

ACCT 3350 – Internal Auditing
(being changed to Accounting Research and Communication)
Spring 2023

INSTRUCTOR: Dr. Scott D. Vandervelde
OFFICE: 266A
CLASS TIME: Friday 112: T/TH 10:00-11:15
OFFICE HOURS: Friday 266A: T/TH 11:30-12:30 and by appointment (including via zoom if needed)
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Textbook: Anderson, Head, Mar, Ramamoorti, Riddle, & Salamasick. Internal Auditing: Assurance & Advisory Services, 5th Edition.

Prerequisites: Undergraduate level [ACCT 3340](#) Minimum Grade of C and (Undergraduate level [ACCT 3312](#) Minimum Grade of C or Undergraduate level [ACCT 3324](#) Minimum Grade of C)

Course Description: Internal auditing's role in the internal control framework is examined along the reporting, operations, and compliance dimensions. Evaluation of risk, controls, designing and executing tests, assessing audit evidence and communicating findings are covered. Special attention is given to information technology, data analytics, and comparisons to external auditing.

Learning Outcomes:

Upon the successful completion of the course, students should:

1. Have a good understanding of a typical firm's objectives and how internal auditing helps the firm to achieve each of these.
2. Have a good understanding of audit objectives and audit procedures used to achieve those objectives.
3. Have knowledge of the different types of audit evidence and the reliability of each.
4. Have a good understanding of how data analytics is impacting the audit profession and begin to utilize analytical tools to address audit objectives.

Instructor Expectations and Course Objectives

Learning is a self-motivated process. Your success depends on a combination of experience, open-mindedness, and practicing new skills. You must develop answers without the security blanket of an answer key (which means you have to think). In the real world, there is no answer key.

It is my responsibility to provide a supportive atmosphere and challenging assignments that will improve your ability to make rational, supported decisions. It is your responsibility to be prepared to actively participate in class discussions. If you are not prepared for class, you will likely struggle to succeed.

I expect that you will work hard and gain an understanding of (and appreciation for) what internal auditing represents. If you work hard, you might even have some fun. If you do not work hard, you will likely not have an enjoyable semester in this class. Auditing is challenging because it is a different way of thinking than the traditional accounting class. This class might challenge you to think and use analytical thinking skills.

Learning auditing can be like learning a new language: you first need to learn the terms. This can create the need for some level of "memorizing" early in the semester; however, as time goes on, you will need to understand rather than just have everything memorized. Like learning a language, you first need to memorize all the words, but then you need to understand how they go together to communicate in that language. That is

the same for auditing. You will have the greatest chance of success if you make sure you understand beyond just memorizing.

Before each class, each student is expected to have (1) read the chapter or other assigned materials for that day; (2) completed the MC questions for the assigned chapter (answers available on Canvas); and, (3) worked through any problems specifically identified for classroom review. It is possible that some days you might not be allowed to use your books or notes for an in-class exercise, so you need to come to class prepared. (But don't worry I do not give pop quizzes 😊)

The chapter and other assigned reading's significant issues will be summarized, and any related material not adequately covered in the assigned readings will be presented. The lecture slides will be posted on Canvas. There may be things in the slides that you will have to fill in during the class. These will not be given out during class, so you are responsible for accessing the documents from Canvas yourself. It is recommended that you print these, or have them accessible on your computer, before I cover each chapter. There might also be other handouts posted on Canvas, periodically. I suggest that you keep track of the items posted to Canvas.

You are expected to participate on a relatively regular basis. You have the opportunity to earn "extra points" via the participation component of the course grading. These are NOT free points; you do have to participate to earn the participation points. Attendance does NOT equal participation. If you choose never to talk, then you should expect zero participation points. However, notice the participation points are more like extra credit as they are added to your point total but are not part of the "Total Course Points" section of the grading scale. Since I am providing you with lecture slides for most chapters, I expect you to be prepared to think and participate in class. If you regularly miss class, you should not expect any participation points.

Guest Speakers:

We will have some professionals working with us, either in the classroom or virtually. The presenters are currently planning to be in the classroom. If they are joining us virtually, we will likely use ZOOM to go fully virtual so that you can see them and they can see you. As the time approaches, I will share additional information as needed. When guest speakers join us, I request that you dress business casual out of respect for our guest. Material presented by guest speakers will be considered when writing exams.

