



Republic of the Philippines
OFFICE OF THE PRESIDENT
COMMISSION ON HIGHER EDUCATION

CHED MEMORANDUM ORDER(CMO)

No. 26

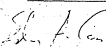
Series of 2001

SUBJECT : REVISED MINIMUM CURRICULAR
REQUIREMENT FOR THE BACHELOR OF
SCIENCE IN ACCOUNTANCY(BSA)

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In accordance with the pertinent provisions of Republic Act (RA) No.7722, otherwise known as the "Higher Education Act of 1994," the following Minimum Curricular Requirements for the Bachelor of Science in Accountancy (BSA) are hereby adopted and promulgated by the Commission.

This CMO shall remain in force and effect until otherwise revoked.

Pasig City, Philippines August 1, 2001


ESTER A. GARCIA
Chairperson

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BACHELOR OF SCIENCE IN ACCOUNTANCY
Minimum Curricular Requirement

Introduction

Standards for professional education in accounting are the desirable minimum criteria of quality in a program that purports to prepare graduates for professional careers in accounting and related fields. The purpose of these standards is to establish a level of quality which, when substantially satisfied, would justify the accounting profession's recognition of a program.

These standards are concerned with professional-level accounting education, rather than with vocational-type technical training. This distinction is important because within the broad field of accountancy, various kinds of accounting tasks require varying levels of competence and skills. The persons performing these tasks may be called accountants or auditors, but not all have professional status. The legally recognized professionals in the field of accounting are those who are registered with the Professional Regulation Commission (PRC) and the Board of Accountancy (BOA) as Certified Public Accountants (CPAs).

Professional Identity

1. ***Need for identity.*** The program for professional education in accounting should have its own separate identity. A profession is, by definition, separately identifiable. Among other things, it has a specified common body of knowledge, its own ethical code, and a recognizable social significance. Professional identity is an important motivating factor in assuring the success of an educational program for accountancy. It is needed as a focal point for career identification, the efforts of the faculty, and the recognition and support of the accounting profession and the public.

2. **Organizational structure.** The accounting program may be offered in a separate School of Accountancy or in a Department of Accountancy in the Colleges or Schools of Business.

Mission Statement and Objectives

1. **Mission statement.** The mission of professional accounting education is to prepare students for careers in accounting and to make them ready to deal effectively with the problems they will face as professional accountants and responsible citizens.
2. **Primary objectives.** Professional accounting education should provide a means for students to acquire (a) the knowledge, proficiency, and intellectual abilities to provide services of the minimum scope and quality which the public needs and has a right to expect from an entry level professional accountant; and (b) the capacity to grow and develop into a fully qualified professional accountant able to function in a global economy.
 - 2.1 The professional accounting program should be broadly conceived. A person does not become a professional simply by acquiring technical skills. A person aspiring to become a professional accountant needs to have a broad education in which the study of accounting is integrated with the study of the liberal arts and general business.
 - 2.2 As in any program, the accounting program cannot by itself complete a person's education and produce at the end of the course someone who can claim to be a professional accountant. Rather, upon completion of the accounting program, the graduate should have the foundation for building additional knowledge, and with maturity and experience, for acquiring qualities that enhance professional competence, particularly:
 - a. The ability to work effectively, think analytically and objectively, and exercise self-discipline;

- b. The ability to communicate ideas orally and in writing;
 - c. An awareness of personal responsibility and need for continuing professional education;
 - d. An appreciation of the professional accountant's high standards of integrity and objectivity; and
 - e. An awareness of personal responsibility to society as a professional accountant and a responsible citizen.
3. **Subsidiary objectives.** Preparing students for the CPA licensure examinations and for employment are subsidiary objectives which should judiciously blend with the primary objectives of preparing students for professional accounting careers. Thus, the accounting graduate should be qualified to take and pass the CPA licensure examinations, and to obtain employment as an entry-level professional accountant. With proper orientation and supervision, he should be able to cope with the problems he will face upon employment.

Administration

1. **Administrator.** The accounting program should be administered by a full-time dean/chairman/director¹, as the case may be, with appropriate qualifications.
- a. Holder of a CPA certificate issued by the PRC;
 - b. Teaching experience of at least five (5) years in the tertiary level, and preferably, two (2) years of administrative experience; and

¹ Titles may vary depending on how the Accounting School is structured, such that if it is a separate College, the head is a Dean; if a Department within the College of Business Administration (or Commerce), then the head is either a Chairman or a Director.

- c. Holder of at least a master's degree in business, accountancy, business education, or educational management.
- 1.1 The dean/chairman/director, as the case may be, of the accounting program shall have the following functions:
- a. Administer the accounting program;
 - b. Influence the selection, retention, compensation, and promotion of faculty;
 - c. Support and monitor the professional development of faculty members;
 - d. Establish academic standards for admission, retention, advancement, and graduation of students;
 - e. Develop, submit, and administer, within prescribed guidelines, the budget of the accounting program;
 - g. Continuously assess and evaluate the accounting program vis-a-vis the performance of graduates; and
 - h. Promote linkages and networking with other schools, professional organizations, and business and industry.

Faculty

1. **Qualifications.** The faculty should possess the educational qualifications, professional experience, classroom teaching ability, computer literacy, scholarly productivity, and other attributes essential for the successful conduct of a professional accounting program.

Twenty-five percent (25%) of the subjects in the accounting program should be taught by faculty members with appropriate master's degrees or any equivalent.

1.1 All faculty teaching accounting and managerial finance courses should be CPAs. They should also comply with the CHED-prescribed requirements. Further, it is also desirable that they have an appropriate master's degree and relevant professional experience. A faculty member without a master's degree shall be provided a period not exceeding five (5) years from the start of his/her teaching career, within which to earn a master's degree.

1.2 All faculty handling Board-related subjects should be duly licensed professionals, be it accountants, auditors, actuaries, associate professors, and so on.

2. **Adequacy of staff.** The number of faculty with appropriate qualifications should be adequate to meet the requirements of the professional accounting program.

2.1 A full-time faculty member is one whose total working day is devoted to the school, who has no other remunerative employment elsewhere during regular working hours, who is paid on a regular monthly basis or its equivalent, and who has the requisite academic qualifications.

2.2 A full-load faculty member is one whose major remunerative employment is teaching, who carries a regular teaching load in the school and who has no teaching assignments in other schools. Full-load faculty should preferably be paid on a monthly basis or its equivalent.

3. **Teaching loads.** The primary consideration in assigning teaching loads should be the faculty member's capability to adequately fulfill his academic, administrative, and professional responsibilities.

3.1 Faculty should not be assigned to teach more than three or, occasionally, four different courses in any one term. Neither should there be too much variety in the courses assigned in any one year.

