COURSE OUTLINE

ACCT 430 – AUDITING

Prepared By: Christa K. Kelson
A. **TITLE**: Auditing

B. **COURSE NUMBER**: ACCT 430

C. **CREDIT HOURS**: (3)

D. **WRITING INTENSIVE COURSE**: No

E. **COURSE LENGTH**: 15 weeks

F. **SEMESTER(S) OFFERED**: Fall, Spring.

G. **HOURS OF LECTURE, LABORATORY, RECITATION, TUTORIAL, ACTIVITY**: 
   3 lecture hours per week

H. **CATALOG DESCRIPTION**
   This course is designed to expose the student to the vocabulary, concepts, principles, and techniques of auditing. Emphasis is placed on the use of Generally Accepted Auditing Standards and their practical application to professional standards, ethics, internal controls, legal liability, audit planning, audit evidence, audit sampling, and the production of standard reports.

I. **PRE-REQUISITES/CO-REQUISITES**: 
   Intermediate Accounting I (ACCT 300), or permission of the Instructor.

J. **GOALS (STUDENT LEARNING OUTCOMES)**: 
   By the end of this course, the student will be able to:

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<th>Course Objective</th>
<th>Institutional SLO</th>
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<td>g. Summarize the provisions of the Sarbanes-</td>
<td>1. Comm. Skills</td>
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Oxley Act of 2002 and its impact on the auditing profession.

h. Plan an audit engagement.

i. Specify four types of audit tests.

j. Summarize the impact of information systems on the audit process.

k. Demonstrate methods used in the sampling of client data.

l. Explain the four categories of audit report

K. TEXTS:
As determined by the instructor.

L. REFERENCES:


b. www.aicpa.org American Institute of Certified Public Accountants.

M. EQUIPMENT: Technology enhanced classroom

N. GRADING METHOD: A-F

O. MEASUREMENT CRITERIA/METHODS:
- Exams
- Quizzes
- Papers
- Participation
- And as determined by Instructor

P. DETAILED COURSE OUTLINE:

I. AUDIT AND OTHER ASSURANCE SERVICES
   A. Nature of Auditing
   B. Assurance Services
   C. The CPA Profession
      i. AICPA
      ii. SEC
      iii. Big 4 CPA firms
      iv. Sarbanes Oxley Act of 2002
D. Impact of Information Technology on the Audit Process

II. PROFESSIONAL ETHICS AND LEGAL LIABILITY
   A. Definition of Ethics
   B. AICPA Code of Professional Conduct
   C. Legal liability

III. AUDIT RESPONSIBILITIES AND OBJECTIVES

IV. AUDIT PLANNING, ANALYTICAL PROCEDURES, DOCUMENTATION AND EVIDENCE
   A. Audit Planning
   B. Nature of Evidence
   C. Audit Documentation

V. MATERIALITY AND RISK
   A. Materiality Guidelines
   B. Types of Risk

VI. INTERNAL CONTROL
   A. Components of Internal Control
   B. Internal Controls Specific to Information Technology

VII. AUDIT TESTS
   A. Tests of Control
   B. Substantive Tests
   C. Analytical Procedures
   D. Tests of Details of Balances

VIII. APPLICATION OF THE AUDIT PROCESS
   A. Audit of the Sales and Collection Cycle
   B. Audit of the Acquisition and Payment Cycle
   C. Audit of the Payroll and Personnel Cycle
   D. Audit of Cash Balances
   E. Methods of Sampling
      1. Nonstatistical Sampling
      2. Monetary Unit Sampling

IX. AUDIT REPORTING
   A. Types of Reports
      1. Standard Unqualified
      2. Unqualified with Explanatory Paragraph
      3. Qualified
      4. Adverse or Disclaimer
      5. B. Materiality Levels and Scope

Q. LABORATORY OUTLINE: N/A