Expectations:

- All participants must engage in appropriate professional behavior. Texting and using electronic devices during class (for things not related to class) and other behaviors that affect your classmates' ability to attend to classroom activities are not professional behaviors. If you are using a computer, you should have nothing open other than what is relevant to our class on that day.
- There will be no eating in the classroom. If you have a medical reason to need to eat, please let me know.
- This course will require you to comment, discuss, interact, and present. I expect you to maintain a professional and polite tone in all your interactions. Differences in opinion are natural and can be productive, but they must be handled in a professional manner.
- You all need to be understanding toward each other's personal health situations and health concerns. You should communicate with your group members from the beginning to set expectations. Just like you will when you are working, you should strive to meet or exceed expectations.

Group Work:

You will be assigned to a group with whom you will sit every class period. You will do some work together during class and some work together outside of class. **You and your group members should specifically talk about your expectations for each other prior to beginning outside of class work. If you know your group members' expectations for you, then you can work to exceed those expectations. This is the same way it will be when you start working. You will find out the expectations before a job, followed by an evaluation of your performance compared to expectations.**

You are not allowed to solicit or receive advice or information from individuals not in your specific group, or me. Any information obtained, or outside assistance received, that is deemed by the professor to be inappropriate will lead to all members of the group being in violation of academic integrity policies. If that happens, I will pursue the harshest penalties allowed by the university. When in doubt ask your professor. 😊

Late work will not be accepted beyond the due date. When you start working, you will have fixed deadlines that are expected to be met.

Exams

You will have 2 exams and a comprehensive (cumulative) final exam. Exams will be thorough and challenging. The exam content can cover any material included in the textbook, assigned readings, or covered in class (including guest speakers). The Final Exam is cumulative and contains material covered throughout the semester.

Exams will be taken during class. I will talk more about this as the exam dates approach.

You have 1 week from the date either exam is reviewed in class to appeal your grade or bring a grading error to the attention of the professor.

Project

You will complete one project in your assigned group. You and your group members should specifically talk about your expectations for each other prior to beginning the project. If you know your group members' expectations for you, then you can work to exceed those expectations. This is the same way it will be when you start working. You will find out the expectations before a job, followed by an evaluation of your performance compared to expectations.

Your group will complete the project using the materials provided on Canvas, information available in your textbook, or via inquiry with me directly. You are not allowed to solicit or receive advice or information from individuals not in your specific case group, or from resources other than the case materials, your textbook, or me. If the project involves on-line resources, then you may only use those specific on-line resources. Any information obtained, or outside assistance received, that is deemed by the professor to be inappropriate will lead to all members of the group being in violation of academic integrity policies. If that happens, I will pursue the harshest penalties allowed by the university. When in doubt ask your professor. 😊

Pay attention to the syllabus schedule for the due date of the project. Late projects will not be accepted. Note that there is a group component to the project grade and an individual component. This will be explained further as we get closer to the time for you to be working on the project.

Attendance

If you are having any kind of issue that might impact your attendance, please communicate with me. It is important for you to be in class for the activities and topics we will cover.

Being on time for class is important (but please do not do anything unsafe in the name of being on time ☺). If you would not arrive late to a client meeting, then you should not think it is okay to arrive late to class and disrespect your classmates. If you know you are going to have challenges, please contact me so that we can figure out a strategy for you to be successful. Others will benefit from what you have to say and you will benefit from what your classmates have to say.

Classroom modifications and accommodations

I would like to hear from anyone who has a disability that may require some modification of seating, or other class requirements so that appropriate arrangements may be made. Please see me during my office hours or set up a time to talk with me. I will assign groups to sit in a certain location in the classroom. Please let me know as soon as possible if there is a place you need to sit in the room in order to perform your best in the class.

