

**ACCT 6263**  
**SEMINAR IN AUDITING**  
**Spring 2016 Course Outline**  
**(Tuesday and Thursday 5:00 – 6:50 p.m.)**

**Instructor:** Dr. Yun Cheng  
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**Office Hours:** MW 12:30 - 4:00 pm  
TTH 4:00 – 5:30 pm  
& by appointment

*The policy of the University of West Georgia is that each student is responsible for checking his/her my.westga.edu email account on a regular basis.*

**I. Catalog Description:**

Advanced problems and research in the application of auditing standards; internal control evaluations; applications of statistics; audits of EDP systems; and auditor's ethical, legal, and reporting obligations.

**II. Required Background or Experience:**

A. Prerequisite: ACCT 4261.

B. Prerequisite Justification: This graduate seminar applies the theory from ACCT 4261.

C. General Education (Core) Contribution: This course uses the writing skills developed in English, the verbal skills developed in Speech, and the critical thinking and analysis abilities developed in Mathematics. The knowledge gained in core Area IV courses of ACCT 2101 and 2102, CISM 2201 (computer skills), PHIL 4120 (professional ethics) and BUSA 2106 (legal liability) are also used.

**III. Expected Outcomes ([www.westga.edu/~accfin/outcomes.htm](http://www.westga.edu/~accfin/outcomes.htm)):**

A. Improve communication effectiveness in oral presentations and writing (LG1);

B. Display critical thinking and analysis abilities through examinations and assignments (LG 4- LO 4.4);

C. Understand the impact of professional, legal, and ethical considerations that affect decision making in the auditing area (LG 3 – LO3.1 and LO3.2)

D. Conduct descriptive research pertinent to auditing (LG1);

#### IV. **Text(s) and References:**

##### Required Texts:

Thibodeau, Freier, *Auditing After Sarbanes-Oxley; Illustrative Cases*, 2<sup>nd</sup> edition, McGraw-Hill Irwin, 2009. ISBN # 978-0-07-337949-4

Mintz, Morris, *Ethical Obligations and Decision Making in Accounting*, 2<sup>nd</sup> edition McGraw-Hill Irwin, 2011. ISBN # 978-0-07-802528-0

Schilit, *Financial Shenanigans*, 2<sup>nd</sup> edition, McGraw-Hill Irwin, ISBN #978-0-07-170307-9.

##### Other:

*The Ethics Game* ([www.ethicsgame.com](http://www.ethicsgame.com))

##### Reference:

*Auditing text*

#### V. **Policies:**

##### **A. Student Rights and Responsibilities**

Please carefully review the information at the following link:

[http://www.westga.edu/assetsDept/vpaa/Common\\_Language\\_for\\_Course\\_Syllabi.pdf](http://www.westga.edu/assetsDept/vpaa/Common_Language_for_Course_Syllabi.pdf)

The document at this link contains important information pertaining to your rights and responsibilities in this class. Because these statements are updated as federal, state, university, and accreditation standards change, you should review the information each semester.

##### **B. Credit Hour Policy**

Students in this class will spend 150 minutes per week with faculty instruction. Generally, students can expect to spend about 450 minutes of class work outside of the classroom each week. This out-of-class work may include, but is not limited to, readings, assignments, projects, group work, research, and test preparation. The amount of out of class time required for a given outcome will vary by student.

## **VI. Expanded Description of the Course and Instructional Methods:**

### A. Expanded Description of the Course:

This class includes the following topics: the history of auditing leading to SOX, accounting ethics, fraud, and the most current auditing pronouncements. These topics represent the most critical elements for understanding the current state of auditing.

### B. Instructional Methods:

- 1) Lecture and Problem Solving: All assignments must be prepared using presentation and/or word processing software, enhancing these skills.
- 2) Cases: Cases test critical thinking and analysis abilities.
- 3) Presentation/Discussion of Articles: To achieve greater focus on current issues and enhance oral communication skills.

