

**Texas A & M University – Commerce**  
**College of Business**  
**Department of Accounting**  
**Syllabus**  
**Business Ethics for Accountants**  
**ACCT 430 01W/ ACCT 530 01W/ ACCT 530 02W**  
**Spring 2020**

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Office hours: Tuesdays 5-6 pm in Dallas, Wednesday and Thursdays 10am – noon in Commerce. Other times by appointment.  
Course Meeting Day/Time/Room: Virtual

**Course Description:**

This course is designed to provide an overview of business ethics in relation to the accounting profession. Ethical reasoning, cognitive processes and ethical decision making along with its effect on corporate governance are discussed.

**Course Materials:**

**Required Text:**

Mintz, S. M., & Morris, R.E. 5th Edition. *Ethical Obligations and Decision Making in Accounting*. McGraw Hill (ISBN: 978-1-259-96946-1). The Connect software is **NOT** required. You may rent or purchase the book, the choice is up to you. I recommend exploring options that are affordable to you. Please make sure you DO NOT use the international version of this textbook as the cases are different.

**OPTIONAL**

Texas State Board of Public Accountancy (2009). The Public Accountancy Act, Chapter 901 of the Occupations Code.

TSBPA – Rules of Professional Conduct

Texas Administrative Code: Chapter 501 (Title 22, Part 22)

AICPA Professional Standards: Code of Professional Conduct

**Qualified Educational Credit for the CPA Exam**

This course has been approved by the Texas State Board of Public Accountancy as meeting Board Rule 511.58(c). Students who take this course may be assured that the Board will recognize it in meeting the ethics requirement to take the Uniform CPA exam.

**CPA Exam Candidates - State of Texas**

Candidates who desire to sit for the CPA in Texas must meet the following educational criteria: 1) Have a bachelor's degree; 2) Completed 150 semester hours of courses; 3)

Included in the 150 semester hours, 30 of upper level accounting courses. You must have a minimum of 15-semester credit hours of accounting courses in the traditional format (face-to-face); 24 hours of upper level business courses; 3-semester credit hours of approved ethics; 2-semester credit hours of approved communication and 2-semester credit hours of approved accounting research. For more information visit Exam/Qualification on the State Board's website: <http://www.tsbpa.state.tx.us/>

### **Course Embedded Objectives:**

Your achievement level for each objective will be measured by your success in completing the assignments and exams. The successful student, upon completion of this course, will be expected to have achieved the following as a result of this course:

- ☑ Understand the meaning of ethics and why ethics is important.
- ☑ Develop an understanding of various aspects of moral reasoning
- ☑ Understand how moral reasoning is used for ethical decision-making.
- ☑ Learn the tools and techniques for analyzing ethical situations and using these tools to make ethical decisions including identification of stakeholders, the issues involved, and the process for making an ethical decision.
- ☑ Understand the effect of ethics on corporate governance and the accounting profession
- ☑ Understand the legal liability issues that accountants face and the impact on professional ethics

### **Student Responsibilities:**

1. Read assigned material on schedule
2. Check D2L for announcements and other information
3. Prepare for class discussions and examinations.
4. Participate in all case discussions

### **Course Evaluation:**

Grades will be based upon the following items:

Case discussion postings	25%
Article discussion postings	25%
First Exam	15%
Second Exam	15%
Research Paper	20%

Grading scale: 90 - 100% =A, 80 – 89% =B, 70 – 79% =C, 60 – 69% =D and <60% =F. Your grade will be based on the activities above and weighted accordingly.

### **Homework Assignments:**

Homework will be assigned after every unit so that you may reinforce the concepts learned so please complete the assigned questions at the end of the chapter. You are NOT required to submit the answers to the discussion questions at the end of the chapter.

## **Matrix:**

<b>Texas State Board of Public Accountancy Ethics Course Matrix</b>		
<i>Topical Coverage</i>	<i>Percentage of course devoted to</i>	<i>Method of Delivery (see notes)</i>
Ethical Reasoning	15	C, D, I, L, & R
Integrity	20	C, D, I, L, & R
Objectivity	15	C, D, I, L, & R
Independence	15	C, D, I, L, & R
Other Core Values	15	C, D, I, L, & R
AICPA, SEC, and TSBPA ethics	5	D, L, & R
Ethical Theory	10	C, D, I, L, & R
Other Topics	3	D & R
University mandated	2	D & L
Total	100	
Method of Delivery: (C) Case Studies; (D) Class Discussion; (G) Guest Speaker;		

### **Case Discussions**

For the online class we will be using **You See You Virtual Classroom** at times during the semester to discuss the chapters and case assignments, however we will mostly be having a weekly or bi-weekly case discussion via the Discussion tab of each unit so everyone has the ability to respond to the question/topic being covered in that unit. Participation in the case discussion for each chapter (unit) is **mandatory** and everyone is expected to provide insightful comments and recommendations as well as respond to at **least one other student's response**. This does NOT mean simply responding "I agree or disagree" but providing an explanation/ reasoning as to your answer. Please watch for **announcements** in D2L and in emails for reminders relating to the discussions and class live sessions and any other requirements. **All discussion postings need to be posted at the latest 2 days before the due date in order to give everyone a chance to post a response to other students' comments.**

### **Article Discussion Postings**

You will be required to read a few articles related to the topics discussed in some of the chapters. A list of articles will be assigned at the beginning of the semester and will be available for you in the course content section of the course. You will need to respond to the question(s) asked related to these readings in the discussion tab that is created for each chapter. Please note that NOT all chapters have assigned readings. I will be sending out reminders regarding these assignments.

