

Montgomery County Community College
ACC 252
Auditing II
3-3-0

COURSE DESCRIPTION:

Students will apply auditing techniques in gathering evidence to support an audit report. Audit procedures will be applied to transaction cycles such as sales/cash receipts, acquisition/payment, payroll/personnel, inventory/warehouse, and capital acquisition/repayment. Statistical sampling approaches will be applied to the data in the transaction cycles and the composition of the account balances. Cash and other balance sheet accounts are studied. Completion of the audit process includes review of contingent liabilities, subsequent events, financial statement presentation and disclosures. Other assurances rendered by an auditor are discussed including compilations, reviews, operational audits, and governmental financial audits.

Note: ACC 251 and ACC 252 combined cover the scope of the Auditing section of the CPA exam.

REQUISITES:*Previous Course Requirements*

- ACC 251 Auditing I with a minimum grade of “C”

Concurrent Course Requirements

None

LEARNING OUTCOMES Upon successful completion of this course, the student will be able to:	LEARNING ACTIVITIES	EVALUATION METHODS
1. Write an audit report with an unqualified opinion, but containing additional explanation for a given description of accounting facts and audit circumstances.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice Case Analysis	Assignments Research and discussion case Written examinations
2. Determine which documents should be examined in testing the following cycles: sales/cash receipts, acquisition/payment, payroll/personnel, inventory/warehouse, and capital acquisition/repayment.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice Case Analysis	Assignments Research and discussion case Written examinations

LEARNING OUTCOMES	LEARNING ACTIVITIES	EVALUATION METHODS
3. Determine the type of statistical sample method to use in gathering evidence in transaction testing (cycles) as well as in testing the balance sheet's account balances, and evaluate the results.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice Case Analysis	Assignments Research and discussion case Written examinations
4. Gather external evidence/confirmations and identify the protocol for soliciting confirmations of account balances from the client's bank, customers and suppliers.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice Case Analysis	Assignments Research and discussion case Written examinations
5. Conduct an audit review and compilation in the privately held sector and render the appropriate report.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice Case Analysis	Assignments Research and discussion case Written examinations
6. Differentiate requirements for conducting a governmental financial audit versus a financial statement audit.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice Case Analysis	Assignments Research and discussion case Written examinations

At the conclusion of each semester/session, assessment of the learning outcomes will be completed by course faculty using the listed evaluation method(s). Aggregated results will be submitted to the Associate Vice President of Academic Affairs. The benchmark for each learning outcome is that *70% of students will meet or exceed outcome criteria*.

SEQUENCE OF TOPICS:

1. Audits of sales/cash receipts cycle, acquisition/payment cycle, payroll/personnel cycle, inventory/warehouse cycle, and capital acquisition/ repayment cycle.
2. Sampling: statistical sampling - matching the model to the audit objective; and circumstances that would support a non-statistical sample.

3. Auditing cash accounts
4. Completing the audit
5. Auditor Reports
6. Additional Assurance Services
7. Internal, Operational, Compliance and Governmental auditing

LEARNING MATERIALS:

Whittington, Pany. (2016). *Principles of Auditing and Assurance Services, 20th ed.*
McGraw-Hill.

Access to online textbook learning system may be required.

Other learning materials may be required and made available directly to the student and/or via the College's Libraries and/or course management system.

COURSE APPROVAL:

Prepared by: Robert Dunlevy, Assistant Professor	Date: 1/2010
VPAA/Provost Compliance Verification: Dr. John C. Flynn, Jr.	Date: 5/18/2010

Revised by: Heather Thomas	Date: 2/2013
VPAA/Provost or designee Compliance Verification: Victoria L. Bastecki-Perez, Ed.D.	Date: 4/23/2013

Revised by: Heather Thomas	Date: 5/2015
VPAA/Provost or designee Compliance Verification: Victoria L. Bastecki-Perez, Ed.D.	Date: 5/28/2015

This course is consistent with Montgomery County Community College's mission. It was developed, approved and will be delivered in full compliance with the policies and procedures established by the College.