's Audit risk.
3. Include a comparative set of Financial Statements – Income Statement, Balance Sheet, Statement of Cash Flows and Notes to Financial Statements relating only to the cycles selected below.
4. Draft a Letter of Engagement in the required format
5. Select any 3 of the following cycles: Revenue, Fixed Assets, Inventories, Intangibles, Accruals (Payroll, Purchases...), Investments, Accounts Receivable, Derivatives or Research & Development Costs.
6. For each of the selected cycles:
 - a. Assume the team is the Engagement Manager; prepare a Staffing Schedule, to include the number of staff, designations of each staff member (new, experienced or senior associate, intern etc.) and the hours allocated to each cycle and in total for the engagement
 - b. Describe the process – flowcharts/other pictorial presentation is preferable to written narrative. This is a creative and fictional part, use your imagination!)
 - c. Identify and assess risk of material misstatements
 - d. If using the work of Internal Auditors/ past auditors, specify the controls relied on and procedures adopted to justify such reliance

- e. List the audit evidence requested, substantive procedures, including those for Subsequent Events, to be performed
 - f. Describe the results of such procedures – were any exceptions or unusual matters identified, if so, how were they resolved?
 - g. Draft communication to the Audit Committee relating to such matters described in f. above or any internal control deficiencies identified and recommendations to improve them, as noted throughout the engagement
 - h. Items to be included in the Management Representation Letter
7. Audit Report with the applicable verbiage and format (for Unqualified, Qualified, Adverse, Disclaimer etc.,)

In addition, include the following in the paper,

- Names of Team Members,
- Professor's Name,
- Cover Page,
- Table of Contents,
- Executive Summary,
- Current events on the topic,
- Pictures, Flowcharts & Images
- Development and ethical issues,
- Recommendation and Conclusion,
- References.

Assignment submission instructions

You will submit your assignments (in the required file format with a simple file name and a file extension) by using the Assignment tool in eLearning. **ONE ASSIGNMENT PER TEAM.**

For the team project assignment, one group member will submit the assignment for the group and all group members will be able to view the results and feedback once it's been graded.

Participation/Discussions

My expectation on our Discussion questions is that you research the question. Once you feel comfortable with your findings submit your response. We as a class will provide feedback to each question and I will observe and provide adequate feedback.

Online Tests/Quizzes (MUST BE COMPLETED 12/7!)

You can access quizzes/exams by clicking the Assessments link on the course menu or see the quiz/exam icon on the designated page. Each quiz can be accessed only from the time period allocated. Please read the on-screen instructions carefully before you click "Begin Assessment". After each quiz is graded and released, you may go back to the Assessments page and click "View All Submissions" to review your exam results.

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Academic Calendar

Date	CHAPTER	Topic	Recommended Assignments
8/22	1	Introduction to Auditing	Rd Chapter 1, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #1
9/10	2	Overview of Integrated Audit	Rd Chapter 2, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #2
9/22	3	The Audit Role in Society	Rd Chapter 3, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #3
10/3	4	Legal Environment Affecting Audit Start working on Project	Rd Chapter 4, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #4
10/11		Telephone Conference Tuesday 7:00PM CST Discuss Research Project on SAS	Instructions will follow

		Start working on Project	
10/17	5	Research Project SAS Due 11/22 Client Acceptance & Continuance	Rd Chapter 5, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #5
11/1	6	Audit Planning & Risk	Rd Chapter 6, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #6
11/8		Telephone Conference Tuesday 7:00PM CST	Instructions will follow
11/14	7	Internal Controls over Financial Reporting and Audit Design Research SAS Project Due 11/22	Rd Chapter 7, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #7
11/21	8	Planning & Testing Internal Controls Over Financial Reporting FRAUD Project Due 12/7	Rd Chapter 8, Review PowerPoint Slides Do all Multiple Choice, Discussion Questions & Problems. COMPLETE QUIZ #8
11/28	9 & 10	Substantive Audit Procedures & Audit Revenue Process NOTE ALL QUIZZES MUST BE COMPLETED	Rd Chapter 9, & 10 Review PowerPoint Slides. Do all Multiple Choice, Discussion Questions & Problems.

		BY 12/7!! Study for Cumulative Final Exam	COMPLETE QUIZ #9 & 10
12/7		FRAUD Project Due 12/7 Test will be available in Testing CENTER on 12/12-12/15. NOTE ALL QUIZZES MUST BE COMPLETED BY 12/7!!	Study for Cumulative Final Exam

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Scholastic Honesty

The University has policies and discipline procedures regarding scholastic dishonesty. Detailed information is available on the [UTD Judicial Affairs](#) web page. All students are expected to maintain a high level of responsibility with respect to academic honesty. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since such dishonesty harms the individual, all students and the integrity of the University, policies on scholastic dishonesty will be strictly enforced.

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Course Evaluation

As required by UTD academic regulations, every student must complete an evaluation for each enrolled course at the end of the semester. An online instructional assessment form will be made available for your confidential use. Please look for the course evaluation link on the course Homepage towards the end of the course.

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University Policies

Student Conduct & Discipline

The information contained in the following link constitutes the University's policies and procedures segment of the course syllabus.

Please go to <http://go.utdallas.edu/syllabus-policies> for these policies.

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. General information on student conduct and discipline is contained in the UTD publication, *A to Z Guide*, which is provided to all registered students each academic year.

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, Board of Regents, The University of Texas System, Part 1, Chapter VI, Section 3*, and in Title V, Rules on Student Services and Activities of the 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 (SU 1.602, 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 expects from its 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.

Scholastic dishonesty includes, but is not limited to, statements, acts or omissions related to applications for enrollment or the award of a degree, and/or the submission as one's own work or material that is not one's own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

Plagiarism, especially from the web, from portions of papers for other classes, and from any other source is unacceptable and will be dealt with under the university's policy on plagiarism (see general catalog for details). This course will use the resources of turnitin.com, which searches the web for possible plagiarism and is over 90% effective.

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 E.

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 SSB 3.200 in the Student Service Building. Office hours are Monday to Thursday, 8:00 a.m. to 6:00 p.m.; and Friday, 8:00 a.m. to 5:00 p.m.

The contact information for the Office of Disability Services is:
972-883-2098 Telephone
studentaccess@utdallas.edu

Student Access Ability
800 W. Campbell Rd., SSB32
Richardson, TX 75080

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, and 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/BusinessAffairs/Travel_Risk_Activities.htm)

These descriptions and timelines are subject to change at the discretion of the Professor.

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