UNIVERSITY OF TEXAS AT AUSTIN
ACC 358C / ACC 380K.4, Auditing and Assurance Services
Course Syllabus for Kachelmeier Sections, Spring 2017

Time and Location:
TT 9:30 - 11:00, UTC 1.130 (unique 02575 for ACC 358C; 02715 for ACC 380K.4)
TT 11:00 - 12:30, UTC 1.130 (unique 02580 for ACC 358C; 02720 for ACC 380K.4)
TT 2:00 – 3:30, SZB 370 (unique 02590 for ACC 358C; 02705 for ACC 380K.4)
Note: Please attend the section in which you are enrolled. If special circumstances prevent you from attending your section on a particular day, please notify me beforehand and I may allow you to attend the other section if seating capacity permits.

Instructor
Steven Kachelmeier, Ph.D., CPA (licensed in New Mexico)
Randal B. McDonald Chair in Accounting
Office: CBA 4M.236; Ph.: 471-3517; E-mail: kach@mail.utexas.edu
Office hours: Tuesdays and Thursdays 4:00 - 5:30, or as announced, and by appointment.

Teaching Assistants
Ben Van Landuyt, CPA (Texas) - Ph.D. student, Ben.VanLanduyt@phd.mccombs.utexas.edu
Ben’s office hours: Wednesdays, 10:00-11:30 a.m., CBA 3.332V
Pornthep Tantipanichkul, CPA (licensed in Thailand) - MBA student,
Pornthep.Tantipanichkul@mpa17.mccombs.utexas.edu
Pornthep’s office hours: Mondays, 2:00-3:30 p.m., CBA 4.304A, Space A
TA office hours are subject to revision; please monitor Canvas for any updates.
Note: The TAs will grade the cases, so they are a great resource for case questions. The TAs can also assist you with homework, class questions, or career questions. Both TAs have Big-Four audit experience, so they are well-qualified to assist this course.

Canvas
In addition to posting announcements and documents on Canvas (http://canvas.utexas.edu), I use the Canvas discussion board feature to provide you with virtual office hours at any time. Please get in the habit of checking our Canvas site before every class.

The discussion board benefits you and me. You can use it to post questions, comments, and responses to others’ posts. In turn, I will use it to offer clarifications to the entire class, not just the person who asked the question. If you have a question of general interest, please use the discussion board, not email. That way everyone can benefit.

Canvas Privacy Notice: Information in Canvas is protected by your UTEID login. Please be aware that I use a merged Canvas site for all sections of this course that I am teaching this semester. The reason is to enable a combined discussion board that benefits all students equally. A combined Canvas site does allow students in my other sections to see that you are enrolled in the course and to send you an email directly from Canvas. However, other students will not be able to learn your email address or other personal data from Canvas. If you have any concerns, please let me know and/or contact the ITS Help Desk at 475-9400 for help removing your name from the view of other students.
Required Course Materials

Course files. I will upload to Canvas the Powerpoint files and other materials we will use in class discussion. My Powerpoint slides often have blank areas for your notes from class, making it very important for you to attend each class session.


Note: If the CD-Rom for the educational version of ACL Analytics, Version 9 is available in the inside back cover of your text, that is good, because we will use this software for a required course assignment (Case 5) later in the semester. If the CD is not available or if your personal computer does not have a CD drive, I will provide an ACL link that can be used for free and legal downloading of this software for educational purposes.

Course Objectives
At the end of the semester, you should have a better and deeper understanding of the following:

1. The role of auditing in a market economy.
2. U.S. and international regulation of auditing.
3. Auditor independence and ethical responsibilities.
4. Dealing with the potential for fraud.
5. Internal controls and the integrated audit.
8. Audit reporting and changes on the horizon.
9. Basic framework for auditing a company’s revenue and purchasing cycles.
10. Using computerized audit software.
11. Evaluating and correcting errors.
12. Entity-wide audit considerations (e.g., going concern, subsequent events, related parties).
13. Services that CPAs provide beyond the financial statement audit.
We will achieve these objectives through a mixture of class discussions, case assignments, homework (including use of auditing software), and an end-of-semester group presentation project.

Teaching Philosophies

• This course is not just another requirement to graduate. Rather, because the vast majority of you will either become auditors or will deal with auditors, the primary objective of this course is to help you to succeed after graduation.

