

A Study on the Integration of Accounting and Auditing Cases and Problems in the Plm Bsa Curriculum As Professional Electives

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Abstract: *Among the courses offered by Pamantasan ng Lungsod ng Maynila (PLM) Bachelor of Science in Accountancy (BSA) had a reputation of consisting of bright students and performing well in the board exam, even being included in the topnotchers. However somewhere along the line, its performance has dwindled down, and has been one of the poor performers in licensure exams among other board courses in PLM.*

In 2018, the University has hired CPA Reviewers who conducted Integrated Review Course (IRC). However, in the following year and to present, the University has opted not to continue hiring CPA Reviewers. Some graduating students, on the other hand have enrolled in the review class at their own expense.

Furthermore, PLM has aligned its curriculum with CHED CMO 17 s.2017 that sets the minimum required number of units for BSA course. In this curriculum, there are four (4) Professional Electives with a total twelve (12) units.

The proponents, aim to study the possibility of integration of Accounting and Auditing Cases and Problems in the BSA Curriculum as Professional electives.

Keywords: *BoA, BSA Curriculum, BSA Students, CHED, CPALE, CPA Review, New Philippine CPA Board Exam Syllabus.*

I. Introduction

Among the courses offered by Pamantasan ng Lungsod ng Maynila, Bachelor of Science in Accountancy had a reputation of consisting of bright students and performing well in the board exam, even being included in the topnotchers. However somewhere along the line, its performance has dwindled down, and has been one of the poor performers in licensure exams among other board courses.

On the other hand, for board takers, passing the CPALE means they get to have the license to practice their profession. Also, bearing the license can also mean certain degree of competence especially in the eyes of the holder's future employers and other prospects.

It is also important for the school for their graduates to pass the examination. Having a great passing percentage in the board exam indicates that the school is effective in teaching accountancy. For proprietary educational institutions, this would attract more students to enrol to the school, leading to greater collection of tuition fees. For non-proprietary or non-profit educational institutions, this would attract more funding from their certain benefactors knowing their charitable contributions lead up to meaningful achievements. Thus, such institutions' operations will be sustained. In the case of PLM, more funds will be available from the government.

Among other reasons, the increase in collected tuition fees or funding could be used to further better the quality of accountancy education. This could enable the school to cope with the ever-changing standards in the accountancy profession or provide them with more tools to benefit all their students cope with standards set by BOA.

II. Background of the Study

With the decreasing passing rates of the PLM-BSA graduates in the CPA Licensure examinations (CPALE), the need to find the solutions to stop the bleeding is the goal of the Department. Each one in the department has reviewed and analysed and made attempts to improve the performance of BSA graduates in the Board Examination. However, the formula remains elusive.

Past executives of the University have even offered incentives for those who can make it to the top but still to no avail.

Performance in the Board Examinations counts a lot to Management Executives of the University, Deans, Faculty and Students. This serves as the gauge on how effective the curriculum, teaching strategy, Department and University Policies in keeping the students at their best shape.

Lastly, the questions of why and how other schools manage in the streams of Top Performing Schools need to unearth so that University may devise its own way to join the tribe.

The quest to become leader in CPALE is a goal for everyone in PLM, hence this study is initiated by the proponents.

III. Statement of the Problem

Generally, the proponents would like to address the declining performance of PLM BSA graduates in CPALE.

Furthermore, the research would like:

- a. To find the causes of the declining performance rate: Curriculum, teacher or student factor.
- b. To know whether the Integrated Review Course (IRC) can improve PLM BSA performance in CPALE;
- c. To know in what form can IRC be included in the BSA Curriculum

IV. Significance of the Study

This study will help the Dean, and Accountancy Department Chair to devise a method in which the curriculum can be improved, and if the inclusion of IRC in the BSA curriculum be possible without necessarily revising the curriculum and at lesser cost.

V. Review of Related Literature

The review of related literatures related to the problems presented in this study expands the introduction and background information. Further, the study contains theories and models relevant to the problem, historical overview and current trends and significant research data published. The review of related literature presents information and conclusion drawn by other researchers.

