



PULSAR

Education of accountants in the Public Sector


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Public Sector Accounting and Reporting Program

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The PFM reform and the need to ensure medium- and long-term planning led to the formation of a new conceptual basis of accounting

The introduction of the IPSAS has become the main tool for the preparation of reliable information that makes it possible to forecast data and supports effective decision-making in PFM



The implementation of IPSAS led to new requirements for employees of the accounting profession



The conceptual framework of the IPSAS encourages the understanding and use of the accrual principle in accounting



At the same time, the conceptual framework of accounting should take into account the limitations of the budget process



The majority of accountants of public sector institutions acquire an understanding of the principles of work after starting their duties

Thus, employees engaged in the preparation of financial information for the management of budgetary resources do not have adequate academic knowledge and terminology set



The **consequences** of the unsatisfactory quality of personnel support are:

- ✓ high staff turnover, significant time spent on training accounting specialists,
- ✓ which affects the reliability and timeliness of accounting information



This research is devoted to the peculiarities of the educational process of training public sector accountants in different countries of the world



Countries that were selected for the study:

Albania

Georgia

Philippines

Vietnam

South Africa

Zambia



Activity in this product is carried out in the following stages:

- ✓ Selection of countries and initial collection of information in Smart Interactive talks (2022)
- ✓ Preparation of a questionnaire and collection of detailed information for each country
- ✓ Analysing responses and identifying key trends and issues for discussion
- ✓ Presentation of results in dissemination activities, which are planned for end of 2023





This research covered **the following areas:**

- 1. Organization model of the PSA education**
- 2. Coordination of the education process for accountants in the public sector**
- 3. PSA education at universities**
- 4. Syllabus used for teaching of PSA**
- 5. Requirements for certification of accountants in the public sector**
- 6. Requirements relating to the CPD**
- 7. Involvement of professional organizations**

The main goal of the educational process is

the training of highly qualified and experienced professional accountants who, in turn, will be able to ensure the education of the next generation of specialists

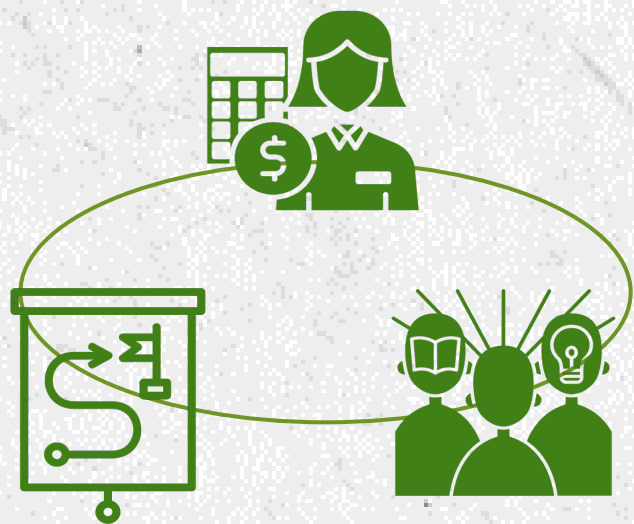


Currently, the system of education of accounting specialists includes several levels

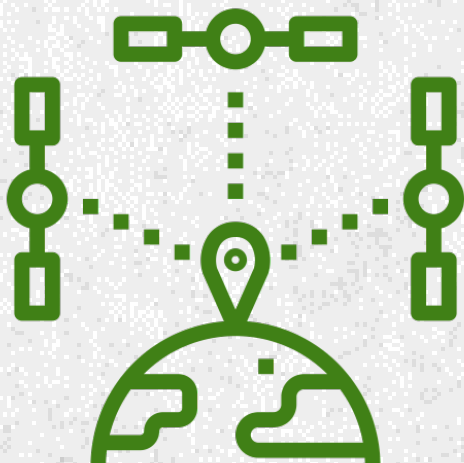


- Secondary special education
- University Bachelor Level
- University Master Level
- Doctoral level
- CPD in form of different kinds of certification and trainings

However, there is no single, consistent approach to qualification formation for public sector accountants

