

Course Contract (syllabus) \*\*  
**Financial Auditing-Accounting 58** Online section-64z  
**Spring 2015 (Catalyst\* and MyAccountingLab\*)**

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\***Catalyst** (<https://catalyst.deanza.edu>) is De Anza College-maintained online learning management system and free of charge to all enrolled students. Each term, the college Admissions office will register you to Catalyst with your enrollment info. All lecture notes; media files, demo cases, discussion topics, and many other learning resources are available at this class Catalyst site.

\***MyAccountingLab** (<http://myaccountinglab.com>) is the Pearson publishing's learning system. All students have to purchase a unique access code (either from college bookstore or from Pearson site) and use the access code in order to register into class site: **Go to [pearsonmylabandmastering.com](http://pearsonmylabandmastering.com) and enter the course ID: kwak96432.** (See more detail at **textbook purchase options and Pearson MyAccountingLab registration step-by-step instruction in this syllabus**)

### Course Structure

This is an online course. **Online courses require substantial motivation and self-discipline.** All course work and exams must be completed by each specific due dates and time. There are no exceptions for late work. Two websites are used in the course: **Catalyst (De Anza)** and **MyAccountingLab (Pearson)**. Course work will be completed using both Catalyst and MyAccountingLab.

**College Prerequisite (advisory) courses:** Complete Financial accounting, Managerial accounting, and all **Intermediate** Accounting course series with satisfactory passing grades.

### Course Description

**Introductory level of Financial Audit** encompasses many principles and procedures used to gather evidence to support the opinion expressed in the "Auditor's Report". This introductory course covers the basic concepts involved with various types of audits with emphasis on the application of auditing standards and techniques used in Statutory Audits, Procedural Audits and Operational (Internal) Auditing with references to special areas of auditing such as Information Systems, government auditing, etc.

Witnessing recent corporate malfeasance and financial reporting obfuscation events in our nation lately, we all know now that accounting is too important to managers, organizations, and societies to be left to accountants alone. Accounting information is often a basis for decisions. Accounting reports are often the basis on which the effectiveness of stewardship decisions and actions are evaluated.

## **Course Objective:**

The two primary objectives of this introductory course are as follow:

1. To introduce students to the basic **Inter-linked and intertwined underlying auditing and attestation concepts**.
2. To demonstrate how to apply those concepts to audit and assurance professional services.

With above-mentioned two primary focal points, there are related **core Big Three Concepts-Risk, Materiality, and Evidential matter-** that underlie the audit/assurance process, a single inter-linked and inter-twined one-whole-process.

## **Student Learning Outcomes:**

1. List the 10 GAAS (Generally Accepted Auditing Standards) and explain how and why they are followed.
2. Demonstrate knowledge of how GAAS are integrated throughout the financial audit examination process.
3. Demonstrate knowledge of a systematic audit approach using the three major underlying and interlinked concepts: audit risk, audit materiality, and audit evidence.

## **REQUIRED Textbook (or e-book) with an access code to MyAccountingLab (Pearson):**

**Title of textbook: Auditing and Assurance Services, 15<sup>th</sup> edition, Pearson, authors: Arens, Elder, Beasley. Pearson learning management system: MyAccountingLab (MAL)**

## **Textbook (and/or e-book) purchase options:**

### **1. Bookstore (all-in-one)–easiest option:**

The bookstore package includes: print book (3-hole-drilled), eBook & an access code for MyAccountingLab. You will redeem the code during the registration process.

### **2. Online Purchase:** instant access online to MyAccountingLab during the registration process. (Course ID: **kwak96432** )

- You can purchase access WITH an e-text or WITHOUT an e-text. Please read the options carefully.
- If you decide you would like to purchase a discounted version of the print book for this course (\$55), you can do so by following Print Upgrade Purchase Options.

## **Pearson MyAccountingLab course site: Student Registration Instruction for Spring 2015 Acct 58– 64z, online:**

1. Go to <http://pearsonmylabandmastering.com>
2. Under Register, click Student.
3. Enter your instructor’s course ID: **kwak96432**, and click Continue.
4. Sign in with an existing Pearson account or create an account:
5. Select an option to access your instructor’s online course: Use the access code that came with your textbook or that you purchased separately from the bookstore.
6. Click Go To Your Course on the Confirmation page. Under MyLab design on the left, click ACCTG 58 to start your work.

To sign in later:

1. Go to [pearsonmylabandmastering.com](http://pearsonmylabandmastering.com).
2. Click Sign in.
3. Enter your Pearson account username and password. Click Sign in.
4. Under MyLab design on the left, click ACCTG 58.