5. The faculty development program should include provisions for continuing education.

3.2 De-loading from regular teaching may be allowed for administrative, research, or professional assignments without reduction in compensation.

4. **Ranking and evaluation.** A system of ranking and evaluating faculty members should be instituted and implemented.

4.1 The faculty should be assigned academic ranks in accordance with suitable ranking criteria. The usually recognized ranks of collegiate faculty members are: instructors, assistant professors, associate professors, and professors.

4.2 As a general rule, a new member of the faculty begins as an instructor and is subsequently promoted, if deserving. A new faculty member may immediately be appointed to any of the higher ranks if warranted by his/her qualifications.

4.3 Faculty competence and performance should be periodically evaluated using appropriate evaluation instruments to promote the professional growth of individual faculty and provide a basis for advancement and salary adjustments.

4.4 The probationary employment for full-time faculty who are academically qualified should be for a period of not more than three (3) years. Faculty members who have successfully passed this probationary period should be made permanent.

4.5 After due process, faculty members who do not meet minimum standards of competence and performance, or who are found guilty of unprofessional conduct or of violating school regulations should be separated from service.

5. **Faculty development.** There should be a formal development program to encourage and help faculty members keep up with new knowledge and techniques in their field, improve their teaching skills and course materials, and continue their professional growth.

5.1 The faculty development program should include provisions for, among others:

- a. Adequate and qualified supervision of faculty;
- b. Scholarships, sabbatical leaves, and research grants;
- c. Financial support for active membership in professional organizations, and attendance at continuing professional education (CPE) programs such as seminars, workshops, and conferences;
- d. In-service training courses;
- e. Periodic faculty meeting; and
- f. Participation in faculty committees.

In the end, the faculty should possess the educational qualifications, professional experience, classroom teaching ability, scholarly productivity, and other attributes essential for the successful conduct of the accounting program.

- 5.2 As part of their professional development, accounting faculty should take it upon themselves to voluntarily pursue the continuing professional education (CPE) requirements of the profession.
- 5.3 If the school itself offers graduate programs, it should provide its faculty members the opportunity to earn advanced degrees with tuition fee privileges and other forms of assistance.
- 5.4 Attendance at in-service training programs on official time shall be encouraged and records of such attendance shall be filed at the office of the dean/chairman/director, as the case may be.

Curriculum Standards

1. **Objectives.** The curriculum should reflect the mission and objectives of professional accounting education. As such, it should provide students with the competency to embark upon careers in professional accounting and related fields and the capacity for further growth and development within the accounting profession.

2. **Structure.** As a minimum, the curriculum should consist of at least 174 academic units divided into three parts: general education; business education; and education in accountancy.
3. **General education.** The New General Education Curriculum as mandated by CHED shall form part of the requirements for accounting education. General education should contribute to the development of cultured persons, stimulated by broad interest in wide areas of human knowledge and activity and inculcated with a high sense of social awareness and civic responsibility. A broad-based general education is critical to life-long learning and provides the foundation on which to build professional and accounting studies. Its purpose is to provide students with:
 - a. An understanding of the flow of ideas and events in history; the different cultures in today's world; and an international perspective;
 - b. Basic knowledge of human behavior;
 - c. A sense of the breadth of ideas, issues, and contrasting economic, political, and social forces in the world;
 - d. The ability to conduct inquiries, carry out abstract logical thinking, and understand critical thinking;
 - e. An appreciation of art, literature, and science;
 - f. An awareness of personal and social values and of the process of scientific inquiry and judgment;
 - g. Facility in the use of mathematics and statistics to measure and express economic events; and
 - h. Ability to communicate effectively, orally and in writing.
4. **Business education.** The increasing involvement of public accountants in management advisory services and the significant management responsibilities held by internal accountants underscore the importance of business education to the professional accountant.

Students should be able to relate accounting to the problems that confront the management of business and public enterprises. They should be equipped with sufficient understanding of the different types of organizations, how organizations function in the practical context of the business environment, the managerial decision-making process, an appreciation of the importance of ethics in business, how international enterprises operate, and the analytical and quantitative tools that may be applied to the solution of business problems.

5. **Accountancy Education.** Accountancy education should furnish students with sufficient depth and breadth in the accounting discipline to enable them to recognize the problems they will face as professional accountants and to provide them with the appropriate attitude, knowledge, and skills useful in solving these problems. This is due to the fundamental changes in both the practice of public accounting and the financial management of businesses. The needs of both career paths include strong communication skills, broad knowledge of business operations, knowledge and skills in the use and evaluation of information technology and systems, an understanding of the global business environment, and a capacity for growth and change. The content of accounting and related courses should be relevant to all areas of professional practice — public accounting, commerce and industry, education, and government service.
6. **Implementation.** In implementing the curriculum standards, certain important implications should be kept in mind. These are:
 - 6.1 The standards are intended to be flexible rather than restrictive. They provide a general framework within which each institution should design and develop a curriculum in the context of institutional strength, priorities, and commitment.
 - 6.2 Curriculum development is a dynamic and continuing process. Accounting education should not only keep pace with current realities but should anticipate changes that may take place in business and the accounting profession. Provision should be made for periodic re-examination and research to avoid curriculum obsolescence, preferably once every two to three years.

- 6.3 Curriculum content should be carefully selected so that the available time and resources are effectively utilized and only the appropriate and pertinent subject areas are included.
- 6.4 Correlation and integration of the different courses of study are essential to an effective educational program as well as to optimal student achievement.
- 6.5 Finally, the qualitative rather than the quantitative factors of education should be emphasized. The excellence of teaching, quality of students, broadening effect of the total curriculum, along with the development of integrity, professional attitudes, and a continuing desire to learn are more important than course labels, unit requirements, or subject groupings.
- 6.6 General education components of the curriculum are preferably taken in the first two years of the curriculum. Accounting and Board-related subjects, when taken for the first time, shall be offered only during the regular term. No cross enrollment is allowed for accounting and Board-related subjects, except among schools with consortium arrangements.
- 6.7 Shown below are minimum curricular requirements for the enhanced Bachelor of Science in Accountancy program. Schools may modify or add subjects in accordance with their institutional objectives and thrusts, provided that these minimum curricular requirements are met.

