

# CPAFMA PROFESSIONAL GUIDELINES CORE VALUES OF A FIRM MANAGER

The accounting profession must adhere to high ethical and professional standards to maintain public trust. This CPAFMA Code of Professional Conduct sets forth guidelines or standards for the professional responsible for the managing of an accounting practice.

Accounting Firm Managers at all levels must become familiar with these standards and incorporate them into their performance. Each should study and comply with all ethical and professional guidelines of accounting societies which apply in their respective jurisdictions. Furthermore, they should take the lead in communicating relevant standards to staff personnel who may be less familiar than Certified Public Accountants with the ethical and professional guidelines of boards of accountancy and state societies, and in communicating appropriate policies and procedures to accountants.

The CPA Firm Management Association (CPAFMA) is committed to upholding the highest ethical and professional standards through its members to maintain trust with the partners/management of its member firms, their employees and their clients.

## THE PROFESSIONAL ACCOUNTING FIRM MANAGER SHALL, DEPENDING ON INDIVIDUAL RESPONSIBILITIES:

### **Honesty**

- Strive to be open and honest in all situations and relationships.
- Honor your commitments; your word is your reputation.

### **Integrity**

- Avoid conflicts of interest, both personally and professionally.
- Never engage in activities that would prejudice the ethical performance of job responsibilities.
- Refuse any gift, favor or hospitality that would influence or appear to influence actions, unless such item is fully disclosed to and approved by management.
- Never solicit or accept any personal or family fee, commission, gift, gratuity, discount or loan for performing job duties or providing services to existing or potential clients. Receipt of promotional items is acceptable if firm policy allows.

- Pursue and promote fair and equitable employment practices.

### **Objectivity**

- Communicate all information fairly and objectively.
- Fully disclose all known information that would be material to a particular management or financial decision.

### **Competence**

- Maintain an appropriate level of professional competence and enhance existing skills through ongoing professional education programs, peer group associations and self training.
- Recognize and communicate professional limitations and other constraints that would preclude responsible judgment or successful performance of an activity.
- Ensure that delegated tasks are responsibly assigned and competently performed.

### **Independence**

- Ensure that all personal political activities are separate from the accounting practice.
- Never make investments which would benefit from inside knowledge of the accounting practice or its clients.
- Exercise prudence and restraint in personal financial affairs, including speculative investment and margin accounts, in order to avoid debts and other financial obligations which could compromise independence and professional judgment.

### **Professional Responsibility**

- Promulgate a positive image of the accounting practice to its clients and potential clients; CPAs and staff personnel; bankers, consultants and vendors; the press; governmental agencies; the accounting community; and all other affiliated audiences.
- Exercise reasonable diligence in gathering business data and information from internal and external sources and in reporting that information in a manner which facilitates informed decision-making.

### **Confidentiality**

- Never disclose confidential information acquired in the course of employment, whether or not still employed by the accounting practice, except when legally obligated to do so.
- Ensure that all confidential and proprietary information acquired in the course of duty is used solely for accounting practice purposes, is not provided to unauthorized persons, and is not used for the purpose of furthering a private interest or making a personal profit.

### **Service**

- Perform business duties in good faith in a manner believed to be in the best interests of the accounting practice.
- Perform duties only within assigned authority and accomplish them in a timely manner.
- Promote and monitor guidelines for practice development and marketing activities to ensure that those activities are appropriate for the accounting practice and confirm with applicable professional guidelines.

*Disclaimer* – CPA Firm Management Association (CPAFMA), instead of stipulating a set of rules, established a framework of fundamental principles that serve as standards for professional accounting firm managers. The Association does not warrant or represent that the information is free from errors or omission. The Standards are made available on the understanding that the CPAFMA Board of Directors and its officers and agents shall have no liability (including liability by reason of negligence) to the subscribers for any loss, damage, cost or expense incurred or arising by reason of any person using or relying on the information and whether caused by reason of any error, negligent act, omission or misrepresentation in the information or otherwise. CPAFMA takes no responsibility for the actions of its members regarding job performance or in reference to these Standards.