

ILLUSTRATIVE EXAMPLE: DESIGNING A HIGHER EDUCATION PROGRAM TO CONTRIBUTE TO A PROFESSIONAL ACCOUNTING QUALIFICATION¹

This example illustrates a situation where the IFAC member body (MB) has worked in close collaboration with a higher education institution (University), the government, and professional accounting organizations in order to design and deliver an “approved” Master’s program which, on successful completion, awards partial exemption to students undertaking the professional accounting qualification.

Appendix A summarizes the professional accounting qualification and the exemptions available to an aspiring professional accountant completing the Master’s program.

This example represents a discrete aspect of an approach taken by a MB and is not intended to be read as comprehensive description of its entire approach.

¹ This publication is part of the guidance materials that support the implementation of a learning outcomes approach.

Guiding Principles in Practice

	Commentary	
	Program Provider (a University)	Member Body
Design	<p>Government regulated exam content drives the program design</p> <p>The Master's program is designed by University Professors, which references the content of the professional accounting examination which is specified by government regulation. The examination covers some of the learning outcomes of IESs 2, 3, 4, and IES 8².</p> <p>Learning outcomes and the desired level of proficiency drive the design of the program</p> <p>While the professors enjoy the constitutional right of academic freedom, when designing the modules and courses in the program they are cognizant of the content of the professional examination.</p> <ul style="list-style-type: none"> • Learning outcomes are determined for all courses and these inform the course design. An example of a learning outcome for <i>Assurance</i> is provided below.³ • The <i>level</i> of the learning outcomes is determined by the government approved reference framework. <p>Continuous improvement</p> <p>The quality of the program is monitored by a Steering Committee and by a Quality Assurance Committee. This involves discussions of significant issues such as:</p>	<p>Approval of program design and content</p> <p>The Master's program requires approval as being "particularly suitable for the education of professional accountants".</p> <p>The responsibility for approving the program resides with three experts:</p> <ol style="list-style-type: none"> 1. A representative of the Ministry of Economics; 2. A representative of the Tax Administration; and 3. A representative of the MB. <p>At least two of the three experts must approve the program.</p> <p>The approval process is based on whether the program provider addresses</p> <ul style="list-style-type: none"> • Profile and objective of the program; • Comparability of stated learning outcomes to those assessed in the professional examination and level of expected performance;

² IES 2, Initial Professional Development – Technical Competence (2015); IES 3, Initial Professional Development – Professional Skills (2015); IES 4, Initial Professional Development – Professional Values, Ethics, and Attitudes (2015); IES 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised).

³ **Assurance I: General Part (1)**

Learning Outcomes:

Participants get a basic knowledge of the underlying norm structure of an annual audit of financial statements. They understand the concept of risk-based audit with regard to planning and performing an audit. Participants apply the theoretical knowledge gained in the context of an accompanying case study. They know the audit approach and essential aspects of materiality, risk assessment and obtaining audit evidence (audit procedures) and the basic principles regarding the reporting and its constituents in the context of annual audits.

	Commentary	
	<ul style="list-style-type: none"> • Congruence with the professional examination with special reference to the required learning outcomes; • Marking schemes; • Difficulty of the examination; • Feedback provided by the students; and • Pass rates. 	<ul style="list-style-type: none"> • Adequacy of program structure, content, teaching method and allocated time in order to achieve the expected outcomes; and • Support offered to students to facilitate success.
Assessment	<p>Assessment activities are designed to be comparable with the professional accounting examination</p> <p>The assessment in the Master's program includes:</p> <ul style="list-style-type: none"> • Written and oral tests that are equal in content, nature, and volume to those in the professional examination; • Teamwork (including identifiable individual contributions) with presentation of the team's findings. The evidence of the achievement of learning outcomes is provided by a short paper and a presentation followed by a discussion with the Professor; and • Master thesis.⁴ <p>Assessment activities are designed to have high levels of equity:</p> <p>1. <i>The comparability of the assessment is evaluated in advance of administration</i></p> <p>All written examinations are evaluated before being administered to ensure equivalence between program examinations and the professional examinations. This process avoids having program examinations with no</p>	<p>The approval process for exemption requires comparability with the assessments in the Master's program with those in the professional accounting examination in content, nature and volume.</p>

⁴ **Master Thesis**

Learning outcomes

In the master thesis, students should demonstrate that they are able to apply scientific methods to relevant topics.

