

Registered Government Auditors

developing their Common Body of Knowledge and Skills

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Part 1: The characteristics of a profession

The scholarly debate as to what constitutes a *profession* dates back many centuries. Although the debate on the concepts of *profession* and *professional* is not, by any means closed, a number of generic criteria have indeed been identified generally accepted as prerequisite to any claim to professional status. These criteria are:

COBOKS
**COMMON BODY OF
KNOWLEDGE &
SKILLS**

- the professional has to consist of *members*
- the members of the profession have to practice a *service orientated* vocation
- the members must be able to master highly specialised knowledge and skills aimed at the solving of interdisciplinary problems
- the knowledge and skills have to be clearly defined in a *Common Body of Knowledge and Skills* (this is highly critical to demarcate the service boundaries in relation to other professions)
- members must have some kind of moral (ethical) responsibility towards the profession, and to the public that they serve
- the members have to recognise altruistic motives before their own commercial interests
- members must strive to continuously enhance and develop their knowledge
- the profession must have a controlling body that performs well defined functions
- the controlling body's functions must include the following
 - formulate and enforce admittance requirements
 - formulate and enforce rules of ethical conduct
 - advance the development and application of industry standards
 - advance the broad field of knowledge that is unique to this group
 - develop its own subculture based on unique traditions and language
- the group has to gain public recognition and acceptance as a profession.

The above list of broad criteria clearly shows that one of the cornerstones of professionalism lies in the clear demarcation of a specific Common Body of Knowledge and Skills.

Not only is this one of the major criteria, but without such a Common Body of Knowledge and Skills, a number of other criteria would not be met.

The most important criterion (and most difficult one to attain), is probably the prerequisite that society has to recognise the group as a profession. Examining the debate about public recognition in more detail, another concept emerges as pivotal in obtaining public recognition: *competence*. Society demands a *competent* practitioner to perform these

specialised services. An analysis of the concept of competence brings us back to the all important Common Body of Knowledge and Skills, as competency is made up of three elements:

- knowledge
- skills
- attitudes.

As two of the above elements are found in the Common Body of Knowledge and Skills, without such a document, a group of specialists should not be able to gain professional status.

Part 2: The COBOKS for RGAs 1998 to 2000

Given the importance of a Common Body of Knowledge and Skills, the Southern African Institute of Government Auditors in 1998 embarked on a project to develop the first Common Body of Knowledge and Skills for Registered Government Auditors (COBOKS for RGAs) that would set out the professional educational requirements for government auditors.

The RGA's first COBOKS was developed by taking into account global accounting curriculum benchmarks and guidelines which have been set by:

- the United Nations UNCTAD Secretariat
- the International Organisation of Supreme Audit Institutions (INTOSAI)
- the International Federation of Accountants (IFAC)
- other international accounting and auditing institutes.

It also incorporated specific national (South African) requirements peculiar to:

- the Office of the Auditor-General in South Africa
- the South African Qualifications Authority
- South African tertiary institutions.

The qualification requirements combined a number of both cognitive and technical skill levels which are acquired through various phases of professional development. The COBOKS for RGAs acknowledged that the candidates develop the necessary knowledge and skills by passing through various institutions of learning and gain experience at various levels. The requirements were therefore flexible enough to allow for diversity, mobility and numerous entry points.

Because, throughout their careers, RGA's will engage in continued professional development (CPD), which may result in considerably *higher* knowledge and skill levels, unique to a specific and specialised environment, the COBOKS for RGAs therefore specified only the *minimum* entry requirements. This is a common phenomenon amongst professionals..

The six components of the above system, defining the Common Body of Knowledge and Skills for Registered Government Auditors are:

- general knowledge and skills
- the detailed specialised curriculum
- practical experience
- the qualifying examination
- certification
- continued professional development.

The first COBOKS for RGAs recorded the approach, philosophy, procedures and requirements which have to be followed to become a Registered Government Auditor. The project was completed in June 2000 and formed the basis of a number of developments that would shape this group into the profession of government auditors.

Part 3: The COBOKS for RGAs 2000 to 2004

Following the development of the COBOKS for RGAs, during the years 2000 to 2004, through the certification process, more than 200 members of the Southern African Institute of Government Auditors became Registered Government Auditors.

The COBOKS for RGAs enabled the Institute, for the first time in its history, to set a qualifying examination (RGA-QE) that tested the competency of candidates before granting them membership privileges.

The COBOKS for RGAs was then used as the basis of registering the qualification with the South African Qualifications Authority. The qualification was registered at level 7 (the highest level) on the National Qualifications Framework.

