

Upcoming: 120 CPD Requirements for CPAs



"Change is coming," is a theme that the Duterte Administration is pursuing. It seems that the Board of Accountancy (BOA) is pursuing the same directions with the instituting of several improvements and developments in the accounting profession via its own "Expanding Horizons" initiatives.

Some of the changes instituted by BOA to date are the alignment of the Accountancy Curriculum to the K to12 Program; the launching of the accreditation of CPAs in commerce and industry; the monitoring of universities and colleges to ensure that only accredited CPAs are allowed to teach accounting subjects; the changes in the subjects and the content of the CPA board examination; and the preparation for the ASEAN Integration. All of these strategic moves are geared toward a more capable and competitive Filipino CPA not only in the Philippines but also globally.

A recent initiative of the BOA is the gradual increase of the Continuing Professional Development (CPD) three year unit requirements from sixty (60) to one hundred twenty (120) units starting year 2017. For a three year period, it has been announced that the required CPD units will increase by 20 units annually over three years period until 2019.

The purpose of CPD is to ensure that the CPAs and all other professions regulated by Professional Regulation Commission are inculcated with skills, knowledge, ethical values and a lifelong learning as a. The increase in CPD requirements for the CPAs is necessary due to major changes in field of finance and accounting, including compliance with regulatory bodies, financial framework and even technological progression.

On top of the increase in the CPD unit requirements, additional changes and improvements include:

- Change of the five (5) thematic to three (3) competence areas to align with international standards. The new areas are Technical Competence, Professional Skills and Professional Values, Ethics and Attitudes.
- Further expansion of the Technical Competence to three (3) areas which are standards applicable to practice, laws, rules and regulations affecting professional practice and environment of the practice.
- Encouragement of self-directed learning which may include attending short term post-graduate programs and writing of books, articles and papers related to accounting profession are convertible to CPD.
- Establishment of the non-verifiable CPD which are professional learning other than those covered by PRC Resolution 774, such as mentorship and research.
- Implementation of the monitor system for classroom-type CPD courses, workshops and conventions.
- Mandatory requirement for a CPA to comply with CPD requirements during license renewal.

These initiatives are consistent with the objectives of the recently enacted Republic Act No. 10912 mandating and strengthening the Continuing Professional Development for all regulated professionals and the PRC Resolution 2016-990.

But there are challenges in these CPD initiatives. The CPAs, especially the small and medium size practitioners are concerned with the additional costs associated with the increased CPD units requirements. To address these concerns, BOA is continuously coordinating and communicating with CPAs in the four (4) sectors of the accounting profession - public practice, commerce and industry, education or academe and government practice, to come up with a program that is beneficial on all the parties.

BOA is also encouraging agencies or organization to apply for accreditation as CPD providers so that it will be much easier for CPAs to attend seminars and trainings especially from rural areas with the increased number of providers.. The Philippine Institute of Certified Public Accountants (PICPA), the national organization for CPAs, is a leading provider of seminars and trainings with array of different topics for the various competence areas. Online or web-based training can also be institutionalized so that learning can be much accessible to CPAs thru the aid of technology. CPAs can also earn CPD units by being a resource speaker in conferences, seminars and trainings.

Change is inevitable, The CPAs must remain relevant, innovative and competitive. Otherwise we will be left behind by foreign competition and the global and ASEAN transformation.

With the guidance and assistance of BOA and PICPA, let's turn these threats to opportunities. Let us continuously learn and convert our weaknesses to strengths.

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This column accepts contributions from accountants, especially articles that are of interest to the accountancy profession, in particular, and to the business community, in general. These can be e-mailed to boa.secretariat@gmail.com