



Rotman Commerce UNIVERSITY OF TORONTO

Course Outline

RSM 427 H1S (Winter 2015)

Auditing and Information Systems

Course Meets: L0101 W 8-10 WO 30
L0201 W 10-12 WO 30
L0301 T 2-4 various (see Appendix C)

Instructor: Michael Khan (RT 503)
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Webpage: portal.utoronto.ca
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Office Hours: Wednesdays 1pm-2pm
Teaching Assistant: Hadi Ahmad, hadi.ahmad@mail.utoronto.ca
Note: The TA should be your first point of contact for course content or administrative matters

Course Scope and Mission

The main objective of this course is to provide a basic understanding of information systems, their importance, and auditing in a computer based environment. In particular, the course will cover:

- a broad knowledge of the risks and exposures introduced by computer based information systems;
- the types of controls that may be used to reduce such risks to an acceptable level;
- a framework for and case based practice of controls evaluation in a computer based information system;
- the impact of computer controls on audit strategy; and
- the opportunities and risks associated with computer assisted audit tests during the audit.

This course is about the understanding and management of the risks associated with computer based information systems. It covers potential means to provide control and how to perform audits in these environments.

The course uses lectures, case discussion, and assignments, as well as examinations. These methods are used to develop an understanding of business information system risks, management controls and techniques, computer control and security, and the audit process with respect to computer-based systems.

There is a heavy emphasis in this course on class participation. Readings will be assigned for students to have completed prior to each session. Students will be expected to contribute actively during these sessions. The main focus will be on problem solving and providing clarification of the reading material and related subject matters.

Course Prerequisites

RSM323H1

Required Readings

- **Information and IT Assurance (David Chan)** ("Chan") Third Edition; McGraw-Hill Ryerson ISBN: 978-1550146059-9
- **CPA Canada Handbook** (available through e-resources)
- **IT Control Objectives for Sarbanes-Oxley: The Role of IT in the Design and Implementation of Internal Control over Financial Reporting (2nd Edition)** by IT Governance Institute. ISBN 1-933284-76-5 © 2006 [selected sections only]
 - Available from www.isaca.org/sox
- Additional required and recommended readings will be posted on the course website.

Top Hat

We will be using the online learning tool, Top Hat extensively in this course. Please make sure that you have a registered on Top Hat before the start of second class (i.e., week 2).

Course Name: **IT Audit - Winter 2015**

Direct URL: <http://app.tophat.com/e/082375>

6-digit course code: **082375**

Evaluation and Grades

Grades are a measure of the performance of a student in individual courses. Each student shall be judged on the basis of how well he or she has command of the course materials.

Evaluation	Weight	Due Date
Class Contribution & Professional Behaviour	15%	Ongoing
Group Project 1	20%	See Course Schedule
Group Project 2	25%	See Course Schedule
Final Exam	40%	December Exam Period

COURSE FORMAT AND EXPECTATIONS

Class Contribution & Professional Behaviour

Active student participation in class is encouraged. Most students typically tend to *under-estimate* — rather than *over-estimate* — the worth of what they have to say. Thus, if you are ever in doubt, speak up instead of staying quiet. Please draw on personal experiences as appropriate (particularly, if you believe they are relevant, insightful and generalizable).

Students are expected to attend classes and to contribute to class discussions on a *constructive and regular* basis. All students are expected to have completed the reading assignment and prepared the cases, problems and exercises assigned for classroom discussion. This way, we can devote the bulk of the class time to thinking about and responding to each other's analyses of the problems and cases, and only the necessary minimum to getting the facts out.

The vast majority of managers' interactions with others are oral. Managers generally spend little time reading, and even less time writing reports. Please consider the classroom a laboratory in which you can test your ability to convince your peers of the validity of your idea. This course will emphasize participatory and collaborative learning. As a result, a significant portion of your mark will be based on your verbal participation and contribution to class discussions. This mark is based on both quantity and quality of your contributions. Good responses demonstrate critical

thought, class preparedness, understanding analysis of the topic, idea generation and promote further discussion. i>clicker responses are not used to evaluate participation.

You are required to display your name card in front of you in every class in order to earn credit for participation. Please note that attendance does not constitute contribution and class contribution is based on verbal contribution in class.

