

College of the Holy Cross
ACCT 360 Accounting, Ethics & Organizations
Fall 2021

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Course objectives

Spectacular failures at WorldCom, Enron and Arthur Andersen in the late 1990's and early 2000's resulted in dramatic changes in the business environment in general and accounting profession specifically. However, current media continues to be full of reports of ethical lapses in the business world including Boeing, Facebook, Wells Fargo and Volkswagon. The continuation of ethical lapses is eroding public confidence in current organizational leadership and creating demand for future leaders to have stronger and established ethical foundations. As a result, ethics, organizational culture, accountability and trust are integrated into the curriculum for students planning on entering the accounting profession and becoming a member of the contemporary workforce.

Through the use of discussions, activities and cases, we will gain an understanding of ethics in accounting. Accountants have special obligations beyond those of other business practitioners so this course develops the ethical analysis required to meet those obligations. Specifically this course aims to:

1. Develop an understanding of why ethics is important in business and review the ethical foundations, rules, interpretations and standards for the accounting profession.
2. Enhance your ethical perception and prepare you for ethical issues that you will encounter in your careers by developing your capacity to identify ethical issues as they arise.
3. Improve your ethical decision making and communication skills by analyzing and evaluating ambiguous and complex ethical problems, converting your insights into action plans and expressing your conclusions in both oral and written form.

Textbook

Ethical Obligations and Decision Making in Accounting, 5th Edition. Steven M. Mintz and Roselyn E. Morris, McGraw Hill Education, New York, 2020.

Additional readings from news sources and journals will be posted on Canvas and assigned as needed.

Course Format

Text book readings and classroom activities will introduce textbook concepts and provide students with a basic understanding of chapter topics. The material will be reinforced with case assignments that will require students to use their knowledge from the text, use critical thinking skills and make decisions regarding ethical issues. Current event materials from other media sources will be used as appropriate.

Course Communication

All course communications are conducted using Canvas. The syllabus, office hours, additional reading assignments and general communication will be posted on Canvas. Any changes to the class schedule or office hours will be communicated in advance. Students are expected to check Canvas regularly for posted messages and updated assignments.

Course Evaluation

Grading for the semester will be based on the following:

Engagement	20%
Individual Case Assignments	20%
Current events, reflections and ethics interview	20%
Team case analyses	20%
Quizzes	<u>20%</u>
Total points	<u>100%</u>

Engagement –

This is a seminar and therefore engagement is an integral part of the overall learning process. It is expected that everyone prepares the assigned materials outlined in the syllabus prior to class and actively engages in class discussions and asynchronous discussion board postings. Students will be called on during class to contribute to discussions and required to post to discussion boards in Canvas. It is expected that all class participants will respect the rights of others in the class to freely express their views and opinions. Each person should be prepared to give reasons for individual views. A portion of your course grade is dependent upon your ability to contribute to the class discussions and discussion boards. Each class is graded 0/1. You are allowed three unexcused absence/non-participation days. If you have to quarantine, you are expected to zoom into class. A rubric for minimum participation expectations to receive a 1 will be posted on Canvas.

Individual Case Assignments –

To continue to develop your written communication and critical thinking skills, individual written case assignments will be assigned for each chapter. You are expected to apply course concepts to the case and perform and submit a case analysis. We will discuss what a case analysis is during class. You are not to simply answer the questions at the end of each case. You will be graded on your ability to state the ethical issue or dilemma and your ability to concisely communicate your position on the case. A grading rubric will be provided on Canvas for each case assignment to be submitted.

- All assignments are to be typewritten, proofread and are due at the start of class
- All assignments will be submitted electronically through Canvas.
- Uploaded documents should use the following naming convention:
Lastname-Cx-x
Where x-x represents the specific case number
- I will not accept late assignments as we will be discussing the cases in class.

Current events –

Many of the text book cases are dated or fictional. To provide opportunities to apply course content to current real world settings, three (3) one to three page article summaries will be required. This is also an opportunity for students to develop their professional writing skills. Students should review newspapers or journals for relevant articles which relate to the class objectives. The current event article summaries should include a summary of the article, its relevance to the ethical environment in business or accounting, and your thoughts on the article. For example, did the event impact just one organization or is it a trend? Does the event indicate new policies should be proposed or is it a result of existing policies? The current event summaries should be written as if presenting a brief for a management team. The writing should be clear, concise and professional. Summaries will be evaluated based on its organization and the student's ability to construct a response to the event. A detailed grading rubric will be available on Canvas.