### **Examinations:**

Two exams will be given during the semester. The exams will cover specific chapters as we cover the material during the semester. The exams will be similar to the homework and

cases discussed in class. There are **no** make-ups for the two exams. If you plan to miss an exam due to extenuating circumstances you must notify the professor prior to the exam to set up a time to take the exam.

### **Research Paper:**

Each student will be required to write a research paper on an ethical dilemma. The purpose of the research paper is to engage students in ethical issues pertinent to business and the accounting profession. You may choose the topic you wish to write about however please refrain from using Enron or WorldCom as these cases are already widely discussed today. You will need to get approval from the Professor on your choice of topic. The paper should discuss the ethical dilemma, the effect and consequences of the ethical act and the outcome of the case. You must use at least two of the ethical theories discussed in class to explain reason and circumstances the individuals involved were able to commit the unethical acts that took place. In addition, you should provide recommendations on how to reduce the likelihood of the unethical scenarios occurring in the future. Sample research papers will be provided in D2L so you are aware of the expectations of the paper.

Graduate students enrolled in ACCT 530 will prepare a 10-15 page paper including references. The document should use a font size of 12 and one-inch margins and be double spaced. It should include an Abstract and Conclusion section within the paper. Graduate students are expected to use proper grammar and English language. If English is not your first language please make sure to have it proof-read. You have the option of sending a draft for me to review and provide feedback before you submit the final research paper at the end of the semester.

Undergraduate students enrolled in ACCT 430 will prepare an 8-10 page paper including references. The document should use a font size of 12 and one-inch margins and be double spaced. It should include an Abstract and Conclusion section within the paper.

Students are expected to use electronic means such as databases and journal articles to research their relevant topic. Several theories will also be explained throughout the semester so students are expected to use these theories to support their reasoning and arguments related to the ethical dilemma being researched. The paper must demonstrate a mastery of the basic writing mechanics, be free of grammatical errors and supported by proper references. Please follow APA guidelines when writing the research paper. Wikipedia and Investopedia are not proper academic sources, therefore academic research articles should be your main source of research support. All papers will be submitted through Turnitin in D2L via the drop box. Papers in excess of 15% of originality will not be accepted.

### **Plagiarism**

Plagiarism represents disregard for academic standards and is strictly against University policy. Plagiarized work will result in an "F" for the course and further administrative sanctions permitted under University policy. Guidelines for properly quoting another individual's writing and the proper citing of sources can be found in the APA publication Manual.

## **University Policies and Procedures:**

***Students with Disabilities:*** The Americans with Disabilities act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

### **Office of Student Disability Resources and Services**

**Texas A&M University – Commerce, Gee Library, Room 162 , Phone (903) 886-5150 or (903) 886-5835, Fax (903) 468-8148, StudentDisabilityServices@tamuc.edu**

***Ethics:*** Integrity is the hallmark of the accounting profession and will be stressed throughout the course. Any type of student breach of ethics, including but not limited to: illegal activity, dishonest conduct, cheating, plagiarism, or collusion, will result in failure of assignment or exam (F) and/or further academic sanction (i.e. failure of course (F), dismissal from class and/or referral to Dean of the College of Business and Technology. All students are required to read, sign and submit the Academic Honesty Policy form via the drop box the first week of class.

*“All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment.”* (See Student’s Guide Handbook, Policies and Procedures, Conduct).

***Non-discrimination:*** A&M-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

***Other:*** University policy will be followed in regards to withdrawals during the semester. It is the student’s responsibility to conform with the university rules relating to dropping or withdrawing from the course.

### **Email Policy**

This is an online course utilizing D2L. You may e-mail me as well as any student in the class by utilizing the e-mail feature in D2L. Please write the number of the course and your name on all correspondence and any homework you submit. I will be communicating with you using your myLeo account that is provided by the university. Please check your e-

mail frequently. The professor is NOT responsible for any technical difficulties experienced during the course. The quickest manner in which to get in touch with me is through email as I check the class in the mornings and in the evenings only.

### **Concealed Carry Policy**

Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations. For a list of locations, please refer to (<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>) and/or consult your event organizer). Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.

### **Final Examination for the Master's/Specialist Degree**

All candidates must satisfactorily pass a comprehensive examination covering all the work within their master's/specialist degree programs. The Final Examination report for the Master's/Specialist Degree is submitted to The Graduate School at least three weeks prior to graduation.