My role in the class is to help facilitate discussion. In part, I serve as a clarifier and intensive questioner in order to help you present and develop your ideas. We must work together to ensure that each class session is a lively, stimulating and intellectually rewarding venture in group learning. We are individually and collectively responsible for achieving this end.

In order to track participation, a class seating map may be prepared based on your choice of seating in the classroom. You are requested to sit in the same seat each class and always have your name card clearly visible. This approach helps ensure an organized and objective assessment of participation. It is **your responsibility** to ensure your name is on the **seating map** in order to earn credit for your participation. Be sure to approach your instructor if you miss the first class to ensure your name is recorded on the seating map if your instructor is using one to track participation.

You will be required to complete a self-evaluation of your class contribution towards the end of the course. Part of the evaluation is completed via a link on BlackBoard the second part involves handing in your customized name card template tracking your participation on a class by class basis on the back, at the last class. You should keep a copy of all materials. Not completing any of the requirements above will result in a grade of zero for class contribution.

Class preparedness is a critical component of this course in order to facilitate rich classroom discussions. As such, the instructor will randomly request students to submit their written attempt at class discussion problems/cases from time to time at the beginning of class. These submissions will be considered when assessing classroom contribution.

Professionalism is a component of class contribution. As such late arrivals, unexplained absences and disruptive behaviour (including internet surfing, texting, use of FaceBook etc.) will be heavily penalized via your class contribution assessment.

See: *Appendix A – Participation Evaluation Rubric*. Additional information on the participation marks will be discussed in the first week of class.

Group Projects

For all group projects, you will work in a group of **4-5 people**. You may select group members from either section of the course. You should maintain the same group members for all three group projects. Exceptions to the above requirements will be made only in very unusual cases and are subject to the approval of the Course Instructor.

Group projects must be uploaded to both Blackboard and Turnitin.com by 11:59PM sharp on the specified due date, listed on the course schedule. If one or both submissions are late, the entire submission will be considered late. Full details of the group projects are posted on BlackBoard.

Peer evaluations will be undertaken to ensure that all members of each group are contributing equally; that is, the contribution of each member of the group will be assessed by all members of the group at the end of the term and appropriate rescaling of each individual's grade for group work will be made. Your peer evaluation can be conducted amongst your group members and

must be submitted in soft copy online and in hardcopy in class. A soft copy of the peer evaluation rubric has been posted on BlackBoard.

Groups with conflicts will be required to submit a written request to redistribute the grades based on the discretion of the instructor.

Remarking requests for assignments: Requests to have assignments remarked will be considered if the following conditions are met:

- a) The assignment is submitted to the instructor no later than one week after the marked assignment has been returned to the student;
- b) The student submits with their request a written explanation as to why and where (s)he believes (s)he is entitled to more marks; and
- c) The instructor has no reason to believe the student has made any changes subsequent to the assignment being returned.

Students should be aware of the following:

- a) Several assignments are randomly photocopied before being returned
- b) Items submitted for remarking will be remarked in their entirety and the mark awarded may increase, decrease, or remain the same.

Final Exam

The final examination will be comprehensive and will include all topics covered throughout the semester.

To Use Turnitin.com:

Normally students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the university's use of the Turnitin.com service are described on the Turnitin.com website.

For Written Assignments:

Please note that clear, concise, and correct writing will be considered in the evaluation of all written assignments. That is, you may lose points for writing that impedes communication: poor organization, weak paragraph development, excessive wordiness, hard-to-follow sentence structure, spelling mistakes and grammatical errors. Students who require additional support and/or tutoring with respect to their writing skills are encouraged to visit the Academic Success Centre (www.asc.utoronto.ca) or one of the College Writing Centres (www.writing.utoronto.ca/writing-centres). These centres are teaching facilities – not editing services, where trained staff can assist students in developing their academic writing skills. There is no charge for the instruction and support.

For Group Work:

Both the in-class work and the research project require group-work.

Learning to work together in teams is an important aspect of your education and preparation for your future careers. That said, project-based teamwork is often new to students and you are therefore reminded of the following expectations with respect to behaviour and contributions to your team project.

1. Read the document entitled, “*Working in Teams: Guidelines for Rotman Commerce Students*” which is available on the RC portal under the Academic Services tab.