• I am not wedded to any single teaching method. Rather, I prefer to select among a variety of teaching methods and materials, as appropriate for different class objectives.

• I prefer an informal atmosphere. Learning should be enjoyable.

• I would rather be interrupted than for you to be confused.

• I prefer trust over suspicion, but especially in an auditing course, we cannot tolerate anything less than absolute integrity. If you help us maintain an atmosphere of trust and integrity, we will have more fun and get more out of the course.

• People tend not to be late to things that are important to them. It is your responsibility to arrive on time.

• I appreciate feedback. Tell me what you like and what you do not like.

• Although evaluation and grading are necessary for accountability, what you learn from this course is more important than what grade you get. Put differently, grades are a byproduct of learning, not the objective of learning. I do realize that grades are important to you, however, so my grading policies are described on the next page.
Grading

Course grades will be based on a 500-point scale, as follows:

| Points Possible |  
|-----------------|---|
| In-class examination 1, Tuesday, February 21, 2017 | 100 |
| In-class examination 2, Thursday, March 30, 2017 | 100 |
| Final examination, Saturday, May 13, 2017, 7-10 p.m. (common final; contingent on University approval) | 125 |
| Cases (see listing for point allocation) | 85 |
| End-of-semester group presentation | 70 |
| In-class end-of-semester presentation summaries | 20 |
| Nominal points possible | 500 |
| Extra credit for participation and effort | Up to 35 |
| Total points possible, including extra credit | 535 |

In awarding final grades, I start by considering the traditional 90% = A, 80% = B, and 70% = C cutoffs based on the 500 nominal points listed above. I sometimes award grades that are more generous than these cutoffs, depending upon the end-of-semester point distribution, to reflect the following interpretations:

“A” or “A-” = Exceptional performance, exceeding my expectations. An “A” in this course is a sign of distinguishing oneself with particularly strong performance.

“B+” or “B” = Fine performance, meeting my expectations. The ability to distinguish outstanding from very good performance is undermined if everyone gets an “A,” so I anticipate that a “B” will be the grade most frequently assigned.

“B-,” “C+,” or “C” = Performance that falls short of expectations. These grades should be infrequent, but that being said, there is no such thing as an “automatic B” in the MPA program. If you do not put in the effort necessary to attain a reasonable degree of proficiency in attaining the course objectives, I cannot award you a “B.”

“C-,” “D,” or “F” = Performance that falls far short of expectations, usually reflecting lack of sufficient effort. A failing grade can also result from severe cases of scholastic dishonesty.
Plus/Minus Grading

I award +/- grades in an approximately “GPA neutral” manner. What this means is that I award plus or minus grades for borderline cases at each grade cutoff (primarily the A/B cutoff), but I strive to do so in a way that does not significantly alter the grade-point average for the class as a whole. Thus, the number of students who get an A- instead of an A will be approximately equal to the number of students who get a B+ instead of a B. Plus-minus grading simply allows a finer distinction between different levels of performance.

Note: I generally award “-” grades to students who are barely below the nominal letter-grade cutoff, not those who are barely above. For example, if I determine that the cutoff for an “A” is 450 points (i.e., 90% of the nominal total points possible), then a student with 450 points would get an “A,” whereas a student with 449 points would get an “A-.”

Examinations (two midterms worth 100 points each; final exam worth 125 points)

Examinations will emphasize issues and concepts discussed in class, although material from the textbook (particularly as it relates to the assigned homework) and other assigned readings is also fair game. Exams will involve a mixture of objective and written-answer formats.

The two midterms emphasize new material (i.e., they are not cumulative). In contrast, the final exam is weighted approximately two-thirds on new material covered after the second midterm and one-third to reinforce the most important concepts tested on the midterm exams.

Cases and Research Exercises (85 points)

To refine written communication skills as well as judgment skills in dealing with a more realistic and less structured variety of auditing problems than can be found in a textbook, we will complete five case assignments based on current policy issues and real-world applications. The last case will use ACL software to give you basic familiarity with how technology can make audits more efficient and effective.

All cases except the ACL case will be graded for depth of analysis, originality, writing, and professional impression. These cases involve subjective issues for which multiple views can be defended. As in an accounting career, it is important to be both complete and concise. The ACL case (Case 5) will be graded for completeness, accuracy, and professional documentation.

