

The University of Illinois at Chicago
College of Business Administration
Department of Accounting

Accounting 435 – Auditing

Spring Semester 2007 - 4 credit hours **CRN 17777 / 20481**

Prerequisite: Accounting 316

Class meets on Tuesday & Thursday from 2:00 PM to 4:00 PM

Instructor:	Abel Galvan, CPA, MBA	Email - galvan@UIC.edu
	Office : 2319 University Hall	Phone: 312-413-8965
	Office Hours: Tuesday & Thursday 4:00 PM - 6PM or by appointment	

Catalog Description: Introduction to the audit function, ethical and legal environment, audit standards, objectives and procedures, materiality and audit risk, sampling, auditing in a computer environment and reporting.

Required Materials:

1. Arens, Elder & Beasley, Auditing: An Integrated Approach, 11th Edition, Prentice Hall

Course Requirements and Grading:

First Exam	100 points
Final Exam	150points (cumulative)
Quizzes	50 points
Homework	20 points
Sample Audit	20 points
Team Assignments	10 points
<u>Total</u>	<u>400 points</u>

A = Good 90% of course points

B = Above Average 80% of course points

C = Average 70% of course points

D = Below Average 60% of course points

In = Incomplete assigned only under conditions specified in the University catalog.

NO CURVE

Keys to Success:

Exams will be based on **textbook**, **lectures**, and **homework** assigned.

Expect the reading of each assignment to take two to three hours to complete and another hour to complete the assigned homework.

Here are my guidelines to class participation:

Homework

Read the assigned chapter prior to attempting the questions and problem assigned from the textbook. Other random class assignments may or may not require textbook readings. All work has to be completed to the best of your ability before you come to class so that you can participate in class activities and discussions. Homework assignments are due per schedule on syllabus and may be collected randomly. You will be required to turn in a professionally bookmarked and indexed homework portfolio on 4/17/2007 to receive the homework points. No exceptions. Individual homework assignments will consist of reading the chapters in order to participate in class discussions. We may or may not review homework in class depending on time constraints.

Team Assignments

In order to enhance your audit experience, audit teams will be formed during the first class and each team will be required to complete team assignments. Each team will be given the opportunity to present their solution/case research to the class and lead the discussions as necessary. The class will provide feedback to the teams with regards to content covered and professionalism of presentation.

Sample Audit

Part of your class work will include completing a sample audit based on a case developed at UIC. This project will require you to apply the concepts learned in class. Activities will include selecting a sample, evaluating the results and extrapolating these to the population and issuing a recommendation to management. This project will serve as an embedded assessment objective because it synthesizes all the materials covered in class. The secondary purpose is to provide you the opportunity to conduct an audit in the classroom environment.

Quizzes

Chapter quizzes will be given after each chapter. Some will be given in class unannounced, and some will be on-line via blackboard and must be completed by the deadline. No exceptions will be granted.

Attendance

You are encouraged to attend class as often as possible. Missing one class in is like missing several classes in a non-analytical course so attendance is very important. **You can't participate or take a quiz if you miss class.**

Code of Conduct

I have a zero tolerance toward cheating.

Any changes to this syllabus will be announced in class.

Course Tentative Schedule

Date	Topic	Assignment
1/16	Introduction	Read Chapters 1, 2,
	Lecture Chapter 1: The Demand for Audit and Assurance Services	RQ 1-1, 1-8,1-11, P 1-21, 1-22
	Lecture Chapter 2: The CPA Profession Review Ch 1	Read Chapter 3 RQ 2-1, 2-5, 210, 2-13 P 2-18
1/18	Lecture Chapter 3: Audit reports Review Chapter 2 Homework	Read Chapter 4 RQ 3-2,3-3, 3-4,3-6, 3-11 P 3-29
1/23	Lecture Chapter 4: Professional Ethics Review Chapter 3 Homework	Read Chapter 5 RQ 4-2,4-5 4-7,4-15 P 4-23
1/25	Complete Lecture Chapter 4: Professional Ethics Review Chapter 4 Homework	RQ 5-3,5-5,5-8 5-14, 5-15 P 5-19, 5-21
1/30	Lecture Chapter 5: Legal Liability	Read Chapter 6
2/1	Complete Chapter 5: Legal Liability Review Chapter 5 Homework	RQ 6-2,6-3,6-4 6-10,6-11,6-14
2/6	Lecture Chapter 6: Audit Responsibilities and Objectives Review Chapter 7 Homework	Read Chapter 7
2/8	Complete Chapter 6: Audit Responsibilities and Objectives	RQ 7-2, 7-3 7-4, 7-7 7-9, 7-12 P 7-30, P 7-36

2/13	Complete Chapter 7: Audit Evidence Review Chapter 7 Homework	Read Chapter 8
2/15	Lecture Chapter 8: Audit Planning and Analytical Procedures	RQ 8-2,8-3,8-5, 8-6,8-9, 8-12 8-17
2/20	Complete Chapter 8: Audit Planning and Analytical Procedures Review Chapter 8 Homework	Read Chapter 9
2/22	Lecture Chapter 9: Materiality and Risk	RQ 9-1,9-3 9-9,9-11 9-18 P 9-28
2/27	Complete Chapter 9: Materiality and Risk Review chapter 9 Homework	Read Chapter 12
3/1	Catch up session	Read Chapter 10
3/6	Midterm Exam - Chapters 1 – 8 Location TBA	
3/8	Lecture Chapter 10: Internal Control Chapter 12: The Impact of Information Technology on the Audit Process	RQ 10-7, 10-9 10-14, 10-18, 10-19 P 10-26
3/13	Complete Chapter 10: Internal Control Chapter 13: Overall Audit Plan and Audit Program Review Chapter 10 homework	Read Chapter 11
3/15	Lecture Chapter 11: Fraud Auditing	RQ 11-1, 11-2 11-4, 11-7 P 11-28
3/20	Complete Chapter 11: Fraud Auditing	Read Chapter 12
3/22	Lecture Chapter 12: The Impact of Information Technology on the Audit Process	RQ 12-1, 21-4, 12-8 12-9, 12-10
4/3	Complete Chapter 12: The Impact of Information Technology on the Audit Process	Read Chapter 13
4/5	Lecture	RQ 13-1,13-2

	Chapter 13: Overall Audit Plan and Audit Program	13-3, 13-8, 13-12
4/10	Complete Chapter 14: Audit Sampling for Tests of Controls and Substantive Tests of Transactions	RQ 14-1, 14-2, 14-4, 14-7, 14-9, 14-3, 14-15,14-16 Read Chapter 15
4/12	Complete Chapter 15 Completing the Tests in the Sales and Collection Cycle: Accounts Receivable	Read Chapter 23
4/17	Chapter 16 Completing the Tests in the Sales and Collection Cycle: Accounts Receivable	
4/19	Complete Chapter 16 Completing the Tests in the Sales and Collection Cycle: Accounts Receivable	
4/24	Complete Chapter 23: Audit of Cash Final Exam TBA Cumulative	
4/26	Catch up day	
5/1		
5/3	Final Exam TBA Catch up day	Study for Final