

Test Bank

Ethical Obligations and Decision-Making in Accounting: Text and Cases, Sixth Edition

Steven M. Mintz • William Miller

Chapter 1

1.

Award: 10.00 points

What is the common characteristic of Aristotle's virtues and ethical standards for CPAs?

- truthfulness
- integrity
- loyalty
- due care

References

Multiple Choice Difficulty: 1 Easy

Learning Objective: 01-01 Discuss the relationship between ethics, values, and ethical decision making.

2.

Award: 10.00 points

Jane finds a material misstatement while auditing a client's accounts receivables. Her senior tells her to ignore the misstatement so that the client does not get upset. Jane wants to be viewed as a team player in order to advance in the firm, so Jane follows her senior's instructions and ignores the misstatement. Which ethical theory did Jane use to make her decision?

→ egoism
 justice
 virtue ethics
 utilitarianism

References

Multiple Choice Difficulty: 2 Medium

Learning Objective: 01-03 Differentiate between moral philosophies and their effect on ethical reasoning in accounting.

3.

Award: 10.00 points

Which of the following situations would be considered ethical?

The cashier at Wal-Mart gives you \$5 more than you were supposed to receive and you don't do anything about it.
→ You accidentally back into a car at Wal-Mart and leave your information for them to call.
 You receive fake \$20 bills and use them in a store while knowing they are fake.
 You find a phone in a restaurant and keep it.

References

Multiple Choice Difficulty: 2 Medium

Learning Objective: 01-02 Explain how characteristic traits of behavior influence ethical decision making.

4.

Award: 10.00 points

Which of the following characteristics does *not* describe the importance of integrity in decision making?

- Acting out of moral principle
- Being loyal to one's superior
- Having the courage to do the right thing
- Not subordinating professional judgment to others

References

Multiple Choice Difficulty: 2 Medium

Learning Objective: 01-01 Discuss the relationship between ethics, values, and ethical decision making.

5.

Award: 10.00 points

Which of the following characteristics does *not* describe the behavior of Cynthia Cooper in the WorldCom fraud?

- persistence
- competence
- integrity
- conformity

References

Multiple Choice Difficulty: 2 Medium

Learning Objective: 01-01 Discuss the relationship between ethics, values, and ethical decision making.