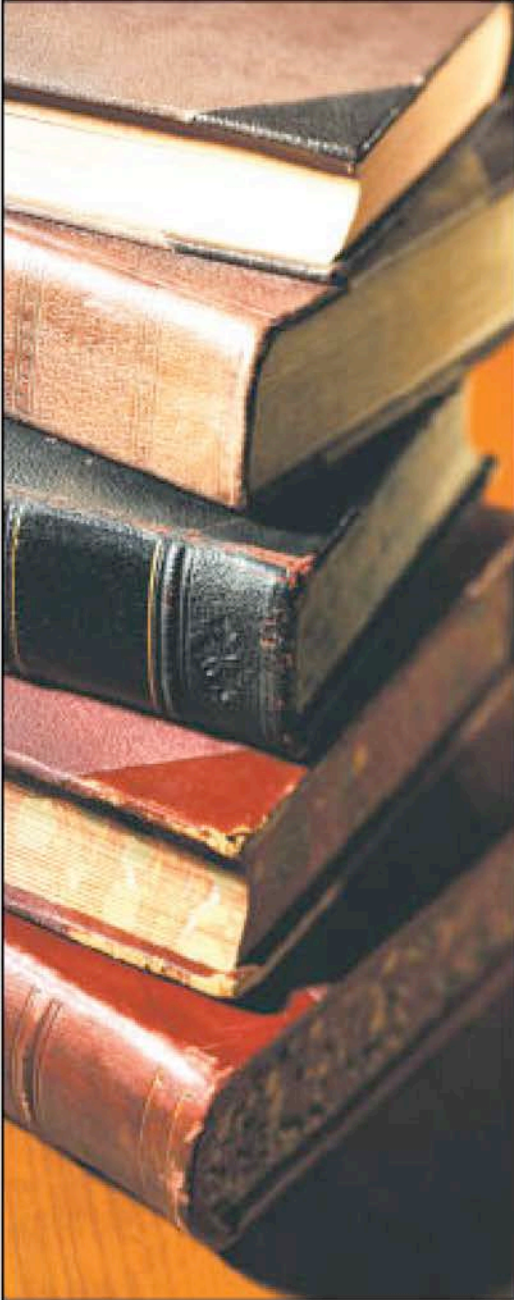


# Professional Education Services, LP



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## Tennessee State Specific Ethics Course

Course #4820A/QAS4820A  
**Exam Packet**



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# **TENNESSEE STATE SPECIFIC ETHICS COURSE** **(COURSE #4820A/QAS4820A)**

## **COURSE DESCRIPTION**

This course is designed to meet the specific ethics requirements for the state of Tennessee. It covers information concerning the Board members, the Board support staff, individual and firm licensee requirements, new developments for licensees, professional conduct, complaints and disciplinary actions as they relate to Tennessee CPA licensees. Uses the materials entitled *Tennessee State Specific Ethics Course*. No prerequisites. Course level: Basic. Course #4820A/QAS4820A - 2 CPE hours.

## **LEARNING ASSIGNMENTS and OBJECTIVES**

*As a result of studying each assignment, you should be able to meet the objectives listed below each individual assignment*

### **ASSIGNMENT**

### **SUBJECT**

**1**

### **Tennessee State Specific Ethics**

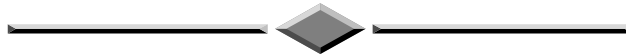
Study the course materials from pages 1 to 44  
Complete the review questions at the end of the course material  
Answer the final exam questions 1 to 10

#### **Objectives:**

- To identify the Tennessee Rules of Professional Conduct
- To identify the Tennessee CPA continuing education requirements
- To differentiate between active status and inactive status
- To recognize the requirements for firm licensure
- To identify the Tennessee Peer Review requirements
- To identify the complaint procedures and possible disciplinary actions

## ASSIGNMENT

- 2 Complete the Answer Sheet and Course Evaluation and submit to PES



### NOTICE

This course and test have been adapted from materials and information contained in materials entitled *Tennessee State Specific Ethics Course* and any supplemental material provided. This course is sold with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional advice and assumes no liability whatsoever in connection with its use. Since laws are constantly changing, and are subject to differing interpretations, we urge you to do additional research and consult appropriate experts before relying on the information contained in this course to render professional advice.