**Minimum Curricular Requirement for
Bachelor of Science in Accountancy**

	<u>Units</u>
I. General Education Components	
1. Humanities Cluster	21
Communication Skills, Part I	3
Communication Skills, Part II	3
Sining ng Pakikipagtalastasan	3
Pagbasa/Pagsulat sa Iba't Ibang Disiplina	3
Philippine Literature	3
Introduction to Philosophy with Logic	3
Art, Man, and Society	<u>3</u>
2. Math/Science Cluster	15
College Algebra	3
Mathematics of Investment	3
Physical Science	3
Biological Science	3
Introduction to Information Technology with Word Processing, Spreadsheet, and Other Applications	<u>3</u>
3. Social Sciences Cluster	12
Philippine History with Politics and Governance	3
Society and Culture with Family Planning	3
General Psychology	3
Introduction to Microeconomic Theory and Policy With Land Reform	

	and Taxation	<u>3</u>
4.	Life and Works of Rizal	<u>3</u>
	Sub-total	<u>51</u>
II. Business Education Components		
1.	Advance Economics	3
	Introduction to Macroeconomic Theory and Practice	<u>3</u>
2.	Finance	6
	Introduction to Business, Finance, and Philippine Financial System	3
	Financial Management, Part I	<u>3</u>
3.	Marketing	3
	Fundamentals of Marketing	<u>3</u>
4.	Elementary Accounting	9
	Fundamentals of Accounting, Part I	6
	Fundamentals of Accounting, Part II	<u>3</u>
5.	Management	9
	Principles of Management and Organization	3
	Production and Operations Management	3
	Business Policy and Strategy	<u>3</u>
6.	Business Law	9

	Law on Obligations and Contracts	3
	Law on Business Organizations	3
	Law on Negotiable Instruments	<u>3</u>
7.	Taxation	6
	Philippine Tax System and Income Tax	3
	Business and Transfer Taxes	<u>3</u>
8.	Information Technology	3
	Fundamentals of Computer Software	<u>3</u>
9.	Business Math	6
	Business Statistics	3
	Quantitative Techniques in Business	<u>3</u>
	Sub-total	<u>54</u>

III. Accountancy Education

		12
1.	Speech and Oral Communication	3
	Financial Management, Part II	<u>3</u>
	Human Behavior in Organization	3
	Sales, Agency, and Other Commercial Laws	3
1.	Financial Accounting Theory and Practice	15
	Financial Accounting Theory and Practice, Part I	6
	Financial Accounting Theory and Practice, Part II	6

	Financial Accounting Theory and Practice, Part III	<u>3</u>
2.	Cost Determination, Analysis, and Control	6
	Cost Accounting and Cost Management	<u>6</u>
3.	Management Accounting and Management Consultancy Services	9
	Management Accounting, Part I	3
	Management Accounting, Part II	3
	Management Consultancy	<u>3</u>
4.	Advanced Accounting Problems (including Accounting for Not-for-Profit Organizations and Government Organizations)	9
	Advanced Accounting, Part I	3
	Advanced Accounting, Part II	3
	Advanced Accounting, Part III	<u>3</u>
5.	Auditing and Assurance Services	9
	Auditing and Assurance Services, Part I	3
	Auditing and Assurance Services, Part II	<u>6</u>
6.	Information Technology	9
	Systems Analysis and Design	3
	Information Management and Control	3
	Auditing in an IT Environment	<u>3</u>
	Sub-total	<u>69</u>

	Total	174
IV.	Physical Education	8
V.	R.O.T.C.	<u>6</u>
	Grand Total	188

The suggested description of each course is in Annex A.

Instructional Standards

1. **Class size.** Class size should preferably not exceed forty (40) students. If an exception cannot be avoided for lecture classes in professional accounting or Board-related subjects, the number may be increased to no more than fifty (50) students depending on the size of room and its acoustics.

Admission and Retention Standards

1. **General.** The standards of admission to, and retention in the accounting program, should be sufficiently rigorous and demanding to meet the needs of the profession and merit the respect of the public.
2. **Admission to College.** Universities and colleges offering an accounting program should adopt a selective admission policy. Applicants for admission should be screened on the basis of their college entrance examinations, high school class standing/grade point average, interviews, and other appropriate means.

Equivalency credits for non-formal courses/work experience should be granted upon admission. Schools may establish maximum allowable equivalency credits and/or validated credits, but these must not exceed seventy-five (75%) per cent of the total units required to meet the prescribed residence requirement for the course.

3. **Admission to the Accounting Program.** Admission to the accounting program should be restricted to students who can demonstrate a high probability of success in the study of accounting through satisfactory academic performance, a qualifying examination, an interview, and/or other appropriate means. The school is given the privilege to require standard admission requirements to the program as reflected in its manual of regulations for students.
4. **Retention.** Students should be allowed to continue in the accounting program only by maintaining a satisfactory grade level as stated in the school retention policy. To ensure that grades are a fair measure of academic performance, the following measures should be taken:
 - 4.1 Final departmental examinations of sufficient length and complexity should be required in all accounting, managerial finance, Board-related subjects, and preferably, in all business core subjects.
 - 4.2 All examinations should be properly supervised and proctored.
 - 4.3 Grading should be based on a definite and uniform policy specifying the weights for periodic quizzes, formal examinations, recitations, and other factors used in determining final grades.
 - 4.4 The integrity of final grades should be protected.
5. **Residence requirement.** As a general rule, no Accounting degree can be conferred upon a student unless he has taken the last curriculum year of the program in the institution which is to confer the degree.
6. **Prerequisite subjects.** No student should be permitted to take any subject until he has satisfactorily passed the prerequisite subjects.

A student shall be allowed to carry only the regular semestral load of the school as allowed by CHED.

Research

1. Schools of Accountancy should undertake research and operate with a competent and qualified research staff which may be shared with other units in the College or University. The competence of the research staff may be judged by the scholarly output of their work.
2. Team research may be undertaken by two or more faculty members, with or without the assistance of students who are enrolled in similar or allied disciplines. Faculty members who are assigned to do research work should be deemed to have rendered teaching. Honoraria and other incentives may be provided.
3. The administration should encourage and support research among its students and faculty and promote utilization of research findings for improvement of teaching methodology, education, and accounting practices. Publication of research work should be undertaken in an in-house journal or other academic journals.

Linkage with Other Schools, Business Establishments, and Accounting Practitioners

1. Schools of Accountancy are encouraged to form themselves into a network or to go into a consortium arrangement to be able to share available resources.
2. Schools of Accountancy are also encouraged to establish linkage or networking with business establishments and accounting practitioners to expose their students to the practical applications of business and accountancy knowledge to real-life situations. These may be in the form of field visits by students to business establishments or accounting firms/offices, and informative lectures on current accounting trends and issues by leading practitioners. Likewise, Schools of Accountancy should get business establishments and accounting practitioners involved in curriculum matters since as prospective employees, they are the intended users of the output of the accounting program.

Standards of Performance for Graduates

1. **General.** Graduates of the professional accounting school or program should possess the professional attributes and knowledge of an entry-level professional accountant. Such attributes and knowledge are found in a graduate who has acquired:
 - 1.1 The necessary conceptual, philosophical, and theoretical foundations of the profession;
 - 1.2 Knowledge of the basic principles, practices, and methodologies of the profession; and
 - 1.3 The professional and educational skills, attitudes, competencies, values, and behavioral attributes of the professional accountant.
2. **CPA licensure examinations.** Graduates of the professional accounting school or program should be capable of passing the CPA licensure examinations.

