

ACCT C118: FUNDAMENTALS OF AUDITING

Item	Value
Curriculum Committee Approval Date	12/11/2009
Top Code	050200 - Accounting
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Open Entry/Open Exit	No
Grading Policy	Standard Letter (S), • Pass/No Pass (B)

Course Description

Topics cover the process of examining and evaluating financial conditions and records. It is designed to provide a basis for an opinion concerning the reliability of the records, as evidenced by a written audit report. ADVISORY: ACCT C101. Transfer Credit: CSU.

Course Level Student Learning Outcome(s)

1. Given a factual situation, analyze and solve specific auditing problems.
2. Assess internal control procedures, prepare analyses of the procedures, and express opinions as to the effectiveness of the controls.

Course Objectives

- 1. Describe the role of the audit process and responsibilities of auditors in accounting.
- 2. Distinguish among and prepare various types of audit reports.
- 3. Design and prepare an audit plan based on simulated facts.
- 4. Demonstrate proficiency in using a variety of audit sampling techniques.
- 5. Conduct tests of substantive data and explain the testing control mechanism utilized.
- 6. Explain the Sarbanes-Oxley Act and its application to audits.
- 7. Explain the application of materiality, audit risk, business risk and evidence to an audit.
- 8. Explore the role of the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct.

Lecture Content

Standards, responsibilities, arrangements, and control Auditing procedures Auditing standards Code of professional ethics Legal responsibilities Audit programs and working papers Internal control and procedural tests Elements comprising a system of internal control Statistical sampling Statistical approach to testing Usage of ADP equipment in sampling Timing of tests of transactions Audit program

Objectives, reporting, and procedures Critical inspection of the assets, liabilities, and proprietorship Preparation of audit working papers Conferences with client and among auditors Review and completion of working papers Income tax returns Securities and Exchange Commission reports Standards of reporting Procedures in preparing the audit report Report review Finalized audit report

Method(s) of Instruction

- Lecture (02)
- DE Online Lecture (02X)

Instructional Techniques

A variety of instructional techniques will be used to cover different student learning styles. These may include, but are not limited to, lecture, discussion, recitation, and small group activities. Instruction will be supplemented, where appropriate, by PowerPoint presentations, electronic resources and technologies, guest speakers, and field trips. Demonstration may also be implemented where applicable and at facilitator's sole discretion.

Reading Assignments

Students will read assigned textbooks, complete assigned homework/projects and participate in class discussions and skills demonstrations.

Writing Assignments

Written assignments and/or projects related to course content.

Out-of-class Assignments

Students will be required to complete homework assignments, do research for projects and for written assignments and may give individual or group presentations.

Demonstration of Critical Thinking

Quizzes, Midterm, and Final M/C evaluate student's understanding of course concepts. Midterm and Final Exam essay questions that evaluate students' ability to formulate solutions to accounting scenarios. A written analysis/project related to text material/concepts and/or skills demonstration.

Required Writing, Problem Solving, Skills Demonstration

Computational problem-solving in developing audit sampling programs. Research audit issues, develop an audit plan, prepare working papers and a concise written report on audit results. Requires research, planning, computational problem solving, critical thinking, and concise Written component

Eligible Disciplines

Accounting: Master's degree in accountancy or business administration with accounting concentration OR bachelor's degree in business with accounting emphasis or business administration with accounting emphasis or economics with an accounting emphasis AND master's degree in business, business administration, business education, economics, taxation, or finance OR the equivalent. Master's degree required. (NOTE: A bachelor's degree in accountancy or business administration with accounting concentration, with a CPA license is an alternative qualification for this discipline)

Textbooks Resources

1. Required Ray Whittington, Kurt Pany. Principles of Auditing and Other Assurance Services (w/Connect), 21st ed. New York, New York: McGraw Hill, 2019

Other Resources

1. Coastline Library 2. Selected publications of the American Institute of Certified Public Accountants, The American Accounting Association, Accounting Principles Board, and Financial Accounting Standards Board.