



AMIS 4500

Auditing Principles and Procedures

Spring 2024

Instructor

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Office hours: by appointment

Class Schedule:

Hitchcock Hall 320: Monday / Wednesday 2:20-3:40 pm (section 4644)

Course Materials:

- **Required:** "Auditing and Assurance Services: A Systematic Approach", 12th Edition, Messier, Glover and Prawitt, McGraw Hill LLC, 2022
 - Print: **ISBN10:** 1264100671 | **ISBN13:** 9781264100675
 - Other options: eBook purchase, eBook Rental
- Handouts, exercises, and articles will be distributed to the class through CANVAS.
- Recommended: Wall Street Journal Subscription

Prerequisites:

Students to have completed AMIS 3201 and BusMHR 2292. Every student should have an understanding of Generally Accepted Accounting Principles (GAAP) and the foundations of accounting.

Course Description

The primary focus of this course is financial statement auditing. It is designed to provide a basic understanding of audit theory and the professional responsibilities of an auditor. Students will be introduced to the audit process which includes understanding the industry background, ethics, independence, client acceptance, planning, risk assessment, internal controls, audit testing strategies and techniques, completing the audit, and the auditor report. This course is not designed to specifically prepare students for the CPA exam. However, most material that we will cover will be included on the CPA exam.

Learning Course Outcomes

By the end of this course, students should have a basic understanding of the audit process and audit concepts.

Including the following concepts:

- Professional responsibilities
- Audit planning
- Risk assessment
- Audit risk model
- Audit evidence – collection and evaluation
- Audit procedures
- Internal control
- Internal control testing
- Completing the audit
- Audit reporting / audit opinions for financials statements and internal controls
- Other assurance services
- Develop critical thinking and analysis skills

My goal is to make this a useful course for your career. An understanding of audit and the skills developed will help you in your career.

Course Format

In-class lecture. This course will be taught in the classroom. Students are expected to attend class in person. We will also use class discussion and assignments (in-class and homework). The class will use Carmen Canvas for the following:

- Announcements
- Assignments
- Quizzes
- Gradebook – will be updated promptly
- Modules: I will post class slides, review questions (and answers) and other material as needed

This is a 3 credit-hour course. Students should expect an average of 3 hours per week on direct instruction as well as 6 hours of preparation (readings, assignments, review question, study....).

Grading and Evaluation:

Throughout the semester, scores will be available on Canvas. Grades will be based on total points earned in the course as shown below:

	Points	Percent
Quiz 1	80	18%
Quiz 2	75	17%
Quiz 3	80	18%
Quiz 4	80	18%
Team assignment	45	10%
Homework assignments	40	9%
Participation / professionalism	40	9%
	440	100%

Quizzes:

- Each quiz is mandatory and will be given on an announced basis. Quizzes will be objective and subjective in nature. Each quiz will be given in the classroom and delivered through Canvas. If a medical, family emergency or university sponsored conflict arises, you must contact me before the quiz (via phone call, text or e-mail).

Team Assignment:

- There will be one group assignment. Students will be assigned to groups of mostly four. The assignment will provide an opportunity to apply course material.

Homework:

- Assignments will include readings, problems, analyses, short quizzes, etc... Assignments are to be completed and submitted to me through canvas. **They are typically graded based on completeness and professionalism.**

Participation and Professionalism:

- Students will earn points for attending class and acting professionally. Students that participate and add to the classroom discussion may earn additional points. Students that are chronically absent will have points deducted.
- Students may miss three classes before points are deducted. I recommend that students contact me for planned absences with an appropriate reason.

Grading Scale

Throughout the semester, scores will be available on Canvas. Grades will be based on total points earned and natural breaks within the points distribution. In other words, letter grades will be based upon a student's relative performance in the class. I typically use a curved grade scale (similar to below). I may adjust the scale, as appropriate, based on my professional judgement.

Letter Grade	Points	Range
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A	4.0	100 – 93%
A-	3.7	< 93 – 90%
B+	3.3	< 90 – 87%
B	3.0	< 87 – 83%
B-	2.7	< 83 – 80%
C+	2.4	< 80 – 77%
C	2.0	< 77 – 73%
C-	1.7	< 73 – 70%
D+

The overall class GPA will reflect my assessment of the degree to which the class has mastered the material. In keeping with Fisher College policy, I strive to have the average GPA for the course in the following range: **UG Non-Core Specialization Required Classes, except Capstones 2.9 – 3.3**

Additional Policies

Artificial Intelligence

Use of artificial intelligence (AI)-powered programs, including but not limited to ChatGPT, for course assignments must be first discussed and permitted by the faculty instructor. The scope of use may range from not permitted (with exception of AI-powered search engines such as Google, Bing, etc.) to a broader spectrum of allowed applications. When AI-powered programs are permitted, and used by students, the scope of use and content must be specified and referenced by students accordingly. Students are expected to be aware of the shortcomings of use of AI-powered programs, including risk of academic misconduct (e.g., plagiarism; etc.).