This standard should not be interpreted as favoring academic programs narrowly designed to coach candidates for such examination.

3. **Employment.** Graduates of the professional accounting school or program should be capable of working effectively as entry level professional accountants and should have the capacity for growth to positions of increased responsibility.

The total effectiveness of a school or program should be evaluated in terms of the success of its graduates in obtaining employment and in advancing in their career as professional accountants.

Implementation and Effectivity

1. **Effectivity.** These standards shall take effect in School Year 2002-2003 provided that this curriculum shall be fully complied with by the Bachelor of Science in Accountancy graduates as of May 31, 2007.

ANNEX A

SUGGESTED COURSE DESCRIPTIONS FOR THE BACHELOR OF SCIENCE IN ACCOUNTANCY CURRICULUM

I. General Education Components

1. Humanities Cluster

Eng 1 - Communication Skills, Part I

This course covers the development of communicative competence in English with emphasis on effective reading and writing and listening skills. It is designed to develop language learning strategies, effective communication techniques, and academic study skills. Lessons and activities involve development of oral and written communication skills in different social contexts, reading skills enhancement, and effective use of reference and resources.

Prerequisite: None

Credit: 3 units

Eng 1 - Communication Skills, Part II

This course is a continuation of English 1 and covers the development of advanced language skills in critical thinking and problem solving skills. It also provides training on goal setting, self-assessment and monitoring skills, time management strategies, and communicative competence for general and academic purposes. Lessons and activities include writing routine and special business letters and reports.

Prerequisite: Eng 1
Credit: 3 units

Eng 3 - Speech and Oral Communication

This course gives the students an understanding of the basic principles of speech and voice production and proficiency in their use; speech skills common to all forms of oral communication; the selection and evaluation of materials for speech; and organizational thought, voice, action, and speaker-listener relations. Emphasis is given on the development of oral communication skills for effective presentation and debate, both formal and informal.

Prerequisite: Eng 2
Credit: 3 units

Fil 1 - Sining ng Pakikipagtalastasan

Pag-aaralan ang Filipino bilang isang wikang dinamiko na gagamitin sa komunikasyong pasalita at pasulat. Lilinangin ang apat na makrong kasanayan sa pakikinig, pagsasalita, pagbasa, at pagsulat sa pamamagitan ng iba't ibang texto at konteksto.

Prerequisite: None
Credit: 3 units

Fil 2 - Pagbasa/Pagsulat sa Iba't Ibang Disiplina

Ang kursong ito ay magbibigay-focus sa pagbasa at pagsulat bilang kasangkapan sa pagkatuto. Ituturo sa kursong ito ang may estratehiya sa pagbasa ng iba't ibang genre ng mga textong nakasulat. Lilinangin din ang mga kasanayan sa pag-unawa lalo na ang kritikal na pag-unawa, gayundin ang kasanayan sa pagsulat ng iba't ibang sulating akademik. Magiging batayang paksa ang ukol sa humanidades at agham panlipunan, at agham at teknolohiya.

Prerequisite: Fil 1

Credit: 3 units

Lit 1 – Philippine Literature

This course presents a survey of Philippine literature in English, from its beginnings to the present, with emphasis on major authors. The literatures of the different regions of the Philippines, whether written in native or foreign languages, from the beginning of Philippine history to the present are adequately covered.

Prerequisite: None

Credit: 3 units

Philo 1 - Introduction to Philosophy with Logic

This course is a specially outlined study of the basic principles of philosophy covering psychology, ethics, and theodicy. It also covers an introduction to formal logic to develop the students' skills in forming clear and systematic thought, conducting inquiries, carrying out abstract logical thinking, and understanding critical thinking.

Prerequisite: None

Credit: 3 units

Hum 1 – Art, Man, and Society

This course aims to give the students an appreciation of art and literature. It covers the fields of visual arts, music, and the several forms of literature; and the principles underlying these arts.

Prerequisite: None

Credit: 3 units

2. **Math/Science Cluster**

Math 1 – College Algebra

This course provides students with a solid and working knowledge of pre-calculus algebra with emphasis on the understanding of concepts and the development of manipulation skills. It covers a review of basic arithmetic operations, sets, real number system, special products and factoring, linear equations, algebraic and graphical solutions to quadratic equations, exponents and radicals, complex numbers, binomial expansions, determinants, progressions, and theory of equations as applied to business problems.

Prerequisite: One year of high school algebra

Credit: 3 units

Math 2 – Mathematics of Investment

This course covers the basic mathematical tools and operations met in investment problems. It includes topics such as simple interest, simple discount, compound interest, annuities, present values, amortization, and perpetuities.

Prerequisite: Math 1

Credit: 3 units

Nat Sc 1 – Physical Science

This course covers a study of the fundamental laws and basic principles in physics which are directly related to man and his environment. It also deals with the study of the various sources of energy available for human consumption. Moreover, it presents and evaluates the impact of energy consumption and

other man-made perturbations which are detrimental to the environment.

Prerequisite: None

Credit: 3 units

Nat Sc 2 – Biological Science

This is an introductory course to the animal kingdom which emphasizes the study of structures and functions of the organ systems with special reference to vertebrates. It also covers the various functioning systems of the human body and relates the practical applications of knowledge gained in everyday living. It includes laboratory exercises that emphasize the study of structures and functions of the organ system of vertebrates.

Prerequisite: None

Credit: 3 units

Comp 1 – Introduction to Information Technology

This is an in-depth introduction to basic concepts and vocabulary of computers, information systems, and computer application systems. Topics include hardware and software fundamentals, data organization, operating systems, network and telecommunication concepts, and typical business applications.

Prerequisite: None

Credit: 3 units

3. Social Sciences Cluster

Hist 1 - Philippine History with Politics and Governance

This course aims to give the students an understanding of the flow of ideas and events in history. It covers the political, economic, social, and cultural development of the Philippines

from its beginnings to the modern period. It also includes an overview of the basic concepts and issues concerning politics and governance at the local, national, and global levels. The course aims at familiarizing the students with the development of political, social, and cultural traditions that helped shape the character of the Filipino nation at the different stages of its historical development.

Prerequisite: None

Credit: 3 units

Socio 1 - Society and Culture with Family Planning

A study of man in a state of interaction, the course deals with the basic structures of human societies, the main forces that hold groups together or weaken them, as well as the conditions that transform social life. Also discussed are the development and characteristics of Filipino culture, the personal and social values of Filipinos, the historical influence on cultural variations, the structure of Filipino culture viewed in terms of adaptability

to change, and an understanding of different cultures in today's world. Also discussed is family planning.

