COURSE SYLLABUS
Accounting 457 – Controls and Internal Auditing
Gerald W. Schlief School of Accountancy
MTWR 10:15am – 12:10pm

Instructor: Nikki Shoemaker, Ph.D., CPA, CGMA
E-mail: shoemakenl@sfasu.edu (preferred method of communication)
Phone: 936-468-1744 direct line
468-3105 department (leave a message)
Office: 292P Accounting Department
Office Hours: MTWR 10:00 – 10:15 am;
TW 12:15 – 1:45 pm
MR 12:15 pm – 2:15 pm (online)
Other times by appointment
Class Hours: MTWR 10:15am – 12:10pm

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
OSU/Benford’s Law Project 100
Internal Audit Project 200 (NOTE: Prelim Report 75 points, Final Report 125 points)
500 points

Grading Scale:
A = 450 to 500 points, B = 400 to 449 points, C = 350 to 399 points, D = 300 to 349 points,
F = less than 300 points
**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.

**OSU/Benford’s Law Project & Internal Audit Project:** Your participation in these projects is both essential and required, meaning you must be present and on time at class meetings and actively help your group with audit work and report preparations. 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 these projects.

(1) **OSU/Benford’s Law Project:** Students will complete an OSU/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 OSU Access tests and Benford’s Law tests. Everyone must purchase the Benford’s Law Software and provide proof of purchase to me by 7-29-19.

(2) **Internal Audit Project:** Students will complete an internal audit project. 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.

**Attendance Policy & Class Preparation:**
Performing well in this class and on the exams is directly related to the amount of time and effort you put into mastering the topics discussed and participating in class. Class time will be used to discuss and apply the material. 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 on academic integrity 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 on any assignment or exam; (2) falsifying or inventing 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 one’s own. Examples of plagiarism include, but are not limited to (1) submitting an assignment as if it were one's own work when is at least partly the work of another person; (2) submitting a work that has been purchased or otherwise obtained from the Internet or another source; and/or (3) incorporating the words or ideas of an author into one's paper without giving the author credit. Examples of plagiarism include, but are not limited to (1) submitting an assignment as if it were one's own work when is at least partly the work of another person; (2) submitting a work that has been purchased or otherwise obtained from the Internet or another source; and/or (3) incorporating the words or ideas of an author into one's paper without giving the author credit. Penalties may include, but are not limited to reprimand, no credit for the assignment or exam, re-submission of the work, make-up exam, failure of the course, or expulsion from the university. Please read the complete policy at [http://www.sfasu.edu/policies/student_academic_dishonesty.pdf](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](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), Room 325 in the Human Services Building, 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/](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-code-of-conduct_10.4.pdf](http://www.sfasu.edu/policies/student-code-of-conduct_10.4.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/ inappropriate 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.
ACCOUNTING 457: Summer 2019 - TENTATIVE COURSE SCHEDULE
(Changes to the schedule are possible during the semester; it is your responsibility to attend class to get announced changes)

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic Covered</th>
<th>Assignment Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>7-16-19</td>
<td>Introduction to Internal Audit Professional Practices Framework Introduction</td>
<td></td>
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<tr>
<td>7-17-19</td>
<td>Risk Assessment Internal Controls</td>
<td></td>
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<tr>
<td>7-18-19</td>
<td>Audit Program &amp; Audit Evidence Audit Procedures Fraud Risks &amp; Controls</td>
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<tr>
<td>7-22-19</td>
<td>Field Based Project: Development of Audit Objective, Risk Assessment, &amp; Discussion of Audit Procedures</td>
<td>BE IN CLASS ON TIME</td>
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<tr>
<td>7-23-19</td>
<td>Field Based Project: Audit Days</td>
<td>Complete Audit Procedures Outside of Class</td>
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<tr>
<td>7-24-19</td>
<td>Field Based Project: Discuss Audit Observations &amp; Recommendations</td>
<td>BE IN CLASS ON TIME</td>
</tr>
<tr>
<td>7-25-19</td>
<td>Field Based Project: Meet with Group to Prepare Audit Report</td>
<td>Meet Outside of Class Preliminary Audit Report Due (D2L)</td>
</tr>
<tr>
<td>7-29-19</td>
<td><strong>No in-class meeting – Work on IDEA A/R Case</strong></td>
<td>IDEA A/R Case Due (D2L)</td>
</tr>
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<td>7-30-19</td>
<td>Field Based Project: Discuss Prelim. Audit Report</td>
<td>Schedule a time to meet in my office</td>
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<tr>
<td>7-31-19</td>
<td>Field Based Project: Meet with Group to Finalize Audit Report</td>
<td>Meet Outside of Class Final Audit Report Due (D2L)</td>
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<tr>
<td>8-1-19</td>
<td>OSU/Benford’s Law Project: Discuss Benford’s Law</td>
<td>BE IN CLASS ON TIME</td>
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<td>8-5-19</td>
<td>OSU/Benford’s Law Project: Practice Benford’s Law</td>
<td>BE IN CLASS ON TIME</td>
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<td>8-6-19</td>
<td>OSU/Benford’s Law Project: Audit Days</td>
<td>BE IN CLASS ON TIME</td>
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<tr>
<td>8-7-19</td>
<td>OSU/Benford’s Law Project: Audit Days</td>
<td>BE IN CLASS ON TIME</td>
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<tr>
<td>8-8-19</td>
<td>OSU/Benford’s Law Project: Audit Days</td>
<td>BE IN CLASS ON TIME</td>
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<tr>
<td>8-12-19</td>
<td>OSU/Benford’s Law Project: Report Prep</td>
<td>Meet with Group Outside of Class Prelim. OSU/Benford’s Law Report Due (D2L)</td>
</tr>
<tr>
<td>8-13-19</td>
<td><strong>No in-class meeting – Work on IDEA A/P Case</strong></td>
<td>IDEA A/P Case Due (D2L)</td>
</tr>
<tr>
<td>8-14-19</td>
<td>OSU/Benford’s Law Project: Discuss Prelim. Audit Report</td>
<td>Schedule a time to meet in my office</td>
</tr>
<tr>
<td>8-15-19</td>
<td>OSU/Benford’s Law Project: Report Prep</td>
<td>Meet with Group Outside of Class</td>
</tr>
<tr>
<td>8-16-19</td>
<td><strong>Benford’s Law Project Turn-in: 10:15am – 12:10pm</strong></td>
<td>OSU/Benford’s Law Final Report Due (in person)</td>
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