# San José State UniversityLucas Graduate School of BusinessMST ProgramBUS 225Y, Accounting EthicsSpring 2016

## Course and Contact Information

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| Instructor: | Kenneth Guilfoyle |
| Office Location: | BDO USA, LLP – 50 W. San Fernando Street San Jose, CA 95113 |
| Telephone: | (408) 352-1932 |
| Email: | kguilfoyle@bdo.com   |
| Office Hours: | 20 minutes before and after class and by appointmentPhone meetings available |
| Class Days/Time: | Wednesdays, April 18 to June 8, 2016 from 6 – 10 pm Saturday May 14, from 9 - 5 |
| Classroom: | Lucas Business Complex2933 Bunker Hill Lane, Santa Clara |
| Prerequisites: | Graduate standing |

## Course Format

This course includes some online components available through Canvas.

## Course Description

## Covers professional responsibilities for accountants; meets CA licensure rules for a 3-unit accounting ethics course. Addresses CA statutory and regulatory ethics, AICPA rules of professional conduct, SSTS, and Circular 230, emphasizing compliance, history, process of change, and research.

## Learning Outcomes

* Understand the meaning of ethics, underlying theories, and relevance and importance to the practice of accounting and tax.
* Able to explain key accounting ethics principles of integrity, objectivity, independence, due care, and public interest.
* Able to explain the various rules of conduct that CPAs may be subject to, how to find them and how to conduct research using the appropriate rules.
* Understand the origin, set up, and key rules of the rules of conduct applicable to a California CPA and to a member of the AICPA.
* Able to explain the purpose of Circular 230, who is subject to it, nature of rules covered, enforcement approach relative to IRC preparer penalties, and how to comply.
* Able to explain AICPA SSTS and the relevance to tax practice.
* Awareness of the legal liabilities accountants can face and how to avoid.
* How to develop and follow a personal set of values and guide for resolving ethical dilemmas.

## Required Texts/Readings

### Textbook and Other Reading Materials

Bookstore:

* Ethical Obligations and Decision Making in Accounting by Mintz and Morris, 3d edition

<http://www.barnesandnoble.com/w/ethical-obligations-and-decision-making-in-accounting-steven-mintz/1117354848?ean=9780077862213>

Posted on Canvas

* California Board of Accountancy rules of conduct – statute and regulations
* AICPA SSTS
* AICPA Rules of Professional Conduct
* Circular 230
* Additional materials

## Course Requirements and Assignments

SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in [University Policy S12-3](http://www.sjsu.edu/senate/docs/S12-3.pdf) at <http://www.sjsu.edu/senate/docs/S12-3.pdf>.

## Grading Policy

In-class, group assignments, case stuies, discussions, quizzes 80

 Presentation 50

 Research questions\* 70

 Final exam 100

 Total 300

Grades will be assigned based on 90% and above is an A, 80% and above a B and 70% and above is a C, etc. Plus and minus (+/-) will be used as well.

\* The set of questions will be assigned during class. The due date is always the following week class session.

## University Policies

### General Expectations, Rights and Responsibilities of the Student

As members of the academic community, students accept both the rights and responsibilities incumbent upon all members of the institution. Students are encouraged to familiarize themselves with SJSU’s policies and practices pertaining to the procedures to follow if and when questions or concerns about a class arises. See [University Policy S90–5](http://www.sjsu.edu/senate/docs/S90-5.pdf) at http://www.sjsu.edu/senate/docs/S90-5.pdf. More detailed information on a variety of related topics is available in the [SJSU catalog](http://info.sjsu.edu/web-dbgen/narr/catalog/rec-12234.12506.html), at http://info.sjsu.edu/web-dbgen/narr/catalog/rec-12234.12506.html. In general, it is recommended that students begin by seeking clarification or discussing concerns with their instructor. If such conversation is not possible, or if it does not serve to address the issue, it is recommended that the student contact the Department Chair as a next step.

### Academic integrity

Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The [University Academic Integrity Policy S07-2](http://www.sjsu.edu/senate/docs/S07-2.pdf) at http://www.sjsu.edu/senate/docs/S07-2.pdf requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The [Student Conduct and Ethical Development website](http://www.sjsu.edu/studentconduct/) is available at http://www.sjsu.edu/studentconduct/.

