

**School of Accountancy
Shidler College of Business
University of Hawai`i at Mānoa
ACC 619 – Advanced Auditing
Fall 2015**

Introduction

This is a survey course on IT audit. The course provides an overview of the nature and conduct of IT audit, from both an internal audit perspective and as support for the financial statement audit. Specific IT audit content areas include IT governance, IT risk assessment, IT operations, security, business continuity and change management. The course also includes a significant focus on fraud detection and prevention. This focus area includes extensive use of a computerized audit tool (IDEA).

The major requirement of the course will be a hands-on practical project with internal auditors/IT auditors. This project can be related to any IT auditing, IT governance, internal controls, or risk management issue faced by an organization. Students will work in small groups to complete an internal audit project by working closely with an internal auditor sponsor. Students are responsible for undertaking the project under the dual supervision of the internal auditor sponsor and one of the faculty members. As preparation for the project, the course provides audit skills development in areas including audit planning, interviewing, flowcharting, evidence assessment and audit report writing.

Faculty

- Tawei (David) Wang, PhD, CPA, CIA, Assistant Professor of Accounting, School of Accountancy.

Room: BUSAD E602C

Email: twwang@hawaii.edu

Phone: Office Phone: 956-7713

Learning Objectives

The Learning Objectives for ACC 619 are:

1. Understand the role and value of IT audit.
2. Understand the nature and types of IT audit engagements.
3. Appreciate the range of demands for IT audit engagements.
4. Understand key guidance on IT audit and IT governance from the PCAOB, IIA and ISACA.
5. Apply audit tools and techniques in practical settings.
6. Understand the nature of IT-enabled fraud detection and prevention.
7. Obtain moderate level ability in using a computerized audit tool (IDEA).

Administrative Details

Meeting

Meets 6:00-8:45pm in BUSAD D106 on Monday.

Method of Instruction

The method of instruction for this class is a combination of lecture, in-class exercises and short questions, case discussions, software applications and class discussions. Students must read the textbook chapters and other materials prior to class.

Each class session is divided into two components. In the first half, we concentrate on technical IT audit knowledge. In the second half, we concentrate on development of essential skills required for successful conduct of IT audits. The class schedule below reflects this organization.

Laulima

Laulima facilitates the communication in this class (laulima.hawaii.edu). Students should regularly check the Laulima for the coming weeks' material, class discussions, exercises, readings etc. Copies of the slides, readings and exercises for each class will be made available ahead of the class. No printed copies of materials will be made available. All assignments will be submitted to Laulima, unless otherwise announced. Students are responsible for submitting the assignment before it is due. No late assignment will be accepted except for University allowed absence, such as life threatening emergency or when Laulima is not accessible. It is also the student's responsibility for making sure the file is the one the student would like to upload. The submitted assignment cannot be updated after the deadline. No points will be given if the file is not readable or cannot be open. Internet connection issues are not accepted as reasons for late submissions. Email submissions will be ignored and no points will be given.

Textbooks:

Davis, C., and M. Schiller. 2011. *IT Auditing: Using Controls to Protect Information Assets*. 2nd ed. New York, NY: McGraw Hill. (DS)

Gregory, P. H. 2012. *CISA Certified Information Systems Auditor Exam Guide*. New York, NY: McGraw Hill. (G).

Audimation Services Inc. 2013. IDEA Workbook

Students access the online order form at <http://www.audimation.com/publications-workbooks/idea-v9-workbook/b-9iwb/> Apply code = TWANG_1101_UHM (Expires Nov. 11)

Other Learning Resources

We will make extensive use resources from the following organizations:

- COSO (www.coso.org)
- ISACA (www.isaca.org)
- IIA (www.theiia.org)
- Public Company Accounting Oversight Board (www.pcaob.org)
- The International Auditing and Assurance Standards Board (IAASB) www.ifac.org/IAASB/

- Auditing Standards Board (ASB) of the AICPA (tinyurl.com/2qmxpp)

Method of Assessment

<i>Assessment Item</i>	<i>%</i>
Audit planning	7%
IT governance	7%
Business recovery	7%
Audit Reporting	7%
IDEA Test 1	7%
IDEA Test 2	7%
IDEA Test 3	8%
Major Project	50%
Total	100%

Mark Range and Grades

The following mark range is in use:

Mark Range	Grade
0%-54%	F
55%-57%	D-
58%-60%	D
61%-63%	D+
64%-66%	C-
67%-69%	C
70%-72%	C+
73%-75%	B-
76%-78%	B
79%-81%	B+
82%-85%	A-
86%-89%	A
90%-100%	A+

Withdrawal/Drop Policy:

The student has the responsibility to withdraw from the course. Any student who does not attend class and does not drop the course will receive an “F” grade.