Prerequisite: None

Credit: 3 units

Psycho 1 - General Psychology

This is an introductory course to the study of psychology as a science of human behavior. Discussion of the different theories, principles, and concepts aims to give the students basic knowledge of human behavior and focuses on the fundamental questions of how and why we think, feel, and behave the way we do; how we get along with one another; and why we become the unique individuals we are.

Prerequisite: None

Credit: 3 units

Eco 1 - Introduction to Microeconomic Theory and Policy with Land Reform and Taxation

In this course, students learn the various economic questions, economic methods, and the market, as well as basic economic concepts such as elasticity, price regulation, and consumer choice. General topics include basic market analysis, consumer behavior, theory of the firm, market structures, general equilibrium, production and the firm's economic policies, market structures – monopolistic competition and oligopoly, and welfare economics. The implications of changes in prices, quantities, and policies on resource allocation are explored. Also discussed are land reform and an introduction to the basic concepts of taxation.

Prerequisite: Math 1

Credit: 3 units

Life and Works of Rizal

In this course, students learn the significance of the life and writings of Jose Rizal in the life of the Filipino people. It aims to provide the students with an in-depth appreciation of Rizal's relevance to the emergence of Filipino nationhood.

Prerequisite: None

Credit: 3 units

II. Business Education Components

1. Advance Economics

Eco 2 - Introduction to Macroeconomic Theory and Practice

This course is a study of national economic issues and measures of performance. The focus is on national income accounting

and determination. Students are introduced to problems pertaining to unemployment and inflation, expenditure decisions, aggregate demand management, unemployment, trade imbalances, income distribution, fiscal and monetary policies, and the global environment (international trade, globalization of markets, foreign exchange controls, trade restrictions, regional and international trade agreements, etc.).

Prerequisite: Eco 1

Credit: 3 units

2. Finance

Fin 1 - Introduction to Business, Finance, and Philippine Financial System

This introductory course to the world of business and finance deals with the nature, types, rationale, and dynamics of business. It considers the environment in which the business enterprise exists: economic, legal-political, social, cultural, and physical. The discussions cover the following topics: different types of business organizations, private versus public, sole proprietorship, partnership, corporation, and cooperatives; relationships with the government and effects of statutes and government regulations; functional areas of business – marketing, operations, finance, and human resource management; overall view of the Philippine Financial System and monetary and credit management, as well as current developments and issues related to these areas; impact of government policies on the financial system especially in relation to money, banking, and interest rates; financial markets in general and other role players such as the various financial market institutions; various types of financial instruments; role of the chief financial officer/finance manager and his/her need to appreciate the financial system; the issues on money, credit, and public spending in the context of development; and development of banking and other financial institutions.

Prerequisite: None

Credit: 3 units

Fin 2 – Financial Management, Part I

This course is an introduction to financial management and provides the students an understanding of the financial management methods used for analyzing the benefits of various sources of finance. Topics discussed are: overview of financial management; financial statements analysis; financial forecasting, planning, and budgeting; the mathematics of the time value of money; management of cash and marketable securities; receivables management; inventory management; working capital policy and sources of short-term financing; and medium-term financing.

Prerequisites: Fin 1 and Math 2

Credit: 3 units

Fin 3 – Financial Management, Part II

An advanced course in financial management, it covers the more complex aspects of financial decisions such as capital expenditures and investments, long-term financial planning, and treasury management. Also discussed are: sources of long-term capital; capital structure decisions; cost of capital and valuation; dividend policy; financial markets and institutions; mergers and acquisitions; risk management through options, futures, and swaps; and international financial management decisions.

Prerequisite: Fin 2

Credit: 3 units

3. Marketing

Mktg 1 - Fundamentals of Marketing

An introduction to the basic principles of marketing, this course covers the purpose and functions of marketing and the different roles it plays in the economy, analyzing market needs and identifying marketing opportunities and how to improve the services offered, ways of satisfying the needs of consumer with specific products or services through the marketing management process, which includes the basics of the marketing mix (product, price, place, and promotion), and obtaining competitive advantages. Also discussed are the social responsibilities of business within the context of marketing and the impact of the global economy on marketing.

Prerequisite: None

Credit: 3 units

4. Elementary Accounting

Acctg 1 - Fundamentals of Accounting, Part I

This course provides an introduction to accounting, within the context of business and business decisions. Students explore the role of accounting information in the decision-making process and learn how to use various types of accounting information found in financial statements and annual reports. This course starts with a discussion of accounting thought and the theoretical background of accounting and the accounting profession. The next topic is the accounting cycle - recording, handling, and summarizing accounting data, including the preparation and presentation of financial statements for merchandising and service companies. Following this is an introduction to accounting information systems - manual and computerized. Emphasis is placed on understanding the reasons underlying basic accounting concepts and providing students with an adequate background on the recording, classification, and summarization functions of accounting to enable them to appreciate the varied uses of accounting data.

Also discussed are special journals, the voucher system, and simple bank reconciliation.

Prerequisite: Fin 1

Credit: 6 units

Acctg 2 - Fundamentals of Accounting, Part II

This is a continuation of the first course in accounting. It deals with transactions, financial statements, and problems peculiar to the operations of partnerships and corporations as distinguished from sole proprietorships. Topics include: partnership formation and operations including accounting for the admission of partners, changes in capital, and profit- and loss-sharing ratios; the conversion of an unincorporated enterprise into a corporation; accounting for incorporated enterprises, including the preparation of financial statements for internal and external purposes; and sample financial statements of companies in the service, manufacturing, and trading industries.

Prerequisite: Acctg 1

Credit: 3 units

5. Management

Mgt 1 - Principles of Management and Organization

This course is an introduction to business management and organizations. Its principal objective is to provide students with an understanding of the different functions, duties, and responsibilities of enterprise executives and managers. Students also learn to appreciate the importance of ethics in business and how international enterprises operate. Topics discussed include: the structure, functions, and objectives of the different types of organizations; organizations and their socio-cultural and political environment; corporate governance and business ethics; entrepreneurship and special challenges faced by small enterprises; styles of management; the management

process and the business management functions - marketing, operations, research and development, finance, and human resource management; and international business.

Prerequisite: None

Credit: 3 units

Mgt 2 - Human Behavior in Organization

This course introduces the students to the theories, concepts, models, and dynamics of human behavior in organizations. The course enables students to differentiate the application of these models in small-, medium-, and large-scale industries. It describes work organization and the workers and explains the interplay between them. It looks into the various organizational behavior and relates the individual workers' values, attitudes, and adjustment patterns to work, specifically under Philippine setting.

