



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

MEMORANDUM FROM THE CHAIRPERSON

FOR : PRESIDENTS/HEADS OF PUBLIC AND PRIVATE HIGHER
EDUCATION INSTITUTIONS (HEIs) OFFERING GRADUATE
PROGRAMS IN ACCOUNTANCY

**CHED REGIONAL OFFICE (CHEDRO) DIRECTORS AND
SUPERVISORS-IN-CHARGE OF ACCOUNTANCY PROGRAMS**

SUBJECT : NATIONAL PUBLIC HEARING/CONSULTATION ON THE REVISED
POLICIES, STANDARDS AND GUIDELINES (PSGs) FOR GRADUATE
PROGRAMS IN ACCOUNTANCY

DATE : October 26, 2016

The Commission on Higher Education (CHED) through the Technical Panel for Business and Management Education (TPBME) will conduct a National Public Hearing/Consultation on the proposed revised Policies, Standards and Guidelines (PSGs) for **Graduate Programs in Accountancy** on **November 23, 2016, 10:00 A.M – 2:00 P.M within Metro Manila (exact venue to be announced)**.

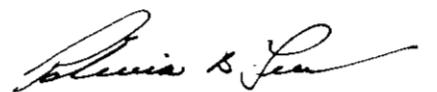
Relative to this, heads/representatives of higher education institutions (HEIs) offering graduate programs in Accountancy from concerned government agencies, industry, professional organizations and other stakeholders, and CHEDRO Directors/Supervisors in-Charge of the program are invited to attend the said activity.

A copy of the proposed revised PSG for the aforementioned programs will no longer be provided during the public hearing/consultation but can be downloaded from the CHED website (www.ched.gov.ph click issuances).

Funds for travel expenses of the CHEDRO representatives (one representative per CHEDRO) will be transferred to their respective offices while travel and other expenses of participants coming from public HEIs shall be charged against their local funds subject to usual accounting and auditing rules and regulations. Participants from private HEIs and other stakeholders shall have to make arrangements on their travel expenses with their respective institutions.

Food during the public hearing/consultation shall be provided by CHED. To ascertain logistic preparations, only one (1) representative per HEI shall be allowed to attend this activity. CHED Regional Offices are requested to forward confirmations of participants from their respective regions to CHED-Office of Programs and Standard Development not later than five (5) days before the date of public hearing/consultation. For confirmation or inquiries, please contact Mr. Noel Paz or Mr. John Paul Dela Cruz at Telephone Numbers **(02) 441-1253/441-1228** or through ched.tpbme@gmail.com.

For immediate and wide dissemination


PATRICIA B. LICUANAN, Ph.D.
Chairperson



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

CHED MEMORANDUM ORDER (CMO)

No. _____
Series 2016

SUBJECT: POLICIES AND STANDARDS FOR GRADUATE PROGRAMS IN ACCOUNTANCY

In accordance with the pertinent provisions of Republic Act (RA) No. 7722, otherwise known as the “*Higher Education Act of 1994*,” and in pursuance of an outcomes-based quality assurance system as advocated under CMO 46 s. 2012, the following policies, standards and guidelines (PSGs) are hereby adopted and promulgated by the Commission.

**ARTICLE I
INTRODUCTION**

Section 1. Rationale

Based on the *Guidelines for the Implementation of CMO 46 s 2012*, this PSG implements the “shift to learning competency-based standards/outcomes-based education.” It specifies the ‘core competencies’ expected of Master’s and Doctoral Programs in Accountancy graduates “regardless of the type of HEI they graduate from.” However, in “recognition of the spirit of outcomes-based education and in alignment with the typology of HEIs,” this PSG also provides “ample space for HEIs to innovate their curriculum in line with the assessment on how best to achieve learning outcomes in their particular contexts and their respective missions”

**ARTICLE II
AUTHORITY TO OPERATE**

Section 2. Government Recognition

All higher education institutions (HEIs) intending to offer master’s and doctoral program in Accountancy must first secure proper authority from the Commission in accordance with the provisions of this PSG. All HEIs are required to shift to an outcomes-based approach based on these PSGs. State universities and colleges should likewise strictly adhere to the provisions in these policies, standards and guidelines.

