

## **Learning Objectives**

- Recognize ethical reasoning used by accountants.
- Identify different principles and rules of the AICPA *Code of Professional Conduct*.
- Identify independence and objectivity issues.
- Recognize ethical standards and violations.
- Identify the requirements of accountants as highlighted in the Arizona statutes and administrative rules.

### **Chapter 1: Ethics and Ethical Reasoning**

- Ethical Reasoning and Accountants
  - Conclusions and Implications
- Ethical Dilemmas in Accounting
  - Perceptions of Ethics across Different Professions

### **Chapter 2: AICPA Code of Professional Conduct**

- AICPA's Code of Professional Conduct
- Summaries of the Six Principles
- Conceptual Framework – Threats and Safeguards Approach
- Summaries of the Eleven Rules
  - 1.100 - Integrity and Objectivity Rule
  - 1.200 - Independence Rule
  - 1.300 - General Standards Rule
    - Case Study - Competence
  - 1.310 - Compliance with Standards Rule
  - 1.320 - Accounting Principle Rule
  - 1.400 - Acts Discreditable Rule
    - Former Chief Financial Officer of Bankrate Inc. Sentenced to 10 Years in Prison for Orchestrating a Complex Accounting and Securities Fraud Scheme
  - 1.510 - Contingent Fees Rule
  - 1.520 - Commissions and Referral Fee Rule
  - 1.600 - Advertising and Other Forms of Solicitation Rule
  - 1.700 - Confidential Client Information Rule
  - 1.800 - Form of Organization and Name Rule

### **Chapter 3: Arizona Statutes and Rules**

- Arizona Revised Statutes
  - 32-730. Biennial registration
    - 32-730.01. Inactive status; reactivation; exception
  - 32-731 Certified public accountant firm registration requirements; performance of attest services and compilation services; definition
  - 32-741. Revocation or suspension of certificate; disciplinary action; letter of concern
    - 32-741.01. Suspension for nonregistration; expiration of certificate
    - 32-741.02. Suspension for noncompliance with continuing education requirements; expiration of certificate
  - 32-742. Revocation or suspension of firm's certificate; failure to reinstate; reinstatement
    - 32-742.01. Investigations
  - 32-744. Ownership and custody of working papers and records
  - 32-745. Employment of persons by accountants
  - 32-746. Fraudulent audit practices; classification
  - 32-747. CPA designation; title; use; unlawful use
  - 32-749. Confidential nature of information acquired by accountants; privilege; conditions for disclosure; public records; exceptions
- Arizona Administrative Code
  - R4-1-346. Notice of Change of Address
  - R4-1-453. Continuing Professional Education
  - R4-1-454. Peer Review
  - R4-1-455. Professional Conduct and Standards
    - R4-1-455.02. Professional Conduct: Competence and Technical Standards
    - R4-1-455.03. Professional Conduct: Specific Responsibilities and Practices