Prerequisite: Mgt 1

Credit: 3 units

Mgt 3 - Production and Operations Management

This course introduces the students to management tools related to managing operations and services including concepts in value analysis and appropriate technology as applied to small-, medium-, and large-scale industries. Topics include: overview of production and operations management; productivity and competitiveness; decision making; forecasting; product and service design; process selection and capacity planning including linear programming; facilities layout; design of work systems including learning curves; location planning and analysis including the transportation model; total quality management; aggregate planning; inventory management; material requirements planning; just-in-time systems; supply chain management; scheduling; project management; time management; and waiting lines/queuing including simulation.

Prerequisite: Math 4

Credit: 3 units

Mgt 4 - Business Policy and Strategy

An integrating course for all the major functions of business, this course deals with the comprehensive and strategic approaches to management. It considers the organization in its totality from the viewpoint of senior management. Topics include: general business policies; principles and concepts in the theories and practices of strategic management; impact of environmental forces on strategies and plans; analysis of the macro-environment; industry analysis including Porter's five competitive forces; analysis of the internal environment; S.W.O.T. analysis; corporate level strategies; strategic business unit (SBU) level strategies including value analysis; functional level strategies; strategy implementation including leadership, power, organizational culture, and change management; strategic control process and performance; and strategic management for not-for-profit organizations.

Prerequisites: Mgt 3, Fin 3, Mktg 1, Acctg 7, and Comp 4

Credit: 3 units

6. Business Law

BL 1 - Law on Obligations and Contracts

This course deals with the basic principles of law in relation to contracts and obligations. It involves discussion of the nature, sources, kinds, and extinguishments of contracts including defective contracts and other miscellaneous topics relevant to the course. Topics include: general legal concepts of enforceable rights and obligations; types of laws and the national legal system; nature, purpose, scope, and key principles of national legislation; sources of obligations; kinds of obligations under the Civil Code; specific circumstances affecting obligations in general (fortuitous events, fraud, negligence, delay, and breach of contract); duties of obligor to do or not to do; extinguishments of obligation; general

principles of the law of contracts; elements and stages of contracts; freedom from contract and limitation; object of contracts; considerations of contracts; formalities; interpretations and reformations of contracts; and defective contracts (rescissible, voidable, unenforceable, and void).

Prerequisite: Eng 3

Credit: 3 units

BL 2 - Law on Business Organizations

This course is intended to give the students a broad knowledge of legal provisions governing business associations - limited liability company, partnership, and corporations. Topics include: nature of partnerships; elements and kinds of partnership; formalities required; rules of management, distribution of profits, and sharing of losses and liabilities; modes of dissolution; limited partnership; nature and classes of corporations; requirements for incorporation; powers of a corporation (expressed, implied, and incidental); Board of Directors; classes of stock; powers and obligations of stockholders; majority and minority controls; corporate reorganization (mergers, consolidations, and other business combinations); modes of dissolution and liquidation; and statutory books, records, and returns required for a corporation. Also discussed are the laws of associations such as clubs.

Prerequisite: BL 1

Credit: 3 units

BL 3 - Sales, Agency, and Other Commercial Laws

This course deals with the law on sales covering contracts for the sale of goods including nature, forms, and requisites, distinguished from *dacion en pago*, cession in payment, contract for a piece of work, and barter; earnest money as distinguished from option money; rights/obligations of vendee and vendor; remedies of unpaid seller; warranties; sale with a right to repurchase or conventional redemption and legal redemption; sale on credit; and installment sales (personal

property – Recto law, real property – Maceda law). It covers the law on agency; its nature, form, and kinds; obligations of the agent and of the principal; and modes of extinguishment. Also discussed are employment contracts and pertinent provisions of the Labor Code and the law on credit transactions such as loan, deposit, guarantee, pledge, mortgage, antichresis, and chattel mortgage. Other relevant laws on commerce and trade such as law on investments are likewise discussed.

Prerequisite: BL 1

Credit: 3 units

BL 4 – Law on Negotiable Instruments

This course deals with the provisions of the law on negotiable instruments. It includes discussions on topics on negotiability of the instruments; functions and kinds of negotiable instrument; construction of ambiguous instrument; forgery and its effect; consideration; accommodation party; manner and consequence of transfer of instruments; striking and endorsing endorsements; requisites of holder in due course; defense of parties; discharge of negotiable instruments and the parties secondarily liable; liabilities of the parties; effects of alteration and other kinds of instruments such as promissory notes and bills of exchange.

Prerequisite: BL 1

Credit: 3 units

7. Taxation

Tax 1 - Philippine Tax System and Income Tax

This course is an in-depth study of income taxation and provides a reliable foundation on the core areas of tax that are likely to be encountered during the initial phase of a CPA's professional experience in professional practice. It covers an overview of

the national tax system; and the income taxation of employees and unincorporated businesses and incorporated businesses. It provides the students with knowledge of the capital gains tax; final tax on certain passive income; and the year-end tax, including the minimum corporate tax, the normal tax, and the improperly accumulated profits tax of corporations. Tax forms are provided for specific topics discussed.

Prerequisites: Fin 1, Eco 1, and Acctg 4

Credit: 3 units

Tax 2 - Business and Transfer Taxes

This course is an in-depth study of business and transfer taxes and is a continuation of Tax 1. It covers value-added tax schemes; local direct taxes including real estate and other property taxes; excise taxes; transfer taxes on gratuitous transfers of property which are estate tax and the donor's tax; business taxes; and the remedies of the state and the taxpayer. On estate tax, the basic concepts of succession gives the student an understanding of successional rights. Discussions on estate tax are on gross estate, deductions from the gross estate and computations for the net taxable estate, estate tax, and estate tax credit. On donor's tax, basic concepts of donation blend into the discussion of gross gifts, deductions from the gross profits and computations of net taxable gifts, donor's tax, and tax credit. On business taxes, the value-added tax, percentage taxes, and excise taxes are discussed on who are the taxpayers, the tax base, and the tax rates. Community taxes on individuals and corporations, as required under the Local Government Code, are discussed. Reportorial and administrative requirements on all taxes are taken up. Finally, the remedies of the state for collection of taxes and the remedies of the taxpayers on taxes being assessed and/or erroneously paid are discussed. Emphasis is given on ethical considerations - tax avoidance and the minimization of tax liabilities vs. tax evasion.

Prerequisite: Tax 1

Credit: 3 units

8. Information Technology

Comp 2 – Fundamentals of Computers Software

This course aims to provide the students with working knowledge on the use of the computer and software packages in the areas of spreadsheet modeling, data base management, word processing, electronic mail, presentation graphics, and operating system (e.g., Windows) environment. It trains the student to apply the software tools in solving business problems.

Prerequisite: Comp 1

Credit: 3 units

9. Business Math

Math 3 - Business Statistics

In this course, students learn the basic concepts of statistics and how to use statistical methods, with emphasis basically on descriptive statistics. It also deals with the fundamentals of probability, probability distributions, and the use of statistical inference such as interval estimation and testing hypothesis, through chi-square, and analysis of variance. Regression and correlation analysis and forecasting methods are also taken up as statistical tools in problems related to business and economics. The students also learn how to use statistical presentations as an aid to reporting information, and to use computers to generate statistical presentations of data.

