Course Number: ACCT 4390.001  
W 4:20-6:50 p.m.  
OCNR 130

Course Name: Ethics for Accountants and other Business Executives

Instructor: Dr. Brian Elzweig
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Email: brian.elzweig@tamucc.edu
Website: faculty.tamucc.edu/belzweig

OFFICE HOURS: Additional times available by appointment. You may contact me via E-mail and/or voicemail.
MWF 10:00am-12:00 Noon


In addition, Selected Readings from:
- The American Institute of Certified Public Accountants, Code of Professional Conduct
- The Securities and Exchange Commission, Rules of Professional Ethics
- The Texas State Board of Public Accountants, Rules of Professional Conduct
- Other relevant professional codes of conduct (IMA, IRS, IIA, etc)
- Sarbanes-Oxley Act of 2002 (and other relevant legislation)

Prerequisites: Departmental Approval

Course Description:

The course will cover ethical theory, ethical reasoning, integrity, objectivity, independence and other core values and regulatory requirements associated with the practice of professional accounting and decision making of other executives, with an emphasis on corporate governance in the post-Sarbanes-Oxley regulatory environment.
Learning Objectives:

By the end of this course, the students will be able to demonstrate that they are able to:

- apply general concepts of ethical behavior in dealing with various stakeholders
- comprehend the underlying theory of ethics and professionalism as they pertain to accountants and other business executives
- apply the ethical issues that influence the professional practice of accounting and other business executives to classic cases and to current issues in today’s global economy
- analyze accounting and business situations, identify ethical dilemmas and apply appropriate ethical theory to resolve these in a socially responsible manner
- identify and comprehend applicable codes/rules of professional conduct that pertain to accounting and the Securities Exchange Commission
- synthesize the above concepts, rules, and theories, demonstrated through application pertaining to ethics cases and current issues

Relationship to Other Coursework:

The skills developed in this course build upon the introductory coverage of ethics in BLAW 3310 (Legal Environment of Business), ACCT 4311 (Auditing) and extend the coverage of ethics in ACCT 5371 (Tax Consulting, Planning and Research) and ACCT 5351 (Strategic Cost Management).

This course meets the requirements of the Texas State Board of Public Accountancy Rule 511.58 for those students who plan to take the CPA exam.

Instructional Methodology:

Class sessions will consist of lectures, case studies, discussion, decision making in the face of a moral dilemma, student presentations and examinations. The course may also feature guest speakers and video presentations.

Performance Evaluation and Grading:

Student performance evaluation may be based on attendance, exams, a research assignment, class presentations, and other assignments. The relative weight of each of these components is as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance and Participation</td>
<td>10%</td>
<td>40</td>
</tr>
<tr>
<td>Midterm Exams</td>
<td>30%</td>
<td>120</td>
</tr>
<tr>
<td>Final Exam</td>
<td>30%</td>
<td>120</td>
</tr>
<tr>
<td>Paper</td>
<td>20%</td>
<td>80</td>
</tr>
<tr>
<td>Classroom Presentations</td>
<td>10%</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>400</td>
</tr>
</tbody>
</table>

A letter grade will be determined based on the percentage earned as follows: A: 360 or more points (90-100%); B: 320 to 359 points (80-89%); C: 280 to 319 points (70-79%); D: 240 to 279 points (60-69%); F: less than 240 points (0-59%). In some instances, a curve may be applied in determining letter grades.

To receive full credit for attendance and class participation, active participation in class discussion is required (not attending class). In order to actively participate in class discussion, it is required that all assignments and reading be completed prior to class.
Oral and Written Communication Content:

The sessions will be highly interactive, with students working through cases, discussing relevant readings and presentations. In addition, students will prepare written case responses and a term project addressing moral and ethical issues.

Class Research Project:

The purpose of the research project is to engage the students in contemporary ethical issues pertinent to business and accounting practice. The project will consist of an ethics case covering current business and accounting issues. The students will use electronic means, such as lexis/nexis, and other technology available through the library to research the relevant moral and ethical issues associated with the issue. Students will be expected to integrate and apply various ethical theories discussed in class and to explain why these theories may lead to different outcomes. The project will either involve both a written paper, approximately ten pages in length, and a formal class presentation. Depending on class size, the project may be either individual or group.

Technology Application:

Students are expected to be able to use the library’s electronic search applications (e.g., ABI/Inform and Business Source Complete), Microsoft Office applications, and WebCT. Presentation technology (e.g., PowerPoint) will be required of all students.

Global Perspectives:

The globalization of many companies raises the issue of an accountant's ability to deal with different cultures, languages, management systems, value systems, etc. Discussions of international business and accounting will take place at various times during the course.

