

Austria's pathway for the education of Public Sector Accounting professionals

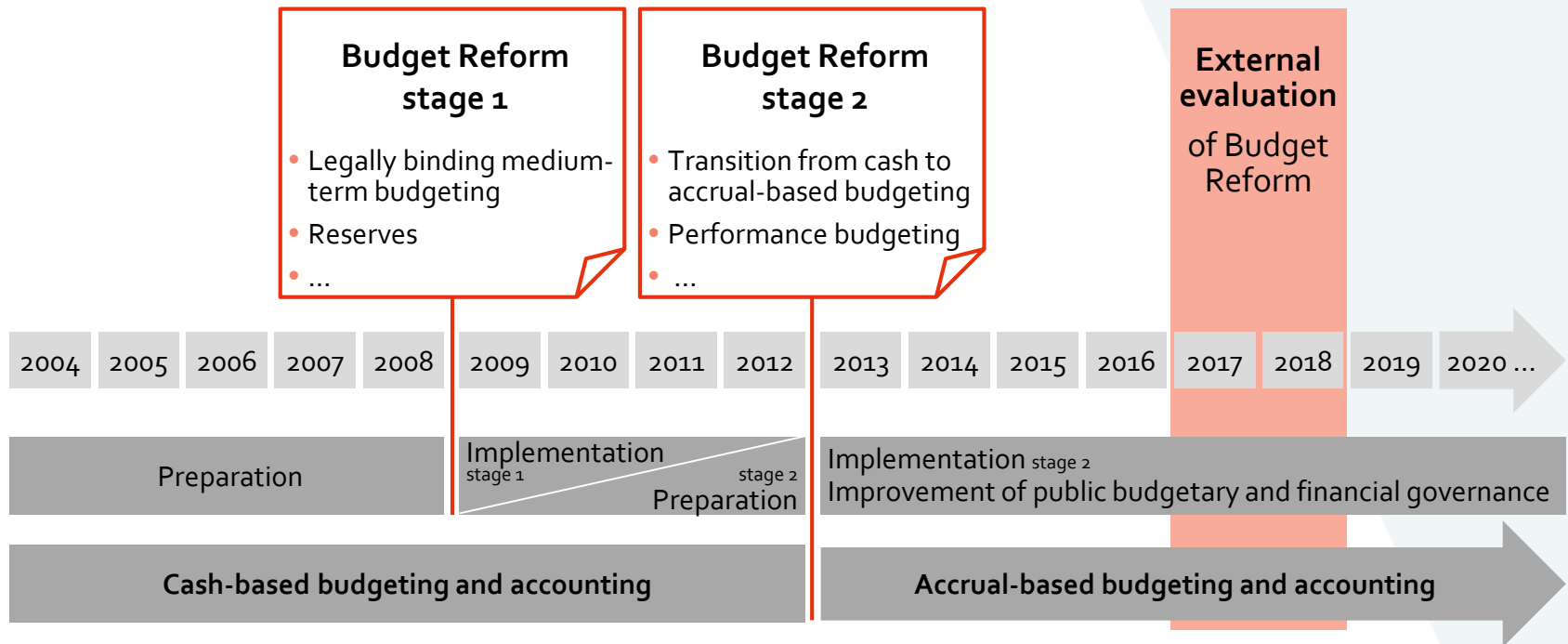
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Austrian Federal Ministry of Finance
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Agenda

1. Budget Reform in Austria
2. External evaluation of Budget Reform
3. Current status of PSA education in Austria
4. Next steps in the short-term
5. Next steps in the medium- / long-term

