COURSE SYLLABUS
Accounting 457 – Controls and Internal Auditing
Gerald W. Schlief School of Accountancy

Instructor: Nikki Shoemaker, Ph.D., CPA, CGMA
E-mail: shoemakenl@sfasu.edu (preferred method of communication)
Phone: 936-468-1795 direct line
         936-468-3105 department (leave a message)
Office: 292H Accounting Department
Office Hours: M 11:00am – 4:00pm
             Online: TR 10:00am – 12:00pm; W 1:00pm – 2:00pm
Class Hours: M 4:00pm – 6:30pm

Course Description:
Accounting 457 is an introduction to internal auditing and risk assessment techniques with an emphasis on internal control evaluation and reporting.

Program Learning Outcomes:
Program learning outcomes define the knowledge, skills, and abilities students are expected to demonstrate upon completion of an academic program. These learning outcomes are regularly assessed to determine student learning and to evaluate overall program effectiveness. You may access the program learning outcomes for your major and particular courses at http://www.sfasu.edu/cob/ug-plo.asp.

Student Learning Objectives:
Upon successful completion of this course, the student should gain:
- A basic understanding of the use of internal auditing by top management and governing boards for controlling organizations.
- An understanding of the techniques for risk assessment and management.
- Knowledge of the standards for conducting management audits.
- An understanding of the audit function’s organization and administration.
- An understanding of the management audit process.
- The ability to establish criteria for an effective management audit.
- The knowledge and ability to apply basic tools used in evidence collection.
- The ability to effectively report the results of a management audit.

Required Text and Materials:
Benford’s Law Software

Course Requirements & Grading Policy:
IDEA Audit Cases 200
Benford’s Law Project 100
Outside Exercises 40
Internal Audit Project 210 (NOTE: Prelim Report 90 points, Final Report 120 points)
550 points

Grading Scale:
A = 540 to 600 points, B = 480 to 539 points, C = 420 to 479 points, D = 360 to 419 points,
F = less than 360 points
**Exercises:** Exercises will be conducted outside of class based on information covered in class. These assignments cannot be “made-up” later in the semester. Assignments will be graded for completion.

**IDEA Audit Cases:** There will be two audit cases worked out of the IDEA Case Workbook. Each case is worth 100 points each. Cases will be graded based on completeness, correctness, and your ability to follow directions. Failure to turn in these cases on time will result in a grade of 0. Both the IDEA Case Workbook and Software can be downloaded from D2L. More directions to come in class.

**Benford’s Law Project:** Students will complete a Benford’s Law project. This project will require that the students purchase an Excel spreadsheet from Mark Nigrini. Specific purchase instructions and project instructions will be handed out in class and posted on D2L. The project will be graded on participation, completeness, and your ability to correctly analyze the findings of the Benford’s Law tests. Everyone must purchase the Benford’s Law Software and provide proof of purchase to me by 10-1-17. Proof of purchase means that you can show me the email confirming you sent payment by the date above.

**Internal Audit Project:** Students will complete a mock internal audit project that simulates a real audit experience. For this project, students will be required to participate in class to obtain background information on the project, develop a risk assessment and audit program, spend time outside of class performing internal audit work, make observations while performing the internal audit work, make recommendations based on these observations, prepare an audit report. You will receive a total of 210 points for the internal audit project. Your participation in the project is both essential and required, meaning you must be present and on time at class meetings and actively help your group prepare the audit report. I will take class attendance at important project dates. Also, your group members will evaluate your participation and performance in your group. They will give you a participation grade between 0 and 100. This grade combined with your class attendance will then be used as a multiplier to determine your final internal audit project grade. For example, if your group receives 100% on the internal audit project but you receive a class attendance/group participation grade of 70%, you will only receive 70% of the group points for that case.

**Attendance Policy & Class Preparation:**
Performing well in this class is directly related to the amount of time and effort you put into mastering the topics discussed and participating in class. Regular class attendance is also expected and strongly encouraged. Please make plans to attend every class and to arrive on time, ready to give full attention to every session. Missing class for any reason may jeopardize performance on the project and assignments.

**Academic Integrity:**
If you are found to engage in academic dishonesty on any of your assignments, you will be subject to the Academic Integrity policy discussed on page 3.

**Drop/Withdrawal:**
You should refer to the Schedule of Classes for information on Registrar's website for the University’s policies on drops and withdrawal.

**Desire2Learn (D2L):**
D2L will be the main method of communication for this course. Therefore, you should check it frequently for updates and email communications.
General Student Policies:

Student Academic Dishonesty (University Policy 4.1)
Abiding by university policy is a responsibility of all university faculty and students.

Definition of Academic Dishonesty
Academic dishonesty includes both cheating and plagiarism. Cheating includes, but is not limited to (1) using or attempting to use unauthorized materials to aid in achieving a better grade on a component of a class; (2) the falsification or invention of any information, including citations, on an assigned exercise; and/or (3) helping or attempting to help another in an act of cheating or plagiarism. Plagiarism is presenting the words or ideas of another person as if they were your own. Examples of plagiarism are (1) submitting an assignment as if it were one's own work when, in fact, it is at least partly the work of another; (2) submitting a work that has been purchased or otherwise obtained from an Internet source or another source; and (3) incorporating the words or ideas of an author into one's paper without giving the author due credit. Please read the complete policy at http://www.sfasu.edu/policies/student_academic_dishonesty.pdf.