Prerequisite: Math 1

Credit: 3 units

Math 4 - Quantitative Techniques in Business

In this course, students acquire the knowledge and experience in conducting inquiries and evaluation of quantitative data. It covers mathematical decision models such as matrices and linear programming models and other special algorithms; inventory and production models; decision-making process under certainty and risk; decision tree construction and analysis; network models; PERT and CPM; business forecasting models; and computer application.

Prerequisites: Math 3 and Comp 2

Credit: 3 units

III. Accountancy Education

1. Financial Accounting Theory and Practice

Acctg 3 - Financial Accounting Theory and Practice, Part I

This course introduces the nature, functions, scope, and limitations of the broad field of accounting theory. It deals with the study of the theoretical accounting framework – objectives of financial statements, accounting conventions, and generally accepted accounting principles (national concepts and principles as well as international accounting standards), the conditions under which they may be appropriately applied, their impact or effect on the financial statements; and the criticisms commonly leveled against them. The course covers the detailed discussion, appreciation, and application of accounting principles covering the asset accounts. Emphasis is given on the interpretation and application of theories of accounting in relation to cash, temporary investments, receivables, inventories, prepayments, long-term investments, property, plant and equipment, intangibles, and other assets, including financial statement presentation and disclosure requirements. The related internal control, ethical issues, and management of assets are also covered. Exposure to

computerized system in receivables, inventory, and lapsing schedules is a requirement in this course.

Prerequisite: Acctg. 2

Credit: 6 units

Acctg 4 - Financial Accounting Theory and Practice, Part II

This course is a continuation of Financial Accounting, Part I. It is designed to cover the financial accounting principles relative to recognition, measurement, valuation, and financial statement of presentation of liabilities and stockholders' equity, including disclosure requirements. The related internal control, ethical issues, and management of liabilities and owner(s)' equity are also covered. It also deals with contemporary issues such as accounting for changing prices, leases, employees' retirement benefits, deferred taxes, and other current related items.

Prerequisite: Acctg. 3

Credit: 6 units

Acctg 5 - Financial Accounting Theory and Practice, Part III

This course is the culmination of the Financial Accounting cluster. It deals with the preparation of a properly classified balance sheet, income statement, statement of changes in equity, and statement of cash flows, including the required disclosures and notes to the financial statements. It also covers reconstruction of accounts from incomplete records, change from cash basis to accrual basis of accounting, correction of errors, accounting changes, discontinuing operations, extraordinary items, interim reporting, segment reporting, and other current related items. The students will also be exposed to the financial statements of specialized industries.

Prerequisite: Acctg 4

Credit: 3 units

2. Cost Determination, Analysis, and Control

Acctg 6 – Cost Accounting and Cost Management

This course is designed to orient the students to the cost accounting and cost management framework of business. Topics discussed are: overview of cost accounting; manufacturing cost accounting cycle; job and process cost systems; accounting, planning, and control for materials, labor, and factory overhead; accounting for joint and by-product costs; and cost management systems (CMS) for the new manufacturing environment such as activity-based costing, target costing, total quality management, value reengineering, and theory of constraints.

Prerequisites: Acctg 5 and Mgt 3

Credit: 6 units

3. Management Accounting and Management Consultancy Services

Acctg 7 – Management Accounting, Part I

This course is designed to acquaint students with the role of the accountant in the management team by providing and assisting in the analysis, interpretation, and forecasting of business organizations. It covers the discussion of the foundation of management accounting; its expanding role, organizational structure, and professional ethics for management accountants; design of management accounting systems (e.g., responsibility accounting system), evaluating the impact of changes in business structure, functions, and appropriateness of management accounting techniques and methods; performance measurement for planning and control such as: marginal, absorption, and opportunity costing; cost behavior; cost-volume-profit relationship; advanced analysis and appraisal of financial and related information; business planning and

budgetary systems; standard costing and variance analysis; quantitative techniques; and methods for planning and control.

Prerequisites: Acctg 6 and Fin 2

Credit: 3 units

Acctg 8 – Management Accounting, Part II

This is the second part of Management Accounting and deals with the application of techniques and concepts focusing on segment reporting, profitability analysis, and decentralization; information for decision-making purposes (short-term and long-term) and non-financial indicators such as productivity per employee or per service unit; decision making affecting short-run operations of the company; capital budgeting decisions; and environmental cost accounting.

Prerequisite: Acctg 7

Credit: 3 units

Acctg 9 – Management Consultancy

This course covers basic considerations of management consultancy engagements by CPAs; areas of management consultancy; professional attributes of management consultants; and consultancy practice: organization, management standards, and ethical considerations. It also covers project feasibility – aspects of project development cycle, economic aspect, technical aspect, financial aspect (investment cost, financing, evaluation); information systems (IS) engagement, management/operations audits, and business process improvement/reengineering. Together with Mgt 4 - Business Policy and Strategy, this course serves as an integrative course to be taken in the last term/semester.

Prerequisites: Acctg 8, Fin 3, and Mktg 1

Credit: 3 units

4. Advanced Accounting Problems (including Accounting for Not-for-Profit Organizations and Government Organizations)

Acctg 10 - Advanced Accounting, Part I

This course deals with specialized accounting problems likely to be encountered by accountants. The study of the various topics in this course is based upon fundamental valuation accounting and accounting theory as applied to special income and expense recognition methods and expanded business operations. This course includes specialized problems in partnership accounting; accounting for joint ventures and associated enterprises (including International Accounting Standards Statements Nos. 24, 28, and 31); accounting for domestic branches; accounting for installment sales; accounting for long-term construction contracts; fire insurance accounting; and other special issues such as build-operate-transfer (BOT) and similar schemes.

Prerequisite: Acctg 5

Credit: 3 units

Acctg 11 - Advanced Accounting, Part II

This course is a continuation of Advanced Accounting, Part I. It is designed to cover accounting and reporting for not-for-profit organizations, government accounting, debt restructuring, and accounting for financially distressed corporations. The impact of environmental concerns on costs is also taken up.

Prerequisite: Acctg 10

Credit: 3 units

Acctg 12 - Advanced Accounting, Part III

This course is the last part of the advanced accounting courses and deals mainly with consolidation and mergers, parent-subsidiary relationships, and consolidated statements, including foreign subsidiaries. The other topics deal with accounting for

the effects of changes in foreign exchange rates and other similar current issues.

