

Professional Qualifications Advisory Committee Charter

CPA Australia Ltd

ACN 008 392 452

1) Definitions

Unless otherwise specified references to:

- i) the Chair refer to the Chair of the Professional Qualifications Advisory Committee (PQAC); and
- ii) the Board refer to the Board of Directors of CPA Australia Ltd.

2) Why the Committee exists

The Board has established the Professional Advisory Qualifications Advisory Committee (**PQAC**), previously known as the Education Advisory Committee (**EAC**), to provide management with the best possible advice on the educational framework for members of CPA Australia Ltd (**CPA Australia**) so that it may develop and monitor educational strategy relating to the professional programs.

3) Advisory Committee

- a) The PQAC's purpose is to advise management:
 - i) in relation to specific strategic questions and issues referred to it by the Board or management through the Chief Executive Officer (**CEO**) or delegate; and
 - ii) proactively in relation to the matters specifically set out in this charter.
- b) The PQAC is an advisory committee, it is not a committee created under Article 54 of the Constitution and has no power delegated by the Board. The Board retains the responsibility to develop and implement strategy for CPA Australia including educational strategy.
- c) The PQAC will have no power or authority to bind, instruct or direct the Board on any matter (including in relation to member issues or any issue considered by the PQAC under this charter) and it does not have power to direct management.

4) Purpose of the Committee

Subject to paragraphs 4) c) and d) the PQAC shall:

- a) provide advice to management to assist the development of recommendations for strategy in relation to:
 - i) the strategic oversight and quality assurance of the CPA Program (incorporating all education and practical experience components for Foundation and Professional Levels) including their ongoing development and maintenance;

- ii) current and anticipated trends in the higher education sector both within Australia and internationally, that may have an impact on CPA Australia's reputation, its ability to attract new members, its standing amongst employers or its relationship with governments, regulators or other stakeholders; and
 - iii) the ways in which CPA Australia policy (for example, in the area of admission requirements) may affect CPA Australia's reputation particularly in respect of its education or international policies,
- b) assist management on matters brought to the PQAC's attention, such as:
- i) providing advice on the development of the CPA Program including its design, curriculum, assessment and quality assurance so that it is positioned as the highest quality professional education program by professional accounting bodies and the business community;
 - ii) reviewing and advising on the development of new segments in the CPA Program;
 - iii) receiving, and considering the regular review of all CPA Program segments;
 - iv) providing advice and input on leading edge technology to enhance and complement the delivery and assessment of the CPA Program;
 - v) providing advice and recommendations in respect of the strategic position of the CPA Program with undergraduate and postgraduate university education, the education continuum and within the professional work environment;
 - vi) conducting formal regular reviews of the CPA Program; and
 - vii) providing advice on the development of the practical experience requirement of the CPA Program including its design, curriculum, assessment and quality assurance, so that it is positioned as the highest quality professional practical work experience program by professional accounting bodies and the business community,
- c) The responsibilities of the PQAC do not extend to:
- i) approving implementation actions carried out by management; or
 - ii) monitoring staff performance or outcomes (although management must keep the PQAC informed about the progress of recommendations that the PQAC has made, and the progress of initiatives that have been agreed as part of the PQAC's annual work plan).
- d) Other than management and the Board, the PQAC is not obliged to take direction from, or to answer any questions from, any division, branch or other governance group.

5) Composition of PQAC

a) Membership

The PQAC shall consist of six to eight members of CPA Australia appointed by the Board.

b) Secondments

The PQAC may decide to second other suitably qualified persons, who need not be members of CPA Australia, to the PQAC.

The Chair must first discuss any proposed secondment with the CEO or delegate.

c) **Expertise**

In appointing members to the PQAC, the Board should endeavour, but is not obliged, to appoint:

- i) two or more members who live and work outside Australia;
 - ii) three to four members from the academic sector, preferably of senior academic rank;
 - iii) between one and three members from the large accountancy firms;
 - iv) a member from the “top 100” industry sector; and
 - v) a member from the public sector.
- d) This does not preclude the Board from appointing members outside these categories or appointing suitably qualified persons from outside the membership.
- e) A member of the PQAC may fall into more than one of the above categories.
- f) Management, or the Chair in consultation with management, will provide recommendations to the Nomination and Remuneration Committee (or equivalent) on the proposed appointments to the PQAC, for approval by the Board. Board approval is not required where a secondment is proposed under paragraph 5 b).

It is expected that membership of the PQAC will be renewed as members retire; with management assisting the Nomination and Remuneration Committee (or equivalent) to undertake a review of the composition of the PQAC every two years, to ensure that members have sufficient expertise and knowledge of the issues being addressed by the PQAC.

6) **Chair**

It is recommended that the Chair be a prominent member of CPA Australia with significant expertise in the design, development and implementation of higher education programs. The President of CPA Australia may be a member of the PQAC but cannot be its Chair.