Course Grades (University Policy 5.5)
At the discretion of the instructor of record and with the approval of the academic unit head, a grade of WH will be assigned only if the student cannot complete the course work because of unavoidable circumstances. Students must complete the work within one calendar year from the end of the semester in which they receive a WH, or the grade automatically becomes an F, except as allowed through policy related to active military service. If students register for the same course in future semesters, the WH will automatically become an F and will be counted as a repeated course for the purpose of computing the grade point average. Please refer to the complete policy at http://www.sfasu.edu/policies/course-grades.pdf.

Students with Disabilities
To obtain disability related accommodations, alternate formats and/or auxiliary aids, students with disabilities must contact the Office of Disability Services (ODS), Human Services Building, and Room 325, 468-3004 / 468-1004 (TDD) as early as possible in the semester. Once verified, ODS will notify the course instructor and outline the accommodation and/or auxiliary aids to be provided. Failure to request services in a timely manner may delay your accommodations. For additional information, go to http://www.sfasu.edu/disabilityservices/.

Student Conduct (University Policy 10.4)
Classroom behavior should not interfere with the instructor’s ability to conduct the class or the ability of other students to learn from the instructional program (see the full Student Conduct Code at http://www.sfasu.edu/policies/student-conduct-code.pdf.) Unacceptable or disruptive behavior will not be tolerated. Students who disrupt the learning environment may be asked to leave class and may be subject to judicial, academic, or other penalties. This prohibition applies to all instructional forums, including electronic, classroom, labs, discussion groups, field trips, etc. The instructor shall have full discretion over what behavior is appropriate/ inappropria in the classroom. Students who do not attend class regularly or who perform poorly on class projects/exams may be referred to the iCare Early Alert Program. This program provides students with recommendations for resources or other assistance that is available to help SFA students succeed.
<table>
<thead>
<tr>
<th>Date</th>
<th>Topic Covered</th>
<th>Other Assignments</th>
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<tbody>
<tr>
<td>8-28-17</td>
<td>Introduction to Internal Audit Professional Practices Framework</td>
<td>Internal vs. External Audit (D2L)</td>
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<tr>
<td>9-4-17</td>
<td>Risk Assessment Internal Controls</td>
<td>Outside Risk Assessment (D2L) Internal Controls Assignments (D2L)</td>
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<tr>
<td>9-11-17</td>
<td>Audit Program, Audit Evidence, &amp; Audit Procedures Fraud Risks &amp; Controls</td>
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<tr>
<td>9-18-17</td>
<td>Fraud Risks &amp; Controls</td>
<td>Summary of Fraud Scandal (D2L)</td>
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<tr>
<td>9-25-17</td>
<td>Work on IDEA Tutorial Work on IDEA A/R Case</td>
<td>No Class; IDEA Tutorial Due (D2L) IDEA A/R Case Due (D2L)</td>
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<tr>
<td>10-2-17</td>
<td>Field Based Project: Risk Assessment, Discussion of Sample and Audit Procedures</td>
<td>BE IN CLASS ON TIME</td>
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<td>10-9-17</td>
<td>Field Based Project: Audit Days</td>
<td>Complete Audit Procedures Outside of Class</td>
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<td>10-16-17</td>
<td>Field Based Project: Meet to Discuss Observations and Work with Group to Prepare Audit Report</td>
<td>BE IN CLASS ON TIME</td>
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<td>10-23-17</td>
<td>Work on IDEA A/P Case</td>
<td>No Class; Preliminary Audit Report Due (D2L); IDEA A/P Case Due (D2L)</td>
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<td>10-30-17</td>
<td>Field Based Project: Discuss Prelim. Audit Report &amp; Prepare Final Audit Report</td>
<td>Schedule a time to meet in my office Final Audit Report Due (D2L)</td>
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<td>11-6-17</td>
<td>Benford’s Law Project: P-card Background &amp; Risk Assessment; Discuss Benford’s Law; Practice Benford’s Law</td>
<td>BE IN COMPUTER LAB ON TIME Benford’s Law Summary Due (D2L)</td>
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<td>11-13-17</td>
<td>Benford’s Law Project: Audit Days</td>
<td>BE IN COMPUTER LAB ON TIME</td>
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<td>11-20-17</td>
<td>Benford’s Law Project: Audit Days</td>
<td>BE IN COMPUTER LAB ON TIME</td>
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<tr>
<td>11-27-17</td>
<td>Benford’s Law Project: Audit Days &amp; Report Prep</td>
<td>BE IN COMPUTER LAB ON TIME Prelim. Benford’s Law Report Due (D2L)</td>
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<tr>
<td>12-4-17</td>
<td>Benford’s Law Project: Discuss Benford’s Report</td>
<td>Schedule a time to meet in my office</td>
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<td>12-11-17</td>
<td>Benford’s Law Project Turn-in: 4:30am – 5:00pm</td>
<td>Benford’s Law Final Report Due (in person)</td>
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