Based on the literatures presented, this study is very timely and appropriate. These revealed similarities and differences. And there is no similar parallel study that has been conducted on the on the Study on the Integration of CPA Review in the BSA Curriculum of PLMBS

While the assumption of weakness of the study is not certain, future researcher/s with may provide and complement the unforeseen and what needs to be accomplished.

The related literature provides evidence for the significance of the study and for its contribution to the on-going discourse about the topic which is often referred to as contribution to “knowledge”. It identifies the important intellectual traditions that guide the study, thereby, developing a conceptual framework and refining an important and viable research question.

According to an article “Best CPA Accountancy Schools in the Philippines”, University of Santo Tomas, De La Salle University, and University of the Philippines - Diliman are among the top performing schools, where they had the highest number of examinees to have passed the board exam. Some of the topnotchers also came from them.

According to the Official Gazette publishing the fact of its creation, The mandate of the Commission on Higher Education (CHED) is to develop an excellent higher education as to make this open to all so that the country’s work force is ready to face challenges.

CHED, according to section 3, is independent and separate from the Department of Education, Culture and Sports (DECS). For administrative purposes, CHED is attached to the Office of the President. It shall cover both public and private institutions of higher education as well as degree-granting programs in all post-secondary educational institutions, public and private.

Romer Castillo in his research published in International Journal of Advanced Research and Publications entitled Performance of an Accountancy School in Certified Public Accountant Licensure examinations in the Philippines, "Educational institutions are expected to prepare students for employment and for practice of profession."

According to the paper of Jake M Laguador and Rey Fernan G. Refozar published in European Journal of Educational Research entitled Five-Year Declining Performance of Private and Public Schools in the Philippine Certified Public Accountants Licensure Examination, the national performance is in downtrend. They further said the performance of the school in the CPALE is a bar that measures the quality of the schools' quality instruction.

<https://www.coursehero.com/file/18980003/Chap2/>, has identified several review of related literature which are as follows:

"In the past, external inspection was seen as the main driving force in the evaluation of school performance. More recently, however, there have been growing calls for internal, self-evaluation arising from the desire of schools to assess for themselves, how well they are doing (De Grauwe, 2002)."

"The issue of school evaluation is becoming more urgent and even more complex as countries worldwide engage in restructuring their education systems in the face of economic, social and political imperatives (De Grauwe, 2002). Evaluation is at the centre of almost all education quality improvement policies and strategies in most countries today (Naidoo, 2002)."

"The study of Mendezabal, M. J. N. (2013) "Study Habits and Attitudes: The Road to Academic Success" has deemed that academic success required not only high cognitive ability but also sound study habits and attitudes (SHAs) was confirmed in the present study. A significant correlation between students' study habits and attitudes and their performance in licensure examinations was clearly shown in this study. Thus, to enhance the quality of education, there is a need to improve the study habits and attitudes of the students. This could be done through provision of developmental programs that will help students build efficient and effective study habits and positive attitudes towards learning, in an early stage of their studies (Mendezabal, 2013)."

"This relates to the study of Gappi (2013) that suggested that student's learning style has its insightful impact on the particular dimensions of teaching and learning processes and that students have their own preferred way to recognize, retain and retrieve information."

"Chew (2010), on the other hand, contradicted both of these ideas. He proposed that the desire to learn, paying close attention, and the time spent for studying are still not sufficient for learning and understanding, although it may be necessary. Time studying and desire to learn are only effective if they make students think and process deeply during study. Students may spend a huge amount of time studying, but if they use simple study techniques and strategies, they will not learn."

