

**ACG 6635**  
**Issues in Audit Practice**  
**(Fall 2017, Module II)**

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**Purpose:** The purpose of this course is to expand on your understanding of auditing by examining topics of interest within the profession. Emphasis will be placed on issues related to assurance services and the conduct of specific aspects of the audit process, especially obtaining and interpreting audit evidence.

**Class Schedule:** There are two sections scheduled for this course.

|            |    |         |              |
|------------|----|---------|--------------|
| Period 3-4 | MW | GER 121 | 9:35 – 11:30 |
| Period 5-6 | MW | GER 121 | 11:45 – 1:40 |

**Attendance and Conduct of Class:** This class is intended to be interactive. In order to get the most benefit from the course, class attendance is mandatory. I reserve the right to take attendance at random. Since most of the class will be based on discussion of cases and research materials, it is critical that students complete all readings prior to class and adequately prepare the material required for class discussion. In-class discussion of materials is a critical element of this course and may substantially affect a student's course grade. Students are encouraged to adequately prepare for such discussions. Students will be evaluated on the quality of their participation, not the quantity of their remarks.

**Reading Material:** Some of the reading for this course will come from academic journals that are available on line through the UF library system. Some material comes from *Auditing: Assurance & Risk 4th Edition* (Knechel and Salterio). Other material will also be distributed electronically or through Canvas. All assigned readings should be completed prior to the scheduled class.

**Group Work:** Students will be assigned to teams for the purposes of completing the major case project for the class. The case will involve evaluating the benefits and challenges of assurance services. Students will prepare a report (8-12 pages) and a class presentation. More detail will be provided during the first week of class. **The written paper will be due on 12/7 at noon.** Turn in both an electronic copy and a paper copy. Presentations will be scheduled during the last week of class.

**Exams:** There is a final exam to be given during the normal time for this module (probably 12/11).

**Grading:** Your overall course grade will be based on the following components:

|                   |            |
|-------------------|------------|
| Case—written      | 300 points |
| Case—presentation | 100 points |
| Exam              | 500 points |
| Class “presence”  | 100 points |

Grading distribution: A (930-1000), A- (900-929), B+ (870-899), B (830-869), B- (800-829), C+ (770-799), C (730-769), C- (700-729), D+ (670-699), D (600-669), E (<600)

## UF Policies

**University Policy on Accommodating Students with Disabilities:** The University of Florida is committed to providing academic accommodations for students with disabilities. Students with disabilities requesting accommodations should first register with the Disability Resource Center (352-392-8565, [www.dso.ufl.edu/drc/](http://www.dso.ufl.edu/drc/)) by providing appropriate documentation. Once registered, a student should present his/her accommodation letter to the instructor supporting a request for accommodations (this could be a physical letter or attached to an email). If your accommodation regards special testing arrangements, you must then submit an Accommodated Test Request (ATR) online for **each** exam/quiz. Students with disabilities are encouraged to follow these procedures as early as possible within the semester. If you do not follow the Disability Resource Center procedures or deadline for requesting accommodations or for submitting your ATRs, you will have to take the exam with your class without accommodations.

**University Policy on Academic Misconduct:** Academic honesty and integrity are fundamental values of the University community. Students should be sure that they understand the UF Student Honor Code at <http://www.dso.ufl.edu/students.php>.

## Getting Help

For issues with technical difficulties for E-learning in Canvas please contact the UF Help Desk at:

- [Learning-support@ufl.edu](mailto:Learning-support@ufl.edu)
- (352) 392-HELP - select option 2
- <https://lss.at.ufl.edu/help.shtml>

Other resources are available at <http://www.distance.ufl.edu/getting-help> for:

- Counseling and Wellness resources
- Disability resources
- Resources for handling student concerns and complaints

- Library Help Desk support

Should you have issues with your experience in this course that cannot be resolved with the instructor, department, or program, please visit <http://www.distance.ufl.edu/student-complaints> to submit a complaint.

### Syllabus and Reading List

| <b>Date</b> | <b>Day</b> | <b>Topic</b>                         | <b>Assignment/Reading</b>   |
|-------------|------------|--------------------------------------|---|
| 10/23       | M          | Introduction to Assurance Services   | Knechel. "The Role of the Independent Accountant in Effective Risk Management" ( <i>Distributed electronically</i> )  |
| 10/25       | W          | No Class                             | PCAOB Meeting in DC   |
| 10/30       |            | Assurance Services                   | Handout Readings<br><br>Case: Uncontrustus Builders   |
| 11/1        | M          | Economics of Auditing                | Causholli, M, and W.R. Knechel. "An Examination of the Credence Attributes of an Audit". <i>Accounting Horizons</i> (December 2012): 631-655.   |
| 11/6        | W          | Economics of Auditing                | Wallace (1981), "The Economic Role of the Audit in Free and Regulated Markets" Chapters I –VII. ( <i>Distributed electronically</i> )   |
| 11/8        | M          | Economics of Auditing                | Knechel, W.R. and M. Willekens. "The Role of Risk Management and Governance in Determining Audit Demand." ( <i>Distributed electronically</i> )   |
| 11/13       | W          | Economics and Regulation of Auditing | Causholli, M, M. DeMartinis, D. Hay and W.R. Knechel. "Audit Markets, Fees and Production: Towards an Integrated View of Empirical Audit Research" <i>Journal of Accounting Literature</i> (2010): 167-215. |
| 11/15       | M          | Risk Assessment and Audit Planning   | Knechel and Salterio, Chapters 2, 5 and 6 (review)  |
| 11/20       | W          | Risk Assessment and Audit Planning   | Knechel and Salterio, Chapters 2, 5 and 6 (review)  |
| 11/22       | W          | No Class                             | Thanksgiving  |
| 11/27       | M          | Risk Assessment and Audit Planning   | Case: <i>Plastic Gizmos Inc.</i>  |
| 11/29       | W          | No Class                             | PCAOB Meeting in DC   |
| 12/4        | W          | Case Presentations                   | None  |
| 12/6        | M          | Case Presentations                   | None  |
| 12/11       |            | Final Exam                           | Regular Class Period  |