Performance Evaluation

Your performance in the course will be evaluated and your course grade will be determined based upon the following inputs:

Homework	25
Quiz November 21	10
Project – Group portion	75
Project – Individual portion	25
Exam 1	100
Exam 2	100
Final Exam (<i>comprehensive</i>)	150
Total Course Points	<u>485</u>
<i>Participation</i>	<i>Up to 20</i>

Grading Scale

A	90.0%+	(min 436.5 pts)
B	80.0- 89.9%	(min 388 pts)
C	70.0- 79.9%	(min 339.5 pts)
D	60.0 – 69.9%	(min 291 pts)
F	59.9% and below	

I reserve the right to modify the schedule/grade inputs as needed. If I do modify the syllabus, I will provide a written update.

Homework:

The Homework assignments are to make sure you are keeping up and understanding the material. The material in this course continues to build on previous chapters, so falling behind can be disastrous for your success in this course. I encourage students to complete all assigned problems on time and with a considerable amount of effort. You will have 6 homework assignments consisting of problems from the textbook. Your final homework grade will consist of your 5 highest grades (1 will be dropped).

HW Grading: All homework will be graded using the following scale, which is based on the effort applied and the completeness of the assignment:

	<u>Discussion Questions</u>
Assignment completed in full with a <u>considerable</u> amount of effort	5 pts.
Assignment completed in full with a <u>minimal</u> amount of effort	2 pts.
Assignment not completed in full	0 pts.

I am the judge of what constitutes “considerable” and “minimal” effort, and I have high standards, so keep that in mind. If you do not show considerable effort, you will not receive full credit.

HW Submission: To receive any credit for homework you must meet the following requirements:

- Completed in full. If you do not answer ALL of the assigned problems, your submission will be considered “Assignment not completed in full.” When your client hires you (or your boss gives you a task) to complete 4 tasks and you only complete 3, he/she will not likely give you “partial credit”...you will be looking for a new client (or new job).
- Typed submission in “.pdf” format.
- The file named in the following format: “FirstName LastName – HW CHx”
- Prepared neatly and professionally. Make sure each problem/section is clearly identified (ex. Problem 3-31, Scenario 1, Part A). Soon you will be a working professional. You need to start taking pride in your work now, if you have not already started to do so. Do not submit it to me if you would not give it to your manager when you are working.
- Homework will be due after we finish covering a chapter. **It is due by 9:55am on the day listed on the syllabus.**

Any assignment missed for any reason will be considered a candidate for your one dropped score. If you know in advance you are going to miss a class, you may complete and turn in your homework assignments on Canvas in advance.

You are only allowed to upload one document to Canvas for your assignment submission. Please plan accordingly to make sure you are comfortable with the technology necessary to complete this process before the due date of the assignment. Take your time and make sure you are submitting the correct file. I will not revisit homework assignments submitted in the incorrect format or not submitted due to technical issues. These will count as “dropped” assignments.

Homework assignments are individual assignments. Your submission must reflect your thoughts and words. If you study in a group, make sure that your homework reflects your individual work. If I believe that an assignment is not your individual work, I will consider it a violation of academic integrity and take all the steps allowed. Do not use any on-line service to “assist” you with your homework (e.g., Chegg). This is considered a violation of academic integrity. I have filed academic integrity violations for this in the past and I really prefer not to have to do that. The homework is graded on effort and it will not help you on exams if you are just copying the work of others. If you have questions please meet with me so that we can clear up any confusion.

Class Participation:

Class participation is a possible additional 20 “extra” points you can earn. Communication in the auditing (and accounting) profession is crucial. Attendance does not equal participation. If you are a passive participant in-class discussion (i.e., never talk in class other than to your group), then you should not expect to receive participation points. I believe that if you add to the learning of the class through participation, then you deserve added points. This includes answering questions and/or asking questions. Talking one time does not mean you are participating; however, you do not need to participate every day to earn points. Remember I have high expectations, so when in doubt participate. You can earn anywhere from 0 to 20 points. It is not only 0 or 20.

I monitor participation regularly; however, no points will be assigned until the end of the semester. Class absences will detract from your participation, even if you participate regularly when you are in attendance.

If you choose to text, e-mail, or do other things during class that are unrelated to the class, you should not expect to receive any participation points. If I think you are doing anything during class that is unrelated to the class you should not expect to receive any participation points.