Content

The topic selection is done by the students themselves and approved by the respective academic directors. Selection criteria are innovation, scientific capacity and practical relevance. The topic must be chosen from the subject area in Auditing (e.g., accounting, audit and business valuation).

	Commentary	
	<p>resemblance to the professional examination papers issued by the MB.</p> <p>An Assignment committee is responsible for ensuring the equivalence of the tests in the program with those in the professional examination. The Assignment committee consists of university professors for economics, law and tax. For auditing an experienced auditor is part of this group.</p> <p>2. The comparability of the assessment is evaluated on an ongoing basis</p> <p>The pass rates of the graduates in the professional examination (in those parts not exempted) are constantly monitored. This serves to identify any significant difference between the students taking the exemption and those completing the full professional accounting examination to be considered in the Master's Program and its assessment.</p>	
Governance	<p>Direction and oversight processes</p> <p>A quality management process is in place to systematically monitor the achievement of the learning outcomes.</p> <p>A Steering committee (with representatives of audit firms and of the university as members) is responsible for the quality of the program and its relevance for employment, specifically the practical day to day requirements for performing an audit.</p> <p>A Quality Assurance committee is responsible for the quality of the program and its overall evaluation. The deliberations of this committee usually take place annually and include detailed oversight of the work of the Assignment committee. The matters deliberated include continuous improvements to courses, critical assessment of pass rates, and consideration of students' feedback.</p> <p>Students and alumni of the program are requested to evaluate and provide feedback on</p>	<p>The approval process considers the following governance matters:</p> <ul style="list-style-type: none"> • Is the program provider fit for purpose? • Does the program provider react adequately to the results of the evaluation process? • Are the resources allocated to the program adequate?

	Commentary	
	<p>the program, including how it has advanced their career. Surveys are used to compare the students' expectations at the commencement of the program with their impressions after graduation.</p> <p>An Academic Director, typically a professor at the university, has responsibility for the outcomes and actions arising from the monitoring process. Examples of actions to improve student performance include, but are not limited to, redesign of content and delivery aspects of courses.</p>	

This document was prepared by the International Accounting Education Standards Board (IAESB).

The IAESB develops education standards, guidance, and information papers on pre-qualification education, training of professional accountants, and continuing professional education and development.

The objective of the IAESB is to serve the public interest by setting high-quality education standards for professional accountants and by facilitating the convergence of international and national education standards.

The structures and processes that support the operations of the IAESB are facilitated by the International Federation of Accountants (IFAC).

International Education Standards, Exposure Drafts, Consultation Papers, and other IAESB publications are published by, and copyright of, IFAC.

The IAESB and IFAC do not accept responsibility for loss caused to any person who acts or refrains from acting in reliance on the material in this publication, whether such loss is caused by negligence or otherwise.

The IAESB logo, 'International Accounting Education Standards Board', 'IAESB', 'International Education Standards', 'IES', the IFAC logo, 'International Federation of Accountants', and 'IFAC' are trademarks and service marks of IFAC.

Copyright © January 2016 by the International Federation of Accountants (IFAC). All rights reserved. Written permission from IFAC is required to reproduce, store or transmit, or to make other similar uses of, this document. Contact permissions@ifac.org.



**International
Accounting Education
Standards Board™**

529 Fifth Avenue, New York, NY 10017
T + 1 (212) 286-9344 F +1 (212) 286-9570
www.iaesb.org