

**INTER AMERICAN UNIVERSITY OF PUERTO RICO
METROPOLITAN CAMPUS
BUSINESS FACULTY
UNDERGRADUATE DEPARTMENT
ACCOUNTING PROGRAM**

SYLLABUS

I. GENERAL INFORMATION

COURSE TITLE	:	AUDITING AND ETHICS FOR ACCOUNTANTS
CODE	:	ACCT 4010
CREDITS	:	FOUR (4)
ACADEMIC TERM	:	2022-23
PROFESSOR	:	Luis Raúl Esquilín Hernández, Esq., CPA, LL.M, MBA
OFFICE LOCATION AND HOURS	:	TUESDAY 4:00PM
OFFICE TELEPHONE	:	787-810-7988
E-MAIL	:	lesquilin@intermetro.edu

II. DESCRIPTION

Description of the theory, standards and types of audits, the role of the auditor and the various reports (opinions). The ethical principles and legal responsibility of the auditor are discussed. Includes audit planning and design; the assessment of internal control and risk; substantive and analytical testing and the preparation of reports. Ethical values and the use of technology are incorporated. Prerequisite: ACCT 3063.

III. PROGRAM LEARNING OUTCOMES

- Knowledge and understanding of the generally accepted theory and norms for auditing the financial information of the organization.
- Knowledge and understanding of the legal responsibility, the ethical principles, and the Code of Ethics of the accounting profession.
- Apply the theory and the audit norms to emit judgment on the results of the structure of the internal control and the results of an audit of accounts.
- Value the importance of continuous learning to stay competent in the profession.
- Demonstrate an ethical conduct in the different scenarios that you are in.

IV. OBJETIVES

It is expected that at the end of the course, the student will be able to:

1. Analyze auditing standards, the code of professional ethics and the legal responsibility of the auditor
2. Describe the role of the auditor and the different types of audits.

3. Compare the different types of audit reports.
4. Describe the phases in the process of planning and designing an audit.
5. Evaluate the structure of internal control and risk.
6. Discuss the importance of collecting and evaluating evidence.
7. Prepare audit reports (opinions).

V. CONTENT

- A. The Role of Auditing in the Economy
 1. Internal audit and external audit
 2. Trends in the development of audits
 3. Organizations that regulate the profession

- B. Audits Classifications
 1. Internal Audit
 2. Operational Audits
 3. Compliance Audits
 4. Financial Audits for Financial Statements

- C. Professional Standards
 1. Generally Accepted Auditing Standards
 - a. AICPA General Accepted Auditing Standards (GAAS)
 - b. PCAOB Auditing Standards
 - c. International Standards on Auditing
 - d. Governmental Auditing Standards (GAS) (Single Audit Act)

 2. Quality Control of the CPA Audit Firm

- D. Audit Reports
 1. Unmodified Reports
 2. Modified Reports – Qualified (Except for), Adverse or Disclaimer
 3. Other reports – internal control reports.

- E. Ethical Principles of the Audit Profession
 1. Ethical Code of the AICPA e IFAC.

- F. Legal Responsibility of the Auditor
 1. Legal Environment of the Audit
 2. Concepts of the legal responsibility of the auditor
 - a. Ordinary Negligence
 - b. Gross Negligence
 - c. Fraud
 3. Criminal Responsibility of the Auditor.

- G. Audit Planning: Design Audit Programs

1. Engagement Letter
2. Audit Planning Planificación de la auditoría
3. Design Audit Programs
4. Audit Phases and Process

H. Internal Control

1. Definition of Internal Control
2. Structure of the Internal Control
3. Communication of Internal Control Deficiencies

I. Audit Evidence

1. Nature of the Audit Evidence
2. Type of Audit Evidence
3. Procedures to obtain Audit Evidence

J. Audit Sample

1. Basic Concepts
2. Type of Samples

K. Finalize the Audit

1. Final Analytical Review of the audit
2. Communication of Audit Findings

VI. LEARNING ACTIVITIES

- A. Lectures
- B. Problem Analysis and Exams
- C. Assignments

VII. EVALUATION

	<u>Puntuación</u>	<u>% Nota Final</u>
Exams		
First Exam	100	30%
Second Exam	100	30%
Third Exam	100	30%
Assignments, Assistance & Participation	<u>100</u>	<u>10%</u>
Total	400	100%

Class Attendance is compulsory.