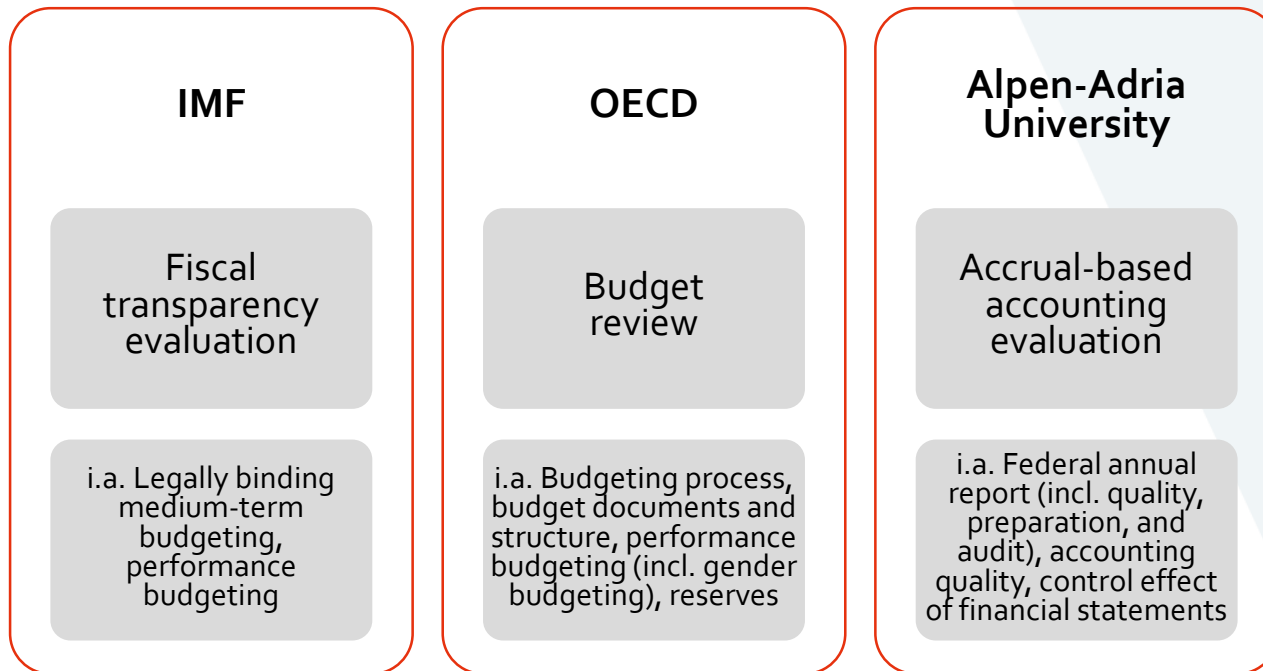
Budget Reform in Austria

Timeline for the Austrian Budget Reform



External evaluation of Budget Reform

Evaluating institutions and evaluation focus
based on strong political commitment



External evaluation of Budget Reform

Evaluation outcome



Evaluation reports

- 1 report per evaluating institution
- 1 summary report
- Evaluation reports are available online at <https://www.bmf.gv.at/budget/haushaltsrechtsreform/externe-evaluierung-bundeshaushaltsrecht.html>



Very positive feedback

- General outcome: “the direction is right”
- Foundation for a modern and effective budget management is set
- Increase in fiscal transparency and quality assurance of financial reporting as well as extended insights into the federal financial position are achieved



