

College of Business

Tennessee State University

Fall Semester, 2012

LOCATOR INFORMATION:

Course Name: ACCT 4230 – 80; **Auditing Theory**

Credit Hours: Three Semester Hours

Contact Hours: Monday 5:30pm – 8:30pm

INSTRUCTOR:

Name: Stephen B. Shanklin, Ph.D., CPA
Office: AWC - K449
Phone: 615/963-7213 Fax: 615/963-7177
E-mail: sshankli@tnstate.edu

Office Hours

Monday 1:30pm – 4:30pm & 8:30pm – 9:30pm
Tuesday 1:30pm – 3:30pm
Wednesday 1:30pm – 4:30pm & 8:30pm – 9:30pm
By Arrangement & anytime my office door is open.

REQUIREDTEXTBOOK & MATERIALS:

1. Text: Whittington, O. Ray and Kurt Pany, *Principles of Auditing & Other Assurance Services*, 18th Edition, McGraw-Hill/Irwin, New York, N.Y., 2012.
2. Class Handouts and/or Online Materials.

COURSE DESCRIPTION:

This course provides an overview of auditing as it is practiced in the United States of America. This includes a basic understanding of the functions of an audit, the legal and regulatory environments in which auditing takes place, the ethical and professional standards that apply to auditors, the concepts of risk analysis, risk-based auditing, and statistical sampling, and an introduction to the techniques typically used to gather sufficient competent evidential matter in an audit engagement.

COURSE OBJECTIVES:

This course seeks to support student knowledge for careers in public or private accounting, finance, not-for-profit, and/or business consulting. More specifically it should: (1.) Explain the role of CPAs in American society; (2.) Demonstrate an understanding of the ten generally accepted auditing standards (GAAS) and the role and requirements of the Public Company Accounting Oversight Board (PCAOB); (3.) Explain the concept of “independence” as it applies to CPAs; (4.)

Determine appropriate professional behavior in various situations using the AICPA's Code of Professional Conduct; (5.) Explain the concept of accountants' legal liability under Common Law and Statutory Law; (6.) Apply analytical procedures to comparative financial statements; (7.) Use the results of analytical procedures to identify "red flags" of audit risk; (8.) Explain the basic principles for using statistical sampling techniques in auditing; (9.) Describe the five different types of audit reports issued by CPAs; (10.) Determine the appropriate type of audit report to use in given circumstances.

ACADEMIC INTEGRITY:

Academic honesty and integrity lie at the heart of any educational enterprise. Students are expected to do their own work and neither to give nor to receive assistance during quizzes and examinations. Deliberate violations of academic integrity (plagiarism, cheating, & misrepresentation of information) and fabrication are not tolerated. Actions outlined in the Tennessee State University Student Handbook under Code of Student Conduct will be followed for incidents of academic misconduct.

REASONABLE ACCOMODATIONS:

Any students requiring accommodations should contact Patricia Scudder, Director of Students with Disabilities-Disabled Student Services Office, at 963-7400, preferably before the fourth class meeting. The College of Business, in conjunction with the Office of Disabled Student Services, makes reasonable accommodations for qualified students with medically documented disabilities. I need to be aware of your status if it will affect your class activities and assignments---before assignments are due.

CODE OF STUDENT CONDUCT:

There will be no eating, drinking, sleeping or disruptive behavior in the classroom. Each student is encouraged participating in classroom activities, asking questions, and working along with the class as recommendations/problem solutions to illustrations, examples, and cases are examined. Additionally, cell phones must be turned off upon entering the classroom and should remain so until class has ended. Action will be taken against those students who do not adhere to appropriate classroom behavior.

ATTENDANCE & LATE WORK:

Regular attendance is encouraged and indeed a necessary condition for satisfactory performance in this course. While it is understandable that absence from class is occasionally unavoidable, each student is entirely responsible for making up any missed assignments or lecture notes. Should an anticipated absence occur, please advise the instructor as soon as possible so that any assignments for that date may be made available, if possible. It is very important to prepare for and participate in class discussion. This interaction is critical to full development and understanding of many of the topics considered in this course.

Homework should be prepared in accordance with the Class Outline. Because of the compressed timeframe of the course, not all homework will be collected for evaluation. Homework may be called for at any time after the assigned date without any prior notice.

TEACHING STRATEGIES:

Lectures and class discussions will be based upon the assumption that all assigned problems and reading have been completed prior to class. The pace of the course may seem a bit rapid, but much of the material will be presented in a theoretical and/or conceptual form by topic without many supporting details due to time constraints. This heightens the need to fully and properly prepare for each class session.

ASSIGNMENTS & EVALUATION CRITERIA:

The skills noted in the Course Objectives will be evaluated as referenced in the Grading section through in-class examinations, homework assignments submitted for evaluation, research assignments, and classroom performance. Details of these aspects are more fully developed throughout various sections of the syllabus.

GRADING SCALE:

Grades will be based upon individual relative performance to that of the class. Components of this evaluation will be based upon the following:

Two In-Class Exams (30% each)	60%
Personal Best In-Class Exam	35%
Class Performance	<u>5%</u>
Total	100%