- Be sure to properly annotate references
- The submission must include a copy of the article being reviewed.
- These assignments will be submitted electronically through Canvas.
- Uploaded documents should use the following naming convention:
Lastname-CE-x
Where x represents the specific current event number, 1, 2 or 3
- I will not accept late assignments as we will be discussing these in class.

Reflections –

Reflection is an integral step in ethical decision making. During the semester you will be required to submit three (3) reflections. Each reflection will be a minimum of one single spaced typed page and should be a response to material covered in the current chapter or supplemental material provided on Canvas. These documents will not be shared in class. The goal is to elicit how you interpret the relevance of the material to you. The reflection can consider questions such as: What aspect of the class affected me and why? What aspects of class are relevant to me and why? Did I gain any new insights? Were you surprised by the material? Have you experienced a similar situation yourself? If so, how did you handle the situation? What, if anything, would you do differently based on what was discussed in class? A detailed grading rubric will be available on Canvas.

- These assignments will be submitted electronically through Canvas.
- Uploaded documents should use the following naming convention:
Lastname-R-x
Where x represents the specific reflection number, 1, 2 or 3

Ethics Interview –

To better understand ethics in accounting and connect the coursework to the real world, you are required to interview an accounting professional. This is a four part exercise that will take place during the semester. The due dates for each part are listed on the syllabus. More detailed instructions and resources for each step will be posted on Canvas.

- These assignments will be submitted electronically through Canvas.
- Uploaded documents should use the following naming convention:
Lastname-I-x
Where x represents the specific part of the assignment, 1, 2, 3 or 4

Team case analyses – There will be two team case analyses.

The first team case analysis is a semester long project. Milestone dates for the project are noted on the course schedule. Each team will select a company that is facing or has faced an ethical issue. The teams will analyze the ethical issue and present a solution to the Board of Directors of the company. The team will present their solution in an Executive Summary not to exceed one page and a 25-minute presentation that addresses the financial, legal and ethical implications of the proposed solution. Presentations will be made during the final exam period. Teams will submit the Executive Summary and a copy of their presentation for grading.

- Presentations and Executive Summaries will be submitted electronically through Canvas prior to the presentation.
- Uploaded documents should use the following naming conventions for Milestone, Presentation and Executive Summary submissions, respectively:
TeamMSX-x
TeamP-x
TeamES-x
Where X represents the milestone number and x represents the specific team number, 1, 2, 3 or 4

For the second team case, each team will be required to prepare a comprehensive presentation of a case from the text. The team will lead the case discussion and field questions to and from the class. Each team will have 20 minutes to engage the class in a discussion of the case that addresses the facts, identifies ethical dilemmas and any legal or moral issues, and identifies alternative solutions to the issue using the text and supplemental material covered in class. Teams are encouraged to be creative in how the class is engaged. For example teams can use role play, be newscasters covering the event and interviewing experts or witnesses, debate the issues, group activities, etc. The teams will not simply answer the case questions but use the questions as a guide in the analysis. A written analysis of the case is not required. Teams will submit a copy of the presentation for grading.

- Presentations will be submitted electronically through Canvas prior to the presentation.
- Uploaded documents should use the following naming convention:
TeamCase-x
Where x represents the specific team number, 1, 2, 3 or 4

Quizzes -

To build your base knowledge of ethics, terminology, theory, regulations and laws, quizzes will be administered for each chapter in Canvas. Quizzes are due prior to class discussion.

Course Schedule

The course schedule is subject to change. Any changes will be both discussed in class and posted on Canvas.