**Contact 24/7 Technical Support for Pearson MyAccountingLab** (chat or call)

<http://247pearsoned.custhelp.com/> **Call: 800-677-6337**

**De Anza College Book Store website address:** <http://books.deanza.edu>

**Recommended Reading:** Wall Street Journal, if you would like to take advantage of deep student discount of WSJ subscription, please go to the link: <http://wsjstudent.com>

### Assessment of Student Achievement:

<u>Grading criteria:</u>	<u>Weight:</u>
Case discussions (online postings at <b>Catalyst</b> )	120 or 1/5
Chapter assigned exercises/problems at <b>*MAL</b>	120 or 1/5
Online assessment quizzes at <b>*MAL</b>	120 or 1/5
Online Midterm Exam at <b>*MAL</b>	120 or 1/5
Online Final Exam at <b>*MAL</b>	120 or 1/5
<b>Total</b>	<b>600</b>

Grade range: A grade = 90%-100%, B grade = 80%-89%,  
C grade = 70%-79%, D grade = 60%-69%,  
F grade = below 60% (+ and – will be refined with a range).

**\*MAL:** MyAccountingLab (Pearson)

*“Tell me, I’ll forget  
Teach me, I remember  
Engage me, I learn.”  
- Chinese proverb*

### Philosophy of Learning & Course Expectations:

In a learning environment, everyone becomes a teacher and everyone becomes a student. Learning is your personal responsibility. The instructor is a **mentor, facilitator, and coach** in your **active** and unique learning process. (**“Sage on stage” vs. “Guide on the side”**)

Class participation is strongly encouraged. Questions pertaining to the course or relating to the accounting/finance/business field are also welcome throughout the term. Class lectures will be focused on helping students understand the “WHY’s” (the concept behind the mechanics) rather than the mere mechanics of the subject matter. Please do not use memorization as a substitute for understanding.

After observing students for many years and drawing from my own experiences as a student, I believe that students learn best by actively questioning and explaining. In this course, I encourage you to join in class discussions and bring questions to class. This means that in order to receive the maximum benefits out of classroom time, you will need to read the assigned topics thoroughly well in advance.

Learners will become successful by helping others become successful. One of most effective ways of learning any subject matter **is to teach it to someone else**. By actively engaging in-group learning, you will be practicing the attributes of questioning, organizing, and connecting knowledge. Also, you will be learning to learn and to teach others, and you will be developing **interpersonal skills** you will need for successful careers in accounting or any other business field.

Learning is a collaborative process between all the members of the class. I hope we can help each other to create a supportive learning environment throughout the term.

### **Tentative Weekly Course Calendar:**

#### **NOTE:**

- End-of-chapter **homework assignments** will be posted by chapter at assignment tabs on the **MAL (myaccountinglab)** site and available 24/7 with specified due date/time.
- Thorough chapter **reading** should be completed prior to case analysis, assigned questions, papers, and homework attempts.
- **Instructor’s lecture notes, chapter outlines, power point slides, mini-cases, relevant real-world examples, news articles, and other study aid materials** such as audio/visual files will be available on the **Catalyst** site in the “Resources” area, topic by topic.
- The following schedule is subject to change and may be adjusted to reflect student learning and class progress.

**Week 1: Course Introduction and online discussions begin** (All Students **must** complete the **required online orientation** through Distance Learning Center at <http://deanza.edu/distance/> within the first week of a term. In addition, all students must be registered at both **Catalyst** and **Pearson MyLab** site to begin great and exciting learning process.

**Chapter 1**-The Demand For Audit and Other Assurance Services

**Week 2: Chapter 2**-The CPA Profession and **Chapter 3**-Audit Reports

**Week 3: Chapter 4**-Professional Ethics and **Chapter 6**-Audit Responsibilities and Objectives

**Week 4: Chapter 7**-Audit Evidence

**Week 5: Midterm Exam** (covering chapters: 1, 2, 3, 4, 6, &7) date will be announced and posted at the course website well in advance of the exam date.

**Week 6: Chapter 8**-Audit Planning and Analytical Procedures

**Week 7: Chapter 9-Materiality and Risk**

**Week 8: Chapter 10-Internal Control, Control Risk, and Section 404 Audits**

**Week 9: Chapter 13-Overall Audit Plan and Audit Program and Chapter 14-Audit of the Sales and Collection Cycle: Tests of Controls and Substantive Tests of Transactions**

**Week 10: Chapter 16-Completing the Tests in the Sales and Collection Cycle: Accounts Receivable and Chapter 23-Audit of Cash**

**Week 11: Chapter 24-Completing the Audit**

All topics in previous chapters are all interconnected to each others topics and chapters as a “interconnected One-story” audit process and intertwined as in **One whole inter-linked audit underlying concepts**)

**Week 12:** Final exam week. Review all chapters for comprehensive final exam.

**Final Exam:** date will be announced and posted at the course website well in advance of the exam date.

**Important Note: Daily chapter reading, daily log-in to our instructional web sites, and doing homework questions on a daily basis are essential and required in order for you to have adequate level of learning covering all 14 chapters in this intense 12-week course period structure.** The average student workload is minimum 2 to 3 hours of work outside of class for every credit hour of coursework **on a weekly basis (minimum 10 to 15 hours per week for a 5 credit unit course).**

**Note re: Chapter Content Coverage and Cycle Audit:**

The textbook chapters (26 chapters) are to be covered for a full 18-week semester or over two quarters. We, as one quarter auditing program, we have to be selective in terms of chapter coverage. Thus, we will cover the above-mentioned chapters in our course calendar. These 14 chapters can be categorized as 3 groups as follow:

1. **4 “foundation” chapters (ch.1, 2, 3, & 4),**
2. **5 “core” chapters as highlighted above (ch.6, 7, 8, 9, &10),** also related to the **3 focus areas: Risk, Materiality, and Evidential matter** (stated in this syllabus earlier), and
3. **5 “application” chapters (ch.13, 14, 16, 23, & 24).**

In terms of auditing many different accounting/business cycles, “**Sales cycle**” (**revenue, accounts receivables and cash collection cycle**) is chosen to study in our course. That is because sales revenue accounting cycle is the biggest cycle for most businesses, but the lion share of CPA exam questions (compare to other business cycles) is from this sales/revenue cycle. (more than 80%)

## **Statement on Academic Integrity:**

Academic integrity is expected from each student. Cheating and plagiarism in ANY form will absolutely NOT be tolerated. Cheating may appear to be a tempting short-run solution to a problem. In the long run though, those who cheat, really cheat themselves. You are in college to learn something that will be helpful later in life. If you fail to learn it, then you will have problems later on. In addition, the business and accounting world certainly does not need more dishonest people. **Cheating and plagiarism** is treated very seriously in this course and will result in a failing grade for either the particular exam/assignment or for the entire course. Both Business Division Dean and the Campus Judicial Affairs Officer will be notified. This notification will result in a permanent record, which may affect your future academic and professional career. All written work must be your own original work except where you quote others with proper attribution. Failure to do so will be treated as plagiarism. Some written work may be submitted to Turnitin.com to test for originality. **Disruptive behavior is also not acceptable. Students who behave in a disruptive manner will be dropped from the course, at the discretion of the instructor.**

## **Course Admission and Withdrawal:**

Please register for this course through De Anza College Admissions and Records office first. **All students must be officially registered** first. Registering at Connect only allows you access to assignments and quizzes for the course. It does NOT make you a registered student in the college official enrollment roster.

It is **your responsibility to withdraw from the course**; otherwise the appropriate grade will be assigned to your official college transcript at the end of the term. Please notify your instructor if you drop from the course. However, any enrolled students who have not done any course work (or course site registrations) by the end of State required class census due date, all **“no activity” students at the beginning of a term will be identified as “no show” students.**

**Dropping “No Show” students:** State Regulatory [Education Code Title 5, section 58004\(c\)](#) requires that “each district, by the end of the business of the day immediately preceding the census date, drop all students who are inactively enrolled in the course.”

**About the Instructor, Christopher Kwak, CPA, CFE\*, CFF\*:**

Professor Kwak is a licensed CPA in the state of California with over 20 years of industry experience in major firms such as Hewlett Packard (HP), PriceWaterhouseCoopers, and Chevron USA, specializing in cost management, financial reporting, mergers & acquisitions, and forensic accounting. Professor Kwak has held many positions at HP including senior corporate Internal Auditor, senior financial analyst, business control manager, and division Controller. He also worked as a senior associate and an audit manager at PriceWaterhouseCoopers, one of the Big Four international accounting/consulting firms, specializing in Mergers & Acquisitions, Financial Reporting, Business Litigation and Investigation services, and Start-up and Emerging business advisory services.

**Current academic postings & professional affiliations:**

- Full-time faculty member at **De Anza College Business-CS Division**.
- Adjunct Professor of Accountancy at **Santa Clara University Leavy School of Business – Graduate School MBA program**
- Adjunct Professor of Accountancy at **S.F. Golden Gate University**.
- Adjunct Professor of Accountancy at **Saint Mary’s College of California**.
- A CPA member, American Institute of Certified Public Accountants (AICPA).
- A CFF member, AICPA, Certified in Financial Forensic (CFF).
- A CFE member, Association of Certified Fraud Examiner (ACFE).

\*CFE, Certified Fraud Examiners, a license issued by ACFE (International Association of Certified Fraud Examiners, World Headquarters in Austin Texas)

\*CFF, Certified Financial Forensics, a license issued by AICPA (American Institute of Certified Public Accountants, national headquarters in New York City)

**As a teaching professor, professor Kwak would like to encourage you be a passionate and life-long learner in your “Active Learning” (John Dewey, the father of experiential and active learning) life journey.**

I hope you will greatly benefit from this course. If I can be of assistance during the term, please contact me. Have an enjoyable and successful term.

Professor Kwak.

Key to Successful Learning is Pre-class session preparation:

**If you come to class (online or in-class) prepared but confused, you may not feel comfortable, but there is good chance you will leave with closure on most of the session learning objectives.  
By contrast, if you come feeling comfortable but not prepared, there is good chance that you will leave totally confused.**

**\*\*NOTE: This Course Contract (Syllabus) represents a contractual agreement. Enrolled**

**Students are responsible for reading this entire Syllabus and abiding by all provisions identified in this official document. Student registration in this course signifies acceptance of all requirements, terms, and conditions.**