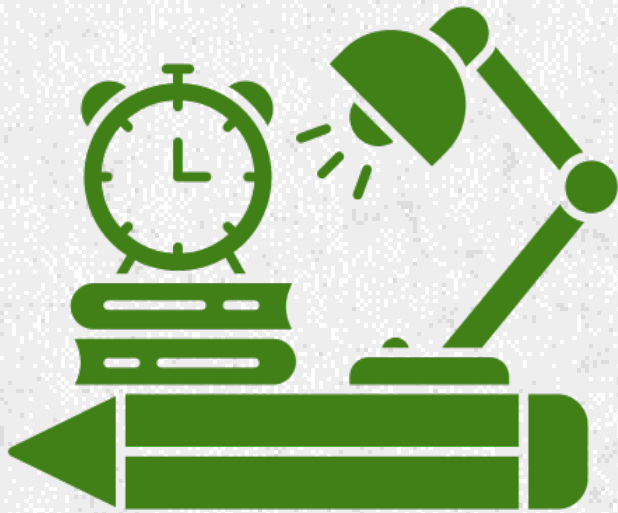


- Training public sector accountants requires to:
- ✓ take into account the limitations of the budget process, as well as
 - ✓ understand the exact number of such specialists needed by the state



That is why **the coordination body is important.** There are different models/approaches applied in different countries

Responsible body for education in PSA



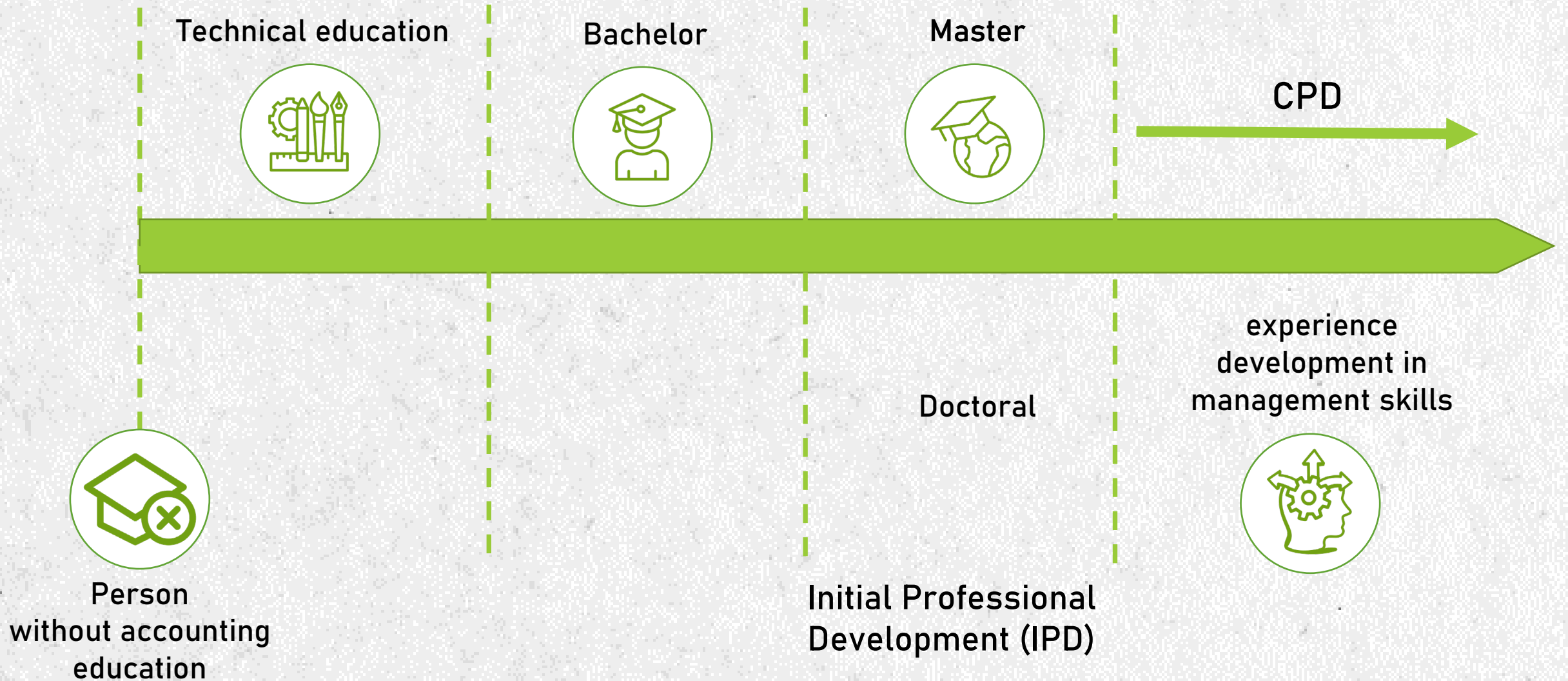
Albania. Ministry of Finance and Economy in collaboration with APSS provides all PSA specific education and on-the job-training