Date	Topic and Assignments
9/2	Introduction and Course Overview What is Ethics?
9/7	Chapter 1 Ethical Reasoning: Implications for Accounting Class discussion Case 1-3 Unintended Consequences Class discussion Case 1-10 Better Boston Beans

	✓ Quiz Chapter 1
9/9	Chapter 1 Ethical Reasoning: Implications for Accounting Class discussion Case 1-6 Capitalization versus Expensing ✓ Case assignment 1 Due: Case 1-7 Eating Time
9/14	Giving Voice to Values ✓ GVV Exercise a Tale of Two Stories
9/16	Giving Voice to Values Current Events ✓ Current Event 1 Due
9/21	Chapter 2 Cognitive Processes and Ethical Decision Making in Accounting Class discussion Case 2-1 A Team Player GVV Class discussion Case 2-3 Taxes and the Cannabis Business ✓ Quiz Chapter 2 ✓ Reflection 1 Due
9/23	Chapter 2 Cognitive Processes and Ethical Decision Making in Accounting Class discussion Case 2-2 FDA Liability Concerns GVV ✓ Case assignment 2 Due: Case 2-7 Milton Manufacturing Company
9/28	Chapter 3 Organizational Ethics and Corporate Governance Class discussion Case 3-2 Rite Aid Fraud ✓ Quiz Chapter 3 ✓ Business Ethics Case – Company Selection and Ethical Issue
9/30	Chapter 3 Organizational Ethics and Corporate Governance Class discussion Case 3-8 Accountant Takes and Halliburton and Wins ✓ Case assignment 3 Due: Case 3-3 United Thermostatic Controls GVV
10/5	Chapter 4 Ethics and Professional Judgement in Accounting Class discussion Case 4-4 A Potential Threat to Professional Judgement? ✓ Quiz Chapter 4 ✓ Ethics Interview – Interviewee Selection
10/7	Chapter 4 Ethics and Professional Judgement in Accounting Class discussion Case 4-5 Han, Kang & Lee, LLP GVV Class discussion Case 4-10 Navistar ✓ Case assignment 4 Due: Case 4-A State Ethics Violations
10/12	Fall Break
10/14	Fall Break
10/19	Chapter 5 Fraud in Financial Statements and Auditor Responsibilities Class discussion Case 5-1 Loyalty and Fraud Reporting GVV ✓ Chapter 5 Quiz ✓ Business Ethics Case - Identify proposed solutions
10/21	Chapter 5 Fraud in Financial Statements and Auditor Responsibilities Class discussion Case 5-8 Critical Audit Matters or Potentially Damaging Disclosures? ✓ Case assignment 5 Due: Case 5-10 Groupon ✓ Team 1 Presentation Case 5-10 Groupon
10/26	Chapter 6 Legal, Regulatory, and Professional Obligations of Auditors Class discussion Case 6-7 Tramways' FCPA Dilemma GVV ✓ Chapter 6 Quiz

	<ul style="list-style-type: none"> ✓ Reflection 2 Due
10/28	<p>Chapter 6 Legal, Regulatory, and Professional Obligations of Auditors Class discussion Case 6-5 Vertical Pharmaceuticals Inc. et al. v. Deloitte & Touche LLP</p> <ul style="list-style-type: none"> ✓ Case assignment 6 Due: Case 6-4 Anjoorian et al.: Third Party Liability ✓ Team 2 Presentation Case 6-4 Anjoorian et al.: Third Party Liability
11/2	<ul style="list-style-type: none"> ✓ Current Event 2 Due
11/4	<p>Business Ethics Case</p> <ul style="list-style-type: none"> ✓ Business Ethics Case – Identify Legal, Financial and Ethical Implications of Proposed Solution ✓ Ethics Interview – Questions Due
11/9	<p>Chapter 7 Earnings Management Class discussion Case 7-4 The Potential Darkside of Using Non-GAAP Metrics GVV</p> <ul style="list-style-type: none"> ✓ Chapter 7 Quiz
11/11	<p>Chapter 7 Earnings Management Class discussion Case 7-5 Dell Computer</p> <ul style="list-style-type: none"> ✓ Case assignment 7 Due: Case 7-1 Nortel ✓ Team 3 Presentation Case 7-1 Nortel
11/16	<p>Chapter 8 Ethical Leadership and Decision Making in Accounting Class discussion Case 8-1 Research Triangle Software Innovations GVV</p> <ul style="list-style-type: none"> ✓ Quiz Chapter 8
11/18	<p>Chapter 8 Ethical Leadership and Decision Making in Accounting Class discussion Case 8-3 KPMG Tax Shelter Scandal</p> <ul style="list-style-type: none"> ✓ Case assignment 8 Due: Case 8-4 Krispy Kreme Doughnuts, Inc. ✓ Team 4 Presentation Case 8-4 Krispy Kreme Doughnuts, Inc.
11/23	<ul style="list-style-type: none"> ✓ Ethics Interview – Interviews Completed
11/25	Thanksgiving
11/30	<p>Sustainability</p> <ul style="list-style-type: none"> ✓ Quiz Sustainability ✓ Business Ethics Case – Outline of Presentation
12/2	<p>Class Discussion Sustainability Readings</p> <ul style="list-style-type: none"> ✓ Case assignment 9 Due: Sustainability Case ✓ GVV Action Plan
12/7	<p>Current Events</p> <ul style="list-style-type: none"> ✓ Current Event 3 Due
12/9	<p>Course Wrap Up</p> <ul style="list-style-type: none"> ✓ GVV Action Plan Peer Feedback ✓ Ethics Interview – Summary and Reflection ✓ Draft of Business Ethics Case Presentation and Executive Summary
TBA	<p>Final Exam Period</p> <ul style="list-style-type: none"> ✓ Business Ethics Case Presentations ✓ Self Evaluation ✓ Reflection 3 Due

