SAQA PROFESSIONAL BODIES
CONSULTATIVE MEETING
21 APRIL 2010
Overview

• Objective – provide input into the SAQA consultation process
• Roles and responsibilities of SAICA as a non-statutory professional body
• Where non-statutory professional bodies (SAICA) currently fit into the landscape?
• Overview of the CA(SA) qualification and designation
• Professional competence
• Concerns raised previously by SAICA
• Current matters that need to be addressed as identified by SAICA
Roles and responsibilities of SAICA as a professional body

- SAICA is a non-statutory membership body;
- Governed by a set of By-Laws, a Constitution which includes compliance to a code of conduct (includes compliance with CPD);
- Membership numbers are above 30 000 with approximately 5000 of the members holding a regulatory role (Registered Auditor);
- CA(SA) Also recognised by the IRBA for purpose of registering as a registered auditor (RA) – some statutory implications;
- A member body of IFAC (International Federation of Accountants) which sets out minimum education & training standards for professional accountants.
Where non-statutory bodies (SAICA) currently fits into the framework

- University undergraduate and postgraduate degrees are registered on the NQF (old level 6 and 7);
- Each university names its qualification differently;
- Some universities stream their students:
  - No recognition of differently streamed programmes
- The training contract is registered as a learnership via Fasset;
- The CA “qualification” is also currently registered on the NQF on a level 7 (old) / 8 (new):
  - No recognition of the additional competence gained during the learnership period as levels are the same
  - Can’t measure this on same scale as the academic programme – creates confusion

MoA with CHE to accredit programmes

SAICA currently an ETQA but will also need to work with QCTO going forward
Overview of the CA(SA) Qualification process

- Competency based academic education:
  - Acquired through accredited academic education programmes delivered by universities (a three year undergraduate degree followed by a one year postgraduate degree (CTA)).

- Standard setting examination [Part I]:
  - Ensures that all candidates have the required level of core technical competence before embarking on the professional education programme.

- Competency based professional education:
  - Acquired through accredited professional education programmes delivered by universities and other providers.

- Workplace-based experience:
  - Obtained through a training contract of at least three years with a registered training office.

- A professional examination:
  - Assesses professional competence before entry to the profession.
Qualification process

- Competency based academic education
  - 4 years (3 years undergrad and 1 year post grad)
  - Academic qualification registered at levels 7 and 8

- Standard setting examination [Part I]
  - Set by SAICA
  - Assessment of core technical competence

- Competency based professional education
  - Professional Programme – currently not registered as a qualification on the NQF

- Workplace-based experience
  - 3 years
  - Learnership registered via FASSET in order for the employers to access grants and for the learnership tax deduction

- A professional examination
  - Set by SAICA
  - Assessment of professional competence
Competency Framework

Pervasive skills:
- Ethics & professionalism
- Personal attributes
- Professional skills

- Strategy, risk & governance
- Financial management
- Auditing & assurance
- Accounting and external reporting
- Taxation
- Management decision-making
Professional Competence

• The qualification process of a CA(SA) is competency based.

• The education and training of professional accountants provides a foundation of knowledge, skills and professional values that enable them to continue to learn and adapt to change throughout their professional lives.

• Such a foundation for life-long learning can only be achieved if it is grounded in the knowledge, skills and professional values essential to professional competency.
Professional competence can be summarised as follows:

- **Knowledge and understanding of academic disciplines**, which entails the process of learning and acquisition of knowledge. Within the accountancy field this encompasses general knowledge, organisational and business knowledge, information technology knowledge and accounting and accounting-related knowledge.

- **Skills** to enable the professional accountant to make successful use of the knowledge gained through education. Skills are not usually acquired from specific courses devoted to them but are derived from the education and training programme as a whole. The individual must acquire intellectual, interpersonal as well as communication skills.

- **Professional values** entail the development of a framework to ensure that chartered accountants exercise good judgement and act in an ethical manner that is in the best interests of society and the profession.
Professional Competence

The objective of the education and training of prospective CAs(SA) is to ensure that they acquire the characteristics essential to membership of a profession. SAICA has defined these characteristics as follows:

• Capability to **identify and solve problems** in unfamiliar and changing situations, to think logically, to reason and to analyse critically;

• Acquire an understanding of the impact of economic, demographic, market, and technological forces on certain situations, so as to be able to assess them critically;

• Put the **interests of the public** before their own, and exercise their skills in an independent and objective manner; and

• Abide by a **self-imposed code of conduct and professional ethics**, and to identify and respond to ethical and moral issues by means of a values-based reasoning system.
Concerns raised previously by SAICA

• That ‘professional qualifications’ and ‘professional designations’ are not the same and that as a result professional designations should not be registered on the same framework.

• That the legislature should consider establishing a sub-framework for professional qualifications.

• That the legislature should consider amending the NQF Bill to allow professional bodies to choose what to register on the NQF.

• That the name of a SAICA member who is struck off the roll must be removed completely from the NLRD.
Current matters that need to be addressed as identified by SAICA

Recognition of professional bodies

• Non–statutory professional bodies may already need to liaise with more than one QC (eg SAICA – CHE and QCTO)
  – Additional administrative burden to be kept to a minimum;

• What are the benefits of the data related to professional designations being uploaded on the NLRD? (why)
  – Administrative issues related to loading professional designations on the NLRD. (Timing)
Current matters that need to be addressed as identified by SAICA

Registration of Professional Designations:

• The need for a separate /sub-framework for “professional designations” that is different from the current NQF (1 – 10)
  – Could this be addressed by the QCTO sub-framework?
  – Unclear as to the role of the QCTO in respect of a QCTO sub-framework as it relates to professional designations;

• The need for recognition of the difference between “qualifications” and “professional qualifications” at an academic qualification level;
  – NQF Act only refers to “qualifications”;
  – Ensure there is no duplication in the registration of “professional qualifications” in addition to current requirements for “qualifications”