### Campus Policy in Compliance with the American Disabilities Act

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. [Presidential Directive 97-03](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) at <http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf> requires that students with disabilities requesting accommodations must register with the [Accessible Education Center](http://www.sjsu.edu/aec) (AEC) at <http://www.sjsu.edu/aec> to establish a record of their disability.

**Commitment:** SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in [University Policy S12-3](http://www.sjsu.edu/senate/docs/S12-3.pdf) at <http://www.sjsu.edu/senate/docs/S12-3.pdf>.

# BUS 225Y, Accounting Ethics, Spring 2016

*This schedule is subject to change with fair notice with notification via email or class announcement.*

## Course Schedule

| Class | Date | Topics, Readings, Assignments |
| --- | --- | --- |
| 1 | 4/20 | Ethics and Accounting – definitions, professionalism, integrity, relevance to accounting and tax practice.Text – Chapter 1Prepare to discuss Chapter 1 cases 1, 5, 6 and 10See additional readings posted on Canvas |
| 2 | 4/27 | Annette Nellen to present Ethics Checklist of Tax PractitionersAdditional Rules of Conduct for Tax PractitionersText – Chapter 4, pages 213-222See additional readings posted on Canvas including Circular 230, AICPA SSTSs and IRC Section 6694 and regulations.AICPA Code of Professional Conduct – how developed and enforced, framework, how to use, conceptual framework model, comparison to state CPA rules of conduct and international standards.Text – Chapter 4, pages 175 - 212Prepare to discuss Chapter 4 cases 1, 5, and 6See additional readings posted on Canvas including the AICPA Rules of Professional Conduct |
| 3 | 5/4 | Ethical Decision Making in Accounting – cognitive considerations, models, professional judgmentText – Chapter 2Prepare to discuss Chapter 2 cases 1, 3, 5 and 9See additional readings posted on Canvas |
| 4 | 5/11 | The Ethical Workplace – creating an ethical organizational environment and corporate governance system, relevance to CPA firm and corporate tax departments, role of corporate ethics, creating an ethical culture and workplaceText – Chapter 3Prepare to discuss Chapter 3 cases 1, 2, 4 and 5See additional readings posted on Canvas |
| 5 | 5/14(Saturday) | Student Presentations |
| 6 | 5/18 | California Board of Accountancy Rules of Conduct – Reg Ethics Session – two hours will be devoted to learning about the CA CPA rules of conduct, how to put them in practice, examples of disciplinary actions, etc.Readings posted on Canvas including the CA statute and regsOnline video to view as well (1 hour) |
| 7 | 5/25 | Fraud Considerations and Professional Obligations of AuditorsText – Chapters 5 and 6Prepare to discuss Chapter 5 cases 2 and 10, and Chapter 6 cases 4 and 8 |
| 8 | 6/1 | Earnings Management and Financial ReportingInternational Financial ReportingTest – Chapters 7 and 8Prepare to discuss Chapter 7 case 5 and Chapter 8 cases 2 and 6Discussion / Review |
| 9 | 6/8 | Discussion / ReviewFinal Exam |

**Mission and MST Program Learning Goals**

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| LCoB Mission Statement |
| We are the *institution of opportunity* in *Silicon Valley*, educating future leaders through *experiential learning* and character development in a *global business community* and by conducting *research* that contributes to business theory, practice and education. |

Goals

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| MST Program Learning Goals |
| 1 | **Complex and Multi-jurisdictional Tax Issues** | To identify, understand and resolve complex and multijurisdictional tax issues within the context of our global economy and society.  |
| 2 | **Research Skills** | To learn research skills for exploring both familiar and novel areas of the tax law and to communicate the findings in clear terms. |
| 3 | **Analytical Skills** | To develop conceptual and analytic skills with real world applications. |
| 4 | **Tax Policy** | To appreciate tax policy issues and foundations of the tax law. |
| 5 | **Ethical Implications of Tax Practice** | To understand the ethical implications of tax practice. |
| 6 | **Tax Practice and Career Advancement** | To develop skills for effective tax practice including keeping current, interacting with others, and career advancement. |