Attendance Policy

Class attendance and on time arrival are required. Students are expected to come prepared for each class and participate in class discussions. The learning process will be greatly enhanced by having full commitment from everyone to actively participate. Students will be responsible for all material and information discussed and assigned as part of each class. Assignments are due on the date defined in the course schedule whether or not a student is in class. Students are expected to check Canvas regularly for posted messages and updated assignments.

Excused Absence Policy

Students who are unable to attend class because of religious beliefs or due to a serious illness or personal issue should notify me as soon as possible regarding a missed class. The College policy can be found at:

<https://catalog.holycross.edu/requirements-policies/academic-policies/#coursepolicies>

Student Athletes

Student athletes are responsible for communicating with me to make alternative arrangements should a class or exam be missed. The College policy does not permit students to miss class due to team practice. If you will be away when an assignment is due, it is your responsibility to submit the assignment electronically on Canvas.

Diversity and Inclusion

For a seminar to be successful I endeavor to create an environment where everyone can share their ideas in class without regard to race, gender, national origin or orientation. It is expected that all members of the class respect all other classmates' points of view and promote an atmosphere where we can all learn and grow.

Academic Accommodations

All academic accommodations for students need to be approved through the Office of Accessibility Services (<https://www.holycross.edu/health-wellness-and-access/office-accessibility-services>).

Any student who feels the need for accommodation based on the impact of a disability should contact the Office of Accessibility Services to discuss support services available. Once the office receives documentation supporting the request for accommodation, the student would meet privately with Accessibility Services to discuss reasonable and appropriate accommodations. The office can be reached by calling 508-793-3693 or by visiting Hogan Campus Center, room 215A. If you are already registered with Accessibility Services, please be sure to get your accommodation letters and deliver them to your instructors in a timely fashion. Instructors need 4-5 days advance notice to be able to facilitate the process of receiving testing accommodations.”

Academic Integrity

Integrity and character have long been the hallmarks of the accounting profession. Students wishing to succeed in the future do well to follow a code of honor where they promise to do their own work and give credit to others when they rely on their work. One of the primary objectives of this course and a liberal arts education is to teach you to think critically. If you simply ‘copy’ the work of others, you are shortchanging yourself and not getting everything you can out of your education. **You are required to submit your own work if you wish to receive credit for**

an assignment. All students are expected to adhere to the academic integrity policies outlined in the Holy Cross Catalog. Please refer to the following:

<https://catalog.holycross.edu/requirements-policies/academic-policies/#academicintegritytext>

Class Recording

PLEASE NOTE that, consistent with applicable federal and state law, this course may be video/audio recorded as an accommodation only with permission from the Office of Accessibility Services. Students are not permitted to record the contents of this class under any other circumstances.

Masks in the Classroom

Properly worn masks are required in the classroom unless further notice is given by the professor and agreed to by all members of the class - independent of the College mandate.