

**Course:** AC 467P Financial Statement Auditing II

**Professor:** COREY S. CAGLE, PhD, CPA, CMA, CGMA, CFE, CFM  
Assistant Professor of Accounting  
University of North Alabama

**E-mail:** ccagle1@una.edu

**Textbook:**

Tidrick, D. (2016). 2016 Wiley/CPAexcel. Auditing. Hoboken, NJ: John Wiley & Sons, Inc.

Chapters Assigned: Audit Evidence—Specific Audit Areas, Audit Sampling, IT (Computer) Auditing, Other Types of Reports, Other Professional Services, Sarbanes-Oxley Act of 2002 and the PCAOB

**Objectives:**

- Students will identify appropriate audit procedures to address each of the four assertions when auditing inventory, securities and derivative instruments, fixed assets, current liabilities, long-term liabilities, stockholders' equity, and payroll.
- Students will understand various methods of audit sampling, including attributes sampling, variables sampling, and probability-proportional-to-size sampling.
- Students will understand various controls, procedures, and other considerations regarding IT audits.
- Students will identify responsibilities and appropriate reporting language for various types of special engagements.
- Students will know the primary sections of the Sarbanes-Oxley Act of 2002

**Credit Hours:**

3 semester hours

**Prerequisites:**

AC 463P

**Course Delivery:**

This course is delivered online and you can proceed through the material at the pace that is most appropriate for you. Once you complete the application process and are given your login information for the course you will be able to access all course materials. The course outline that is shown in your Course Manager will be available online and will guide you through the course. The study text materials, lesson videos, and homework questions are all included online.

For each lesson assigned, it is recommended that you first watch the video lecture to become familiar with the area. You should then read the study text material and work through the problems and solutions included in the study text. Your last step is to work all of the homework problems provided in the lesson. Some of the homework is included in your Participation grade and some is not, as follows

Proficiency Questions    **Not Included in Participation**

Task Based Simulations    **Not Included in Participation**

Exam Questions            **Included in Participation**

You can rework Exam Questions and that you missed to raise your Participation grade if you desire. Note that detailed solutions are provided to the multiple choice questions, but you should work each problem on your own before checking the solution. The best way to learn accounting is to work problems yourself, not just read problems and the related solutions.

Task based simulations are provided within the course content for the purpose of providing the student with additional study and practice for success on the CPA exam. These will cover topics included in the AC361P course, but they will also cover topics not specifically covered in this course. As such, completion of the task based simulations is optional and will not affect the final grade in the course.

Quizzes and exams should be taken at the time shown in your lesson outline. Note that quizzes and exams do have time limits. Quizzes and exams can be taken only once. If you have any questions as you complete the course please email me.

**Course Access and Enrollment Issues:**

1. Once your application has been processed and you are officially admitted as a student at UNA and enrolled in this course, you will receive an email from the professor welcoming you to the course.
2. The University of North Alabama allows students two semesters to complete the requirements for a specific course, subject to the approval of the instructor. If you do not complete the course in the semester of your initial enrollment, you will receive a grade of “Incomplete” and will be able to complete the course in the following semester. If you do not complete the course by the end of the second semester of enrollment, then you automatically receive a failing grade for the course.
3. The content covered in this course is very similar to the content covered in the face-to-face courses offered at UNA. If you plan to pursue the CPA license, we advise you to be familiar with the requirements for the state where you plan to sit for the CPA exam to insure that the courses you complete are appropriate. These requirements can vary substantially across states (see [www.nasba.org](http://www.nasba.org) for a listing of State Boards of Accountancy websites).

**Course Assessments and Final Grade:**

The following are the general policies for this class. Deviations may be necessary.

1. There will be four exams and eight quizzes.
2. All exams and quizzes will be given on-line and will focus on problem-solving skills. Students will be allowed no more than 75 minutes for each exam and no more than 20 minutes for each quiz.
3. All exams and quizzes will be open book and notes, but each student must complete the tests without assistance from other individuals.
4. DO NOT CHEAT ON EXAMS OR QUIZZES. Anyone who cheats will receive an F for the course.
5. Final grades are determined as follows:

	Points
Homework	55
EXAM 1	100
EXAM 2	100
EXAM 3	100
EXAM 4	100
8 Quizzes @ 20 each	160

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Total	615

Grades will be assigned as follows:

- 90% or above = A
- 80% to 90% = B
- 70% to 80% = C
- 60% to 70% = D
- Below 60% = F

Your grade will be the percentage of your total points earned to 530 points.