I value the interchange of ideas. Thus, in the formative stage of a case assignment, you are welcome to discuss an assigned case on the Canvas discussion board. That being said, I also value individual accountability. Copying from another student’s prepared solution is scholastic dishonesty, and will be dealt with accordingly. See the “Policy on Scholastic Dishonesty” later in this syllabus for clarification.

The assigned cases and their due dates are listed on the next page.
### Cases and Research Exercises, continued

<table>
<thead>
<tr>
<th>Case</th>
<th>Source</th>
<th>Topic</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Evaluating the Quality of Audit Quality Indicators (15 points)</td>
<td>Assignment written by S. Kachelmeier, 2016</td>
<td>Measuring Audit Quality</td>
<td>Tue., Jan. 31</td>
</tr>
<tr>
<td>2. Targeting Cybersecurity (15 points)</td>
<td>Case by S. Kachelmeier based on public information involving Target Corporation, 2017</td>
<td>Critiquing the auditor’s responsibilities for internal controls</td>
<td>Tue., Feb. 14</td>
</tr>
<tr>
<td>3. Are Auditors Easily Intimidated? (15 points)</td>
<td>Assignment based on an article by G.B. Bennett and R. Hatfield, American Accounting Association, 2013</td>
<td>Social pressures facing staff auditors</td>
<td>Thu., Mar. 2</td>
</tr>
<tr>
<td>5. Illustrating Data Analytics (25 points)</td>
<td>Text + ACL v. 9 (educational version)</td>
<td>Using computer audit software to analyze client records</td>
<td>Thu., Apr. 13</td>
</tr>
</tbody>
</table>

Discussing cases is an important part of the course, so be prepared to discuss and defend your case responses in class. You are also welcome to discuss and clarify case issues by posting to the discussion board on Canvas.

### University Writing Center

If you experience difficulty with written assignments, consider scheduling a free appointment with a writing consultant at the UT-Austin University Writing Center (UWC). The UWC is one of the best student resources available, employing consultants who will work with you to improve your written assignments in ways that preserve the integrity of your work. For further details, see [http://uwc.utexas.edu](http://uwc.utexas.edu).
Group Presentation – “Pick a Scandal” (70 points)

The capstone project at the end of the semester will involve groups of four students. Each group will investigate a major accounting / auditing scandal (generally from 2000 to date) to identify (1) the underlying financial reporting issue(s), (2) what the auditors should have done differently, and (3) the consequences to management and to the auditors.

Groups will present the results from these investigations in 20-minute presentations at the end of the semester (see course schedule later in this syllabus). Group members and presentation dates and times will be determined randomly. Each group must also submit the Powerpoint or similar file used to facilitate their presentation, along with a list of references.

Later in the semester, I will provide further details on this assignment and a list of suggested scandals.

In-Class Presentation Summaries (20 points)

To provide an incentive to attend class and learn from the group presentations at the end of the semester, I will distribute a concise form during class to elicit your feedback on each presentation. I will collect these forms and give you credit for them, allocating the points among the presentation dates to account for a maximum of 20 points possible. Students who arrive late will lose some of the points available for that date’s summaries.

Alternative assignment for excused absences:

If you are forced to miss one of the presentation dates due to an excused medical or family emergency, religious holiday, or university conflict, I will arrange an alternate assignment for you to obtain the points you missed that day. This option is available only for excused, documented absences due to a medical emergency, family emergency, religious holiday, or university-sponsored conflict. The firms that will be recruiting you for internships have agreed that recruiting activity is not an acceptable reason to miss class.

Even if allowed, the alternate assignment will involve more work than simply attending class and completing the in-class presentation summary sheet. Therefore, it is in your best interest to obtain the presentation summary points in class if at all possible.
Extra Credit for Participation and Effort (up to 35 additional points)

To reward your attentiveness and participation, I reserve the right to award extra credit points at the end of the semester based on my subjective (but honest) assessment of your cumulative participation in this class.

- Up to **10 extra credit points** can be awarded for your professionalism, punctuality, and attentiveness, as evidenced in part by consistent, on-time attendance.

