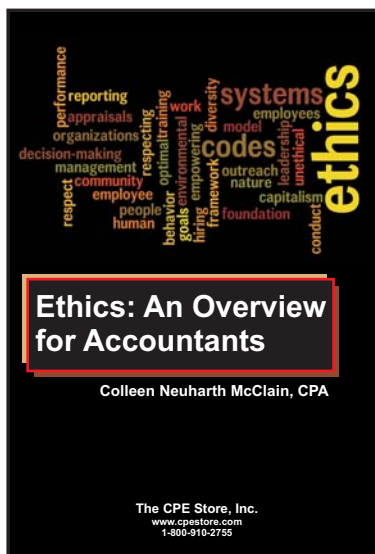


Ethics: An Overview for Accountants

Course Instructions and Final Examination



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Course Objectives

After completing this course, you will:

- Explain the purpose of studying ethics and be excited about the opportunity to improve your ethical reasoning abilities
- Explain the process of ethical reasoning and how to apply it when specific dilemmas occur
- List the core values of the CPA profession (integrity, objectivity and independence)
- Discuss the case studies which are presented throughout the course to assist you in maintaining the highest standards of ethical conduct
- Recite the requirements of the Sarbanes-Oxley Act and the AICPA Code of Professional Conduct as presented in this course

Course Instructions

To fully benefit from this course, please follow all of the steps below.

1. Read the text to get a good understanding of the material.
2. Answer the questions on the final examination.
4. When you have completed the final examination, record your answers on the answer sheet provided and submit it for grading. A score of 70% or better is required to pass. Please also complete the course evaluation that accompanied the course and submit it to us along with your answer sheet. Upon passing you will receive a Certificate of Completion stating that you have successfully completed the course and earned the continuing education credit.

Prerequisites and Advance Preparation

No prerequisites or advance preparation are required for this course.

CPE Credit

This course is recommended for 4 CPE credits.

Final Exam Grading

- ▶ Online: Our fastest option, with instant results. Simply go to **www.cpestore.com** and click the link for online grading. Just follow the instructions from there. When you finish entering your answers, you'll receive instant test results and a Certificate of Completion to print.
- ▶ By Mail: Mail your test and course evaluation to us in the envelope provided. We grade the tests the day we receive them and mail the results and Certificate of Completion to you the following business day.
- ▶ By Fax: Please use this option only if you need fast turnaround (we want to keep this as a free service). Just fax your answer sheet to 1-281-255-4337. If you need us to fax the Certificate of Completion back to you, please provide us with your fax number and write "please fax back" on your answer sheet. If you don't need the Certificate faxed back, please write "no fax needed" on your answer sheet.

Refunds

The CPE Store guarantees your satisfaction. If, for any reason, you are not completely satisfied with your purchase, return it to us unused within 30 days for a prompt refund, no questions asked. (Sorry, but shipping fees are not refundable.)

Customer Service

The CPE Store holds itself to the highest standards. If we have not met your expectations, something is missing, or you just have a question please contact us at 1-800-910-2755 or customerservice@cpestore.com.

About Our Courses

The CPE Store's courses are developed to satisfy the continuing education requirements of the American Institute of Certified Public Accountants, each state's Board of Accountancy and the National Association of State Boards of Accountancy (NASBA). If your state requires registration of sponsors, our sponsor number will appear on your Certificate of Completion.

Our courses are designed to meet the continuing education requirements of accounting professionals. A great deal of care has been taken to ensure that the course material is both interesting and relevant to the practice of accounting. The information presented is, to the best of our knowledge, current and accurate. However, The CPE Store is not in the business of rendering legal, accounting or other professional advice and as such, the material presented in our courses is intended as an overview. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

Ethics: An Overview for Accountants 4-Hour Course

Final Examination

Answer each question on the accompanying answer sheet. A score of 70% or higher is required to pass the exam. If you score less than 70% on your first attempt, we will allow you to take the test a second time.