Prerequisite: Acctg 11

Credit: 3 units

5. Auditing and Assurance Services

Aud 1 – Auditing and Assurance Services, Part I

This course is designed to expose students both to the demand for and the supply of the profession's flagship service - financial statement audits - and to the nature of the value-added assurance services which decision makers demand in the information age. Topics include: auditing and assurance fundamentals: relationship among assurance, attestation, and audit services; consulting vs. assurance services; types of attestation services (agreed-upon procedures engagement and review engagement); types of audits (internal, external or financial statement audits, government audit, and special purpose audits); relationship of accounting and auditing; other services (operational audits, compliance audits, and non-attest services); professional standards: assurance standards and attestation and auditing standards; professional ethics; legal liability; the framework of financial statements auditing: risk-based approach as audit methodology; audit evaluation and planning, including the concept of risk and materiality; assessing internal controls, and tests of controls; performance of an audit: evidence collection, analysis, and substantive tests; reporting: reports on assurance services, attestation services, and financial statement audits; and completing the audit including communications with board of directors and management concerning internal control weaknesses.

Prerequisites: Acctg 5 and Comp 3

Credit: 3 units

Aud 2 – Auditing and Assurance Services, Part II

This is a continuation of Auditing and Assurance Services, Part I, focusing on financial statements audit. It covers detailed approaches to problems and situations normally encountered in the independent examination of cash, receivables, inventories, investments, prepaid expenses, deferred charges, property, plant and equipment, intangibles, liabilities, owners' equity, and revenue and expenses. It deals specifically with the application of auditing standards, techniques, and procedures; internal control evaluation; preparation of audit working papers; introduction of computer application in auditing; audit adjustments; and audit reports pertaining to a medium-sized manufacturing or trading concern. The determination of audit objectives and audit programs, evaluation of internal control, and determination of substantive procedures as applied to various accounts are better appreciated as the transaction cycle approach is employed in the course. Audit working papers and audited financial statements are the natural outputs of this course leading to the preparation of audit reports.

Prerequisite: Aud 1

Credit: 6 units

6. Information Technology

Comp 3 -- System Analysis and Design

This course aims to equip students with the basic concepts and methods used in the analysis, design, and deployment of information systems in organizations. It involves a theoretical study of system concepts, components and business organizations.

The course discusses the major activities and key issues at each stage in the system life cycle, including requirements

analysis, human factors, prototyping, functional design, database design, project management and implementation. Various methodologies and technical tools ranging from flowcharts and decision tables to automated design techniques and CASE tools are discussed.

Prerequisite: Comp 2

Credit: 3 units

Comp -- 4 Information Management and Control

This course provides students with an understanding of how information should be generated, processed, assessed, and controlled. Using a conceptual approach, it examines the process of analyzing and designing financial accounting systems with emphasis on the accountant's role in the development of information systems. It introduces the features of typical computer-based accounting systems as distinguished from manual systems, and how they interface with one another. The course also introduces control concepts and techniques to manage risks in financial accounting systems.

Applying system analysis and database design concepts, the students will define and analyze user needs, develop system specifications and database design, and define the control requirements.

The course also provides hands-on experience in operating a computerized accounting system. Finally, the course explores the strategic implications and applications of information technology and the emerging business models in the new economy.

Prerequisite: Comp 3

Credit: 3 units

Comp 5 -- Auditing in an IT Environment

This course complements the course in auditing. It discusses IT-related risks, security and control mechanisms and techniques that may be employed to address the risks, and the impact of computer use on the audit. It also introduces computer assisted audit techniques and tools.

Prerequisites: Comp 3 and Aud 1

Credit: 3 units



Professional Regulation Commission
Board of Accountancy

REVISED MINIMUM CURRICULAR
REQUIREMENTS FOR BACHELOR
OF SCIENCE IN ACCOUNTANCY

Introduction

- Developments in the New Economy
 - The world is moving borderless all the time
 - Technological developments are rewriting the rules of business
 - The number of new non-CPA competitors is increasing rapidly
 - The perceived value of the cornerstones of the profession – audit and tax compliance – is declining

Historical Background of the Accounting Curriculum

- Started as a major in a bachelor's degree for commerce
- Revised Accountancy Act of 1967 – MAS introduced as a new subject
- 1988 – Model curriculum exposed in accounting educators' conference
- 1990 – DECS Order No. 5 recognized a separate and distinct BS Accountancy program
- 1998 – CMO No. 19

Changes in Policies & Standards

- Faculty members must be computer literate
- Continuing faculty development a must
- Selective admission policy; strict retention policies
- Final departmental examinations
- Class size not to exceed 40 students
- Accounting and board-related subjects offered only during regular term

Reasons of the BOA for pushing revision of existing standards

- Globalization requires CPAs to have qualifications that are transportable over national frontiers
- Significant increases in accounting, auditing pronouncements and tax laws
- Business methods have become increasingly complex
- Staffing needs of CPA employers are changing rapidly
- The deteriorating performance of graduates in CPA licensure exams

Basic Premises

- Revised policies & standards complement new policies & standards of CHED
- Requirements of the Global Curriculum for Professional Accountants prescribed by UNCTAD and IFAC Education Guidelines
- Gaps between the present curriculum and UNCTAD/IFAC requirements identified
- Existing subject content were enhanced, to the extent possible
- Business English is incorporated in all business and accounting subjects

Basic Premises (continued)

- Proposed changes address not only subject content but also admission and retention policies, faculty qualifications, adequacy of school facilities, instructional methodologies, linkage/networking and faculty retooling
- Rules specify only a minimum of 174 units so that schools of accountancy can have flexibility to design their own curriculum
- Present economic conditions were considered
- Provision for continuing curriculum review and assessment

Highlights of New Curriculum

	CMO No. 19, s. 1998	CMO No. 26, s. 2001	Additional Units
General Education Component	51	51	-
Business Education Component	54	54	-
Education in Accountancy	39	69	30
Sub-total	144	174	30
Physical Education	8	8	-
R.O.T.C.	6	6	-
Total	158	188	30

Increase in Accounting Education Component

New Subjects	CMO No. 19, s. 1998	CMO No. 26, s. 2001	Additional Units
English: Speech and Oral Communication			
Finance: Financial Management II		3	3
Management: Business Policy and Strategy		3	3
Business Law: Sales, Agency & Other Commercial Laws		3	3
		9	9
Total	39	69	30

Increase in Accounting Education Component

	CMO No. 19, s. 1998	CMO No. 26, s. 2001	Additional Units
Financial Accounting Theory & Practice (Add'l subject FA III; addl 3 units for FA II)	9	15	6
Management Accounting and Management Consultancy (New subject - Mgt Consultancy)	6	9	3
Cost Determination, Analysis & Control	6	6	-
Auditing and Assurance Services	9	9	-
Advanced Accounting (Add'l 6 units)	3	9	6
Information Technology (New subject - Systems Analysis & Design)	6	9	3
Sub-total	39	57	18