Accounting 461 – Assurance and Audit Services  
Sections 1 & 2  
Spring 2013

Instructor: Robert J. Pawlewicz, Ph.D., CPA  
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Section 1 Time: 10:30am – 11:45am; Tuesday and Thursday  
Section 1 Location: East Building, Room 122  
Section 2 Time: 12:00pm – 1:15pm; Tuesday and Thursday  
Section 2 Location: Innovation Hall, Room 206  
Office Hours: 10:00am – 10:30am & 1:30pm – 2:00pm; Tues. & Thurs. or by appt.

- Website: [www.mhhe.com/louwers5e](http://www.mhhe.com/louwers5e)

- To order the Gleim book, call (800) 874-5346, tell them you are a GMU student, and give them your GMU e-mail address and you can get the book for a discount.

Prerequisites: “C” or higher in ACCT 301, ACCT 331 (or 321), and ACCT 361. Students who do not meet the prerequisites will fail the course.

Website: [http://mymason.gmu.edu](http://mymason.gmu.edu)

Course Description: This course examines the foundations of audit and assurance services. The material in the course covers most topics of the auditing section of the CPA exam.

Course Objectives: After completing this course, you should be able to:
- Distinguish assurance services from other professional services offered by CPAs.
- Describe professional standards related to a variety of assurance engagements.
- Select the correct assurance report to be issued for specific circumstances.
- Identify potential ethical violations and relate them to specific ethical rules.
- Understand the Audit Risk Model and how auditors plan audits.
- Explain which internal controls can effectively mitigate information risks.
- Describe the different types of evidence used in assurance services engagements and their relative persuasiveness.
- Perform audit adjusting journal entries.
- Design assurance services procedures to gather evidence for specific management assertions about the reliability and relevance of specific information used for decision making.
Applicable SOM Undergraduate Program Learning Goals:
3. Our students will be effective communicators.
6. Our students will recognize the importance of ethical decisions.
10. Our students will be critical thinkers.

Applicable Accounting Learning Goals:
2. Students will assess risks inherent in financial and non-financial information and provide appropriate assurance to users of such information and they will be able to develop, validate, and evaluate processes and controls which serve to ensure the integrity of financial and non-financial information.
3. Students will understand the environment and role of the accounting profession in the proper functioning of commerce, and in society at large, and the ethical and regulatory responsibilities associated with that environment and role.

Teaching Philosophy: In this course you will have the opportunity to develop skills that will benefit you during your career, whether you enter public accounting or not. Learning the principles and concepts of the course is far superior to memorizing material for a test. I draw extensively on my accounting and auditing experiences to illuminate material from the text. Class lectures and assignments will help you learn the concepts, but you are ultimately responsible for your grade in this class. You will need to work hard to master (not just understand) the key concepts in this course so you can enjoy the benefits well after you graduate.

Expectations:
1. Read the assigned chapters before we discuss the material in class.
2. Attend class and participate in discussions. Ask and answer questions.
3. Use all available resources to help you learn the material, including the textbook, PowerPoint presentations, online resources, Gleim materials, etc.
4. Be prepared to answer questions, take quizzes, and demonstrate the application of material to other contexts in class.
5. Be professional and respectful at ALL times.
6. Ensure you are receiving e-mail at your GMU address; I am not responsible if you miss an e-mail.

Accounting Knowledge: The process of auditing involves identifying errors. In order to identify an error, students must know the correcting accounting for a given situation. I will assume students know basic financial and managerial accounting, and tests will consist of journal entries and problems from these areas. Students are encouraged to visit the following website for a free online textbook and review: http://principlesofaccounting.com. Students are strongly encouraged to review this material as outlined on the class schedule.
Course Evaluation: Final grades will be assigned according to these approximate weights:

Tests: 60%* (70% weighted average required)
- Test 1 – 15%
- Test 2 – 20%
- Final Exam – 25%

Quizzes: 20%

Class Writing Project: 15%* (“Competent” project required)

Attendance/Participation/Professionalism: 5%

Grading: I will assign grades for the class in accordance with the George Mason University Catalog (http://catalog.gmu.edu/) and make the grading scale for the current semester available when I post final grades for the course. You need to earn a grade of “C” or higher in the course in order to pass.

I do NOT offer extra credit opportunities to individual students. All students are given access to the same graded assignments during the course of the semester. Further, I will not respond to requests for extra credit work after the semester ends and final grades have been assigned.

