

**Professional Education Services, LP**

# North Carolina Professional Ethics

#4835A

**EXAM MATERIAL**



**PES**



**Professional Education Services, LP**

*The Professional's Choice for Quality CPE.*

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# **NORTH CAROLINA PROFESSIONAL ETHICS (COURSE #4835A)**

## **COURSE DESCRIPTION**

This course is designed to meet the specific ethics requirements for the state of North Carolina. It addresses the rules of professional ethics for North Carolina CPAs. No prerequisites. Course level: Basic. Course #4835A – 1 CPE hour.

### **Special Note**

This course is valid for renewal purposes for North Carolina CPAs only. This course is not the Accountancy Law course required by 21 NCAC 08F .0504 and does not qualify an individual to obtain an original or reciprocal certificate. The Accountancy Law course required for certification is an 8-hour course and should not be confused with this ethics course that is required for license renewal. If you have any questions, please contact the North Carolina CPA Board staff at (919) 733-1423.

## **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 1:     SUBJECT**

#### **North Carolina Professional Ethics and Conduct**

Study the course materials from pages 1 to 30

Complete the review questions at the end of the course

Answer the exam questions 1 to 5

#### **Objectives:**

- To identify the North Carolina Board rules to be followed by CPAs

## **NOTICE**

This course and test have been adapted from supplemental materials and information contained in the materials entitled *North Carolina Professional Ethics*. Use of these materials or services provided by Professional Education Services, LP (“PES”) is governed by the *Terms and Conditions* on PES’ website ([www.mypescpe.com](http://www.mypescpe.com)). PES provides this course with the understanding that it is not providing any accounting, legal, or other professional advice and assumes no liability whatsoever in connection with its use. PES has used diligent efforts to provide quality information and material to its customers, but does not warrant or guarantee the accuracy, timeliness, completeness, or currency of the information contained herein. Ultimately, the responsibility to comply with applicable legal requirements falls solely on the individual licensee, not PES. PES encourages you to contact your state Board or licensing agency for the latest information and to confirm or clarify any questions or concerns you have regarding your duties or obligations as a licensed professional.

Note: Any case studies or examples relating to any disciplinary actions taken by the Board of Accountancy have been taken directly from a BOA source (e.g. website, newsletters, notices) and were published based on the information available at the time of course development. Subsequent events, actions, withdrawals may have occurred since the publication of this course.

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**NORTH CAROLINA PROFESSIONAL ETHICS  
(COURSE #4835A)  
EXAM INFORMATION**

**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 5 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 North Carolina Professional Ethics course (#4835A) qualifies for **1** CPE hour.

**PROCESSING:** You must score 70% or better to pass. If you mail or fax your exam, 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. When completing your exam online, grading is instantaneous. Upon achieving a passing score, the completion certificate is immediately available in your account under "My Completed CPE." **Please note:** failed exams may be retaken. Per NASBA and AICPA guidelines, missed questions cannot be indicated until after you pass.

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

**GRADING OPTIONS:** Please choose only **ONE** of the following. If mailing or faxing, 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). Click on the course title of the exam you wish to take. Once all answers have been selected, click the "Submit/Grade Answers" button at the bottom of the page for instant grading and certification. **If you do not see the exam listed**, click on "My CPE in Progress." Click on the "Add Exam to Account" button and follow the instructions.
- **MAIL** – Your exam will be graded and your certificate of completion mailed to you within one business day. Your certificate will be dated according to the **postmark date**. 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. 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.**

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# **NORTH CAROLINA PROFESSIONAL ETHICS (COURSE #4835A)**

## **FINAL EXAM**

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

1. Which of the following is correct regarding certificate renewals:
  - A. certificates are required to be renewed annually on a calendar basis
  - B. the annual certificate renewal fee is \$60
  - C. if a CPA fails to renew his or her certificate prior to the renewal deadline, the CPA is automatically placed on inactive status
  - D. a person who has forfeited his or her certificate for failure to renew may not apply for reinstatement
2. Which of the following is correct regarding changing a legal name with the Board:
  - A. the licensee is required by the Board to supply copies of the document that legally authorizes a name change
  - B. the fee for processing a name change is \$125
  - C. the Board will automatically issue a new certificate once a legal name change has been registered
  - D. the processing time for a new certificate showing the new legal name is 10 to 12 months
3. Conduct considered discreditable to the accounting profession includes which of the following:
  - A. stating or implying an ability to improperly influence a governmental agency or official
  - B. failing to fulfill the terms of a peer review engagement contract
  - C. misrepresentation in reporting CPE credits
  - D. all of the above
4. Within how many days is a CPA required to respond to all inquiries of the Board or representatives of the Board:
  - A. 7 days
  - B. 21 days
  - C. 30 days
  - D. 180 days
5. Rule 08N .0212 requires that a CPA be competent. Nash, CPA seeks to provide services to a new client in an industry that he has not previously served. Which of the following is true regarding Nash, CPA providing services to this client:
  - A. Rule 08N .0212 requires that Nash, CPA have sufficient professional competence prior to accepting any engagement
  - B. Rule 08N .0212 would not apply in this case since Nash is a CPA. It only applies to non-CPA subordinates
  - C. Rule 08N .0212 allows Nash, CPA to accept the engagement as long as it can be completed competently
  - D. Rule 08N .0212 would require Nash, CPA to engage the services of an expert in that industry prior to accepting the engagement but would not require that Nash, CPA be competent in that area

***Congratulations –***

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

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**NORTH CAROLINA PROFESSIONAL ETHICS #4835A (1 CPE HOUR)**  
**ANSWER SHEET (3/21)**



**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.

Full Name (as it appears on your license) \_\_\_\_\_

Address (☐ Home ☐ Work ) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Daytime Phone (        ) \_\_\_\_\_ E-mail \_\_\_\_\_

License Number \_\_\_\_\_ State \_\_\_\_\_ Exp Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Are you a: ☐ CPA ☐ CFP ☐ EA (check all that apply)

PTIN Number (if applicable) \_\_\_\_\_

If course was ordered by another party, please indicate their name here: \_\_\_\_\_

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

**ONLINE GRADING** – Visit our website at [www.mypescpe.com](http://www.mypescpe.com). Login to your account (if you are a first-time user, you **must** set up a new user account). Click on the course title of the exam you wish to take. **If you do not see the exam listed**, click on “My CPE in Progress,” then click on the “Add Exam to Account” button 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:

☐ Mail my results ☐ Fax my results (\_\_\_\_) \_\_\_\_\_ ☐ Phone my results (\_\_\_\_) \_\_\_\_\_

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

- |    | A                     | B                     | C                     | D                     |
|----|-----------------------|-----------------------|-----------------------|-----------------------|
| 1. | <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"/> |
| 3. | <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"/> |
| 5. | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

**Please complete the attached course evaluation - your opinion is extremely valuable!**

**NORTH CAROLINA PROFESSIONAL ETHICS #4835A  
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? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PLEASE MAIL YOUR EVALUATION TO:  
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