- Up to **13 extra credit points** can be awarded for in-class participation. I do not expect students to participate constantly, nor do I reward students “by the word.” Nevertheless, students can earn a few extra credit points over the course of the semester by asking insightful questions, answering questions that I ask in class, offering different perspectives, participating in case discussions, and showing interest in others’ comments.

- Up to **12 extra credit points** can be awarded for productive use of the online discussion board, as evidenced by posts and especially by constructive replies to others’ posts. I do not merely count the number of posts. Rather, I try to evaluate the quality of posts in contributing to the class experience.

In awarding extra credit points at the end of the semester, I am generous in awarding some points, but increasingly stringent in awarding more points. Thus, the extremes of 0 extra credit points or 35 extra credit points are very rare. A typical student will earn about 15-20 extra credit points.

Discussion board

Along with the other tools available on our course “Canvas” site, I encourage you to take advantage of the online discussion board for this course. Posts can relate to class discussions, case issues, exam-related questions, or any other topics/issues that are relevant to students in this course, including recruiting and career issues. I monitor the discussion board on a regular basis, and I take this activity into account when considering possible extra credit points for class participation (see above). Some of you will participate more effectively in class, and others will participate more effectively on the discussion board. Both kinds of participation are helpful.

You can think of the discussion board as continuous “office hours.” Thanks to this technology, you can ask a question or volunteer an insight at any time you wish.
Ground rules for discussion board:

1. For questions or comments of general interest to the class, please use the discussion board, not email!

2. Be professional and courteous. Discussion boards of this type are used extensively in business and in public accounting firms. You do not need to be overly formal, but forums such as this offer a good opportunity to practice professional business communication.

3. Any topics of interest to students taking this course are welcome.

4. Do not be a free rider! If you benefit from reading other’s posts, consider adding your own insights. Also be brave and reply to inquiries from your fellow students. I will correct and clarify any misinformation in a tactful manner, without embarrassing you.

5. Even if you have nothing to post, get in the habit of accessing the discussion board before each class session. I will use Canvas to communicate important announcements and clarifications.

Homework

Each chapter in the text is followed by several true-false, multiple choice, and other homework problems that you can complete for practice. The last page of this syllabus lists the assigned homework problems for each chapter.

Homework will not be collected. Hence, homework does not directly count as part of your course grade. However, completing the homework will indirectly benefit you, as I take the assigned homework into account when writing examinations. Thus, students who put diligent effort into the homework will be rewarded with higher exam scores. Homework solutions will be available so that you can check your work.

Policy on Notifications via Email and via Canvas

I will frequently post important announcements on our course Canvas site, so it is critical for you to monitor this resource before every class.

In addition, when necessary, I will contact you by email, consistent with the UT-Austin policy on email as an authorized vehicle for official University communication. I may use your assigned McCombs School of Business email address or I may use the email address registered on our course Canvas site, so if these accounts are different, please monitor both addresses. For more information on the UT-Austin email policy, see: https://cio.utexas.edu/policies/university-electronic-mail-student-notification-policy.
Student Safety and the Behavior Concerns Advice Line (BCAL)

Nothing is more important than safety. Please see http://www.utexas.edu/safety to familiarize yourself with campus safety initiatives. Also see http://emergency.utexas.edu for emergency notifications. Regarding behavioral issues, if you have concerns or are worried about someone who is acting differently, consider using the UT-Austin Behavior Concerns Advice Line to discuss your concerns. This service is provided through a partnership among the Office of the Dean of Students, the Counseling and Mental Health Center, the Employee Assistance Program, and The University of Texas Police Department (UTPD). Call 512-232-5050 or visit http://www.utexas.edu/safety/bcal. Of course, you are also welcome to discuss any concerns with me, and I will take appropriate action as determined on a case-by-case basis.

Policy on Missed Examinations and Assignments

My general policy is that medical emergencies, family emergencies, religious holidays, and university-sponsored conflicts are the only valid reasons for missing an examination or the due date of an assignment. For each such case, I require some form of supporting documentation, such as a signed note from a physician. At that point I will determine the best make-up alternative on a case-by-case basis, which could mean a make-up exam or recalculating the semester grade to omit the missed component, depending on circumstances. Examinations or assignments that are missed for other reasons will generally not be accepted. In the case of a conflict due to a university-sponsored event, you must notify me as soon as you are aware of the conflict and before the examination date or assignment due date.