The master’s program in accountancy may be offered by an HEI with either:

- a. Level III accredited undergraduate programs in accountancy or related course in business may apply to offer the master’s Program OR
- b. Level II accreditation with a strong research program as shown by:
 - b.1 presence of research unit with research facilities
 - b.2 pool of qualified faculty
 - b.3 presence of research agenda
 - b.4 documented and published research outputs in refereed journals
 - b.5 research budget

- c. Center of Excellence/Center of Development in the specific undergraduate program being applied for OR

The doctoral program in accountancy may be offered by an HEI with either:

- a. Level II accredited master's programs in accountancy or related course in business may apply to offer the master's Program OR
- b. Level III institutional accreditation with a strong research program as shown by:
 - c.1 presence of research unit with research facilities
 - c.2 pool of qualified faculty
 - c.3 presence of research agenda
 - c.4 documented and published research outputs in refereed journals
 - c.5 research budget

Specifically, a strong research program as stated above should be indicated by the following:

1. **Research Unit.** The university should have a research unit that manages, monitors and evaluates research activities and manned by permanent staff.
2. **Pool of qualified faculty.** The HEI should have faculty members who are holders of master's and/or doctorate degree responsible for handling the research activities specific to the discipline being applied for. For those applying to offer a Master's degree program, the faculty profile should be 25% Master's degree in Accountancy degree holders and 75% should be Ph.D holders. For those applying to offer doctorate degree programs, all faculty members must be Ph.D. holders.
3. **Policies.** The HEI should have policies and guidelines on benefits and incentives for faculty undertaking research work e.g., deloading, research awards, patents and intellectual property rights (IPR).
4. **Research Agenda.** The HEI should have a clearly stated research agenda that includes the discipline being applied for. This agenda ideally should: 1) be anchored on the institution's philosophy and framework, 2) be responsive to identified goals and prioritized niches in the arts and sciences, 3) be aligned with the National Higher Education Research Agenda (NHERA) and other research thrusts, and 4) answer the needs of industry for economic development.
5. **Publication and Presentation in Conferences.** The HEI should show proof of publications in refereed national and international journals in the specified discipline. The faculty members should likewise present their research accomplishments in local and international fora.
6. **Research Unit Facilities.** The research unit shall have adequate facilities for the conduct of research in the specified discipline.
7. **Research Budget.** In order to ensure the continuous operation of the Research Unit and the conduct of research in the college/university, it is imperative that a provision for a reasonable budget of at least 2% of the total school budget be allotted for its research undertakings."

For offering the doctoral program, HEIs that have a recognized Master's program in Accountancy or related business degree with at least Level I accreditation and having offered a successful Master's degree program for at least five (5) years may apply to offer the Doctoral program.

ARTICLE III GENERAL PROVISIONS

Section 3 The Articles that follow provides for the minimum standards and other requirements which are expressed as a set of desired program outcomes as stated in Article IV Section 6. The minimum number of units of this curriculum is hereby prescribed under Section 13 of RA 7722. A brief description of the curriculum map is shown in Article V Section 11.

In addition, using a learner-centered and outcomes-based education, the suggested curriculum delivery methods are shown in Article V Section 9. The description of course syllabi provided in Article V Section 12 contains some of these methods.

Based on the curriculum and the means of its delivery, these guidelines provide the physical resource requirements for the library, laboratories and other facilities and the human resource requirements in terms of administration and faculty as shown in Article VI.

Section 4 The HEIs are allowed to design curricula suited to their own contexts and missions provided that they can demonstrate that the same leads to the attainment of the required minimum set of outcomes, albeit by a different route. In the same vein, they have latitude in terms of curriculum delivery and in terms of specification and deployment of human and physical resources as long as they can show that the attainment of the program outcomes and satisfaction of program educational objectives can be assured by the alternative means they propose.