Georgia. Ministry of Finance including through the subordinated Academy of Finance of the Ministry. The National Centre for the Development of the Quality of Education conducts assessments to evaluate the quality of teaching at the university level

Vietnam. Ministry of Finance. University designs the details of curriculum for PS education aligned with current general rules of MOET and MOF

South Africa. The National Treasury and Department of Public Service Administration (DPSA)

Stages of Education Pathway in PSA



| Level / qualification | Bachelor | Master/Doctoral | CPD |
|-----------------------|--|-----------------|--|
| Accounting | + | + | + |
| PSA | Separate subjects in general accounting qualification without standalone qualification | | Usually provided by PAO or MOF Academy |



The list of the subjects connected with PSA at the University level (Bachelor & Master) Vietnam



Academic Subjects

1. Set of Courses about Public Finance Regime
2. Set of Courses about Public Accounting and FS Analysis
3. Set of Courses about Public Auditing
4. Set of Courses about Public Sector Control and Forensic
5. Set of Courses about Accounting Standards in the Public Sector

Supplementary Subjects

1. Accounting Information Security
2. HR Management for Public Organizations
3. Leadership in Public Sector
4. Management Accounting
5. Corporate Financial Accounting
6. Corporate Finance
7. Vietnamese Taxation System

The list of the subjects connected with PSA at the University level (Bachelor & Master) Albania



- ✓ Introduction to public sector accounting
- ✓ IPSAS fundamentals
- ✓ Introduction to public financial management
- ✓ Fundamentals of budgeting and management analysis

Fundamentals of budgeting and management analysis is most relevant to the Management Accounting module at bachelor level.

At masters level defined universities have already made progress. Materials provided to the universities in a previous project have been used to introduce some limited IPSAS content into the Government and Non-Profit Accounting modules. However, the syllabus for this module at the universities has been heavily influenced by the scope of the main textbook used in the course

The example of the syllabus of postgraduate level of PSA in South Africa



Postgraduate Diploma in Public Sector Accounting (CG034ACC11)

This programme focuses on the acquisition of skills in Public Sector Accounting, including legislation and regulations, the role of government, recording and reporting of financial transactions, controls and audits in government entities, preparation of budgets and forecasts, and other reporting issues. The programme has been offered since 2015, in response to the urgent need in South Africa for competent and accountable public sector financial managers to improve public sector management and reporting. Accounting graduates are provided a route to completing a relevant university qualification to pursue a career in National, Provincial and Local government organisations, as well as with the Auditor General Southern Africa (AGSA).

Entrance requirements:

B Com (General Accounting) degree, or similar (NQF level 7) undergraduate degree in Accounting.

Duration: 1-year full time; or 2-year distance learning.

Teaching mode:

From 2019, all four courses will be offered online, using the UCT VULA platform. Students should have access to a computer and internet.

The programme consists of four courses, each consisting of a number of modules. A pass in all four courses is required in order to be awarded the PG Dip in Public Sector Accounting qualification.

Applications are online and usually close at 31 October, for registration in the following academic year. Visit: www.uct.ac.za

For more information, contact Ilse Lubbe at ilse.lubbe@uct.ac.za or the programme administrator, Olivia Europa, at olivia.europa@uct.ac.za

College of Accounting, Leslie Commerce Building, level 4, Upper Campus, UCT
Telephone: 021 650 2269

Compulsory courses:

| Course code | Course name | HEQF credits | HEQSF level | 2018 FEES ¹ |
|-------------|--|--------------|-------------|------------------------|
| ACC4038T | Public Financial Management | 36 | 8 | R14 710 |
| ACC4037V | Public Sector Financial Reporting | 36 | 8 | R14 710 |
| ACC4038V | Public Sector Structures and Functions | 24 | 8 | R11 990 |
| ACC4039T | Public Sector Audit and Governance | 24 | 8 | R11 990 |
| | Total | 120 | | R53 400 |

¹ Details of fees for 2019 are not yet available

Assessment:

For each of the four individual courses: formative assessments (including regular submission of assignments and essays), at least one test per semester and final exams.

Students are required to achieve a year mark of 40% for each course in order to qualify to write the final examination in that course. The results of the assignments submitted and semester tests during the year will constitute the year mark for each course. The year mark constitutes 40% of the final mark, and a final examination (including an integrated assignment) constitutes 60% of the final mark.