"In like manner, Titard and Russell (1989) examined relatively recent success rates for both first-time candidates and repeat candidates on a national basis and consider some factors that might explain the reasons for success. The study examines passing rates by subject matter for first-time and repeat candidates. The factors considered are grade-point average (GPA), advanced degree, public accounting experience and supplementary study such as a CPA review course. The authors find that a candidate's GPA and having advanced degrees seems to improve the passing rates on all four parts of the CPA exam. "

VI. Methodologies and Materials

Scope and Limitation

The proponents planned to have an interview with a CHED officer for inquiry of CHED's functions and nature in relation with university/ colleges' curricula, whether they set the actual curricula, set only the minimum, and other requirements for any inclusion in the same. However, due to the pandemic, the proponents decided to forego with the plan.

The proponents decided to inspect the law instead that set CHED and its various functions to procure the needed information. Section 8 sets out the power and function of the commission and according to its provision "d":

“Set minimum standards for programs and institutions of higher learning recommended by panels of experts in the field and subject to public hearing, and enforced the same;”

Basing from the above, CHED does not entirely define any university/ college’s program’s curriculum. It only sets the minimum subjects to be included in the same. Accordingly, any institution within the coverage of CHED can make inclusions they may deem necessary to achieve their goals. Within this context, PLM can include review classes as it may deem appropriate.

The proponents have decided that Pamantasan ng Lungsod ng Maynila will represent all the local universities for this study, whose inputs and other information will be used to make this paper’s conclusion.

Due to the pandemic, the proponents decided to forego the plan to take statements from PLM graduates from years PLM BSA was known to have performed well in the board exam.

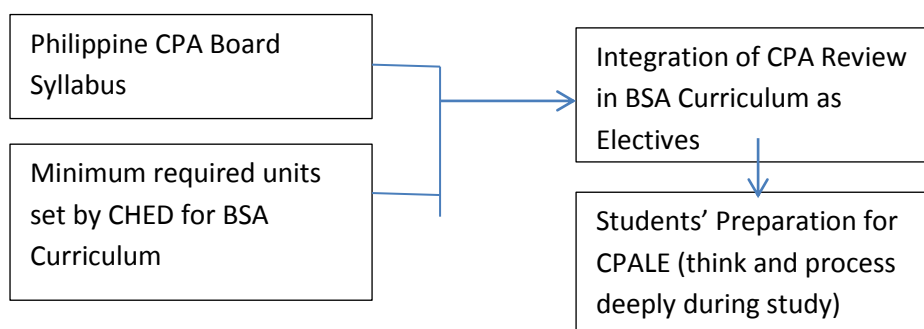
Theoretical Framework

The revisions on the Philippine CPA Board Examination Syllabus are as follows:

- a. Reduction in the number of subjects from seven (7) to six (6)
- b. Merging auditing theory and practice into one (1) subject
- c. Merging of accounting theory and practice and distributing the pertinent topics in Theory of Accounts, Practical Accounting I, Practical Accounting II to Financial Accounting and Reporting and Advance Accounting
- d. Segregating Business Law and Taxation into “Taxation” and “Regulatory Framework for Business Transactions”
- e. Renaming Management Services to “Management Accounting and Control”

Conceptual Framework

Figure below shows that the Philippine CPA Board Syllabus and the minimum curriculum set by CHED are the basis of enhanced and aligned PLM BSA Curriculum that make students think and process deeply during study and may give them a higher chance of passing the Licensure Examination.



VII. Research Methodology

The study used the quantitative descriptive method of research to obtain comparative information. This method of research is a general procedure which describes the nature of a situation as it exists at the time of the study and explores the course of a particular phenomenon.

VIII. Research Locale

The study covered principally the performance of Pamantasan ng Lungsod ng Maynila’s (PLM) BSA Students, in the CPALE.

It also covers the (a) CPA Board Exam Syllabus which was approved by the Board of Accountancy (BoA) headed by its Chairman, Joel Tan-Torres; (b) the minimum curriculum for BSA course set by CHED.

Furthermore, the PLM BSA curriculum was also used in this study to check the possibility of inclusion of Integrated review Course as Electives which will not result to curriculum revision but rather just adding the choices for electives.