The HEIs can use the **CHED** Implementation Handbook for Outcomes-Based Education (OBE) and the Institutional Sustainability Assessment (ISA) as a guide in making their submissions for Sections 6, 7 and 8 of Article VII.

ARTICLE IV PROGRAM SPECIFICATIONS

Section 5 Program Description.

The graduate programs in accounting is designed to prepare the student to understand, manage and perform his task as a professional accountant in today's complex and competitive business environment. The graduate degrees are meant to build upon the undergraduate accounting education and further develop specialization in any of the growing areas of the accounting practice, such as but not limited to management accounting, internal auditing, accounting information system, corporate governance and taxation.

Section 6 Types of graduate programs, degree names and nature of the field of study.

6.1 Master's program

- a. Master of Professional Accountancy (MPAcc) – This is a non-thesis graduate professional degree program designed to develop broader and deeper technical accounting knowledge, skills, attitude and values for the practice of accountancy. This is a terminal professional program in accounting.
- b. Master of Science in Accountancy (MSAcc) – This is a thesis graduate program in accountancy designed to meet the need of the profession for individuals with a broad and extensive training in research. It provides a broad-based business education, equipping students with the necessary technical knowledge in the different fields of accounting, critical thinking and research skills, and the attitude and values of an accounting researcher. Furthermore, this program prepares the graduate to pursue a doctoral research-based degree in accounting.

6.2 Doctoral program

- a. Doctor of Philosophy in Accountancy (PhD Acc) – This doctoral program in accounting is designed to provide thorough understanding of current accounting theory, practice and research within the framework of modern economic and finance theories as applied to the behavior of today's businesses and markets. The PhD program involves independent and original thinking and research and prepares to make significant contributions to the advancement of knowledge of accounting theory and practices through research and consulting and to disseminate such knowledge through their teaching.

Section 7 Specific professions, careers and occupations for graduate.

7.1 Master's program

The master's programs in accountancy will allow students to seek middle-level and advanced positions in a professional career in different areas such as private practice, public practice, government, and academe. Graduates may be qualified as audit manager, tax manager, consulting manager, comptroller, senior financial analyst, State Accountant V, senior faculty, Accounting department chair and junior researcher in the middle-level position; and as partner, chief financial officer, chief information officer, national treasurer, vice president for academic affairs and dean in the advanced position.

7.2 Doctoral program

The doctoral degree program qualifies graduates for a career as researchers and senior lecturers at higher education institutions or for specialist/consultancy jobs in the part of the private sector that requires correspondingly broad analytical and methodological skills, critical judgment, and the ability to engage in specialized professional work. Furthermore, graduates can be appointed in

various leadership position in the development and design of different standards in the profession and practice.

Section 8 Program Outcomes

The minimum standards for the graduate programs in accountancy are expressed in the following minimum set of learning outcomes:

8.1 Master of Professional Accountancy (MPAcc)

- 8.1.1 Resolve complex and unpredictable business issues and problems with a global and strategic perspective using their knowledge and technical proficiency in financial accounting and reporting, cost accounting and management, management accounting and control, taxation and accounting information system;
- 8.1.2 Conduct a technical research-based paper showing mastery of the topic in specialized field of accounting;
- 8.1.3 Apply knowledge and skills that will enable them to successfully respond to various types of assessments including specialty professional licenses and certifications; and
- 8.1.4 Confidently maintain a commitment to good corporate citizenship, social responsibility and ethical practice in performing functions as an accountant.

8.2 Master of Science in Accountancy (MSAcc)

- 8.2.1 Resolve complex and unpredictable business issues and problems with a global and strategic perspective using their knowledge and technical proficiency in financial accounting and reporting, cost accounting and management, management accounting and control, taxation and accounting information system;
- 8.2.2 Conduct and defend a thesis that involve critical and independent thinking as the basis for research that extend or re-define knowledge or practice; and
- 8.2.3 Confidently maintain a commitment to good corporate citizenship, social responsibility and ethical practice in performing functions as an accountant.

