

Chartered Public Finance Accountant – A New Accounting Designation Comes to Canada

Stacy Van Humbeck

Certified Management Accountants of Canada (CMA Canada) and the United Kingdom's Chartered Institute of Public Finance and Accountancy (CIPFA) publicly announced on October 18, 2005, the introduction of a new dual professional accounting designation: Certified Management Accountant (CMA) and Chartered Public Finance Accountant (CPFA). Supported by the Comptroller General of Canada, the designation will enhance career development of public service managers and financial officers and improve public service financial management and leadership. In light of the federal government's focus on improving public sector management, this initiative is very timely!

The New Program

The joint accreditation program is a two-year program, administered by CMA Canada, in public sector financial management and strategic leadership. Four courses, Canadianized versions of CIPFA courses, will be added to the CMA Strategic Leadership Program to obtain the CPFA designation. The courses, designed with a Canadian public sector financial management perspective are: Governance and Public Policy; Financial and Performance Reporting; Public Finance; and Audit and Assurance. A one year program also be available for already accredited CMAs.

The Chartered Institute of Public Finance and Accountancy (CIPFA) is one of the leading professional accountancy bodies in the UK, and the only accounting body that is focused specifically on the public sector. Similar to the Canadian accounting organizations, CIPFA is responsible for the education and training of professional accountants, and for their regulation through the setting and monitoring of professional standards. CIPFA has responsibility for setting accounting standards for local governments, the key public service organizations, in the United Kingdom. CIPFA

members work in the public service bodies, in the national audit agencies and major accountancy firms in the UK.

Representing more than 45,000 members around the world, CMA Canada grants a professional designation in management accounting and is responsible for standards-setting, accreditation and the continuing professional development of CMAs. CMA Canada is a world leader in developing strategic financial management professionals with an emphasis on value creation and leadership skills.

CMA Canada has long proposed a new comptrollership model for the federal government. After discussions and following the signing of a Mutual Recognition Agreement, both CMA Canada and CIPFA decided to develop a public service qualification for the Canadian market which combines technical expertise with strategic leadership in financial management. The dual designation recognizes the best of both organizations: CMA's strong brand in Canada and CIPFA's public sector expertise.

The Office of the Comptroller General's involvement

CMA Canada consulted extensively with Charles-Antoine St-Jean, Comptroller General of Canada and his staff during program development to ensure the program meets the needs of the Canadian federal public service.

The Financial Management Capacity Building and Community Development Division worked with CMA Canada and the authors for the Canadian course content to coordinate the review of the syllabus for each course by government subject matter experts.

Pilot Project with Government of Canada CMAs

The Office of the Comptroller General and CMA Canada are further collaborating



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by offering a pilot program to federal government financial officers.

CMA Canada felt the best way to ensure that the adequacy of the Canadian content was through a pilot project. The Office of the Comptroller General agreed to identify government financial officers who already were accredited CMAs to participate in the pilot program. Assistant Comptroller General, Capacity Building and Community Development canvassed the Senior Full-Time Financial Officers (SFFO) for pilot participants. In order to make the pilot successful, a commitment was required from both the candidate and their manager sponsor – in most cases the SFFO.

Twenty-five financial officers who possess CMA designation are participating in the pilot program. Participants come from nine departments, with Agriculture and Agri-Food Canada, Canada Revenue Agency, Public Works and Government Services Canada, and the Department of National Defence all sending multiple representatives.

Announcement of the pilot program elicited inquiries from other accredited accountants who were interested to participate in the pilot program which is running from September 2005 to April 2006. The

CMA/CPFA program is an extension of the CMA program, and currently restricted to CMAs.

The first course, *Governance and Public Policy course*, was offered in a three weekend classroom format during October and November. The course included 20 study modules, and participants were evaluated based on a 3000 word essay.

Participants are taking The *Public Finance course* through distance learning and will complete a two and a half hour examination in February .

The winter semester (February – April) will include the *Financial and Performance Reporting and Audit and Assurance courses*. Financial and Performance Reporting will be delivered in the classroom while Audit and Assurance will be a distance learning course. The courses will be offered concurrently.

Participants have found the pilot program challenging. Similar to any professional accreditation development programs, the course workload is demanding. Participants have also found walking the proverbial tight rope of work and learning an interesting challenge.

The pilot project environment has presented other familiar challenges, including timing and delivery issues with course material, changing deadlines and providing ongoing feedback. But as you can see for the various comments in the sidebars, the participants believe the benefits outweigh the challenges.

Conclusion

It is expected that the CMA/CPFA program will be available starting in September 2006 for both CMA students and accredited CMAs.

This initiative with the CMA Canada is likely the first of many initiatives that will see the Office of the Comptroller General working with the various professional accounting organizations to ensure their programs meet the needs of the federal financial management community. The CMA/CPFA program is a great start! The Financial Management-Capacity Building and Community Development Division will keep you up to date on new initiatives! ■

Quotes from some of the pilot participants

“As a CMA who have been working for the Federal government for a little over 5 years, I had always searched for something that could improve my knowledge in public sector and I couldn’t find any until this one. This CMA-CIPFA program is exactly what I was looking for. It focuses on the public sector for the public sector finance professionals. The public policy course really helps me appreciate the challenging role of public sector management much more. I believe that this is the first step into the right direction for us all.”

Huy Quoc Nguyen, CMA

“As a candidate in the CMA/CIPFA pilot program, I am experiencing the ‘variance analysis’ concept in a live way. Participation in this pilot program has brought forward planning expectations that have significantly changed since its beginnings. The reality of the pilot: a 25% variance. Three courses are now scheduled in the time frame originally forecast for two, during the busiest time of the year for financial management professionals. Somehow, all will be managed ... new material, 2 exams and one more paper ... or so I think! “

Janet Mrenica, CMA, MA

“Based on my experience of the first and part of the second of four courses, I can make the following observations:

- the material has not only been effectively modified to reflect the Canadian context but it is also well written, by which I mean succinct and easy to read;
- given that the target audience of the program is someone at the beginning of their career, the material has proven to be valuable for more experienced people in that it broadens and deepens one’s understanding of public sector challenges; and
- as one would expect in a pilot, there have been glitches such as having a room next to a construction site, equipment malfunctions, last minute changes in schedule, and ‘tight’ delivery times on the course material, but these have been outweighed by the positive attitude of the program coordinator, instructors and guest lecturers. “

Steve Cole, CMA

“This has been an experience very different from a degree or doing another designation as we are all learning a brand new curriculum in a brand new program. At the same time we are being involved in an initiative that will affect the whole community. Being part of this exciting change helps rationalize the amount of work that we as students are dedicating to the courses as we all have very busy day jobs in the finance community.”

Andrew Francis, CMA

“The CMA/CPFA dual designation program is tailor made for the public sector and will provide our financial professionals with one of the UK’s more recognized accounting designations. From my perspective, graduates of this dual designation program will have gained a valuable perspective on how their expertise ties into the management of the public sector and this will improve the quality of their analysis and advice in the federal government. “

Charles-Antoine St-Jean, CA Comptroller General of Canada

“I have enjoyed the Governance and Public Policy course. More specifically the discussions were very opened, enthusiastic, and enlightening. The participants from the various departments promoted valuable exchange regarding policy issues. The discussions further encouraged participant’s role on issues within the organization in a positive way

As for the program, keeping up with the timelines and format has been challenging. This is to be expected. It is a pilot program in development after all. I found the instructors/lecturers very professional and supportive”.

Linda Haaland BA CMA