## **VII. Methods of Evaluating Outcomes:**

A. Test 1 (30%); 2) Test 2 (30%); 3) Paper (20%); 4) Ethics Game (10%); 5) Case Presentations (10%).

B. Homework Assignments. You must thoroughly read and prepare all assignments before the class meeting. This will enable us to cover the basics of the procedural material in a short period of time, thus freeing us for discussion and current topics.

C. Paper: The objective of this paper is to identify a real company that is the subject of an SEC Accounting and Auditing Enforcement Release and incorporate any relevant materials from the topics presented in class: Sarbanes-Oxley legislation (SOX), Mintz & Morris - Ethical Obligations and Decision Making (especially Chapter 6), and Schilit - Financial Shenanigans. The paper should be presented in the same format as the case analyses in the above texts:

- Background of the company
- Individuals and their titles who are involved
- Allegations
- Actions taken by the SEC
- Analysis of the facts as they relate to SOX, Mintz & Morris, and Schilit

The paper should be double-spaced, at least 1200 words, and appropriately organized with headings and sub-headings.

D. Case Presentations: Various cases will be assigned throughout the semester for students to present and discuss

- E. Ethics Game: An on-line resource with ordering instructions given during the semester.
- F. Learning Domains:
  - 1) Cognitive: Knowledge, comprehension, application, analysis, synthesis, evaluation.
  - 2) Affective: Receiving, responding, valuing, organization, characterization.
  - 3) Psychomotor: Set, complex overt response, adaptation, and origination.

### **VIII. Daily Schedule:**

#### **Jan 12 & Jan 14**

Topic: *PCAOB*

Class Objectives: a) Discussion of the most recent PCAOB Auditing Standards: *AS #17 Auditing Supplemental Information Accompanying Audited Financial Statements; AS#18 Related Parties*. Print and bring to class. Internet: <http://www.pcaobus.org>

#### **Jan 19 & 21**

Topic: *Sarbanes-Oxley Act of 2002.*

Class Objective: Thorough understanding of the implications of this law. Internet: <http://fl1.findlaw.com/news.findlaw.com/hdocs/docs/gwbush/sarbanesoxley072302.pdf>  
Print and bring to class.

#### **Jan 26 & 28**

Text coverage: *Auditing After Sarbanes-Oxley; Illustrative Cases*

Class Objective: **Presentation of cases – SOX**

#### **Feb 2 & 4**

Text coverage: *Ethical Obligations and Decision Making in Accounting*  
Chapters 1, 2, 3, & 4

Class Objective: Discussion

#### **Feb 9 & 11**

Text coverage: *Ethical Obligations and Decision Making in Accounting*  
Chapters 5, 6, 7, & 8

Class Objective: Discussion

**Feb 16 & 18**

Text coverage: *Ethical Obligations and Decision Making in Accounting*

Class Objective: **Presentation of cases – Ethics**

**Begin Ethics Game**

**Feb 23 & 25**

Topic: *Statistical Sampling* – Bring handout to class.

Class Objective: Discussion

**Mar 1 & 3**

**Exam I due**

Topic: *Statistical Sampling* – Bring handout to class.

Class Objective: Discussion

**Mar 8 & 10**

Text coverage: *Financial Shenanigans*

Chapters 1 – 4

Class Objective: Discussion

**March 15 & 17 Spring Break**

**Mar 22 & 24**

Text coverage: *Financial Shenanigans*

Chapters 5 - 8

Class Objective: Discussion

**Ethics Game & Ethical Lens due**

**Mar 29 & 31**

Text coverage: *Financial Shenanigans*

Chapters 9- 12

Class Objective: Discussion

**April 5 & 7**

Text coverage: *Financial Shenanigans*

Chapters 13- 16

Class Objective: Discussion

**April 12 & 14 Presentation of cases – Fraud**

**April 19 & 21 Presentation of cases – Fraud  
Paper due**

**April 26 Final Exam 8:00 pm**