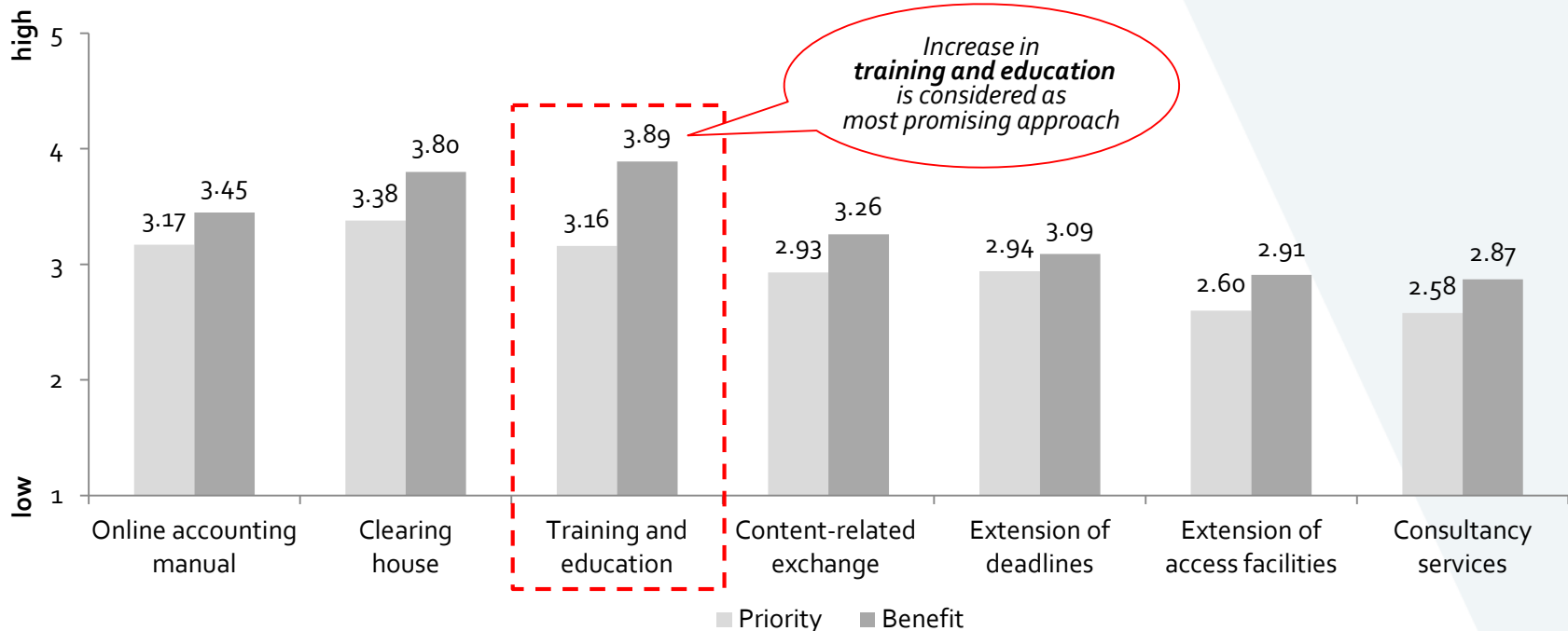
Further improvements and developments

- Necessary to optimally realize intended targets (increase in budgetary discipline / flexibility)
- 98 core recommendations stated in the summary report of external evaluation

External evaluation of Budget Reform

Survey with line ministers and budget-managing bodies


regarding measures to improve the accrual-based budgeting and accounting system



External evaluation of Budget Reform

Recommendations based on the external evaluation

regarding Public Sector Accounting (PSA) education

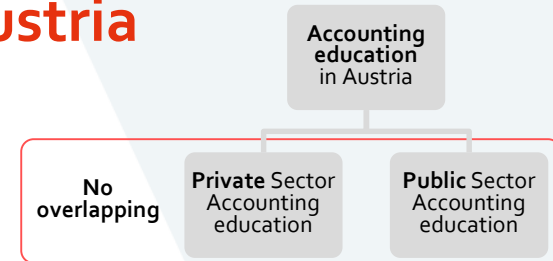
-  **Intensification of educational trainings** for employees involved in budgeting, accounting, as well as in the preparation process of the federal annual report to increase **accounting quality** and to ensure **consistency of all financial statements** (operating statement, cash flow statement, and statement of financial position)
 - Short-term: Expansion of **conceptual** trainings with focus on an integrated view to illustrate **purpose** and **consequences** of accounting in all financial statements
 - Medium-term: Implementation of a consistent and quality-assured training and education **programme (Public Sector Finance / Accounting)**

Based on the external evaluation an intensification of **PSA education** focusing on an **integrated view** of financial statements is recommended

Current status of PSA education in Austria

Separation

of Private and Public Sector Accounting education



Public Sector Accounting education

- PSA education of civil servants **within federal administration**
 - “Austrian Federal Academy of Finance” and “Austrian Federal Academy of Public Administration”
 - Compulsory basic training for new employees (extensive curriculum consisting of different modules with specific courses based on respective job profiles)
 - Additional voluntary training for existing employees
- PSA education **outside federal administration**
 - Universities only offer few / isolated courses on Public Sector Accounting
 - “Academy of tax advisors and auditors” focuses on Private Sector Accounting only

As a response to the outcome of the external evaluation **measures regarding PSA education**, to be implemented both in the short and medium- / long-term as well as within and outside federal administration, were identified

Next steps in the short-term

Implementation measures regarding PSA education (1/2)

based on outcome of external evaluation

Expansion of existing voluntary PSA training at “Austrian Federal Academy of Public Administration”

Within federal administration

- **Extension** from 1 course (2 days) to 4 courses (2 days each, except Course IV)
- **Focus** is on internalization of basic understanding of all three **financial statements** as well as the purpose of an **integrated view** of these financial statements
- **Learning outcome**
 - Course I: Basic understanding of all **financial statements** incl. their characteristics and the interplay of financial statements
 - Course II: Basic understanding of **accounting (processes)** incl. characteristics of accounts, basics in bookkeeping, and it’s impact on financial statements
 - Course III: Basic understanding of processes and tasks related with the preparation of the **federal annual report**
 - Course IV: **Specific** In-house training on demand
- Courses are on a **voluntary** basis, starting in early 2019

Next steps in the medium- / long-term

Implementation measures regarding PSA education (2/2)

based on outcome of external evaluation

Outside federal
administration

Cooperation with national universities regarding

- Bachelor and Master **theses** as well as seminar papers
- **Research on demand** on subjects determined by Austrian Federal Ministry of Finance
- Specific **courses** on PSA and / or Public Budget Law
- Current status: Initial talks have taken place

Within or outside
federal administration

Implementation of education programme “Public Sector Accountant”

- Current status: Very early stage – brainstorming still ongoing regarding
 - Target group
 - Cooperating institution (within or outside federal administration)
 - Performance measurement (participation or certification)
 - Content

Thank you for your attention!

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