Sample and Sampling Techniques Used

The population subject to this study are the 2012 to 2018 Performance Rating of PLM BSA graduates and National's from Professional Regulation Commission (PRC) and February, 2020 response of PLM BSA to the survey.

Statistical treatment of Data

The proponents used Table of Specification and the CPALE Syllabus set by Board of Accountancy and the minimum curriculum set by CHED as per CMO 17 series of 2017 as secondary data for BSA course.

IX. Results And Analysis

Table 1: Comparative Passing Rate of PLM BSA and National

This table shows that the performance of PLM BSA student has slightly increased by 0.69 or 0.01% in 2013, however, in 2014 a big drop of passing rate happened which is 11.12 or 16%. From then on, year after year PLM BSA CPALE Performance has continuously decreased: in 2015 9.95 or 17%; in 2016 there was no board-takers because the first batch of 5-year BSA curriculum graduated in 2017; 2017 16.49 or 33%; and in 2018 8.49 or 26%

It will be noted that the PLM BSA board takers' passing rate has partially decreased in 2018. 2018 was the year when the Department hired CPA board reviewers to teach IRC.

In 2019, the school has removed IRC in its curriculum.

On the other hand, National passing rate in 2013 has decreased by 7.06 or 13%; in 2014 it further decreased by 6.11 or 13%; in 2015 it increased by 1.17 or 3% and in 2018 it was decreased by 5.96 or 17%.

Furthermore, from year 2012 to 2015, PLM BSA registered a higher passing rate than the national's which is as follows: 2012 16.95 or 32%; 2013 24.70 or 54%; 2014 19.69 or 49% and in 2015 8.56 or 21%

However, in 2017, PLM BSA performance went down and deteriorated and is lower than national's by 1.97 or 6% and in 2018 it was also lower by 4.5 or 15%.

| YEAR of EXAM | | PASSING RATE-1st TIMERS | |
|--------------|-------|-------------------------|----------|
| | | PLM | NATIONAL |
| 1 | 2012 | 70.00 | 53.05 |
| 2 | 2013 | 70.69 | 45.99 |
| 3 | 2014 | 59.57 | 39.88 |
| 4 | *2015 | 49.62 | 41.06 |

| | | | |
|---|------|-------|-------|
| 5 | 2017 | 33.13 | 35.10 |
| 6 | 2018 | 24.64 | 29.14 |
| * This is the overall rating since the national passing | | | |
| rate is not available | | | |

Table 2: Events worthy to note

| Year of CPA Board (October) | Umbrella College | Head | No. of Years | School Years | No. of teaching faculty prior to Movements | No. of Faculty & Movements | | Program policy | | Comprehensive Exam (before moving to 2nd/3rd year) | Integrated Review Class |
|-----------------------------|------------------|------|--------------|--------------|--|--------------------------------------|--------|----------------|--|--|-------------------------|
| | | | | | | Resignations/Transfers to Other Dept | Hiring | Dept MTE | Total & FE | | |
| 2012CAE | Dean | | 4 | 2008-2012 | 7 | | -2 | 3 | 8Yes | Yes | No |
| 2013CAE | Dean | | 4 | 2009-2013 | 8 | | -2 | 2 | 8Yes | Yes | No |
| 2014CAE | Dean | | 4 | 2010-2014 | 8 | | | | 8Yes | Yes | No |
| 2015CAE | Dean | | 4 | 2011-2015 | 8 | | | | 8Yes | Yes | No |
| *2016CAF | Dean | | | | 8 | | -1 | | 7 Stopped - 4th year | Removed before going to 2nd year | Yes |
| 2017CA | Dean | | 3 | 2012-2017 | 7 | | | | 7 Stopped - 3rd year; resumed - 6th year | | |
| 2018CBGM | AD | | 3 | 2013-2018 | 7 | | -2 | 1 | | | Yes |

Table 2, shows movement on manpower resources; changes in organization set-up of the college; and changes in BSA curriculum:

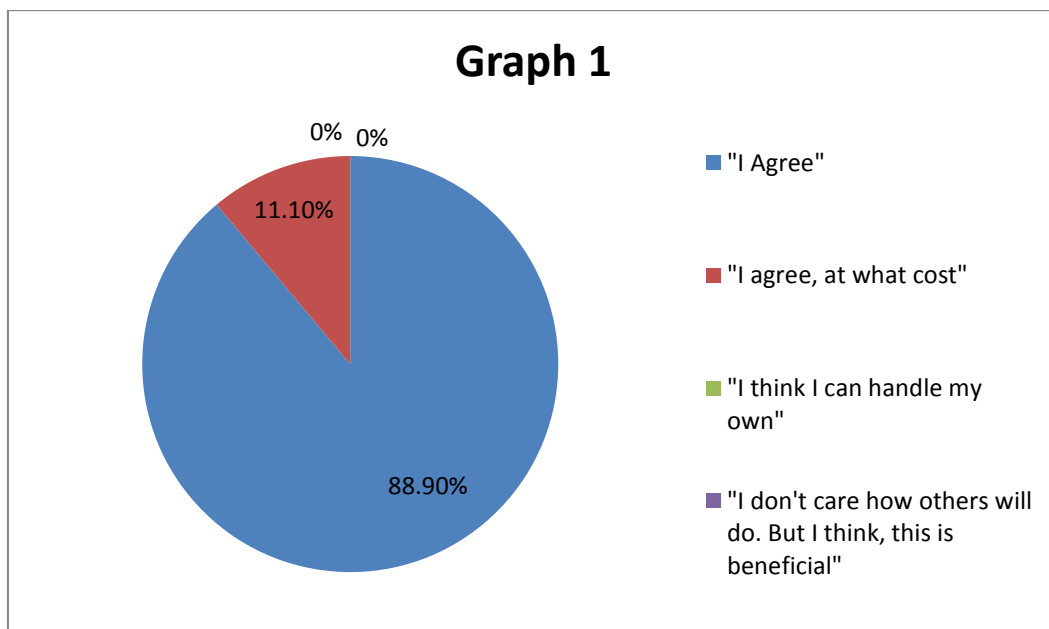
1. Zero graduate in 2016 due to implementation of a 5-year program.
2. A big drop of passing rate happened in 2017.
3. The following also happened in 2017:
 - a. First batch of 5 year BSA course graduated.
 - b. Integrated review course (IRC) was added in the program. However, the course were handled by faculty whose expertise in teaching undergraduate courses.
 - c. College of Accountancy and Economics (CAE) was abolished and replaced by the College of Accountancy and Finance (CAF).
 - d. Department of Finance was then removed from CAF and moved to College of Business and Government Management (CBGM) and leaving Department of Accountancy as a stand-alone college, College of Accountancy (CA).
 - e. Yearly comprehensive exam was stopped. This examination screens BSA Students and is part of retention policy of BSA. Affected students were 2017 and 2018 batch.
 - f. Departmental examinations for midterm and final were stopped during the academic year 2016-2017.
 - g. Number of fulltime faculty was reduced to seven (7) due to resignation of one (1) staff.
 - h. No further hiring due to implementation of K-12.
4. In 2018 the following have occurred:
 - a. Integrated Review Course (IRC) was handled by part-time faculty whose expertise is CPA Review

- b. CA was then abolished; BSA joined the College of Business and Government Management with four Institutes under the Institute of Accountancy and Finance (IAF)
- c. Number of faculty of the Department of Accountancy was further reduced to six (6) due to transfer of one (1) faculty to other Department of the University

In February, 2020 survey conducted among PLM BSA students on the issue of the Demand for Review classes, the following questions were raised:

1. Do you think integrated review classes would be beneficial not only to you but to your batch’s performance in the board exam?