7) **Tenure**

- a) Subject to paragraph 7b) below, members of the PQAC (including the Chair) will be appointed for an initial term of two years. Members of the PQAC may be renominated for two further terms of two years each, but may not serve on the PQAC for more than six consecutive years.
- b) In accepting membership of the PQAC, its members acknowledge that the skills and experience required may evolve as CPA Australia’s educational strategy evolves.

8) **Secretary**

- a) The Committee Secretary shall be the General Manager Professional Programs & Pathway (or equivalent) or delegate. Administrative support will be provided by the education (or equivalent) department of CPA Australia.
- b) The Company Secretariat shall liaise with the education department (or equivalent) in respect of reporting to the Board.

9) **Meetings and business of the PQAC**

- a) The PQAC may meet up to four scheduled times a year, subject to the requirement for additional unscheduled meetings to be approved as set out in this charter.

- b) The PQAC may meet either in person or by telephone or by other means of communication by which all persons participating in the meeting are able to hear and be heard by all other participants. A meeting conducted by telephone or other means of communication is deemed to be held at the place agreed upon by the persons attending the meeting, provided that at least one of the persons present at the meeting was at the place for the duration of the meeting.
- c) The Chair should consider calling an unscheduled meeting if requested to do so by not less than three members of the PQAC. Where an unscheduled meeting is to be held in person, the Chair should first obtain the CEO's (or delegate) approval prior to scheduling the meeting.
- d) In the case of meetings held in person, the PQAC should meet at the most cost effective location for all PQAC members and attendees to travel to and approved by the Chief Operating Officer Commercial (or equivalent) as part of the PQAC's annual work plan. If the Chair wishes to meet at a location other than the most cost effective location, he or she must obtain the approval of the Chief Operating Officer Commercial (or equivalent) prior to scheduling the meeting in that location.

10) Quorum

A majority of the members of the PQAC present in person or by using any technology will constitute a quorum. The quorum must be present for the entire meeting.

11) Attendance at meetings

- a) Any member of the Board, the CEO, any member of the Executive Management Group, and the chair of the International Advisory Committee or delegate, may attend any meeting of the PQAC.
- b) The Committee Secretary or delegate may attend any meeting.
- c) Other members of staff may attend meetings of PQAC, subject to the agreement of the Chair.

12) PQAC papers

- a) The Committee Secretary shall distribute in advance of a meeting an agenda and any related papers to:
 - i) each member of the PQAC;
 - ii) on request, the President of CPA Australia, any other member of the Board and the CEO;
 - iii) the Chief Operating Officer Commercial (or equivalent) and the General Manager Professional Programs & Pathways (or equivalent); and
 - iv) any other person to whom the Chair directs the PQAC Secretary to send papers.

13) PQAC Minutes

- a) The PQAC Secretary shall prepare minutes of meetings and forward them to the Chair for approval within a reasonable time after the meeting.
- b) Minutes of meetings shall be confirmed at the next meeting of the PQAC and signed by the Chair as soon as practicable following the approval; and
- c) On request, minutes of PQAC meeting must be made available to the CEO, Company Secretary or any member of the Board.

14) Expenses

- a) Members of the PQAC attending any meeting of the PQAC will be entitled to such reasonable travel, accommodation or other expenses approved from time to time by the Board.
- b) If any member of the PQAC requires clarification as to whether or not his or her expenses will be reimbursed by CPA Australia, he or she should address the enquiry to the General Manager Professional Programs & Pathways (or equivalent) in the first instance.
- c) PQAC members must seek reimbursement as soon as practicable after incurring the expense.

15) Code of Professional Conduct

The members of the PQAC will comply with CPA Australia's Code of Professional Conduct for members as amended from time to time.

16) Budgets

The PQAC does not have responsibility for setting or approving budgets. It has no power other than as specifically set out in this charter to incur any costs or commit CPA Australia to any payment, other than as approved by management.

17) Reporting to the Board

- a) Management or the Chair must report to the Board upon request concerning:
 - i) the work undertaken by the PQAC;
 - ii) matters requiring approval or endorsement from the Board;
 - iii) matters about which the PQAC believes the Board ought to be informed in respect of educational strategy; and
 - iv) all other matters relevant to the PQAC's role and responsibilities.
- b) If at any time there be fundamentally opposing views between the PQAC and management on matters being considered by the PQAC, the Chair of the PQAC and the Chief Operating Officer Commercial (or equivalent) and the General Manager Professional Programs & Pathways (or equivalent) shall ensure that these matters are brought to the attention of the President of the Board and that the Board is made aware of each of the opposing views. The Board shall make any determination on these matters that it thinks fit.

Approved by the Board: 21 September 2007

Amended by the Board: 7 September 2009 (name of Committee only)

Amended by the Board: 8 October 2009

Amended: 30 August 2012