2. When working in a team, Rotman Commerce students are expected to:

- Treat other members with courtesy and respect;
- Honour the ground rules established by the team;
- Contribute substantially and proportionally to the final project;
- Ensure enough familiarity with the entire contents of the group project/assignment so as to be able to sign off on it as original work;
- Meet the project timeline as established by the team.

3. Resolving differences:

Conflicts can – and do – occur. Conflicts are part of the team’s process of learning how to work together effectively and can actually generate exciting debate and creative solutions – if managed appropriately.

Student teams are collectively expected to resolve disputes or misunderstandings as soon as they arise (and prior to submission of the final project). In cases where teams are unable to reach a mutually agreeable solution, the entire team must meet with the Rotman Commerce Team Coach** as soon as possible. The Coach will listen to the team and help develop options for improving the team process. All members of the project team must commit to, and, utilize their action plans.

** For an appointment with a Rotman Commerce Team Coach, please contact Nikoleta Vlamis at nikoleta@nikoletaandassociates.com or Elaine Zapotoczny at elaine@nikoletaandassociates.com. Nikoleta and Elaine are highly skilled at facilitating team dynamics and collaboration. Note that the Team Coach’s role is to provide guidance, support and advice on team matters – not to formally evaluate or assess teamwork for academic purposes.

POLICY AND PROCEDURE

Missed Tests and Assignments (including midterm examinations)

Students who miss a test or assignment for reasons entirely beyond their control (e.g. illness) may submit a request for special consideration. Provided that notification and documentation are provided in a timely manner, and that the request is subsequently approved, no academic penalty will be applied.

In such cases, students must notify Rotman Commerce on the date of the missed test (or due date in the case of course work) and submit supporting documentation (e.g. [Verification of Student Illness or Injury form](#)) to the Rotman Commerce Program Office within **48 hours** of the originally scheduled test or due date. Students who do not provide Rotman Commerce or the instructor with appropriate or sufficient supporting documentation will be given a grade of 0 (zero) for the missed test or course deliverable.

Note that the physician’s report must establish that the patient was examined and diagnosed at the time of illness, not after the fact. Rotman Commerce will not accept a statement that merely confirms a report of illness made by the student and documented by the physician.

Late Assignments

A penalty of 30% per day will be applied for late assignments. Students who, for reasons beyond their control, are unable to submit an assignment by its deadline must obtain approval from the

instructor for an extension. Supporting documentation will be required as per the policy on missed tests and assignments.

Accessibility Needs

The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible:

disability.services@utoronto.ca or <http://www.accessibility.utoronto.ca/>.

Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarships at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the UofT degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

The University of Toronto's Code of Behaviour on Academic Matters

<http://www.governingcouncil.utoronto.ca/policies/behaveac.htm> outlines the behaviours that constitute academic misconduct, the process for addressing academic offences, and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments:

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.
- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

On test and exams:

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

Misrepresentation:

- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required by the University, including (but not limited to), medical notes.

All suspected cases of academic dishonesty will be investigated by the following procedures outlined in the *Code of Behaviour on Academic Matters*. If you have any question about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other UofT resources such as College Writing Centres or the Academic Success Centre.

Email

At times, the course instructor may decide to communicate important course information by email. As such, all UofT students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up AND properly entered on the ROSI system. For more information please visit <http://help.ic.utoronto.ca/category/3/utmail.html>

Forwarding your utoronto.ca email to a Hotmail, Gmail, Yahoo or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Hotmail, Gmail or Yahoo accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

Blackboard and the Course Page

The online course page for this course is accessed through Blackboard. To access the course page, go to the UofT Portal login at <https://portal.utoronto.ca/> and log in using your UTORid and password. Once you have logged in, look for the My Courses module where you'll find the link to all your course websites. If you don't see the course listed here but you are properly registered for the course in ROSI, wait 48 hours. If the course does not appear, go to the Information Commons Help Desk in Robarts Library, 1st floor, for help, or explore the Portal Information and Help at www.portalinfo.utoronto.ca/students and review the Frequently Asked Questions.

Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission, and may not do so unless permission is granted (note: students who have been previously granted permission to record lectures as an accommodation for a disability are, of course, excepted). This includes tape recording, filming, photographing PowerPoint slides, Blackboard materials, etc.