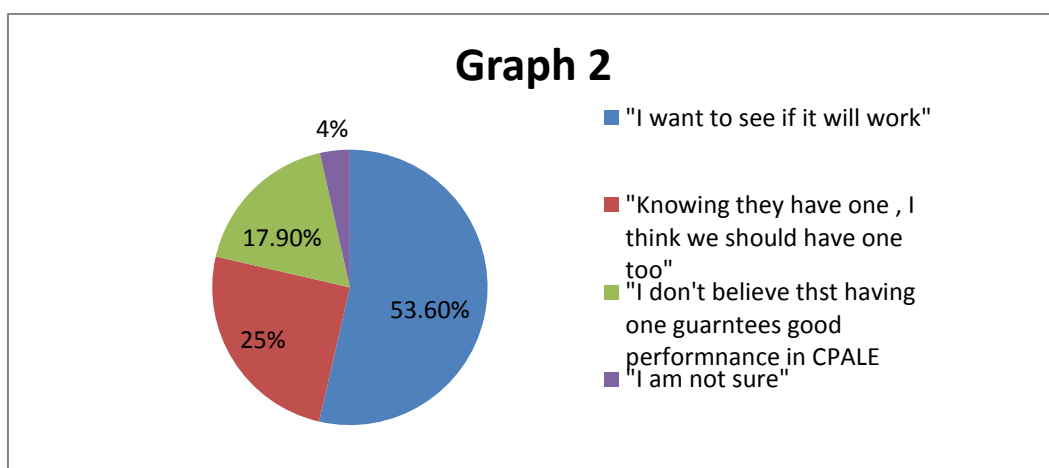
The researchers believed that it is essential to know the students’ perception on Integrated Review Class.



The proponents have concluded that, 100% (88.69% + 11.1%) believe integrated review class is beneficial to the university’s performance.

2. Top performing schools such as La Salle (DLSU) and University of Sto. Tomas (UST), have integrated review classes. Do you believe a university/college should have one to perform better in CPALE?

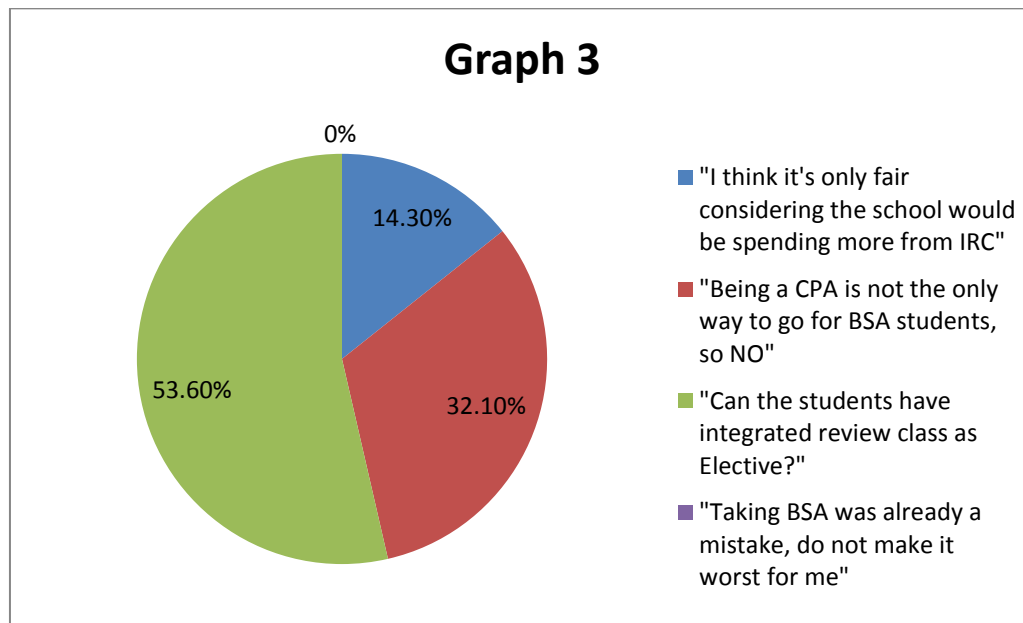
This question measures the gap between the PLM-BSA Curriculum and other top performing schools



Based on the second question, 78.6% (53.6% + 25%) believe that integrated review classes should be part of the curriculum, more than 75% of the respondents demands to have integrated review classes

3. If review classes are to be included in the curriculum, do you accept such conditions that prohibits you from graduating if you fail the exams from those classes?

