

Syllabus
ACC 6260 (was ACC 626)
Enterprise Risk Management

Winter 2018

Class Time: 6:30 - 9:20 W

Class Location: 223 Elliott Hall

Professor Nehmer

200H Elliott Hall

248-370-4980

Office Hours: M, W 1 - 2:30; W 5 - 6 and by appointment

email: nehmer@oakland.edu

Course Description

Examines theories and methods of providing assurance over corporate governance using risk modeling. Includes coverage of governance issues, risk management, examination of some business analytics and metrics and their usefulness in the evaluation of corporation goal attainment. Includes an examination of developments in information assurance as they affect corporate governance.

Credit - 3 semester hours

Prerequisites: ACC 4110

Required Materials

- § *Enterprise Risk Management and COSO*, Harry Cendrowski and William C. Mair
- § *The Failure of Risk Management*, Douglas W. Hubbard
- § Additional materials, such as eTexts, are posted or referenced on Moodle.

Goals

By the end of the semester you should be able to:

1. Design implementation plans for Enterprise Risk Management (ERM) models and analyze and address problems which occur during implementation.
2. Understand the COSO Governance framework and apply it to issues of corporate information technology governance and risk management.
3. Recognize issues in corporate and IT governance and understand how to design models of corporate governance.
4. Recognize enterprise assurance issues, design plans to test assurance, and understand how to implement and manage the plans.
5. Recognize the issues that SOX compliance has created in the ERM governance realm. Understand methods for assuring compliance in a SOX world.
6. Recognize a spectrum of assurance issues as they affect public and private entities in modern business environments.

Methods of Instruction: Stream of consciousness lectures, round table discussions, group problem solving.

Official Notification Area: The course is listed on Moodle. You are responsible for looking for course changes, notifications, handouts, etc., on Moodle. You are responsible for maintaining a current email address in the OU email system. Messages mailed to your listed OU email account (e.g., cornfield@oakland.edu) serve as official notification for the purposes of this course and your evaluation in this course. Please note that Moodle does not correctly calculate the course total and that I cannot turn off the total function. You can calculate your totals in a spreadsheet. Assignment grades will be posted to Moodle as soon as is practical.

Academic Conduct: Plagiarism and cheating are serious offenses and may be punished by failure on exam, paper or project; failure in course; and or expulsion from the University. Cases, problems, and exams in this course all require individual work only. For more information refer to the "Academic Conduct" policy in the Student Handbook on the Oakland University website.

Need for Assistance: If you have any condition, such as a physical or learning disability, which will make it difficult for you to carry out the work as I have outlined it, or which will require academic accommodations, please notify me as soon as possible.

Cell Phones: Please turn off cell phones, iPhones, and other personal communication devices during class.

Class Participation:

For good participation, students should

- always be well prepared;
- ask insightful, penetrating questions;
- push the discussion to a higher, more sophisticated level;
- help us understand, in a constructive manner, why some of the arguments that have been voiced are flawed or incomplete.

Poor participation is when students

- rarely talk;
- sleep in class;
- skip classes;
- make irrelevant comments;
- are unprepared when they are called upon;
- arrive late;
- leave early.

Incompletes: An "Incomplete" grade can only be used in cases of severe hardship beyond the control of the student (e.g., hospitalization). It cannot be used to make up for inadequate performance. See OU catalog for policy and request procedure.

Attendance Policy: You are expected to have read all assignments before attending class. Attendance at all class sessions is strongly encouraged. Your participation grade will reflect your

interaction with your peers in the in-class cases and discussions. Lack of attendance will cause this component of your grade to suffer accordingly.

Assignments: All assignments are due at the beginning of class on the day they are scheduled to be turned in.

Evaluation and Grading

5 Cases	50%
2 Exams	40%
Class Participation	<u>10%</u>
	100%

Abbreviations Used in the Schedule of Class Assignments

CM: *Enterprise Risk Management and COSO*, Harry Cendrowski and William C. Mair

H: *The Failure of Risk Management*, Douglas W. Hubbard

eT: Electronic text stored on Moodle

<u>Week of</u>	<u>Assignment</u>
Jan 3	Introduction Organizational Evolution and Conscious Design
Jan 10	Risk and Enterprise Risk Management CM: Chapters 1 and 2 H: Chapter 2
Jan 17	Mitigating Risk CM: Chapters 3 and 4 Case 1 Due
Jan 24	Governance and Risk eT: IT Governance Board Briefing pp. 6 - 63 H: Chapters 1 and 3
Jan 31	Governance and Control Frameworks eT: COBIT 5: Overview pp. 13 -46 CM: Chapters 5 and 6 Case 2 Due
Feb 7	The Riskiness of Risk H: Chapters 4, 5 and 9

<u>Week of</u>	<u>Assignment</u>
Feb 14	Risk Lab
Feb 21	Winter Break
Feb 28	Midterm Due (11:55pm)
Mar 7	Qualitative and Quantitative Analysis CM: Chapters 7 and 8 H: Chapters 6 and 7
Mar 14	Assessing and Monitoring Internal Control CM: Chapters 12 and 13 Case 3 Due
Mar 21	IT Assurance eT: IT Audit and Assurance Standards pp. 4 - 27 eT: IT Assurance Framework pp. 18 - 61 H: Chapter 10
Mar 28	Empirics, Policies and Processes CM: Chapters 14 and 15 H: Chapter 11 Case 4 Due
Apr 4	Managing Enterprise Risk CM: Chapters 16, 17, 18 and 19 H: Chapter 12
Apr 11	eT: Risk IT Framework pp. 7 - 97 Case 5 Due
Apr 19	Final Exam Due (Thursday 11:55pm)

University Grading Scale

4.0	98-100
3.9	96-97.99
3.8	94-95.99
3.7	92-93.99
3.6	90-91.99
3.5	88.33-89.99
3.4	86.67-88.32
3.3	85.00-86.66
3.2	83.34-84.99
3.1	81.67-83.33
3.0	80-81.66
2.9	79-79.99
2.8	78-78.99
2.7	77-77.99
2.6	76-76.99
2.5	75-75.99
2.4	74-74.99
2.3	73-73.99
2.2	72-72.99
2.1	71-71.99
2.0	70-70.99
1.9	69-69.99
1.8	68-68.99
1.7	67-67.99
1.6	66-66.99
1.5	65-65.99
1.4	64-64.99
1.3	63-63.99
1.2	62-62.99
1.1	61-61.99
1.0	60-60.99
0	<60