Demographic Diversity Perspectives:

This course will not specifically address the issue of demographic diversity. Although it is an important aspect of being a manager, it is not as directly related to the accounting function.

Political, Social, Legal, Regulatory and Environmental Perspectives:

This course will deal with political and social concerns, specifically those legal, regulatory and environmental issues that pertain to accountants.

Attendance Policy:

Class attendance is required. Attendance will be taken each class period. Students are expected to arrive on time and to stay for the entire class period. Please contact the instructor before class by email or phone, if possible, in the event that you are unable to attend class.
Code of Ethics

This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at www.cob.tamucc.edu). Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

Academic Integrity/Plagiarism:

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one’s own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in a 0 on the assignment.

Dropping a Class:

I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. November 2, 2012 is the last day to drop a class with an automatic grade of “W” this term.

Classroom/Professional Behavior:

Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor’s ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

Grade Appeals:

As stated in University Rule 13.02.99.C2, Student Grade Appeals, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Rule 13.02.99.C2, Student Grade Appeals, and University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at http://www.tamucc.edu/provost/university_rules/index.html. For assistance and/or guidance in the grade appeal process, students may contact the Office of Student Affairs.
Disabilities Accommodations:

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 believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in CCH 116.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

Summary of Topical Coverage:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage of ethical reasoning</td>
<td>7</td>
</tr>
<tr>
<td>Coverage of integrity</td>
<td>7</td>
</tr>
<tr>
<td>Coverage of objectivity</td>
<td>7</td>
</tr>
<tr>
<td>Coverage of independence</td>
<td>7</td>
</tr>
<tr>
<td>Coverage of other core values</td>
<td>7</td>
</tr>
<tr>
<td>Coverage of ethical theory</td>
<td>5</td>
</tr>
<tr>
<td>Coverage of Sarbanes-Oxley</td>
<td>2</td>
</tr>
<tr>
<td>Incorporation of AICPA, SEC, TSBPA and other relevant ethics rules</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total Hours</strong></td>
<td><strong>45</strong></td>
</tr>
</tbody>
</table>
**READING ASSIGNMENTS**

Assigned Chapters must be read prior to class

**BE PREPARED TO DISCUSS QUESTIONS FOR DISCUSSION AT THE END OF EACH ASSIGNED CHAPTER PRIOR TO CLASS**

*(Instructor reserves right to modify)*

<table>
<thead>
<tr>
<th>Weeks 1 &amp; 2</th>
<th>Introduction</th>
<th>Review Syllabus and Course Requirements. General overview discussion on the Study of Ethics in an Accounting and Business Context</th>
</tr>
</thead>
</table>
| 8-22 – 8-29 | Ethics Expectations | Chapter 1 *To Resign or Serve?*  
Betaseron Decision, Bhopal Union Carbide, China’s Tainted Baby Milk |
| **Weeks 3 & 4** | Approaches to Ethical Decision Making (Philosophical (Ch.3) & Practical (Ch.4)) | Chapter 3&4  
“Wall Street” Movie  
Cesar Correia, Vioxx, Ford Pinto, Smokers are good for the Economy, Bribery or Opportunity |
| 9-5 – 9-12 | Governance and Professional Reform | Chapter 2, Sarbanes Oxley Act of 2002  
“The Smartest Guys in the Room” Movie  
Enron, Arthur Anderson, Waste Management |
| **Week 7** | Corporate Ethical Governance & Accountability | Chapter 5 Loyalty, But to Whom  
Lord Conrad Black, Adelphia, Ford Firestone Tire Recall, Tylenol (Handout)  
EXAM I REVIEW |
| 10-3 | **Week 8** | MIDTERM EXAM DUE  
MIDTERM EXAM DUE |
| **Weeks 9-10** | Professional Accounting in the Public Interest, Post Enron; Independence, Objectivity and Whistleblowing | Chapter 6  
TSBPA: AICPA Code of Professional Conduct, Select IRS and SEC Codes  
Royal Shold  
Land Michener, Locker Room Talk, Advice for Sam and Ruby  
Dilemma of an Accountant, Management Choice, Team Player Problems, Minimal Disclosure, Opinion Shopping, Lowballing, Risk Management of Taxes Payable |
| 10-17-10-24 | Managing Risks and Opportunities | Chapter 7&8 Exxon Valdez  
Texaco’s Jelly Beans, Downsize or Bonus, Shell, AIDS Medication, Brent Spar, Wind River |
| **Week 11** | Student Presentations on Recent Issues Facing Accounting and Professional Ethics | Presentations |
| 10-31 | **Weeks 12-15** |  
11-7, 11-14, 11-21, 11-28 | **Final Exam Due**  
**Final Papers Due** |