8.3 Doctor of Philosophy in Accountancy (PhDAcc)

- 8.3.1 Resolve highly specialized and complex business issues and problems with a global and strategic perspective using their knowledge and technical proficiency in accounting theory;
- 8.3.2 Conduct and defend a dissertation that involve independent and original thinking and research, resulting in the creation of new knowledge or practice; and
- 8.3.3 Confidently maintain a commitment to good corporate citizenship, social responsibility and ethical practice in performing functions as an accounting researcher.

ARTICLE V CURRICULUM

Section 9 Curriculum Description.

The curriculum for the professional graduate program in accountancy shall be consistent with the specific thrusts, specifications and competency standards as defined in this CMO.

The curriculum aims to facilitate the student's assimilation of advanced knowledge in accounting and related aspects of business. It focused on enhancing a student's analytical and critical thinking skills, written and oral communication skills, and understanding of the global nature of the accounting profession.

9.1 Master of Professional Accountancy (MPAcc)

9.1.1 The program requires the completion of thirty six (36) units of course work. The coursework shall be based on the most current and relevant knowledge that can be applied to the professional development context of professional accountants, as evidenced by the course reference materials course requirements, and the assessment systems.

9.1.2 Reference materials should be specialized readings that discuss and evaluate the latest technical and ethical standards, best practices in the specific areas of professional specialization.

9.1.3 Course learning activities and requirements should involve the production and evaluation of approaches, programs and materials used in the specific areas of professional skills for the development and evaluation of educational programs and materials.

9.2 Master of Science in Accountancy (MSAcc)

9.2.1 The program requires the completion of thirty six (36) units divided into thirty (30) units of coursework and six (6) units of thesis. The program shall be researched-based as evidenced by the course reference materials, course requirements, and assessment systems.

9.2.2 Reference materials should be specialized and research-based journal articles, books chapters, and books/monographs.

9.2.3 Course learning activities and requirements should develop specific aspects of research competencies.

9.2.4 The thesis requirement should be an independent and critical research which extends or redefine accounting knowledge or practice.

9.2.5 Assessment systems should involve performance-based activities that require students to demonstrate higher order thinking skills.

9.3 Doctor of Philosophy in Accountancy (PhDAcc)

9.3.1 The program requires completion of sixty (60) units which is divided into thirty (30) units of course work, eighteen (18) units of seminar courses and twelve (12) units of dissertation writing.

9.3.2 The coursework are foundational courses which will equip the candidates to complete the dissertation research. These shall be provide the

students with a strong background in accounting theory as well as mathematical foundations.

- 9.3.3 Seminar courses should be designed to enrich the breadth and depth of knowledge in accounting theory and practice as well as enhance critical thinking skills in pursuing empirical and analytic research.
- 9.3.4 The dissertation requirement should be an independent and original research which results in the creation of new knowledge or practice.
- 9.3.5 Assessment systems should involve performance-based activities that require students to demonstrate higher order thinking skills.

Section 10 Sample Curriculum

10.1 Master of Professional Accountancy (MPAcc)

Types of Courses	Units
Core/Foundational Courses	12
Markets and governance	3
Financial reporting principles and issues	3
Statistical analysis and applications	3
Accounting research methodology	3
Major courses (by specialization) ¹	12
Cognates/electives	9
Integrating technical paper	3
TOTAL	36

¹ Specialization refers to any of the growing areas of the accounting practice, such as but not limited to management accounting, internal auditing, accounting information system, corporate governance and taxation. For instance, major courses for management accounting may include managerial economics, corporate finance and valuation, operations management, and managerial control and costing systems.