To qualify for the PGD PSA, students must attain a minimum mark of 50% in each of the separate courses. A student who fails only one of the four courses of the diploma may be permitted by senate to write a supplementary examination in that course.

Readmission rules:

A student who fails to complete the requirements for the programme within two years of study will be allowed to re-register in the third year for each of the courses that the student failed in the prior academic year.

No student will be readmitted to the programme if they have failed any course in the programme twice.

Teaching and learning strategy:

The programme uses a combination of teaching and learning strategies that promote student self-directedness and a lifelong learning philosophy among students. This is in line with UCT's mission of being an outstanding teaching university educating for life and addressing the challenges facing our society. Students will have individual access to all staff participating in the programme for academic support, in the form of consultation and in an advisory capacity.

Outlines of modules (course curriculum) and specific outcomes for each course:

| | |
|--|--|
| Public Financial Management (ACC4036W) | |
| Students will demonstrate the ability to | |
| <ul style="list-style-type: none"> • Design, present, monitor and evaluate forecasts, budgets and project appraisals • Evaluate and report financial management outcomes against predetermined objectives based on financial management policies • Apply management accounting and financial management techniques which achieve the strategic objectives of the organisation | |
| Module | |
| 1 | Strategic management accounting |
| 2 | Budgeting and management control systems |
| 3 | Capital budgets and project appraisal |
| 4 | Public finance and financial management |
| 5 | Supply chain management |
| 6 | Performance management |
| 7 | Asset management |
| 8 | Taxation management |

| | |
|---|---|
| Public Sector Structures and Functions (ACC4038H) | |
| Students will demonstrate the ability to | |
| <ul style="list-style-type: none"> • Interpret, introduce, monitor and apply relevant legislation within the public sector organisation (e.g. PFMA, MFMA, National Treasury Regulations, etc.) • Apply public and administration policies within the public sector organisation | |
| Module | |
| 1 | The role, structure and administration of governments |
| 2 | The government in South Africa, its structures and administration |
| 3 | The Public Finance Management Framework in South Africa |
| 4 | Government Revenue and Expenditure |
| 5 | Public Entities, Municipal Entities and Organs of State |
| 6 | Current issues |

| | |
|--|--|
| Public Sector Audit and Governance (ACC4039H) | |
| Students will demonstrate the ability to: | |
| <ul style="list-style-type: none"> • Design, analyse and evaluate financial and related information systems for business monitoring and control purposes • Identify risks and plan work to meet the objectives of an internal or external audit assignment | |
| Module | |
| 1 | Internal Controls and External Audit |
| 2 | Public Sector Audit Environment |
| 3 | Accountability and Governance |
| 4 | Risk identification and response in the public sector, including forensic auditing |
| 5 | Practical applications |

| | |
|---|--|
| Public Sector Financial Reporting (ACC4037W) | |
| Students will demonstrate the ability to | |
| <ul style="list-style-type: none"> • Prepare, present and monitor information reported in compliance with financial reporting frameworks and applicable standards of disclosure, for government institutions (i.e. GRAP and modified cash basis) • Interpret and analyse financial information and statements for national, provincial and local government organisational forms (e.g. municipalities, government entities, etc.) | |
| Module | |
| 1 | Reporting environment for public sector entities |
| 2 | Reporting framework – GRAP principles |
| 3 | Accounting processes in the public sector |
| 4 | Preparing financial statements |
| 5 | Non-current assets |
| 6 | Revenue and working capital |
| 7 | Net assets and liabilities |
| 8 | Other GRAP standards |
| 9 | Interpretations and other reporting issues |

Certification for PSA of PAO

CIFPA programmes

| Stage | Module |
|---|--|
| <u>CIPFA Certificate in Management and Financial Accounting</u> | Management Accounting |
| | Financial Accounting |
| <u>CIPFA Diploma in Financial Management and Audit</u> | Audit and Assurance |
| | Business Planning and Financial Management |
| | Developing Strategy and Data Analysis |
| <u>CIPFA Diploma in Governance, Risk and Taxation</u> | Business Reporting |
| | Governance and Risk Management |
| | Tax and Law (UK and international options) |
| <u>CIPFA Diploma in Public Financial Management, Reporting and Business Change</u> | Implementing Business Change |
| | Strategic Public Financial Management |
| | Public Sector Financial Reporting (UK and international options) |
| | Strategic Case Study |
| <u>CIPFA Diploma in Public Financial Management, Reporting and Advanced Audit*</u> | Advanced Audit |
| | Strategic Public Financial Management |
| | Public Sector Financial Reporting (UK and international options) |
| | Strategic Case Study |

Cert IPSAS ACCA course contents

IPSASB

An overview of the work of the Board (IPSASB), including its organisation, the characteristics of public sector entities, the relationship between IPSAS and the corresponding International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), the purpose of financial statements and any ongoing projects.