During this period the Office of the Auditor-General also acknowledged the RGA-qualification as one of only four professional qualification recognised by the Office. The RGA took its place next to members of the Chartered Association of Certified Accountants, the South African Institute of Chartered Accountants and the Certified Information Systems Auditors.

Part 4: The COBOKS for RGAs 2004 to 2005

From 2000 to 2004, far-reaching developments took place in the RGAs' professional sphere, that necessitated the review of the COBOKS for RGAs, and in March 2004 the Institute embarked on a review project. As it turned out, the changes that had occurred were so fundamental that the project changed from a simple review to the complete development of a second COBOKS for RGAs.

The Institute is grateful for the many contributions by various parties and stakeholders that supported and guided this development. Particular mention is made of the Office of the Auditor-General and more specifically the Human Capital division.

The COBOKS for RGAs (2006) was finalised in November 2005 and will become operational from 1 January 2006.

The main changes incorporated into the COBOKS for RGAs (2006) may be summarised as follows

1 *Both GRAP & GAAP required*

Registered Government Auditors are engaged in the audit of entities that prepare their annual financial statements based on both Generally Recognised Accounting Practice (GRAP) and Generally Accepted Accounting Practices (GAAP). The *Public Finance Management Act* requires public entities to prepare their statements according to GAAP, whilst the Accounting Standards Board (ASB) is in the process of developing GRAP which will soon have to be implemented by all national and provincial government departments. The formal requirement of having to be able to master both GRAP & GAAP make the Registered Government Auditors unique in accounting circles as this is not required by any other accounting group or professional association.

2 *South African AASB auditing standards & INTOSAI auditing standards*

In view of the practice followed in the Office of the Auditor-General (OAG), the OAG specifically requested that Registered Government Auditors be able to master the practice standards issued by the Auditing and Assurance Standards Board (AASB) of South Africa. In addition to these, the COBOKS for RGAs also had to incorporate international requirements as the OAG is a member of the International Organisation of Supreme Audit Institutions – INTOSAI. Consequently RGAs are required to master both the INTOSAI auditing standards and the South African AASB standards. Again, this is a unique requirement amongst audit practitioners.

3 *Public Audit Act and Municipal Finance Management Act added*

The *Public Audit Act* superseded the *Audit Arrangements Act* and the *Auditor General Act*. At the end of 2003, the *Municipal Finance Management Act* (Act 56 of 2003) was promulgated. Both Acts therefore had to be incorporated into the COBOKS for RGAs.

4 *Four year practical requirement, but only three years in Office of the Auditor-General required*

To allow for optimal flexibility and mobility in enabling prospective candidates to become RGAs, the OAG's preferential practice of signing trainee auditors for an initial period of three years only, had to be accommodated in the training model. In cases where the candidate is not able to continue working in the OAG after his/her initial three-year period of traineeship, the 2006 COBOKS now allows prospective RGAs to gain the required additional fourth year of practical experience by working in auditing / accounting related fields in the wider public sector, including government departments, local authorities, governmental contract work or internal audit in the public sector.

5 *Accommodate existing RAAs (private sector) with practical requirements*

To enhance the concept of *mobility* as called for by South Africa's new educational models, the COBOKS for RGAs now determines that an Accountant and Auditor registered with the Public Accountants' and Auditors' Board (PAAB) is deemed to have fulfilled SAIGA's practical experience requirements if the following conditions have been met: the RAA is (at time of application to write the RGA-QE) currently registered with the PAAB; the RAA can prove registration with the PAAB for a period of at least two years; the RAA submits a record of government auditing and public sector experience to the satisfaction of SAIGA's EXCO. Where the PAAB is superseded by a new regulating body, this provision will also apply to this new body.

6 *The RGA-QE now consists of two four-hour papers*

The inclusion of both GRAP and GAAP standards as requested by the OAG, makes it impossible to assess the candidate's proficiency in both accounting and auditing by means of one examination paper only. From 2006 the RGA-QE therefore consists of two four-hour papers.

7 *Continued professional development is now compulsory*

In line with international developments, the RGAs' continued professional development (CPD) is made compulsory with effect from 2007.

Main changes to the COBOKS for RGAs (2006)

- Both GRAP and GAAP required
- Auditing standards from both SA's AASB & INTOSAI required
- *Public Audit Act* and *Municipal Finance Management Act* added
- Four-years practical experience requirement made more flexible
- Registered Accountants and Auditors also accommodated
- RGA-QE now two four-hour papers
- Continued professional development made compulsory.

Conclusion

The COBOKS for RGAs (2006) will undoubtedly ensure that the RGA qualification retains its relevance and contributes towards developing the esteem of Registered Government Auditors. Most importantly, as indicated in the first part of this article, the Common Body of Knowledge and Skills provides a most critical element in the government auditor's quest to maintain its public recognition as a profession.