10.2 Master of Science in Accountancy (MSAcc)

Types of Courses	Units
Core/Foundational Courses	12
Markets and governance	3
Financial reporting principles and issues	3
Statistical analysis and applications	3
Accounting research methodology	3
Major courses	12
Contemporary Accounting theory	3
Microeconomic theory and analysis	3
Macroeconomic theory and analysis	3
Regression and multivariate analysis	3
Cognates/electives ²	6
Research in financial reporting and analysis	3
Research in managerial accounting	3
Research in taxation	3
Research in Islamic finance and accounting	3
Thesis writing	6
TOTAL	36

² Program may specify two cognates/electives for their course according their mission and vision as well as the requirements of their region, community and industry. The list of courses in this sample curriculum illustrates the nature of cognate courses for the MSAcc.

10.3 Doctor of Philosophy in Accountancy (PhDAcc)

Types of Courses	Units
Coursework	30
Differential and integral calculus	3
Linear algebra and matrix theory	3
Econometric analysis	3
Advanced research methodology	3
Accounting Theory I – Theory of corporate disclosures, control and governance	3
Accounting Theory II – Empirical analysis of financial reporting	3
Accounting Theory III – Advanced topics in capital markets and information	3
Current topics in auditing and assurance	3
Survey of accounting information system research	3
Microeconomic Theory – Institutional and Informational Economics	3
Accounting Seminar	12
Seminar in empirical research in accounting	3
Seminar in analytical research in accounting	3
Seminar in behavioral research in accounting	3
Seminar in financial accounting research	3
Cognates/Electives³	6
Financial research seminar	3
Optimization models in finance	3
Data mining	3
Empirical corporate finance	3
Written Comprehensive Examination⁴	
Dissertation writing	12
TOTAL	60

³ Program may specify two cognates/electives for their course in addition to the sample cognates in the list.

⁴ In lieu of a comprehensive examination, the HEI may consider publication in a peer reviewed journal as equivalent.

Section 11 Thesis/Dissertation Requirements

A Thesis Committee is composed of three (3) graduate faculty members. The Thesis Committee shall be constituted to review the thesis requirement of the candidates for Master of Science in Accountancy (MSAcc).

A Dissertation Committee shall be composed of five (5) graduate faculty members with a doctoral degree. The Dissertation Committee shall be tasked to evaluate the

dissertation requirement of the candidates for the Doctor of Philosophy in Accountancy (PhDAcc).

The evaluation of the master's thesis and the doctoral dissertation shall involve an oral examination by the Thesis or Dissertation Committee.

Section 12 Curriculum Standards

Curriculum development is a dynamic and continuing process. Accounting education should not only keep pace with the current realities of the business environment. An annual re-examination of the curriculum and research must be conducted to avoid obsolescence. HEIs must notify the CHED and the its regional office concerned on the compliance of this provision.

The graduate program in accountancy shall require either a comprehensive examination or some appropriate equivalent requirement to asses the students' ability to analyze, integrate, evaluate and apply the different knowledge and skills developed in the various courses.

CHED encourages innovation to include curriculum content in accountancy education for relevance. HEIs that wish to innovate may apply to the CHED regional office concerned for evaluation and appropriate action. The curricular standard for each program should follow the minimum requirements for Core/Foundation Courses, Major Courses, Cognate subjects and required as prescribed by this CMO.

ARTICLE VI REQUIRED RESOURCES

Section 13 Administration

The graduate program in accountancy shall be administered by a dean, department chair, program director or program head with the following qualifications:

- 13.1 Holder of an earned doctorate degree in accountancy or allied fields;
- 13.2 Holder of relevant professional license (CPA, CMA, CIA);
- 13.3 Have five (5) years of relevant experience in industry/practice, teaching and administration;
- 13.4 Scholarly research productivity as demonstrated by published researches in the field of business and accounting; and
- 13.5 Must be of good moral character.

Section 14 Faculty

The faculty should possess the educational qualifications, professional experience, classroom teaching ability, computer literacy, scholarly research productivity, and other attributes essential for the successful conduct of a professional graduate in accountancy.

- 14.1 All faculty teaching courses in the master's program in accountancy should be:
 - a. Holders of at least a master's degree in accountancy, business or other allied fields;

- b. Holders of relevant professional and specialty licenses (CPA, CMA, CIA) with five (5) years relevant experience;
- c. Must be of good moral character.

