

ACC 411 Final Project Guidelines and Rubric

Overview

Professional auditors are charged with the responsibility of analyzing internal controls, conducting risk assessments using analytical procedures, and designing and implementing audit programs. The purpose of any audit is to report, analyze, and determine whether a specific entity met the stated goals of the procedures being audited. The audit objectives drive the audit program, the analytical procedures, and the substantive fieldwork done by the audit team. Most people think of financial auditing when they discuss, read about, or are involved with audits because it is the most common type; however, there are many other types of audits. These include performance, government, compliance, and internal audits. This class focuses on financial auditing for the majority of the topics, which requires that auditors possess the skills and abilities to successfully implement auditing standards and procedures.

For your final project for this course, you will assume the role of an auditor at a large accounting firm, preparing to perform an audit of financial records for Robbins Network Solutions (RNS). As with any audit, the audit team is not always going to have access to all the information and resources they want prior to starting and working on the audit. That is real-world auditing. The assignment is intended to mimic what auditors face in their career. Do the best with what you have, using auditing standards and critical thinking. Support all your responses based on the material you have.

This summative assessment focuses on the preliminary audit assessment, including the drafting of a summary of findings, preparation of an audit program, and evaluation of the relationship between audit risk, audit evidence, and financial statement assertions.

The project is divided into **two milestones**, which will be submitted at various points throughout the course to scaffold learning and ensure quality final submissions. These milestones will be submitted in **Modules Three and Five**. The final product will be submitted in **Module Seven**.

In this assignment, you will demonstrate your mastery of the following course outcomes:

- ACC-411-01: Explain the use of assurance services in financial reporting
- ACC-411-02: Assess the internal controls of an entity for minimizing risk
- ACC-411-03: Analyze the impact of emerging technologies that could affect auditing

Prompt

Assume you are an auditor at an accounting firm. Your team is getting ready to start a financial audit of Robbins Network Solutions (RNS). You will start with the initial review and audit preparation. Refer to the [Final Project Scenario](#) document for more information.

Specifically, the following **critical elements** must be addressed. Most of the critical elements align with a particular course competency (shown in brackets).

- I. In a concise memo, evaluate the **internal controls** of RNS.

- A. Describe the major financial business **transactions** of the company. Include appropriate research to support your answer. [ACC-411-01]
 - B. Evaluate the highest business **risks** associated with this company. What makes you believe these specifically are the highest risks? Provide appropriate research or data to support your reasoning. [ACC-411-02]
 - C. What would you suggest are the appropriate types of internal **controls** for this industry? Why? [ACC-411-02]
 - D. Describe **ethical issues** involved with this company and industry that would have a direct effect on the outcome of a financial audit. How could these issues be addressed? [ACC-411-02]
 - E. Analyze current **events** for their impact on this company's risk and internal control in the future. Include documentation of these current events. [ACC-411-02]
- II. Write an **audit program** for internal control of cash in Word or Excel. The following **internal control components** must be included: [ACC-411-02]
- A. Control environment
 - B. Risk assessment
 - C. Control activities
 - D. Information and communication
 - E. Monitoring
- III. Adding to your memo from Milestone One, document your understanding of the **relationship** between audit risk, audit evidence, and financial statement assertions as it specifically relates to this company and industry.
- A. Describe the audit data or **evidence** your team will review. Why is this proof important? [ACC-411-01]
 - B. What if a significant portion of the data is overseas and beyond the auditors' jurisdiction or **audit universe**? Analyze how the audit team will compensate for that risk. What governing rules and regulations must be taken into consideration? [ACC-411-02]
 - C. Describe analytical **procedures** you will use to determine the sampling program. How will your internal control evaluation affect this step? Be specific. [ACC-411-02]
 - D. List and then describe the **types of** audit **evidence** you will request from the company. [ACC-411-01]
 - E. Describe any **considerations** your team will make in auditing **subjective areas**, including any governing rules and regulations that were factored into the auditing decisions. [ACC-411-02]
 - F. Describe the **factors** you took into consideration when **planning** the nature and extent of the audit **documentation**. [ACC-411-01]
 - G. Describe how **responsibility for IT** (computers, software, internet usage, databases) risk coverage for companies in the IT industry is defined. Is it adequate? Describe how that definition addresses or fails to address current and future risks related to social media. [ACC-411-03]
 - H. Describe the **internal controls** that are put in place to specifically protect computer data and proprietary information. How well do these controls operate within the IT industry? [ACC-411-03]
 - I. Where do current and future **vulnerabilities** exist for IT, and what must be done to manage these gaps? [ACC-411-03]