Tests: Tests will cover information discussed in class and content in the books and will be challenging. Tests must be taken at the regularly scheduled time and no make-up tests will be provided! Students must achieve a weighted average of 70.00% on the tests to receive a grade of “C” or higher. I will use the following formula to calculate this average:

\[
\frac{(0.15 \times \text{Test 1}) + (0.20 \times \text{Test 2}) + (0.25 \times \text{Final Exam})}{0.60} = \text{Weighted test average}
\]

Students who leave the classroom or my office area with their exam will automatically fail the course and be referred to the Office of Academic Integrity. Furthermore, students cannot leave the exam room during the test (i.e., no bathroom or water breaks).

Quizzes: Quizzes can cover any material, including assigned homework problems, assigned reading, concepts from previous lectures, etc. Plan on having frequent quizzes (i.e., up to 15 in total). There are no make-up quizzes, but students may have the opportunity to drop quiz(es).

Class Writing Project: Students will receive a writing assignment near the beginning of the semester. To ensure students do original work, this project must be submitted online through Blackboard using SafeAssign in addition to a hard-copy submission. Students must produce a “competent” project to receive a “C” grade or higher in the course.

Attendance/Participation/Professionalism (A/P/P): This course covers a lot of material, and the material builds upon itself. Attending class is essential for success in this course and your active participation in class contributes to the learning environment. You will be graded on both your attendance and your participation throughout the semester.

The classroom should be an environment of mutual respect. Different points-of-view and opinions should be addressed in a respectful manner. Additionally, students should contribute to—rather than detract from—the learning environment. Students are expected to always
communicate with the professor and university personnel in a respectful and professional manner (e.g., no “text message” e-mails).

Professionalism also includes taking responsibility for one’s actions. Students should ensure their cell phone ringers are off, and students should not access the internet or text message during class time. I do NOT allow the use of laptops, netbooks or other devices (e.g. iPads, smartphones, tablets, etc.) during class. All students begin the semester with full credit for A/P/P, but detrimental behavior throughout the semester (e.g., excessive absences, tardiness, disrespect, etc.) will lower this score.

**Miscellaneous Activities:** Students may be asked to participate in academic research projects outside of class. Details will come at a later date.

**Academic Dishonesty:** The accounting profession is based on the foundation of sound honest and ethical principles. Cheating of any sort will not be tolerated. Even small acts of dishonesty, such as signing a friend’s name on the attendance sheet, will be fully punished. **Students caught cheating will be reported to the GMU Honor Committee and will receive a failing grade in the course.** Students who are aware of cheating but fail to report it are also in violation of academic honesty policies in this course. These students can expect to receive the same sanctions as the students who cheat.

Please refer to the academic dishonesty supplemental information provided for this course. This form must be properly initialed and signed before students are allowed to submit homework or take exams. Since there are no make-up exams, students who do not sign this sheet before the first exam will fail the course.

**Students with Disabilities:** I fully support the University’s policies to help students with disabilities. If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Services (ODS) at (703) 993-2474. All academic accommodations must be arranged through the ODS.

**Time Commitment:** GMU expects students to spend 9 hours outside of class studying for a class of “average” difficulty each week. The university recommends 12 hours of weekly study for a challenging course. Most students who pass this course invest a significant amount of time studying outside of class.
ACCT 461 – Frequently Asked Questions

What do students need to do to pass this course?
Success in the business world is based on outcomes, and this class is designed to help students succeed in the “real world.” This class is difficult, and there are no shortcuts to earning a passing grade. Studying for this course outside of the classroom is a necessary (but not sufficient) condition to earn a “C” grade or higher. Students should spend 9-12 hours outside of the classroom preparing for this course, but remember that final grades are assigned based on competency and not effort.

What information will be on the exams?
Exams will cover material from class lectures, the textbook, homework assignments, and in-class activities. Please be aware that many exam questions will be conceptual in nature. Students must apply their knowledge of concepts discussed in class to various types of test questions. Students who master the concepts do very well on the exams, but students who simply memorize definitions usually struggle.

Why is the final exam comprehensive?
The Auditing section of the CPA Exam covers more material than we can cover in this class. Because of the comprehensive nature of the CPA Exam, the final exam in this course is comprehensive. Students who master the material throughout the semester usually do well on the comprehensive exam while students who try to cut corners or cram for exams usually struggle.

What is the penalty for cheating in this course?
Cheating penalties range from failing the course (minimum) up to permanent expulsion from GMU.