Religious Holidays: Consistent with the UT-Austin policy on Observation of Religious Holidays, I will work with students on a case-by-case basis to find a suitable make-up alternative in the event that a religious holiday conflicts with a scheduled examination or assignment due date. By policy, students must provide at least 14 days of advance notice of any such conflicts.

Policy on Students with Disabilities

I do my best to accommodate students with disabilities, consistent with guidelines set forth by the UT-Austin Office of Services for Students with Disabilities (http://ddce.utexas.edu/disability/current-students/) If you have an SSD-registered accommodation letter, please see me with your letter to discuss the accommodations you need for this course. Please understand that I can provide accommodations only to students with approved SSD letters. For SSD accommodations requiring additional examination time, students must provide a suggested time block consistent with SSD-letter authorization between the scheduled business hours for the McCombs Testing Center of 8:30 a.m. to 4:30 p.m. on the day of the exam. Scheduling on the day after the exam can be considered if other conflicts prevent scheduling on the day of the exam. Students must inform me of any SSD-related requests at least 14 days in advance in order to ensure that accommodations can be made. Please note that the McCombs Testing Center can fill up during peak examination periods, so reservations at the requested date/time may not be possible without sufficient advance notice.
Policy on Scholastic Dishonesty and Working Together on Course Assignments

Policy of the MPA Program

The Master in Professional Accounting Program has adopted a Code of Conduct, a Career Services Code of Ethics, and a Policy Statement on Scholastic Dishonesty. It is important for you to be familiar with all three documents, which are available on the web at the following link:

https://my.mccombs.utexas.edu/MPA/Student-Codes-of-Ethics

The following statement applies to each class in the UT-Austin Department of Accounting:

The Department of Accounting has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the department’s Policy Statement on Scholastic Dishonesty in the MPA Program (which includes the integrated five-year MPA program and the traditional MPA program). By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification.

In simple terms, integrity is a public good from which we all benefit. I view the above statement as a commitment to integrity, not as a threat against students. It is my intent to conduct this course in an environment of trust and cooperation. I can only achieve this goal if you join me in maintaining an atmosphere of absolute ethical integrity in this course and in our MPA program. We cannot afford to tolerate any less.

Personal Policy on Working Together (applies only to this course)

I believe that learning takes place through a healthy exchange of ideas. Therefore, for this class, you are welcome to discuss issues related to assigned cases and homework problems with other students. However, I expect the final product of each assignment to reflect your individual effort (with the exception of the capstone project that is assigned in groups of four). You may not copy or paraphrase from others’ solutions. Examples intended to clarify this policy follow:

Examples of collaborative efforts that I welcome (applies only to this course):

• A student is confused about an ambiguous aspect of a case or homework problem, and asks another student what s/he thinks.

• Students ask questions and share insights in the class discussion board. (This is appropriate because everyone benefits.)
Examples of collaborative efforts that I do not tolerate:

These examples draw from situations I have encountered. In each case, I pursued a Scholastic Dishonesty charge with the Dean of Students and imposed an appropriate penalty.

• Student X completes a case before student Y (or in an earlier semester). Y asks X for X’s solution. Y bases his/her solution on X’s solution, changing a few words here and there to make it look original. This is an example of plagiarism, which takes advantage of student X and does not evidence any meaningful learning on the part of student Y. Both X and Y are guilty of scholastic dishonesty.

In addition to the (sometimes subtle) changes I make to the cases each semester, students should be aware that assignments submitted online via Canvas may be analyzed with plagiarism-detection software. This software works by cross-referencing submitted materials with an archived database of cases submitted by other students, as well as journals, essays, newspaper articles, books, and other published works. Other methods may also be used to determine originality. Plagiarism software is not intended to replace or substitute for the faculty member’s judgment regarding detection of plagiarism, but it is a tool that I will use to maintain integrity on written assignments.

• A student finds a source relevant to a case or presentation and copies from it, without using quotation marks, indentation, or other references to acknowledge the source. This is another example of plagiarism, which is a clear instance of scholastic dishonesty.

• A student completes an ACL problem on the computer, and gives the solution file to another student. Blatant copying of this nature is a serious form of scholastic dishonesty.

• Any collaboration or breach of security on a course examination is scholastic dishonesty of the most severe variety. Cheating on an examination can result in a significant academic penalty, up to the possibility of an “F” for the course.