Milestones

Milestone One: Internal Controls

In **Module Three**, you will submit Milestone One. You are starting your audit at RNS and the first step you have to take is evaluating the internal controls of the company. **This milestone will be graded with the Milestone One Rubric.**

Milestone Two: Audit Program

In **Module Five**, you will submit Milestone Two. You will complete your audit program at RNS. **This milestone will be graded with the Milestone Two Rubric.**

Final Submission: Auditing Final Project

In **Module Seven**, you will submit your final project. It should be a complete, polished artifact containing **all** of the critical elements of the final product. It should reflect the incorporation of feedback gained throughout the course. **This submission will be graded with the Final Project Rubric.**

Deliverables

Milestone	Deliverable	Module Due	Grading
One	Internal Controls	Three	Graded separately; Milestone One Rubric
Two	Audit Program	Five	Graded separately; Milestone Two Rubric
	Final Submission: Auditing Final Project	Seven	Graded separately; Final Project Rubric

Final Project Rubric

Guidelines for Submission: Your memo (combining sections I–III) must be a total of 4–6 pages (plus references cited in APA format). Use double spacing, 12-point Times New Roman font, and one-inch margins.

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Internal Controls: Transactions [ACC-411-01]	Meets “Proficient” criteria and demonstrates a nuanced understanding of the major financial business transactions of the company	Describes the major financial business transactions of the company and effectively supports them with research	Describes the major financial business transactions of the company, but does not effectively support the description with research or the description is inaccurate, illogical, or unclear	Does not describe the major business financial transactions of the company and support the description with research	6

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Internal Controls: Risks [ACC-411-02]	Meets “Proficient” criteria and demonstrates keen ability to use research in support of a choice of risk	Evaluates the highest business risk for the company, provides an appropriate rationale for the choice, and supports the choice with data or research	Evaluates the highest business risk for the company, but response lacks a rationale explaining the choice, or supporting research or data or the rationale provided is illogical, unclear, or incomplete	Does not evaluate the highest business risk	6
Internal Controls: Controls [ACC-411-02]	Meets “Proficient” criteria, and suggestions demonstrate a nuanced understanding of internal control and the company environment	Provides an appropriate suggestion for the types internal controls for the company and explains the reasons for the suggestion	Provides a suggestion for the types internal controls for the company but does not explain the reason for the suggestion, or the suggestions or the explanations are inappropriate, illogical, unclear, or incomplete	Does not provide a suggestion of types of internal controls for the company	6
Internal Controls: Ethical Issues [ACC-411-02]	Meets “Proficient” criteria and demonstrates a keen understanding of the impact of ethical issues on the outcome of audit	Analyzes the ethical issues that would have a direct impact on the outcome of a financial audit and provides appropriate suggestions for addressing them	Describes ethical issues that would have a direct effect on the outcome of a financial audit but does not provide suggestions for addressing them, or the issues or suggestions are inappropriate, illogical, unclear, or incomplete	Does not analyze the ethical issues that have a direct effect on the outcome of a financial audit	6
Internal Controls: Events [ACC-411-02]	Meets “Proficient” criteria and analysis demonstrates a keen understanding of the impact of current events of the company’s future risks and internal control	Analyzes current events for their impact on the company’s risk and internal control in the future and provides documentation of current events	Analyzes current events but does not discuss their impact on the company’s risk or internal control in the future or does not provide documentation of current events, or the analysis is illogical, unclear, or incomplete	Does not analyze current events for their future impact on the company’s risk or internal controls in the future	6