This 3rd question checks if there is a disparity between CHED issued BSA Curriculum and PLM BSA Curriculum.



PLM followed the minimum requirements set by CHED for BSA curriculum. However, students feel that the Integrated Review Class need not to be an additional subject for BSA and instead include this in the Professional electives.

X. Conclusion

In preparation for the board exam, some PLM BSA Graduating opted to enrol in review schools concurrent with their last semester. A part of them took only certain number of subjects while the rest took the whole package.

This shows that PLM BSA students exert efforts in preparing themselves for CPALE. In the survey conducted, they also agree that this course be given as Elective course.

In view of this, the proponents would like to recommend the following:

1. Inclusion of IRC in two (2) Professional Electives. BSA curriculum set by CHED has four (4) professional electives. The review on Auditing Theory and Practice can be integrated in professional elective 3; and Financial Accounting reporting and Advanced Accounting be integrated as professional elective 4. Both may also be under the course title of Accounting and Auditing Cases and Problems (AACP) 1 and 2. Since Law on Taxation change frequently, the proponents recommended not to include this in the AACP. Business Law may not also be included in the AACP.
2. The Department may also offer Bachelor of Science in Management Accounting (BSMA) as the entry level in Accounting. Qualifying exams for Bachelor Science in Accountancy (BSA) in higher level (3rd year) may be administered to screen students who wants to take BSA. In this way, students may be encouraged to work hard.

3. The proponents also recommend that Department of Accountancy administer Departmental exams for Quizzes, Midterm and Final.
4. The study does not specifically mention that there is a correlation between the organization's structure of Accountancy department with the PLM BSA graduates on their CPALE performance however, the proponents find it practical to recommend a chairman for each major subject of CPALE syllabus: (1) auditing theory and practice; (2) Taxation and Regulatory Framework for Business transactions; (3) Financial Accounting and Reporting (FAR) and Advanced Accounting; and (4) Management Accounting and Control. These chairmen will develop learning and teaching strategies, update their respective departments on the recent developments in the board examinations and others that may deem necessary for the improvement of their department's performance.

Definition of Terms

- a. Commission on Higher Education (CHED) was created under Republic Act Number 7722 An Act Creating the Commission on Higher Education, Appropriating Funds Therefor and for Other Purposes.
- b. PLM Bachelor Science in Accountancy (BSA) is a course offered by the Department of Accountancy to students of PLMBS' Pamantasan ng Lungsod ng Maynila (PLM)
- c. Pamantasan ng Lungsod ng Maynila is a Local University of the City of Manila. From its website it describes itself as follows, "Pamantasan ng Lungsod ng Maynila (PLM) is the first and only chartered and autonomous university funded by a city government. It was created by the Congress of the Philippines by virtue of Republic Act No. 4196 or "An Act Authorizing the City of Manila to Establish and Operate the University of City of Manila" on June 19, 1965."
- d. Certified Public Accountant Licensure Examination (CPALE) is the next hurdle everyone must face to practice accountancy as a profession, and is to be taken after getting the BSA degree. Republic Act No. 9298 The Philippine Accountancy Act of 2004 requires aspiring CPA's to undergo a written examination which will determine their fitness to be a CPA.
- e. Board Exam – examination that is conducted to get a specific professional license
- f. Course – series of lectures or lessons in a particular subject
- g. Curriculum – the subjects comprising a course of study in school
- h. Examinee – a person taking an examination or test
- i. Licensure – the granting or regulation of licenses, as for professionals
- j. Professional – a person engaged or qualified in a profession
- k. Proponent – a person who advocates a theory, proposal, or project
- l. Review – a formal assessment or examination of something with the possibility or intention of instituting change if necessary
- m. Topnotcher – of very high standard or quality

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