**Topics Covered:**

Auditing & Attestation

Audit Evidence—Specific Audit Areas

- Introduction to Auditing Individual Areas
- Cash
- Accounts Receivable
- Inventory
- Investments in Securities and Derivative Instruments
- Fixed Assets
- Current Liabilities
- Long-Term Liabilities
- Stockholders' Equity
- Payroll

Audit Sampling

- Introduction to Sampling
- Attributes Sampling
- Variables Sampling
- Probability-Proportional-to-Size (PPS) Sampling

IT (Computer) Auditing

- IT Controls—General Controls
- IT Controls—Application Controls
- IT Evidence-Gathering Procedures
- Other IT Considerations

Other Types of Reports

- Reports on Application of Requirements of Framework
- F/S with Special Purpose Frameworks
- Audits of Single F/S and Specific Elements, Accounts, or Items
- Reporting on Compliance with Requirements in a F/S Audit
- Service Organizations—User Auditors
- Service Organizations—Service Auditors
- Comfort Letters
- Government Auditing Standards
- Compliance Audits
- SSARSs—General Principles
- SSARSs—Preparation of Financial Statements
- SSARSs—Compilation Engagements
- SSARSs—Review Engagements
- SSARSs—Other Topics

Other Professional Services

- Attestation Standards
- Financial Forecasts and Projections
- Pro Forma Financial Information
- Compliance Attestation
- Reporting on Internal Control in an Integrated Audit

Management's Discussion and Analysis (MD&A)  
Assurance Services  
Sarbanes-Oxley Act of 2002 and the PCAOB  
PCAOB Responsibilities  
Auditing Standard No. 1  
Auditing Standard No. 3  
Auditing Standard No. 4  
Auditing Standard No. 5  
Auditing Standard No. 6  
Auditing Standard No. 7  
Auditing Standard 8-15  
Auditing Standard No. 16  
Auditing Standard No. 17  
Auditing Standard No. 18

#### **ACADEMIC HONESTY—UNIVERSITY POLICY:**

Students are expected to be honorable and observe standards of conduct appropriate to a community of scholars. Additionally, students are expected to behave in an ethical manner. Individuals who disregard the core values of truth and honesty bring disrespect to themselves and the University. A university community that allows academic dishonesty will suffer harm to the reputation of students, faculty and graduates. It is in the best interest of the entire university community to sanction any individual who chooses not to accept the principles of academic honesty by committing acts such as cheating, plagiarism, or misrepresentation. Offenses are reported to the Vice President for Academic Affairs and Provost for referral to the University Student Discipline System for disposition (see “Academic Honesty” in the Academic Procedures and Requirements section of the University Catalog for more information).

#### **STUDENTS WITH DISABILITIES—UNIVERSITY POLICY:**

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the University offers reasonable accommodations to students with eligible documented learning, physical and/or psychological disabilities. Under Title II of the Americans with Disabilities Act (ADA) of 1990, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Amendment Act of 2008, a disability is defined as a physical or mental impairment that substantially limits one or more major life activities as compared to an average person in the population. It is the responsibility of the student to contact Disability Support Services to initiate the process to develop an accommodation plan. This accommodation plan will not be applied retroactively. Appropriate, reasonable accommodations will be made to allow each student to meet course requirements, but no fundamental or substantial alteration of academic standards will be made. Students needing assistance should contact Disability Support Services. Complete guidelines and requirements for documentation can be found on the DSS web pages at <http://www.una.edu/disability-support>.

#### **INFORMATION TECHNOLOGY ACCEPTABLE USE—UNIVERSITY POLICY**

This acceptable use statement governs the use of computers, networks, and other information technologies at the University of North Alabama. This statement applies to all students and employees of the University, and to all other persons who may legally or illegally use or attempt to use a computer resource owned by the University, and/or is connected by any means to the campus computing network. As a user of these resources, you are responsible for reading and understanding this document. To view the entire Information Technologies Acceptable Use Statement, please see <http://www.una.edu/its/una-it-policy.html>.

#### **TITLE IX—UNIVERSITY POLICY**

The University of North Alabama has an expectation of mutual respect. Students, staff, administrators, and faculty are entitled to a working environment and educational environment free of discriminatory harassment. This includes sexual violence, sexual harassment, domestic and intimate partner violence, stalking, gender-based discrimination, discrimination against pregnant and parenting students, and gender-based bullying and hazing.

Faculty and staff are required by federal law to report any observation of harassment (including online harassment) as well as any notice given by students or colleagues of any of the behaviors noted above. Retaliation against any person who reports discrimination or harassment is also prohibited. UNA’s policies and regulations covering discrimination and harassment may be accessed at <https://www.una.edu/titleix/>. If you have experienced or observed discrimination or harassment, confidential reporting resources can be found on the website or you may make a formal complaint by contacting the Title IX Coordinator at 256-765-4223.

## **COMMUNICATION EXPECTATIONS—COLLEGE OF BUSINESS POLICY**

### Communication Methods...

- Anytime you communicate with your professor, please allow up to 48 hours for a reply. Correspondence received on Fridays and university holidays may not be addressed until the next regularly scheduled business day at UNA.
- You may also call or drop by the office during regularly scheduled office hours. If these times do not work for you, please contact me for an appointment.