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Audit Program: Internal Control Components [ACC-411-02]	Meets “Proficient” criteria and demonstrates a sophisticated understanding of the process necessary to audit internal controls for cash	Writes an audit program that effectively and completely addresses all of the components of internal controls for cash including the control environment, risk assessment, control activities, information and communication, and monitoring	Writes an audit program for the internal control of cash, but the program is missing one or more required components, or is inappropriate, incomplete, or unclear	Does not write an audit program for the internal control of cash	6
Relationship: Evidence [ACC-411-01]	Meets “Proficient” criteria and demonstrates a sophisticated understanding of the role of evidence in an audit	Describes the audit data and evidence the team will review and explains why this proof is important	Describes the audit data and evidence the team will review but does not explain why the proof is important, the evidence is inappropriate, or the description is unclear, illogical, or incomplete	Does not describe the audit evidence data the team will review and why the proof is important	6
Relationship: Audit Universe [ACC-411-02]	Meets “Proficient” criteria and demonstrates a sophisticated understanding of the risk that results from a significant portion of data being overseas and outside the audit universe	Analyzes how an audit team can compensate for risk that results when a significant portion of data is overseas and outside the audit universe	Analyzes how an audit team can compensate for risk that results when a significant portion of data is overseas and outside the audit universe, but the suggested method of compensation is inappropriate or the explanation is unclear or incomplete	Does not analyze how an audit team can compensate for the risk if a significant portion of the data is overseas and outside the audit universe	6
Relationship: Procedures [ACC-411-02]	Meets “proficient” criteria and demonstrates a sophisticated understanding of the relationship between the internal control evaluation and analytical procedures used for sampling	Describes the analytical procedures that will be used to determine the sampling program and how the internal control evaluation will affect this step	Describes the analytical procedures used to determine sampling but does not fully, accurately, or clearly explain how the internal control evaluation will impact this step, or the procedures for determining the sampling are inappropriate, incomplete, or unclear	Does not describe the analytical procedures that will be used to determine the sampling program or how the internal control evaluation will impact this step	6

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Relationship: Types of Evidence [ACC-411-01]	Meets “Proficient” criteria and demonstrates a keen understanding of the use of evidence in an audit	Lists the types of evidence the audit team will request from the company	Lists the types of evidence the audit team will request from the company, but the evidence is inappropriate or the list is incomplete	Does not list the types of evidence the audit team will request from the company	6
Relationship: Considerations of Subjective Areas [ACC-411-02]	Meets “Proficient” criteria and demonstrates a keen understanding of appropriate considerations when auditing subjective areas	Describes considerations the team will make when auditing subjective areas, including any governing rules and regulations that will factor into audit decisions	Describes considerations the team will but does not explain how governing rules or regulations will factor into auditing decisions, or the considerations are inappropriate, incomplete, or unclear	Does not describe the considerations the team will make when auditing subjective areas or the governing rules and regulations that will factor into auditing decisions	6
Relationship: Factors for Planning Documentation [ACC-411-01]	Meets “Proficient” criteria and demonstrates a sophisticated understanding of the purpose of audit documentation	Describes factors taken into consideration when planning the nature and extent of the audit documentation	Describes factors taken into consideration when planning the nature and extent of the audit documentation, but the factors are inappropriate or the description is incomplete or unclear	Does not describe the factors taken into consideration when planning the nature and extent of the audit documentation	6
Relationship: Responsibility for IT [ACC-411-03]	Meets “Proficient” criteria and demonstrates a sophisticated understanding of necessary IT risk coverage for the organization	Describes how IT risk coverage (computers, software, internet coverage, databases) is defined in the IT industry, whether the coverage is adequate, and how it addresses (or fails to address) the current and future risks posed by social media	Describes how IT risk coverage is defined in the IT industry but does not discuss whether it is adequate or how it addresses (or fails to address) the current and future risks posed by social media, or the description is inaccurate, unclear, or lacks detail	Does not describe how IT risk coverage is defined, whether it is adequate, or how it addresses or fails to address the current and future risks posed by social media	6

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Relationship: Internal Controls [ACC-411-03]	Meets “Proficient” criteria and demonstrates a sophisticated understanding of internal controls put in place to protect computer data and proprietary information	Describes internal controls that are put in place specifically to protect computer data and proprietary information and how well they operate within the IT industry	Describes internal controls that are put in place specifically to protect computer data and proprietary information but does not discuss how they the operate within the IT industry, the assessment of the operation of controls is inaccurate, or the description is unclear or incomplete	Does not discuss internal controls specifically put in place to protect computer data and proprietary information or how well they operate within the IT industry	6
Relationship: Vulnerabilities [ACC-411-03]	Meets “Proficient” criteria and demonstrates sophisticated understanding of how to address IT vulnerabilities	Explains what current and future vulnerabilities exist for IT and how to address gaps	Explains what current and future vulnerabilities exist for IT but does not discuss how to address gaps, or recommendations for addressing gaps are unclear, inappropriate, or incomplete	Does not discuss current and future vulnerabilities for IT or how to address gaps	6
Articulation of Response	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy-to-read format	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	10
Total					100%