For more information on University policies and procedures regarding scholastic dishonesty, see http://deanofstudents.utexas.edu/conduct/index.php.

When in doubt, ask me.

If you have read this far, thank you! The fact that you read 12 pages of syllabus material shows that you care about this class and want to succeed. History suggests that only about half of all students read the entire syllabus, so I want to give you a small token of my appreciation for being in that half. Accordingly, I have set up an online link that will award you one extra credit point just for typing in your name, if you do so by Friday, January 20, 2017. Thanks! To get your point, go to: https://mccombs.qualtrics.com/jfe/form/SV_d4oBcrynRtdaCDyt

The remainder of this syllabus contains the course schedule and assigned homework problems.
Course Schedule

Assigned chapters are from *Auditing: A Risk-Based Approach to Conducting a Quality Audit*, 10th ed., by Johnstone, Gramling, and Rittenberg (Southwestern / Cengage Learning, 2016). Various other readings and course files will supplement the text. **IMPORTANT:** Please complete each day’s assigned reading *before class*. The readings provide necessary background for understanding classroom discussion.

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<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Reading Assignment</th>
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<tbody>
<tr>
<td>Jan.</td>
<td><strong>17 Tue.</strong> Introduction</td>
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<td></td>
<td><strong>19 Thu.</strong> Overview of the auditing profession</td>
<td>Ch. 1, pp. 2-22</td>
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<td></td>
<td><strong>24 Tue.</strong> How auditing became a regulated industry</td>
<td>Ch. 2 Ch. 5, pp. 182-185</td>
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<td></td>
<td><strong>26 Thu.</strong> Sarbanes-Oxley Act and PCAOB inspections</td>
<td>CAQ guide Lewczyk article</td>
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<td></td>
<td><strong>31 Tue.</strong> Auditing standards</td>
<td>Franzel letter</td>
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<td></td>
<td>CASE 1 (Evaluating the Quality of Audit Quality Indicators) DUE TODAY</td>
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<td></td>
<td><strong>Feb. 2 Thu.</strong> Auditor independence and ethics</td>
<td>Ch. 4, pp. 142-163</td>
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<td></td>
<td><strong>7 Tue.</strong> Begin internal controls</td>
<td>Ch. 3</td>
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<td></td>
<td><strong>9 Thu.</strong> Continue internal controls</td>
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<td></td>
<td><strong>14 Tue.</strong> The integrated audit</td>
<td>Ch. 5, bottom of p. 185 through remainder of chapter</td>
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<td></td>
<td>CASE 2 (Targeting Cybersecurity) DUE TODAY</td>
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<td><strong>16 Thu.</strong> Internal controls: What have we learned?</td>
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<td><strong>21 Tue.</strong> EXAM 1 (in class)</td>
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<td></td>
<td><strong>23 Thu.</strong> Audit planning and the concept of materiality</td>
<td>Ch. 1, pp. 23-28 Ch. 7, pp. 284-292 Whitehouse article</td>
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<td></td>
<td><strong>28 Tue.</strong> Audit risk</td>
<td>Ch. 7, pp. 292-314</td>
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<td></td>
<td><strong>Mar. 2 Thu.</strong> Risk assessment: Strategic considerations</td>
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<td>CASE 3 (Are Auditors Easily Intimidated?) DUE TODAY</td>
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<tr>
<td>Date</td>
<td>Topic</td>
<td>Reading Assignment</td>
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<tr>
<td>Mar. 7</td>
<td>Begin audit sampling</td>
<td>Ch. 8, pp. 340-364</td>
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<td>9</td>
<td>Finish audit sampling</td>
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<td>Mar. 13 – 17</td>
<td>SPRING BREAK</td>
<td>Enjoy!</td>
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<tr>
<td>21</td>
<td>Audit reporting: Current practice and changes on the horizon</td>
<td>Ch. 15 Katz article</td>
</tr>
<tr>
<td>23</td>
<td>Overview of substantive audit evidence CASE 4 (Koss Corporation) DUE TODAY</td>
<td>Ch. 6 Ch. 14, pp. 670-671</td>
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<tr>
<td>28</td>
<td>Data analytics</td>
<td>Earley article Ch. 8, pp. 372-376</td>
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<tr>
<td>30</td>
<td>EXAM 2 (in class)</td>
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<td>Apr. 4</td>
<td>The revenue cycle</td>
<td>Ch. 9 Strauss article</td>
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<td>6</td>
<td>Finish revenue cycle, begin purchasing cycle</td>
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<tr>
<td>11</td>
<td>Finish purchasing cycle</td>
<td></td>
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<tr>
<td>13</td>
<td>Correcting errors and evaluating materiality CASE 5 (Data Analytics) DUE TODAY</td>
<td>Ch. 14, pp. 664-667 Ch. 16, pp. 775-778</td>
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<tr>
<td>18</td>
<td>Going-concern issues and other special topics</td>
<td>Ch. 14, pp. 668-694</td>
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<tr>
<td>20</td>
<td>Services beyond the financial statement audit</td>
<td>Ch. 17</td>
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<td>25</td>
<td>Group presentations</td>
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<td>27</td>
<td>Group presentations</td>
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<td>May 2</td>
<td>Group presentations</td>
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<td>4</td>
<td>Group presentations</td>
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<tr>
<td>13 Sat.</td>
<td>Common final exam, 7-10 p.m.*</td>
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<tr>
<td>15 Mon.</td>
<td>Make-up final exam, 9-12 noon*</td>
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<td>*The instructors of ACC 355, 358C, and 359 have coordinated final exam dates to minimize overlap. This plan is conditional on university approval. The make-up exam time is only for students who have another final scheduled at the common final exam time.</td>
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Homework

