BADM 648-01, Topics in Auditing, Fall 2005

Topics in Auditing (BA 648) **Guy McClain (329B Buckman)**
Fall 2005 **Phone: 843-3983**

Class Time: 9:30-10:45 MW Buckman Hall Room 330
Office Hours: 11:00-12:00 MW; 2:00-3:00 TTh; other hours by appointment

THIS SYLLABUS IS TENTATIVE AND SUBJECT TO CHANGE

Course Description: A comprehensive view of theoretical and technical aspects of the attest function. Materiality, sampling, report, ethics, and regulations will be covered, as well as specific current topics. The course will emphasize the auditor's decision-making process within a complex professional, social, and political environment. Prerequisites: completion of core courses.

Textbooks and Course Materials:
Required Materials
Contemporary Auditing: Issues and Cases, 5th edition, Michael C. Knapp
Readings (handouts)
AICPA Professional Standards, Vol. 1 and 2, 2004 (4-volume set)

Optional but Potentially Useful Materials
Auditing and Assurance (Arens, et al), 9th or 10th edition or your undergraduate auditing text
Wiley *CPA Review: Auditing and Attestation*

Class Objectives: This course will allow the student to explore the basis for the auditing standards and procedures introduced in the undergraduate accounting course. The course requires students to use their knowledge of basic auditing concepts to analyze cases based on audit situations in actual companies. Moreover, the students will read articles on current topics in auditing so that they will comprehend the environment auditors face today.

Grade Determination: The final grade in the course will be based on the following weights for the graded elements:

Problems/Quizzes/ Class participation	15 %
Two tests	50
Final exam	20
Paper/presentation	15
	100%

Problems/Quizzes: Daily homework will include reading assignments; questions from the casebook; outlines of cases, AICPA pronouncements, and articles; and CPA-exam types of problems. Also, announced quizzes will be given periodically. These assignments will not be accepted late. In the event of an excused absence, you should turn in the assignment early if possible.

Cases: One student will be responsible for presenting each case. That person will write a one-page summary, including an analysis of the accounting and auditing issues. The other students in the class will read the case and come to class prepared to discuss the assignment.

Group Term Project: Students will form groups to complete an on-going analysis of a real-world audit situation. Throughout the semester, specific assignments will be given in relation to this project. The analysis will culminate in a paper and presentation. Details about the project will come later.

Attendance and participation: Students are expected to participate fully in the class. Failure to attend and participate will affect the grade. The professor may lower the final grade by 3 points for each unexcused absence in excess of 3.

Honor Code: The Rhodes Honor Code is expected to be followed in all aspects of the course. All work is to be pledged.

Class Schedule

Note: For each topic, you are to read the corresponding chapter in an auditing textbook.

Day	Date	Topic	Cases/Assignments	AICPA Prof. Stds.
W	24Aug	Introduction		
M	29Aug	PCAOB	PCAOB Handout	
W	31Aug	"	Inspection reports	32:11-18; PC
M	5Sep	Labor Day Holiday		
W	7Sep	SOX	Enron	AU 110, 150 & 161
M	12Sep	Code of Professional Conduct	Rocky Mt., Jamica Water	ET
W	14Sep	"	Cardillo, PTL	ET
M	19Sep	Legal Liability	Tenants, Equity Funding	
W	21Sep	Audit Reports	Handout	AU 508
M	26Sep	TEST 1		
W	28Sep	Communication with Pred Auditor	Handout	AU 315
M	3Oct	Evidence	ESM Securities	AU 326
W	5Oct	"	Leslie Fay	AU 9326
M	10Oct	Audit Planning	General Technologies	AU 311
W	12Oct	Analytical Procedures	Crazy Eddie	AU 329
M	17Oct	Fall Break		
W	19Oct	Materiality and Risk	Fund of Funds	AU 312
M	24Oct	"	J.B Hanauer & Co	AU 330
W	26Oct	Obtain an Understanding of Internal Controls	Trolley dodgers, Goodner Brothers	AU 319 & 322
M	31Oct	"	Saks Fifth Ave., Troberg	AU 325
W	2Nov	TEST 2		
M	7Nov	Fraud, Errors and Irregularities	ZZZ Best, Regina	AU 316, 317
W	9Nov	"	IFG Leasing, Giant stores	
M	14Nov	Sub events, Sub Discovery	Berkshire, CapitalBank	AU 560, 561
W	16Nov	Related Parties	Lincoln	AU 334
M	21Nov	Statistical Sampling	Doughtie's	AU 350
W	23Nov	Thanksgiving Holiday		
M	28Nov	Reports and Presentations		
W	30Nov	"		
M	5Dec	"		
W	7Dec	"		