Nota final: 100-90% A; 89-80% B; 79-70% C; 69-60% D; 59 – 0% F

VIII. Special Notes

A. Auxiliary services or special needs

All students who require auxiliary services or special assistance must request them at the beginning of the course or as soon as they become aware that they need them, through the corresponding registry, in the Office of the Coordinator of services for students with disabilities, Dr. María de los Ángeles Cabello. She is located in the Counseling and Counseling Program, office 111, on the first floor of the John Will Harris building, extension 2306

B. Honesty, fraud, and plagiarism

Dishonesty, fraud, plagiarism and any other inappropriate behavior in relation to academic work constitutes major infractions sanctioned by the General Student Regulations. The major infractions, as stated in the General Student Regulations, may have as a consequence, suspension from the University for a definite period greater than one year or the permanent expulsion from the University, among other sanctions.

C. Use of electronic devices

Cellular telephones and any other electronic device that could interrupt the teaching and learning processes or alter the environment leading to academic excellence will be deactivated. Any urgent situation will be dealt with, as appropriate. The handling of electronic devices that allow students to access, store or send data during evaluations or examinations is prohibited

D. Compliance with the Provisions of Title IX

The Federal Higher Education Act, as amended, prohibits discrimination because of sex in any academic, educational, extracurricular, and athletic activity or in any other program or function, sponsored or controlled by a higher education institution, whether or not it is conducted within or outside the property of the institution, if the institution receives federal funds.

In harmony with the current federal regulation, in our academic unit an Assistant Coordinator of Title IX has been designated to offer assistance and orientation in relation to any alleged incident constituting discrimination because of sex or gender, sexual harassment or sexual aggression. The Assistant Coordinator Sr. George Rivera can be reached by phone at extension 2262 o 2147, or by e-mail griverar@metro.inter.edu.

The Normative Document titled **Norms and Procedures to Deal with Alleged Violations of the Provisions of Title IX** is the document that contains the institutional rules to direct any complaint that appears to be this type of allegation. This document is available in the Web site of Inter American University of Puerto Rico (www.inter.edu).

IX. TEXT BOOK

Whittington, R., & Pany, K. (2021). *Principles of auditing and other assurance services*. (22th. ed.). New Jersey: Irwin/Mc Graw Hill.

X. BIBLIOGRAPHY (OR REFERENCES)

Reference Textbooks – Available at the Information Access Center at Metro Campus:

AICPA, *Code of Professional Ethics*.

AICPA, *Codification of Auditing Standards American Institute of Certified Public Accountants*.

Albrecht, W. S., Albrecht, C. O., Albrecht, C. C., & Zimbleman, M. F. (2019). *Fraud examination*. (6th. ed.). Mason, Ohio: Cengage Learning.

Brooks, L. J., & Dunn, P. (2021). *Business and professional ethics*. (9th. ed.). Mason, Ohio: Cengage Learning.

Knapp, M. (2018). *Contemporary auditing*. (11th. ed.). New Jersey: Cengage Learning.

Professional Resources:

Economics, Management and Financial Markets (Addleton Academic Publishers)
The Journal of Accountancy (American Institute of CPAs)
The Accounting Review (American Accounting Association)
National Tax Journal (National Tax Association)

Electronic Resources

American Accounting Association
www.aaa.edu.org

American Institute of Certified Public Accountants
<http://www.aicpa.org>

Puerto Rico Society of Certified Public Accountants
<http://www.colegiocpa.com>

Puerto Rico Treasury Department
<http://www.hacienda.gobierno.pr>

Financial Accounting Standards Board
<http://www.fasb.org>

Industry Week
www.industryweek.com

Internal Revenue Service
www.irs.gov

Publications. (n.d.). Retrieved September 2, 2014, from American Accounting Association:
<http://www.aaahq.org/pubs.cfm>

Report Gallery
<http://www.reportgallery.com>

Securities and Exchange Commission
<http://www.sec.gov>

The Institute of Management Accountants
<http://www.imanet.org>

The Accounting cycle Quick Review. Films on Demand.
<http://sirsiat.inter.edu:8008/login?url=http://digital.films.com/PortalPlaylists.aspx?aid=11176&xtid=53617>

Wall Street Journal
www.wsj.com

Data Base

Information Access Center (CAI)
<http://cai.inter.edu>

PROQUEST. <http://www.umi.com/proquest>

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