



Joel L. Tan-Torres

## DEBIT CREDIT

### **DAWNING OF THE NEW ERA IN ACCOUNTANCY EDUCATION (First of two parts)**

It started way back in 2014 when I first met Dr. Arnel Uy, the Chairman of the Commission on Higher Education (CHED) and Board of Accountancy (BoA) Technical Committee tasked to review the accountancy education curriculum. We exchanged ideas on the directions and future that we envision for the accountancy education in the Philippines.

The profile of this sector is quite impressive. There are more than 500 schools offering the Bachelor of Science in Accountancy (BSA). Over 125,000 students enrol each year in the BSA. Over 21,000 BSA graduates take the Certified Public Accountant (CPA) Licensure Examination each year. More than 8,500 pass these Board Examinations to become CPAs each year.

The BSA in its current form was prescribed by the CHED in January 2007 in CHED Memorandum Order (CMO) 03 Series 2007. It has been over ten years since the BSA was first offered. The past decade has seen the emergence of so many developments affecting the business environment, in general, and the accountancy profession, in particular. So many changes and innovations have arisen in the areas of technology, governance, business models, industry expectations, competencies, etc. The BSA has been rendered obsolete as a result of these developments.

Three years after my initial conversation (and many other discussions) with Dr. Arnel, the CHED released four CMOs last May 9, 2017. These are CMOs 27 to 30 Series of 2017. These CMOs prescribed the Philippine Accounting Education Framework (PAEF) and the Program Standards and Guidelines (PSG) for four accountancy programs, namely:

- BS in Accountancy (revised)
- BS in Accounting Information System (ex BSAIS)
- BS in Internal Audit (BSIA)
- BS in Management Accounting (BSMA)

These will become effective in school year 2018/2019

The PAEF provides the minimum standards and requirements for the accountancy degree programs that can be offered by the higher education institutions. The PAEF is consistent with the latest competency framework for professional accountants issued by the International Federation of Accountants through its International Education Standards (IEES), including . IES 2 (Technical Competence), IES 3 (Professional Skills), IES 4 ( Professional values, ethics and attitudes), IES 5 (Practical experience) The PAEF uses a learner-centered and outcome based approach that is geared towards addressing the requirements of the profession and various stakeholders,

The accountancy programs or degree courses that are prescribed in the CMOs include a revised BSA and three new accounting programs. The new BSA reduces the number of minimum number of academic units from the previous 210 to 173 units. The three other degree courses of BSAIS, BSMA and BSIA institutionalize the accountancy programs that will address specialized requirements of the industry and profession,

With these developments, we are now seeing the dawning of a new and exciting era in the accountancy education in the Philippines.

(To be continued)

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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](mailto:boa.secretariat@gmail.com)*