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Program publication date 7/31/13

## TENNESSEE STATE SPECIFIC ETHICS COURSE (COURSE #4820A/QAS4820A) – EXAM OUTLINE

**COURSE EXPIRATION DATE:** Per AICPA and NASBA standards, this course must be completed within one year from the date of purchase.

**TEST FORMAT:** The following final exam, consisting of 10 multiple choice questions, is based specifically on the material included in this course. The answer sheet must be completed and returned to PES for CPE certification. You will find the answer sheet at the back of this exam packet so that you may easily remove it and use it while taking your test.

**LICENSE RENEWAL INFORMATION:** The Tennessee State Specific Ethics Course (#4820A/QAS4820A) qualifies for 2 CPE hours.

**PROCESSING:** Your exam will be graded promptly. You must score 70% or better to pass. When you pass, your certificate of completion will be mailed. If you do not pass, we will give you a courtesy call to inform you of this and then another answer sheet will be sent to you free of charge.

**GRADING OPTIONS:** Please choose only one of the following. There is no additional charge for any of these grading options. Make sure to fill out your answer sheet completely prior to submitting it.

- **ONLINE GRADING** –Visit our website at <http://www.mypescpe.com>. Login to your account (if you are a first-time user you must set up a new user account). Go to the “**MY CPE**” tab and click the “**My CPE Exams in Progress**” folder. If your exam is not already located in this folder, click “**Add Exam Previously Purchased**” and follow the instructions.
- **MAIL** – Your exam will be graded and your certificate of completion mailed to you the same day we receive it. Your certificate will be dated according to the **postmark date**; therefore, you do not need to overnight your exam. Please mail your answer sheet to:

**Professional Education Services, LP**  
4208 Douglas Blvd., Ste 50  
Granite Bay, CA 95746

- **FAX** – Your exam will be graded and you will be contacted either via phone or fax with your results within 4 business hours of receipt. A copy of your graded exam and certificate of completion will be mailed to you the same day we receive it. Your certificate will be dated according to the fax date. If you choose to fax your exam, please do not mail it. Your fax will serve as the original. Please refer to the attached answer sheet for further instructions on fax grading. Fax number (916) 791-4099.



***Thank you for using  
Professional Education Services.  
We appreciate your business!!***

## **TENNESSEE STATE SPECIFIC ETHICS COURSE (COURSE #4820A/QAS4820A) – FINAL EXAM**

**The following questions are multiple choice. Please indicate your choice on the enclosed Answer Sheet.**

1. Address changes must generally be reported to the Board within 30 days. Which of the following address changes must be reported to the Board:
  - a) only home address changes must be reported to the Board
  - b) both home address and mailing address changes must be reported to the Board
  - c) both home address and employer address changes must be reported to the Board
  - d) a CPA must report changes in home address, mailing address, and employer addresses to the Board
2. Which of the following is true regarding active status licensees vs. inactive status licensees:
  - a) inactive CPAs must complete CPE
  - b) inactive CPAs are exempt from paying the biennial renewal fee
  - c) inactive CPAs may still use the "CPA" title without any restrictions
  - d) only active status CPAs may perform public accounting services
3. Which of the following is true regarding the need for a CPA firm to obtain a "firm" permit:
  - a) a sole proprietor is not required to have a firm permit
  - b) a Tennessee firm permit is required for each office location in the state
  - c) there are no peer review requirements required to renew a firm permit
  - d) once obtained, a firm permit never expires as long as the owners maintain their individual CPA licenses on active status
4. The Tennessee rule on integrity and objectivity:
  - a) is significantly different from the AICPA Rule 102
  - b) enumerates all possible violations
  - c) is purposefully broad
  - d) has been deleted
5. Which of the following is true regarding commissions and Tennessee CPAs:
  - a) Tennessee CPAs may pay and receive commissions subject to certain requirements
  - b) Tennessee CPAs may pay and receive commissions under any circumstances
  - c) Tennessee CPAs are not permitted to accept commissions under any circumstances
  - d) Tennessee CPAs are not permitted to pay commissions under any circumstances
6. Which of the following is true regarding client records and working papers and the Tennessee CPA:
  - a) if the CPA received any records owned by the client, the records must be returned
  - b) client records include the working papers of the CPA
  - c) the CPA may hold the client records until any unpaid fees are paid
  - d) all of the above
7. Which of the following may file a complaint against a CPA:
  - a) only the Board can file complaints against a CPA
  - b) both the Board and any current client may file a complaint
  - c) the Board, as well as current and former clients, may file a complaint against a CPA
  - d) complaints may be filed by anyone

