

**BAD 120 Course Outline as of Fall 2020****CATALOG INFORMATION**

Dept and Nbr: BAD 120      Title: ETHICS IN ACCOUNTING  
 Full Title: Ethics in Accounting  
 Last Reviewed: 9/9/2019

Units		Course Hours per Week		Nbr of Weeks	Course Hours Total	
Maximum	3.00	Lecture Scheduled	3.00	17.5	Lecture Scheduled	52.50
Minimum	3.00	Lab Scheduled	0	6	Lab Scheduled	0
		Contact DHR	0		Contact DHR	0
		Contact Total	3.00		Contact Total	52.50
		Non-contact DHR	0		Non-contact DHR	0

Total Out of Class Hours: 105.00

Total Student Learning Hours: 157.50

Title 5 Category: AA Degree Applicable

Grading: Grade or P/NP

Repeatability: 00 - Two Repeats if Grade was D, F, NC, or NP

Also Listed As:

Formerly:

**Catalog Description:**

Study of professional ethics for accounting from a business perspective and historical point of view. Topics include the nature of accounting, ethical theory, ethical behavior, rules of ethical conduct, Code of Professional Conduct, American Institute of Certified Public Accountants (AICPA) standards and Internal Revenue Service (IRS) rules.

**Prerequisites/Corequisites:****Recommended Preparation:****Limits on Enrollment:****Schedule of Classes Information:**

Description: Study of professional ethics for accounting from a business perspective and historical point of view. Topics include the nature of accounting, ethical theory, ethical behavior, rules of ethical conduct, Code of Professional Conduct, American Institute of Certified Public Accountants (AICPA) standards and Internal Revenue Service (IRS) rules. (Grade or P/NP)

Prerequisites/Corequisites:

Recommended:

Limits on Enrollment:

Transfer Credit:

Repeatability: Two Repeats if Grade was D, F, NC, or NP

## **ARTICULATION, MAJOR, and CERTIFICATION INFORMATION:**

<b>AS Degree:</b>	<b>Area</b>	Effective:	Inactive:
<b>CSU GE:</b>	<b>Transfer Area</b>	Effective:	Inactive:

<b>IGETC:</b>	<b>Transfer Area</b>	Effective:	Inactive:
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<b>CSU Transfer:</b>	Effective:	Inactive:
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<b>UC Transfer:</b>	Effective:	Inactive:
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**CID:**

**Certificate/Major Applicable:**

Certificate Applicable Course

## **COURSE CONTENT**

### **Student Learning Outcomes:**

At the conclusion of this course, the student should be able to:

1. Explain the history and function of ethics as it relates to the accounting profession.
2. Apply the AICPA Code of Professional Conduct, IRS rules and ethical dilemmas faced by CPA's in practice.
3. Describe the concept of independence, integrity and objectivity, revenue, matching and full disclosure principles, and how to exercise due care.

### **Objectives:**

At the conclusion of this course, the student should be able to:

1. Discuss history and function of ethics.
2. Differentiate between the principal guidelines in the AICPA Code of Professional Conduct.
3. Apply the AICPA standards and the IRS rules to common ethical dilemmas faced by CPA's in practice.
4. Explain the ideals of Integrity, Independence, and Objectivity in relation to the work of an accountant.
5. Compare and contrast the three layers of failure to exercise due care.
6. Analyze the difference between being independent in appearance and independent in fact.
7. Define the revenue, matching and full-disclosure principles and explain why they are important to users of financial statements.

### **Topics and Scope:**

- I. Principles of Types of Ethical Theory and History
  - A. Function of ethics
  - B. Ethics and morals
  - C. AICPA Ethical Theories
- II. Accounting as a Profession and Professional Codes of Conduct

- A. Protecting the consumer
- B. Protecting the profession
- C. Ethical Dilemmas
- III. Principal Guidelines
  - A. AICPA Code of Professional Conduct
  - B. Difference between principles, rules and interpretations
  - C. Rules regarding specific actions common to the CPA community
  - D. IRS rules
- IV. Integrity and Objectivity Lapses in Internal Accounting and Outside Auditing
- V. Independence
  - A. Significance to the profession
  - B. Independence in appearance versus in fact
- VI. Professionalism and Professional Due Care
  - A. Ordinary negligence
  - B. Gross negligence
  - C. Fraud
- VII. Revenue, Matching and Full Disclosure
  - A. Violations
  - B. Exercise of Due Care (three layers)
- VIII. Other Accounting Improprieties
  - A. Common violations and complaints against CPA's
  - B. Corporate responsibility laws

### Assignment:

1. Textbook readings of approximately 20 - 40 pages per week
2. Weekly homework problems
3. Written analysis of case studies (5 -12)
4. Discussion of case studies (5 -12)
5. Quizzes and Exams (4 - 8)

### Methods of Evaluation/Basis of Grade:

**Writing:** Assessment tools that demonstrate writing skills and/or require students to select, organize and explain ideas in writing.

Written case work studies
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Writing 5 - 25%
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**Problem Solving:** Assessment tools, other than exams, that demonstrate competence in computational or non-computational problem solving skills.

Weekly homework
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Problem solving 15 - 50%
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**Skill Demonstrations:** All skill-based and physical demonstrations used for assessment purposes including skill performance exams.

Discussion of case studies
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Skill Demonstrations 5 - 15%
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**Exams:** All forms of formal testing, other than skill performance exams.

Quizzes /exams

Exams  
20 - 60%

**Other:** Includes any assessment tools that do not logically fit into the above categories.

None

Other Category  
0 - 0%

**Representative Textbooks and Materials:**

Accounting Ethics. 3rd ed. Duska, Ronald and Duska, Brenda and Kury, Kenneth. Wiley. 2018