1. Ethics are which of the following?
 - A. An art
 - B. The same as integrity
 - C. A set of rules
 - D. The same for everyone

2. Integrity is which of the following?
 - A. An art
 - B. The same as ethics
 - C. A set of rules
 - D. The same for everyone

3. Which of the following ethical principles is defined as “the duty to do good both individually and for all”?
 - A. Autonomy
 - B. Beneficence
 - C. Veracity
 - D. Least harm

4. Which of the following is the philosophy that believes rules should be followed regardless of the consequences?
 - A. Veracity
 - B. Deontology
 - C. Utilitarianism
 - D. Teleological ethics

5. Which of the following is not one of the seven goals of accounting ethics education according to Stephen E. Loeb?
 - A. Meet continuing education requirements
 - B. Develop “a sense of moral obligation” or responsibility
 - C. “Set the stage for” a change in ethical behavior
 - D. Relate accounting education to moral issues

6. Which of the following is not one of the four steps Iris Stuart recommends taking when resolving ethical dilemmas?
 - A. Recognize that an ethical dilemma is occurring
 - B. Withdraw from the engagement
 - C. Identify the parties that would be interested in the outcome of the dilemma
 - D. Determine alternatives and evaluate the effect of each alternative on the interested parties

7. One of the most common reasons CPAs compromise their ethical values is due to which of the following?
 - A. Greed
 - B. Hunger
 - C. They are not getting paid enough
 - D. They have financial difficulties

8. Which of the following is not one of the core values of the CPA profession?
 - A. Objectivity
 - B. Integrity
 - C. Materiality
 - D. Independence

Final Exam

9. The AICPA Code of Professional Conduct states that to maintain and broaden public confidence, members should perform all professional responsibilities with the highest sense of which of the following?
 - A. Profit
 - B. Integrity
 - C. Education
 - D. Credentials

10. Upholding integrity and objectivity values calls for avoiding both actual and apparent _____.
 - A. Errors
 - B. Skills
 - C. Materiality
 - D. Conflicts of interest

11. Applying the risk-based approach when determining independence generally means that when threats to independence are not at an acceptable level, which of the following must be applied to eliminate the threats or reduce them to an acceptable level?
 - A. Education
 - B. Safeguards
 - C. Impairment
 - D. Withdrawal

12. Which of the following have as one of their main objectives the receipt or generation of a financial return?
 - A. Ethics
 - B. Integrity
 - C. Codes of conduct
 - D. The owners and operators of a business

13. Which of the following services for an auditor of a client are prohibited even if pre-approved by the issuer's audit committee, under the Sarbanes-Oxley Act of 2002?
 - A. Bookkeeping services
 - B. Actuarial services
 - C. Broker services
 - D. All of the above

14. According to the AICPA Code of Professional Conduct, which of the following is the foremost distinguishing mark of a profession?
 - A. Acceptance of its responsibility to the public
 - B. Acceptance of its responsibility to its clients
 - C. Acceptance of its responsibility to its firm
 - D. Acceptance of its responsibility to its audit committee

15. What type of threat is involved when members have a close or longstanding relationship with an attest client or know individuals or entities (including by reputation) who performed nonattest services for the client?
 - A. Adverse
 - B. Advocacy
 - C. Familiarity
 - D. Self-review

16. According to the text, which safeguard is being applied when there is an external review of a firm's quality control system?
 - A. Attest client safeguards
 - B. Profession, legislation, or regulation safeguards
 - C. Firm safeguards
 - D. None of the above

17. How often does the Sarbanes-Oxley Act of 2002 require quality reviews (inspections) be conducted for firms that audit less than 100 issues?
 - A. Every year
 - B. Every two years
 - C. Every three years
 - D. Every five years

18. According to requirements set forth by the Sarbanes-Oxley Act of 2002, how often must a lead audit or coordinating partner and reviewing partner rotate off the audit?
 - A. Every year
 - B. Every two years
 - C. Every three years
 - D. Every five years

19. Under the Sarbanes-Oxley Act of 2002, what is the possible penalty when a person corruptly alters, destroys, mutilates, or conceals any document with the intent to impair the object's integrity or availability for use in an official proceeding?
 - A. 20 years in prison and a fine
 - B. 15 years in prison and a fine
 - C. 10 years in prison and a fine
 - D. 5 years in prison and a fine

20. What ethical principle of the AICPA Code of Professional Conduct states that a CPA should follow the profession's technical and ethical standards, strive for improved competence and quality services, and discharge professional responsibility to the best of their ability?
 - A. Integrity
 - B. Objectivity and Independence
 - C. Due Care
 - D. Scope and Nature of Services

**Thank you for taking our course.
We hope you enjoyed it.**