Financial statement presentation and accounting policy

Develops an overview of:
financial statements (IPSAS 1)
cash flow statements (IPSAS 2)
accounting policies, changes in accounting estimates, and errors (IPSAS 3).

Financial performance

Provides an understanding of:
non-exchange revenue (IPSAS 23)
exchange revenue (IPSAS 9)
construction contracts (IPSAS 11).

Accounting for assets and liabilities

Delivers teaching around a wide range of topics including:
property plant and equipment (IPSAS 17)
intangible assets (IPSAS 31); investment property (IPSAS 16); impairment of cash generating assets (IPSAS 26); impairment of non-cash generating assets (IPSAS 21);
borrowing costs (IPSAS 5)
inventories (IPSAS 12)
leases (IPSAS 13)
financial instruments (IPSAS 28, 29, 30)
provisions; contingent liabilities and contingent assets (IPSAS 19)
events after the reporting date (IPSAS 14)
employee benefits (IPSAS 25)
agriculture (IPSAS 27).

Cert IPSAS ACCA course contents

Consolidation

Delivers training around:

- ✓ consolidated and separate financial statements (IPSAS 6)
- ✓ interests in joint ventures (IPSAS 8)
- ✓ investments in associates (IPSAS 7)
- ✓ translation of financial statements of foreign operations (IPSAS 4)
- ✓ financial reporting in hyperinflationary economies (IPSAS 10)
- ✓ disclosure standards and other topics, presentation of budget information (IPSAS 24)
- ✓ segment reporting (IPSAS 18)
- ✓ related party disclosures (IPSAS 20)
- ✓ disclosure of financial information about the general government sector (IPSAS 22)
- ✓ service concessions (IPSAS 32)

Cash basis IPSAS

Teaches students about Part 1 of the cash basis IPSAS, covering required information in:

- ✓ the statement of cash receipts and payments disclosures
- ✓ consolidation under the cash basis
- ✓ presentation of budget information in the financial statements
- ✓ the additional (non-mandatory) disclosures encouraged in Part 2 of the cash basis IPSAS

Cert IPSAS ACCA course contents

First-time adoption of accrual-based IPSAS

Delivers training cover the following areas:
migrating from cash to accrual basis
first time adoption of IPSAS (IPSAS 33)
change management and the adoption of IPSAS

Forthcoming proposals for change

Teaches students about Public sector financial crisis and IPSAS, IPSASB's strategic direction and forthcoming proposals from the IPSASB

***It should be noted, a significant part of the subjects of international certifications is reflected in the curricula of universities.
It's a basic for the development joint educational projects with a preferential option for certifications***

Certification for PSA

In most countries **there are no requirements** for certification set in the legislation

Accordingly, **there are no requirements** for certification at a regulatory level

As a result, **there are no incentives for PS accountants** to obtain specific education on PSA and improve their qualifications or obtain relevant certification

There are countries that **plan to develop certification**

And

there are countries **with developed certification** programs

Certification for PSA. South Africa

Certificate: Public Sector Accounting Technician NQF Level 3

1 Year (120 Credits)

- Introduction to Accounting
- Workplace Skills
- Working with Computers
- Professional Ethics
- Budgeting and Reporting
- Making and Recording Payments
- Recording Revenue and Receipts

Certification for PSA. South Africa

FET Certificate: Public Sector Accounting Technician NQF Level 4 1 Year (120 Credits)

- Communication and Supervision
- Use of Technology in Accounting
- Professional Ethics
- Preparation of Reconciliations and Trial Balances
- Financial Statements
- Recovery of Debtors
- Budget Preparation and Monitoring

Certification for PSA. South Africa

Certificate: Public Sector Accounting NQF Level 5 1 Year (120 Credits)

- Communication and Managing a Team
- Economic Reporting Format and SCOA Classification
- Professional Ethics
- Budget Management
- Accounting for Assets and Inventory
- Financial Reporting

Internal Control, Internal Audit and External Audit

CPD in PSA

reflected by different activities in collaboration with PAOs

Albania. Develop a CPD program Develop an Educational Framework for development of Public Sector Accounting Professionals

