

**College of San Mateo**  
**Official Course Outline**

**1. COURSE ID:** ACTG 163    **TITLE:** Auditing

**Units:** 3.0 units    **Hours/Semester:** 48.0-54.0 Lecture hours; and 96.0-108.0 Homework hours

**Method of Grading:** Grade Option (Letter Grade or Pass/No Pass)

**Recommended Preparation:**

ACTG 106, ACTG 107, ACTG 121, and ACTG 161

**2. COURSE DESIGNATION:**

**Degree Credit**

**Transfer credit:** none

**3. COURSE DESCRIPTIONS:**

**Catalog Description:**

Study of the philosophy, environment and practice of auditing. Topics include Generally Accepted Auditing Standards (GAAS), ethics, legal liability and malpractice; internal controls and audit risk; audit planning, procedures, statistical tools, evidence, documentation and reports. Auditing includes topics tested on the Auditing and Attestation (AUD) section of the CPA exam. This course is part of the CPA Exam Preparation Series, which is intended to meet the education requirement to sit for the CPA exam. Students who intend to transfer should take this course at their transfer school.

**4. STUDENT LEARNING OUTCOME(S) (SLO'S):**

Upon successful completion of this course, a student will meet the following outcomes:

1. Discuss the terminology, concepts, principles, and ethics used in auditing.
2. Using the proper formats, perform the calculations and explain the steps to solve auditing problems.

**5. SPECIFIC INSTRUCTIONAL OBJECTIVES:**

Upon successful completion of this course, a student will be able to:

1. Terminology: Define commonly used terminology
2. Apply rules: Apply the rules issued by authoritative standard setting bodies
3. Audit issues: Describe audit planning, audit evidence, materiality, risk and sampling
4. Internal controls: Test internal controls
5. Ethics: Identify and analyze ethical standards issued by professional organizations

**6. COURSE CONTENT:**

**Lecture Content:**

1. Introduction to Assurance and the Financial Statement Auditing Environment
2. Audit Planning, Types of Audit Tests, and Materiality Professional Ethics
3. Risk Assessment
4. Evidence and Documentation
5. Internal Control in a Financial Statement Audit
6. Auditing the Revenue Process
7. Auditing the Purchasing Process
8. Auditing the Human Resource Management Process
9. Auditing the Inventory Management Process
10. Auditing the Financing/Investing Process: Prepaid Expenses, Intangible Assets, and Property, Plant, and Equipment/Long-Term Liabilities, Stockholders' Equity, and Income Statement Accounts
11. Completing the Audit
12. Reports on Audited Financial Statements
13. Auditing Internal Control over Financial Reporting

**7. REPRESENTATIVE METHODS OF INSTRUCTION:**

Typical methods of instruction may include:

- A. Lecture
- B. Discussion
- C. Other (Specify): Weekly readings on accounting theory, practice, and problem solving techniques.

**8. REPRESENTATIVE ASSIGNMENTS**

Representative assignments in this course may include, but are not limited to the following:

**Writing Assignments:**

Case analysis on accounting/auditing theory and practice, problem solving.

**Reading Assignments:**

Weekly readings on accounting/auditing theory, practice, and problem solving techniques.

**9. REPRESENTATIVE METHODS OF EVALUATION**

Representative methods of evaluation may include:

- A. Exams/Tests
- B. Group Projects
- C. Homework
- D. Oral Presentation
- E. Projects
- F. Quizzes

**10. REPRESENTATIVE TEXT(S):**

Possible textbooks include:

- A. Timothy Louwers, Penelope Bagley, Allen Blay. *Auditing & Assurance Services*, 8th ed. McGraw Hill, 2020

Possible software includes:

- A. Connect. McGraw Hill, 8th ed.

Connect is a learning management system provided by the publisher. All homework and testing is done on this site. The site also has several learning support tools to assist students in completing their work.

**Origination Date:** March 2022

**Curriculum Committee Approval Date:** March 2022

**Effective Term:** Fall 2022

**Course Originator:** Rosemary Nurre