If permission is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in anyway. It is absolutely forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

Conduct of Class and Expectations

Students are expected to conduct themselves in a professional manner and arrive on time so as not to disrupt the class. Laptops/tablets may be used in class only with prior permission from the instructor. It is considered offensive behaviour to use an electronic device for surfing, email, Facebook etc. during class. This type of activity will be considered when assigning participation/class contribution grades and will result in a grade of zero (0) for class contribution.

Appendix A – Participation Evaluation Rubric

Grade (out of 10)	9-10	7-8	5-6	3-4	< 3
Participatory Contribution					
Relation to Peers	Displays leadership in actively supporting, engaging and listening to peers (ongoing).	Actively supports, engages and listens to peers (ongoing).	Makes a sincere effort to interact with peers.	Limited interaction with peers.	No interaction with peers.
Participation	Displays leadership in playing an active role in discussions (ongoing).	Plays an active role in discussions (ongoing).	Participates constructively in discussions (ongoing).	When/where prepared, participates constructively in discussions.	Never participates.
Intellectual Contribution					
Preparation	Arrives fully prepared, having also done additional readings.	Arrives fully prepared.	Arrives mostly, if not fully, prepared.	Arrives noticeably less than entirely prepared.	Unprepared.
Quality of Comments	Comments advance the level and depth of the dialogue (consistently).	Comments occasionally advance the level and depth of the dialogue.	Makes relevant comments based on the assigned material (ongoing).	When/where prepared, makes relevant comments based on the assigned material.	Demonstrates a noticeable lack of interest in the material.
Contribution to Learning Community					
Impact on Group Dynamic	Group dynamic and level of discussion are consistently better because of the student's presence.	Group dynamic and level of discussion are often better because of the student's presence.	Group dynamic and level of discussion are occasionally better (and never worse) because of the student's presence.	Group dynamic and level of discussion are not affected by the student's presence.	Group dynamic and level of discussion are harmed (perhaps significantly) by the student's presence.

Note: while the grade is out of 10, the weight is as per the course outline above.

APPENDIX B - TENTATIVE COURSE SCHEDULE (SUBJECT TO CHANGE)

#	WEEK OF	TOPIC	CHAP.	CASES & SUPPLEMENTAL MATERIAL ON PORTAL FOR CLASS DISCUSSION	DELIVERABLES	SELF STUDY CASES
1	Jan-05	Introduction to Information Systems	1			IT Governance Top 10 IT issues
2	Jan-12	IT Foundations and Risks	2	Automotive Parts Inc.		Arlington, Future Life
3	Jan-19	Security	8	Global Products	Submit Group Topics to TA	Santa's Attic
4	Jan-26	IT Governance and General Controls	3	Progressive Realtor		Glendale
5	Feb-02	Systems Development Controls I	4			Gusher
6	Feb-09	Systems Development Controls II IT Strategy Case		Global Case Management Sys. Hometown Telephone	Group Project 1 (Due Mon Feb 9 11:59 PM online)	
7	Feb-23	Control and audit implications of eBusiness, XBRL	5	ABC Life Insurance Company		
8	Mar-02	Application controls	6	Dragnet Application Controls		CBS Leung Enterprises
9	Mar-09	CAATs	7	Canadian Building Supply		Generalized Audit Software Exposure Identification and Plan of Action
10	Mar-16	Outsourcing, Other Assurance Engagements	10&11	ABN AMRO 20 Questions...IT Outsourcing Transitioning from 5970-341 6		Veracold PCI (ch 11)
11	Mar-23	IT Integrated Case Analysis Workshop		Gazelle (Note: print materials and bring to class)		
12	Mar-30	UFE Case Writing Simulation (IT Related)		To be provided in class	Group Project 2 (Due Mon Mar 30 11:59 PM online)	

Last Updated: December 16, 2014

APPENDIX C – Classroom Location for Section L301 (T 2pm-4pm)

Classes will be held in the Rotman School of Management building (across from Robarts library)

Date	Classroom
Jan 6	RTL 1010
Jan 13	RTL 1025
Jan 20	RTL 1025
Jan 27	RTL 1025
Feb 3	RTL 1025
Feb 10	RTL 1025
Feb 24	RTL 1025
Mar 3	RTL 1025
Mar 10	RTL 1025
Mar 17	RTL 1035
Mar 24	RT 1065
Mar 31	RT 1065