8. Which of the following is true regarding the availability of the public to learn about disciplinary actions:
- a) Board disciplinary hearing minutes are sealed and generally not available to the public
  - b) disciplinary actions are published on the board's website and may be accessed by the public
  - c) disciplinary actions are published in *The Balance Sheet* that is mailed to all CPAs; however, detail of disciplinary actions is generally not available to the non-CPA public
  - d) any member of the public may learn about formal disciplinary actions by filing the required form and paying the current fee of \$25
9. In considering the disciplinary process and disciplinary actions, which of the following best describes the difference between a license suspension and a license revocation:
- a) a revocation is permanent, while a suspension is typically temporary
  - b) a revocation and suspension are both terms used to describe the same action
  - c) a suspension is generally more severe, as it is often accompanied by additional remedial actions the licensee must undergo
  - d) a revocation is more severe, as it usually includes the requirement for the licensee to complete additional CPE
10. Which of the following is the most severe disciplinary action the board may take:
- a) revoke license
  - b) penalties of up to \$25,000 per offense
  - c) punishment of a misdemeanor for up to 6 months in jail and/or a fine not to exceed \$10,000
  - d) for a felony, punishment of up to 15 years in prison

***Congratulations –  
you've completed the exam!***

**TENNESSEE STATE SPECIFIC ETHICS COURSE #4820A/QAS4820A**  
**(2 CPE hours) – ANSWER SHEET (7/13)**

**Important Note: For certification, this answer sheet must be completed and submitted to PES for grading within one year from the date of purchase. Please use black ink and print for quicker processing – thank you.**

Name (as it appears on your license) \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Home ☐ Work ☐  
Daytime Phone (\_\_\_\_) \_\_\_\_\_ E-mail address \_\_\_\_\_  
License Number \_\_\_\_\_ State \_\_\_\_\_ Expiration Date \_\_\_\_\_ CPA, CFP, EA (circle one)  
***If course was ordered by another party, please indicate name here:*** \_\_\_\_\_

**GRADING OPTIONS – Please choose only ONE of the following:**

- **ONLINE GRADING** – Visit our website at <http://www.mypescpe.com>.
  - Login to your account (if you are a first-time user, you must set up a new user account).
  - Go to the “**MY CPE**” tab and click the “**My CPE Exams in Progress**” folder.
  - If your exam is not already located in this folder, click “**Add Exam Previously Purchased**” and follow the instructions.
- **Mail** – Mail your exam to: PES, 4208 Douglas Blvd., Ste 50, Granite Bay, CA 95746
- **Fax** – Fax your exam to (916) 791-4099 and choose **one** of the following options:  
Please: ☐ mail my results only                      or ☐ fax ☐ phone my results to: (\_\_\_\_) \_\_\_\_\_

**PLEASE INDICATE YOUR ANSWER BY FILLING IN THE APPROPRIATE CIRCLE**

	A	B	C	D		A	B	C	D
1.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	6.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	7.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	8.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	9.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	10.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Please complete the attached course evaluation – your opinion is extremely valuable.**

**Tennessee State Specific Ethics Course #4820A/QAS4820A - Course Evaluation**

**Rate on a scale of 1-10 with 1 being poor and 10 being excellent.**

1. The course met the course objectives described in the promotional material. \_\_\_\_\_
2. The course was up to date, held my interest, was timely, and effective. \_\_\_\_\_
3. The course materials were understandable, valuable, and suitable for a correspondence course. \_\_\_\_\_
4. The amount of advance knowledge and stated prerequisites were appropriate. \_\_\_\_\_
5. The completion time was appropriate for the number of credits allowed. \_\_\_\_\_
6. The course met my professional education needs. \_\_\_\_\_

**Please answer the following questions – mark/rate any and all that may apply**

1. How would you rate PES's ☐ order desk \_\_\_\_\_  
☐ customer service \_\_\_\_\_
2. What can PES do to keep you as a valued customer?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Any other comments regarding this course or our company would be appreciated.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. What other courses/subjects would you like to see PES offer in the future?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



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