### **CPA Exam Candidates - State of Texas**

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### **Class Schedule and Assignments ACCT 530/430 – Spring 2020 1/30/2020 – 5/8/2020**

**\*\* All readings should be completed prior to class on the assigned day. The syllabus is subject to change at the discretion of the professor as needed to meet the objectives of the course. It is not anticipated that there will be any substantive changes.**

**CHAPTER 1 Ethical Reasoning  
February 4th, 2020**

- Overview of Class expectations and deliverables
- Lecture on Chapter 1 - Read Chapter 1 on Ethical Reasoning
- Discussion: Answer Cases 1-1, 1-3, 1-6 and 1-7. Submit responses in folder in D2L.
- Read additional assigned readings for Chapter 1 and be prepared to discuss in class. Submit a summary of articles to folder in D2L.

## **CHAPTER 2 Cognitive Processes**

### **February 11, 2020**

- Read Chapter 2 on Cognitive Processes
- Read assigned articles (Kohlberg stages of Development, Rest Model, Moral Intensity). Submit a summary in D2L.
- Discussion: Answer Cases 2-2, 2-5, 2-6, and 2-7 and submit responses.
- Review even numbered Discussion questions at end of the chapter

## **CHAPTER 3 Ethical Environment and Corporate Governance**

### **February 18, 2020**

- Read chapter 3
- Read additional assigned readings for discussion in class. Submit summary in D2L.
- Homework: Answer Even Discussion questions at end of the chapter 3
- Discussion: Answer Cases 3-1, 3-4, 3-8, 3-10. Submit responses in D2L.

## **CHAPTER 4 AICPA Code of Professional Conduct**

### **February 25<sup>th</sup>, 2020**

- Read Chapter 4 on Professional Judgment and AICPA Code of Professional Conduct
- Homework: Answer even Discussion questions at end of the chapter
- Discussion: Answer Cases 4-2, 4-3, 4-4, 4-7 and submit responses.
- No assigned articles for this chapter.
- Review for Exam I, research paper discussion and sample papers, power point samples

**EXAM I March 3<sup>rd</sup>, 2020** (Chapters 1 -4). Exam taken online.

**SPRING BREAK March 9 – 15, 2020**

## **CHAPTER 5 Fraud in Financial Statements**

### **March 17, 2020**

- Read Chapter 5 on Fraud
- Read additional assigned readings and submit summary.
- Homework: Answer even Discussion questions at end of the chapter
- Discussion: Answer Cases 5-2, 5-4, 5-7 and submit responses.

## **CHAPTER 6 Legal, Regulatory and Professional Obligations of Auditors**

### **March 24, 2020**

- Read Chapter 6 on Legal, Regulatory and Professional Obligations of Auditors

**March 31, 2020**

- Homework: Answer Discussion questions at end of the chapter
- Discussion: Answer Cases 6-3, 6-5, 6-7, 6-9

**CHAPTER 7 Earnings Management and Quality of Financial Reporting**

**April 7, 2020**

- Read Chapter 7 on Earnings Management
- Read additional assigned readings and submit summary.
- Homework: Answer even Discussion questions at end of the chapter
- Discussion: Answer Cases 7-1, 7-3, 7-5, 7-76 and submit responses.

**CHAPTER 8 Intl Fin. Reporting and Corporate Governance**

**April 14, 2020**

- Read Chapter 8 on International Financial Reporting
- Homework: Answer Discussion questions at end of the chapter

**April 21, 2020**

- Discussion: Answer Cases 8-3, 8-5, 8-6
- Discuss research papers
- Review for Exam II

**Exam and Research Paper**

**April 28, 2020**

Students present research paper presentations. Research paper is due before class.

**May 5th, 2020**

Exam II (Chapters 5-8) online

**ACCT 530 Course Objectives Rubric**

<b>ACCT 530 Business Ethics for Accountants Criteria (Course Objectives)</b>	<b>3 Exceeds Expectations</b>	<b>2 Meets Expectations</b>	<b>1 Does Not Met Expectations</b>
Demonstrate an understanding of the meaning of ethics and why ethics is critical to the accounting profession.	Student demonstrates an excellent understanding of the meaning of ethics and its importance to the	Student demonstrates some understanding of the meaning of ethics and its importance to the	Student does not demonstrate an understanding of the meaning of ethics and its importance to the accounting



	accounting profession.	accounting profession.	profession.
Demonstrate an understanding of the tools and techniques for analyzing ethical situations and the process used to make ethical decisions.	Student demonstrates a great understanding of the tools for analyzing ethical situations and the process for making ethical decisions.	Student demonstrates a partial understanding of the tools for analyzing ethical situations and the process for making ethical decisions.	Student does not demonstrate an understanding of the tools for analyzing ethical situations and the process for making ethical decisions.
Demonstrate an understanding of the AICPA Code of Conduct and the Texas Rules of Conduct. Research relevant ethical and professional issues.	Student understands the rules of conduct required by the AICPA and Texas Code of Conduct. Student has researched a relevant ethical issue.	Student partially understands the rules of conduct required by the AICPA and Texas Code of Conduct. Student has partially researched a relevant ethical issue.	Student does not understand the rules of conduct required by the AICPA and Texas Code of Conduct. Student has not researched a relevant ethical issue.