Homework will not be collected. However, completing the homework and reviewing the solutions will help you understand the material and do better on the exams, which can draw from this material. The topics and chapters listed below are in the order that we will cover them.

Audit regulation, inspections, and standards
- **Ch. 1**: All true/false (T/F) and multiple choice, 1-37, 1-41, 1-42.
- **Ch. 2**: All T/F and multiple choice, 2-25, 2-36, 2-38, 2-44, 2-48, 2-49, 2-55.
- **Ch. 5**: 5-1, 5-2, 5-4, 5-25, 5-26, 5-28, 5-49.

Auditor independence and ethics
- **Ch. 4**: 4-6, 4-7, 4-11, 4-12, 4-20, 4-24, 4-48, 4-58, 4-59, 4-60, 4-63, 4-64.

Internal controls and the integrated audit
- **Ch. 3**: All T/F and multiple choice, 3-44, 3-56, 3-58, 3-60, 3-74, 3-76.
- **Ch. 5**: 5-16, 5-20, 5-24, 5-41, 5-42, 5-43, 5-44, 5-46, 5-48, 5-67, 5-74, 5-83, 5-87.

Audit risk and materiality
- **Ch. 7**: All T/F and multiple choice, 7-32, 7-36, 7-38, 7-39, 7-45, 7-53, 7-54, 7-56.

Audit sampling
- **Ch. 8**: 8-3, 8-4, 8-7, 8-8, 8-10, 8-15, 8-16, 8-18, 8-20, 8-22, 8-39, 8-40, 8-41, 8-43, 8-46, 8-50.

Audit reporting
  *For 15-60, ignore the requirement to specify whether the explanation should precede or follow the opinion. Just specify the appropriate type of report for each item.

Audit evidence, revenue cycle, and purchasing cycle
- **Ch. 6**: All T/F and multiple choice, 6-41, 6-44, 6-45, 6-46, 6-48, 6-50, 6-52, 6-63, 6-67.
- **Ch. 9**: All T/F and multiple choice, 9-33, 9-34, 9-44, 9-63, 9-64, 9-66, 9-67.
- **Ch. 11**: All T/F and multiple choice, 11-35, 11-36, 11-54, 11-55, 11-56, 11-70, 11-71.

Correcting errors, going-concern issues, and other special topics
- **Ch. 14**: All T/F and multiple choice, 14-56, 14-60, 14-63, 14-72, 14-79, 14-82, 14-87, 14-94.
- **Ch. 16**: 16-3, 16-4, 16-17, 16-32, 16-33, 16-34, 16-36, 16-37, 16-38, 16-39.

Services beyond the financial statement audit
- **Ch. 17**: All T/F and multiple choice, 17-40, 17-44, 17-46, 17-54, 17-57, 17-60, 17-61.