Computer requirements

All students taking business courses, which includes all students in this class, are required to have their own personal laptop computer, with a working webcam and microphone (in case we meet with any guest speakers remotely).

- It is each student’s responsibility to have a working laptop that meets the minimum requirements in accordance with the Belk College Laptop Policy, has the required course software installed, and is ready for classroom usage.
- It is each student’s responsibility to have their laptop charged and ready for usage prior to class time. Students should expect that charging of devices may not be possible during class time. Therefore, battery life should be sufficient to last through an entire class period
- If we go remote for class for any reason, all students are expected to have their camera on during the entire class meeting period.

Academic Integrity

I expect all students in the class to perform their own work unless instructed that working together, or within their group, is acceptable to for a given assignment, activity, or case. I consider it a violation of academic integrity if a solution to a case is used that was provided by someone else, whether you know the person or not, regardless of where it is found (e.g., on the internet). The purpose of the class is for you to learn to perform professional accounting research and present your findings/ideas, in a professional manner either orally or in writing. If you are using the work of others, then you will not be appropriately ready for your career.

All students are required to read and abide by the Code of Student Academic Integrity. Violations of the Code of Student Academic Integrity, including plagiarism, will result in disciplinary action as provided in the Code. Definitions and examples of plagiarism are set forth in the Code. The Code is available from the Dean of Students Office or online at <https://legal.uncc.edu/policies/up-407>

Course Schedule: It is your responsibility to keep track of where we are on the schedule. If we get behind and you are uncertain of where we are, please ask the professor

Date	Ch	Topic	Reading	Graded Work
8/22 Tue		Course Introduction		
8/24 Thu		Audit Market		
8/29 Tue	1	Introduction to Internal Auditing & COSO	Chapter 1	
8/31 Thu	3	Governance	Chapter 3	
9/5 Tue	4	Risk Management	Chapter 4	Chapter 3 Discussion Questions: 2, 4, 6
9/7 Thu	4	Risk Management (cont.)		
9/12 Tue	6	Internal Controls	Chapter 6	Chapter 4 Discussion Questions: 3, 4
9/14 Thu	6	Internal Controls (cont.)		
9/19 Tue	7	Information Technology	Chapter 7	Chapter 6 Discussion Questions: 1, 3
9/21 Thu	7	Information Technology (cont.)		
9/26 Tue	7	IT Audit Guest Speaker	Information Technology Guest Speaker Bank of America	
9/28 Thu		Exam 1		
10/3 Tue	5	Business Processes and Risks (cont.)	Chapter 5	
10/5 Thu	5	Business Processes and Risks (cont.)		
10/10 Tue	9	Managing the Internal Audit Function	Chapter 9	Chapter 5 Discussion Questions: 3, 5
10/12 Thu	10	Audit Evidence and Workpapers	Chapter 10	
10/17 Tue	10	Audit Evidence and Workpapers (cont.)		
10/19 Thu	11	Data Analytics for Internal Audit	Chapter 11	Chapter 10 Discussion Questions: 1, 2, 4
10/24 Tue		STUDENT RECESS – No Class		
10/26 Thu	11	Data Analytics for Internal Audit (cont.)		
10/31 Tue		Exam 2		
11/2 Thu		Managing the IA Function/Engagements	Guest Speaker: Amy Hunter, Duke Energy	

Date	Ch	Topic	Reading	Graded Work
11/7 Tue		Internal Audit Outsourcing: Guest Speaker	Guest Speaker: Michelle Marks, FORVIS	
11/9 Thu	12	Engagement Process	Chapter 12	
11/14 Tue	13	Planning Assurance Engagement	Chapter 13	Chapter 12 Discussion Questions: 1, 2
11/16 Thu	13	Planning Assurance Engagement (cont.)		<i>Project Due November 17, 11:59pm</i>
11/21 Tue	14	Conducting Assurance Engagement	Chapter 14	Quiz in Class
11/23 Thu		THANKSGIVING BREAK – No Class		
11/28 Tue	14	Conducting Assurance Engagement (cont.)		
11/30 Thu		Catch-up		
12/5 Tue		Course Wrap-up		
12/14		FINAL EXAM: 8:00-10:30am		