Testing Policy:

Missed quizzes will be recorded as a “0”. Missed exams can only be made-up in extreme cases (e.g., death of family member, personal hospitalization, etc.) with proper documentation (e.g., a physician’s note, ER paperwork, obituary, etc.). Each decision of potentially allowing a make-up exam is made by the instructor on a case-by-case basis. Additionally, you **MUST** contact the instructor (insert instructor’s email) as soon as you know of a potential problem or conflict with an exam date. Alternative methods (e.g., oral exam, essay) of testing may be used for make-up exams. If you are experiencing an extreme situation or emergency, please attempt to notify the instructor email ASAP.

Attendance / Participation Expectations:

Any student who fails to attend without giving prior notification to the instructor will be dis-enrolled after the third instructional day of the term, the first Friday of the term, or the second scheduled class meeting of the course, whichever occurs first. Additional requirements for attendance are outlined in the grading policy. **I do take attendance and will deduct points for excessive absences.**

Technology Policy:

For help with your password, university email, Carmen, or any other technology issues, questions, or requests, contact the Ohio State IT Service Desk. Standard support hours are available at ocio.osu.edu/help/hours, and

support for urgent issues is available 24/7.

Baseline technical skills for online courses: Basic computer and web-browsing skills including navigating Carmen: for questions about specific functionality, see the [Canvas Student Guide](#).

Required software: Microsoft Office 365: All Ohio State students are now eligible for free Microsoft Office 365 ProPlus through Microsoft's Student Advantage Program. Full instructions for downloading and installation can be found at go.osu.edu/office365help.

Course-specific Copyright Policy:

Material provided by the instructor may not be re-posted anywhere without the explicit permission of instructors. See University Copyright Policy. The materials used in connection with this course may be subject to copyright protection and are only for the use of students officially enrolled in the course for the educational purposes associated with the course.

Additional University Policies and Resources

You can find a list of university policies and resources at go.osu.edu/UPolicies, but here are a few important ones.

Academic Misconduct

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's [Code of Student Conduct](#), and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute Academic Misconduct.

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: Any activity that tends to compromise the academic integrity of the University or subvert the educational process. Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an excuse for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please

contact me. You can also review these resources:

- [Committee on Academic Misconduct](https://go.osu.edu/coam) (go.osu.edu/coam)
- [Ten Suggestions for Preserving Academic Integrity](https://go.osu.edu/ten-suggestions) (go.osu.edu/ten-suggestions)
- [Eight Cardinal Rules of Academic Integrity](https://go.osu.edu/cardinal-rules) (go.osu.edu/cardinal-rules)

Your Mental Health

As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance or reduce a student's ability to participate in daily activities. The Ohio State University's Student Life Counseling and Consultation Service (CCS) is here to support you. If you find yourself feeling isolated, anxious or overwhelmed, [on-demand mental health resources](https://go.osu.edu/ccsondemand) (go.osu.edu/ccsondemand) are available. You can reach an on-call counselor when CCS is closed at **614- 292-5766**. **24-hour emergency help** is available through the [National Suicide Prevention Lifeline website](https://suicidepreventionlifeline.org) (suicidepreventionlifeline.org) or by calling **1-800-273-8255(TALK)**. [The Ohio State Wellness app](https://go.osu.edu/wellnessapp) (go.osu.edu/wellnessapp) is also a great resource.

Disability Statement (with Accommodations for COVID)

The university strives to maintain a healthy and accessible environment to support student learning in and out of the classroom. If you anticipate or experience academic barriers based on your disability (including mental health, chronic, or temporary medical conditions), please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, I request that you register with Student Life Disability Services. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. You can connect with them at slds@osu.edu; 614-292-3307; or slds.osu.edu. or in person at 98 Baker Hall, 113 W. 12th Ave.

If you are isolating while waiting for a COVID-19 test result, please let me know immediately. Those testing positive for COVID-19 should refer to the Safe and Healthy Buckeyes site for resources. Beyond five days of the required COVID-19 isolation period, I may rely on Student Life Disability Services to establish further reasonable accommodations.