14.2 For the master's program there shall be at least three (3) full-time faculty members who are at least master's degree holders in accountancy, business or allied fields and who have published works in professional and academic journals. Moreover, the three (3) full-time faculty members should have advanced learning in the specialization or major area being offered with at least one (1) of the three (3) full-time faculty member having an earned doctoral degree.

14.3 All faculty members teaching courses in the doctoral program in accountancy should have an earned doctorate degree in accountancy, business or other allied fields and should have published works in professional and peer-reviewed academic journals.

14.4 For the doctoral program, there should be at least three (3) full-time faculty members with an earned doctoral degree in accountancy, business or allied fields.

Section 15. Library

In addition to the library requirements for the undergraduate accountancy program, the HEI offering graduate programs in accountancy shall comply with the following:

- 15.1 subscription to at least six (6) peer reviewed professional and/or academic journal in accountancy with at least one (1) in the specialization offered;
- 15.2 at least ten (10) titles of graduate reference book for each graduate course/subject; and
- 15.3 access to internet and information and communication technology-based learning resources and reference materials.

Section 16. Laboratory and Facilities

The laboratories and facilities of HEIs for the graduate accountancy program shall be augmented with:

- 16.1 appropriate research facilities
- 16.2 instructional laboratories, as needed;
- 16.3 resources needed for research (e.g., statistical software and other equipment for analysis of research data); and
- 16.4 information and communication technology facilities.

Section 17. Admission

A bachelor's degree in accountancy, business or its equivalent is required for admission to master's and doctoral programs in accountancy. Other specific admission policies for the above stated programs shall be upon the discretion of the institution.

Section 18. Retention and Residency Requirements

The institution shall have specific admission and retention policies for its graduate students. All curricular requirements for a master's degree must be completed within five (5) years after the students' first enrolment in the master's program, and those for the doctoral degrees must be completed within seven (7) years after the students' first enrolment in the doctoral program. The thesis must be successfully defended within two (2) years after the completion of the academic requirements. Likewise, dissertation must be successfully defended within three (3) years after the completion of the academic requirements.

ARTICLE VII COMPLIANCE OF HEIs

Using the **CHED Implementation Handbook for OBE and ISA** as reference, a HEI shall develop the following items which will be submitted to CHED when they apply for a permit for a new program or the approval of the transformation of existing programs to outcomes-based framework:

Section 19. The complete set of program outcomes, including its proposed additional program outcomes.

Section 20. Its proposed **curriculum**, and its justification including a curriculum map.

Section 21. Proposed **performance indicators** for each outcome. Proposed measurement system for the level of attainment of each indicator.

Section 22. Proposed **outcomes-based syllabus** for each course. This should already be indicative of the plan of **delivery** of the curriculum, student assessment and of the **resources** to be deployed.

Section 23. Proposed system of program assessment and evaluation

Section 24. Proposed system of program **Continuous Quality Improvement (CQI)**.

ARTICLE VIII TRANSITORY, REPEALING and EFFECTIVITY PROVISIONS

Section 25. Transitory Provision

All private HEIs, State Universities and Colleges (SUCs) and Local Universities and Colleges (LUCs) with existing authorization to operate the Master and Doctoral program in Accountancy are hereby given a period of three (3) years from the effectivity thereof to fully comply with all the requirements in this CMO. However, the prescribed minimum curricular requirements in this CMO shall be implemented starting Academic Year 2018-2019.

Section 26. Repealing Clause

Any provision of this Order, which may thereafter be held invalid, shall not affect the remaining provisions.

All CHED issuances or part thereof inconsistent with the provision in this CMO shall be deemed modified or repealed

Section 27. Effectivity Clause

This CMO shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation. This CMO shall be implemented beginning Academic Year 2016-17.

SO ORDERED.

Quezon City, Philippines _____.

FOR THE COMMISSION

PATRICIA B. LICUANAN
Chairman