Disability access:

Students with disabilities are encouraged to contact the KOKUA program for information and services. Services are confidential and there is no charge. Contact KOKUA at 956-7511 (voice/text), kokua@hawaii.edu , or Student Services Center, Room 13.

Academic honesty

Students are expected to behave with integrity in all academic endeavors. Cheating, plagiarism, as well as any other form of academic dishonesty, will not be tolerated. All incidents will be handled in accordance with the UH Student Code of Conduct. The UH Student Code of Conduct, is available at: http://www.studentaffairs.manoa.hawaii.edu/policies/conduct_code/. Please become familiar with the University Student Conduct Code so you can make informed choices about your behavior. Some relevant portions of the code are included below for your convenience.

“Acts of dishonesty, types of behavior that conflict with the community standards that the UH values and expects of students, include but are not limited to the following:

- a) cheating, plagiarism, and other forms of academic dishonesty,
- b) furnishing false information to any UH official, faculty member, or office,
- c) forgery, alteration, or misuse of any UH document, record, or form of identification.

The term “cheating” includes, but is not limited to: (1) use of any unauthorized assistance in taking quizzes, tests, or examinations; (2) use of sources beyond those authorized by the instructor in writing papers, preparing reports, solving problems, or carrying out other assignments; (3) the acquisition, without permission, of tests or other academic material belonging to a member of the UH faculty, staff or student (4) engaging in any behavior specifically prohibited by a faculty member in the course syllabus or class discussion.

The term “plagiarism” includes, but is not limited to, the use, by paraphrase or direct quotation, of the published or unpublished work of another person without full and clear acknowledgement. It also includes the unacknowledged use of materials prepared by another person or agency engaged in the selling of term papers or other academic materials.

In addition to the above, the instructor specifically prohibits the following behaviors, and includes them within the definition of academic dishonesty: (1) providing another student with any form of direct or indirect, unauthorized assistance on any assignment, quiz, test or exam; and (2) copying, or recording in any manner, test or exam questions or answers.

Please NOTE:

UH disciplinary proceedings may be instituted against a student charged with conduct that potentially violates both the criminal law and this Student Conduct Code (that is, if both possible violations result from the same factual situation) without regard to the pendency of civil or criminal litigation in court or criminal arrest and prosecution.

If a student is caught committing an act of Academic Dishonesty, as defined in the University Student Conduct Code, they will receive a grade of “F” for the course and be referred for disciplinary action as provided for by the University Student Conduct Code.”

Week by Week Program

Date	Wk	Content	Skills Formation	Textbook	Assignments
24-Aug	1	Introduction to IT audit	Audit planning 1	DS1&2, G3	Audit planning
31-Aug	2	Frameworks and Standards – COSO	Audit planning 2		
7-Sep	3	Labor Day, No Class			
14-Sep	4	Frameworks and Standards – COSO, IT Governance & COBIT	Flowcharting 1	DS16, G p20-35	IT governance
21-Sep	5	IT Governance & COBIT	Flowcharting 2	DS3, G p117-126	
28-Sep	6	Evidence collection and evaluation	Interviews		Business recovery
5-Oct	7	Risk management and Auditing information security	IC questionnaire & CSA Evidence Assessment	DS18, G p35-47, G6	
12-Oct	8	Audit Reporting	IDEA 1		Audit Report
19-Oct	9	Report Writing	IDEA 2		
26-Oct	10	IDEA 3	IDEA Test 1		
2-Nov	11	IDEA 4	IDEA Test 2		
9-Nov	12	Project progress review 1	IDEA Test 3		
16-Nov	13				
23-Nov	14	Project progress review 2			
30-Nov	15				
7-Dec	16	Project presentations			
14-Dec	17	Final Exam Week—No Final Exam			