Creating an Environment Free from Harassment, Discrimination, and Sexual Misconduct

The Ohio State University is committed to building and maintaining a community to reflect diversity and to improve opportunities for all. All Buckeyes have the right to be free from harassment, discrimination, and sexual misconduct. Ohio State does not discriminate on the basis of age, ancestry, color, disability, ethnicity, gender, gender identity or expression, genetic information, HIV/AIDS status, military status, national origin, pregnancy (childbirth, false pregnancy, termination of pregnancy, or recovery therefrom), race, religion, sex, sexual orientation, or protected veteran status, or any other bases under the law, in its activities, academic programs, admission, and employment. Members of the university community also have the right to be free from all forms of sexual misconduct: sexual harassment, sexual assault, relationship violence, stalking, and sexual exploitation.

To report harassment, discrimination, sexual misconduct, or retaliation and/or seek confidential and non-confidential resources and supportive measures, contact the Office of Institutional Equity:

1. Online reporting form at equity.osu.edu,
2. Call 614-247-5838 or TTY 614-688-8605,
3. Or email equity@osu.edu

The university is committed to stopping sexual misconduct, preventing its recurrence, eliminating any hostile environment, and remedying its discriminatory effects. All university employees have reporting responsibilities to the Office of Institutional Equity to ensure the university can take appropriate action:

- All university employees, except those exempted by legal privilege of confidentiality or expressly identified as a confidential reporter, have an obligation to report incidents of sexual assault immediately.
- The following employees have an obligation to report all other forms of sexual misconduct as soon as practicable but at most within five workdays of becoming aware of such information: 1. Any human resource professional (HRP); 2. Anyone who supervises faculty, staff, students, or volunteers; 3. Chair/director; and 4. Faculty member.

Weather / Short-Term Closing

- Although Ohio State strives to remain open to ensure continuity of services to students and the public, extreme conditions can warrant the usage of the university's Weather or Other Short-Term Closing Policy.
- Should in-person classes be canceled, we will meet virtually via CarmenZoom during our regularly scheduled time. I will share any updates via [Carmen Canvas, email or other mode of communication].

Lastly

- I will communicate with the class mainly through e-mail or Canvas announcements. E-mail is the best way to communicate with me. If necessary, call me on my cell phone.
- **Attend class, review your notes, and complete the review questions. Ask questions and participate.**
- **Course syllabus may change at my discretion to optimize the quality and flow of content.**

DRAFT SCHEUDLE

AMIS 4500 Auditing Principles and Procedures

#	Date	Topic	Reading	Suggested Problems	Assignment
1	1/8	Introduction (why do we need auditors)	CH 1	2-5, 7, 13-23	
2	1/10	Financial Statement Audit Environment	CH 2	5-7, 9-11, 13-14, 15-26	
	1/15	No class: Martin Luther King Holiday			
3	1/17	Independence / Professional Judgement	CH 19 (pp. 636-654)	3, 4, 7-9, 14-20, 22-26	
4	1/22	Independence			
5	1/24	Audit Opinions	CH 18	2-7, 10-21.	Puppy
6	1/29	Finish opinions, start planning	CH 3	1-5, 7-10, 17-26	
7	1/31	Quiz 1: Covers chapters 1, 2, 18, 19			
8	2/5	Planning	CH 3	1-5, 7-10, 17-26	
9	2/7	Audit Risk Model	CH 4	1-4, 6, 9, 10, 13-22, 24, 27	Materiality
10	2/12	Risk Assessment	CH 4		Wells Fargo
11	2/14	Audit Evidence	CH 5	1-4, 6-12, MC: 17-29	
12	2/19	Audit Evidence Analytical Procedures	CH 5		Contradictory Evidence
13	2/21	Internal Control and review	CH 6	1-3, 5-11, MC: 12-24	
14	2/26	Quiz 2: covers chapters 3, 4, 5			
15	2/28	Internal control	CH 6		
16	3/4	Audit Internal Control	CH 7	1,2, 5, 9-12, 14-16 MC: 19-31	Dixon Illinois
17	3/6	Audit Internal Control			
	3/11	No class: spring break			
	3/13	No class: spring break			
18	3/18	Audit Sampling (pp 259-266, 285-286)	CH 8	1-10, MC: 11-14, 18, 20	
19	3/20	Data analytics	Appendix B		Data analytics
20	3/25	Review and catchup			
21	3/27	Quiz 3: covers chapters 6, 7, 8, data analytics			
22	4/1	Audit Revenue	CH 10	3-5, 7, 8, 10, 11 MC: 12-23	
23	4/3	Audit Revenue / Start Purchasing	CH 10		
24	4/8	Audit Purchasing Cycle	CH 11	1-5, 8-11, MC: 13-23	
25	4/10	Complete audit	Ch 17		TBD
26	4/15	Other assurance and internal audit	Ch 21	1-11, MC: 13-21	
27	4/17	Review and catchup			
28	4/22	Final quiz on last day of regularly scheduled classes - Quiz is not cumulative			