Do students really have to get a 70% weighted average on the exams in order to receive a “C” grade?
Yes. Students must have a 70% weighted test average in order to receive a “C” grade or higher.

If I’m not happy with the grade that I’ve earned at the end of the course, will I be able to complete additional extra credit assignments to improve my grade?
No. I do NOT offer individual students extra credit. Your grade will be assigned based on your performance on assignments available to the entire class.

If a student has a family emergency, can they make up the quiz?
No. I do NOT provide the opportunity to make-up missed quizzes; they are only available during the allotted time during class. Several quizzes may be dropped at the end of the semester, so students who miss only one quiz due to an illness or family emergency need not worry.

How do students and the professor communicate in this course?
Please e-mail the professor with administrative questions, but do NOT send class-wide e-mails via Blackboard. Remember to maintain a professional tone in all communications.
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Homework and Individual Projects

1. Students may discuss the homework assignments with fellow classmates. Feel free to bounce ideas off each other and brainstorm possible solutions.

2. Students must submit their own original work.

3. Plagiarism is considered cheating, and such actions will not be tolerated. Dictionary.com defines plagiarism as “the unauthorized use or close imitation of the language and thoughts of another author and the representation of them as one's own original work.” Plagiarizing the work of classmates, former accounting students, internet authors, websites, etc. constitutes cheating. Please note that “closely imitating” the writing of another person is plagiarism. Failing to put quotation marks around a direct quote is plagiarism. In this course, there is no such thing as “accidental plagiarism.” All plagiarism is cheating and will not be tolerated in the slightest degree. YOU WILL FAIL THIS COURSE FOR ANY PLAGIARISM.

4. Brainstorming and collaboration become cheating when students execute individual assignments together. Another example of cheating can occur towards the end of an assignment. A student who changes an assignment to largely conform to the answers/style/format of another person is cheating.

5. Using answer keys, students’ work from prior semesters, etc. constitutes cheating.

6. Viewing originality reports on SafeAssign is cheating.

Quizzes and Tests

1. Using any unauthorized information on quizzes and tests is obviously cheating (i.e., looking at another student’s answers, using notes, storing information in a calculator or cell phone, communicating with other test takers, communicating with other sections’ students, etc.).

2. Obtaining possible test questions through a test bank or using prior ACCT 461 tests to study constitutes cheating. Writing down test questions is cheating.

3. Students who remove a test from the classroom or my office will receive 0% on the exam, thereby failing the course. Furthermore, a civil lawsuit will be filed seeking $4,000 in damages against any student who removes or otherwise compromises the integrity of an exam.

Other Policies

1. Helping another student cheat constitutes cheating for all students involved. Even small acts of cheating (i.e., signing a friend’s name on the attendance sheet) will be punished fully.

2. Students who are aware of cheating but fail to report it are in violation of the Honor Code and will be referred to the GMU Honor Committee. These students can expect to receive the same sanctions as the students who cheat.

3. Students caught cheating or engaging in other forms of academic dishonesty will receive the consequences as described in the syllabus at a minimum.

4. Work used in any prior course (including ACCT 461) cannot be submitted for this course.

Final Warning and Overall Summary

It is impossible to document all possible methods of cheating. The policies above are guidelines to help clarify expectations, but they do not include an exhaustive list of cheating activities. The onus is on each student to complete all course requirements in an honest manner, and any questions about acceptable academic behavior must be addressed to your professor. Thus, ignorance is never an excuse for engaging in academic dishonesty. Also, remorse will never prevent the consequences of cheating in this course.

X ______________________________________(Signature) ______________________ (Date)

I agree to abide by these policies and ask for clarification if I do not understand these guidelines. I also understand that I will be responsible for a $4,000 fine for theft or any other compromise of an exam (e.g., removal from the classroom or office for any amount of time). (Initial each line above and sign the form.)
Please provide your answers to the following questions:

Where were you born? Where did you grow up?

Do you plan to take the CPA exam?

Do you work? If so, where? How many hours per week do you work at your job?

What grade do you expect to receive from this course?

ACCT 301 Instructor (or last 301 instructor if repeated)?

ACCT 331 Instructor (or last 331 instructor if repeated)?

Do you have a job lined up after graduation? If so, please explain.

Do you plan to pursue a Master of Accountancy degree?

Do you have prior auditing experience (work experience or internship)? If so, please specify.

Do you have prior accounting work experience? If so, please specify.

What are your career plans?

What are your goals for this class?

Tell me something interesting about yourself.