Completed the program “Trainings for Trainers” in PSA: 25 trainers qualified to conduct trainings have delivered trainings for near 600 PS accountants

Philippines. Accreditation of CPAs in public practice:

- ✓ 3 yeas of minimum experience in Public Practice;
- ✓ completion of 120 CPD credits;
- ✓ QAR Compliance;
- ✓ renewed every 3 years

CPD in PSA

Georgia. The responsibility for teaching public sector accounting largely falls on the Academy of the Ministry of Finance. Only a limited number of universities in the country offer courses on accounting specifically tailored to the public sector.

CPD in PSA

Zambia. ZICA provides the support to the Public Sector to the Central Government

*The annual event brings together **Town Clerks/Council Secretaries, Heads of Finance Departments and Heads of Internal Audit Functions** with focus on enhancing financial management in Local Authorities.*

This ***workshop covers topics*** on:

- ✓ Corporate Governance
- ✓ Public Finance Management Act
- ✓ Internal Controls and
- ✓ Latest economic developments

This event brings together about 400 PFM experts

CPD. ZICA QUALIFICATIONS (CA Zambia and PSFM Diploma)

CA Certificate in Accountancy (ZQF Level 4) (Technician)

1. Financial Accounting
2. Business Mathematics
3. Business Economics
4. Commercial and Corporate Law
5. Management Theory & Practice
6. Business Communication

CA Application Advanced Diploma in Accountancy (ZQF Level 7) (Licentiate)

- 2.1 Financial Reporting
- 2.2 Management Accounting
- 2.3 Audit
- 2.4 Taxation
- 2.5 Financial Management
- 2.6 Strategic Business Analysis

CPD. ZICA QUALIFICATIONS (CA Zambia and PSFM Diploma)

CA Advisory Professional in Accountancy (ZQF Level 9) (Graduate)

3.1 Advanced Financial Reporting
3.2 Advanced Audit & Assurance Choose any one of the following routes:

Public Practice Route

3.4 Advanced Taxation
3.7 Public Sector Audits and Assurance

Business Route

3.5 Advanced Management Accounting
3.6 Advanced Financial Management

Public Sector Route

3.7 Public Sector Audits and Assurance
3.8 Public Sector Financial Management

Diploma in Public Sector Financial Management (ZQF Level 6)

PFM1 Public Sector Accounting
PFM2 Legal Aspects of Public Sector Finance and Administration
PFM3 Governance and Management in the Public Sector
PFM4 Public Sector Financial Management
PFM5 Public Sector Audits
PFM6 Financial Reporting Framework for Public Sector Entities

Involvement of professional organizations in PSA Education

| Philippines | Vietnam |
|---|--|
| <ul style="list-style-type: none">– PICPA (Philippine Institute of Certified Public Accountants)– ACPAE (National Association of Certified Public Accountants in Education)– GACPA (Government Association of Certified Public Accountants)– ACPACI (Association of Certified Public Accountants in Commerce and Industry)– ACPAPP (Association of Certified Public Accountants in Public Practice) | <ul style="list-style-type: none">– Public Organizations at various fields in Vietnam– ACCA UK– CPA Australia– ICAEW UK |

Involvement of professional organizations in PSA Education

| South Africa | Zambia |
|---|---|
| <p>SAICA (South African Institute of Chartered Accountants) is registered with SAQA as a Professional Body and is Quality Assurance Partner to the QCTO and delegated authority from the Regulator to accredit education providers to deliver the AT qualifications and employers to provide directed work experience</p> | <p>Zambia Institute of Chartered Accountants (ZICA) is a self regulated membership Institute established by an Act of Parliament, the Accountants Act 1982 which was repealed by the Accountants Act (2008)</p> |

Involvement of professional organizations in PSA Education

| Albania | Georgia |
|--|---|
| <p>PAO provides continuous professional education for the development of accounting professionals (CIPFA, Instituti I Ekspertëve Kontabël të Autorizuar (IEKA), and Instituti I Kontabilistëve të Miratuar (IKM))</p> | <p>Accountancy education may be continued at a professional level via qualification with professional accountancy organizations in Georgia</p> <p>Currently there are two PAOs whose certification programs: the Georgian Federation of Professional Accountants and Auditors and the Georgian Federation of Auditors, Accountants and Financial Managers, however none of them is specifically relating to the PSA</p> |


Thank you!



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