

BOARD NOTICE 154 OF 2008

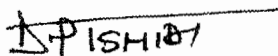
FINANCIAL SERVICES BOARD

FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002

(ACT NO 37 OF 2002)

DETERMINATION OF EXAMINATION BODY CRITERIA, 2008

I, DUBE PHINEAS TSHIDI, the Registrar of Financial Services Providers, after consultation with the Advisory Committee on Financial Services Providers, hereby under Part 6 of the Determination of Fit and Proper Requirements for Financial Services providers, 2008, determine the criteria for examination bodies as set out in the Schedule.



DP TSHIDI,
REGISTRAR OF FINANCIAL SERVICES PROVIDERS

SCHEDULE

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This Determination should be read in conjunction with the Determination of Fit and Proper Requirements for Financial Services Providers, 2008 and the Determination of Qualifying Criteria and Qualifications for Financial Services Providers, 2008.

PART I: DEFINITIONS

1. In this schedule:-

“the Act” means the Financial Advisory and Intermediary Services Act, 2002, including, unless the context indicates otherwise, any measure referred to in the definition of “this Act” in section 1(1) of the Act;

and any word or expression to which a meaning has been assigned in the Act and in the Determination of Fit and Proper Requirements for Financial Services Providers, shall have that meaning and, unless the context otherwise indicates –

- (a) **“certificate”** means issuing a certificate of competence where a candidate has successfully completed the regulatory examination(s), and where the certificate clearly states the result that was obtained by the candidate;
- (b) **“examination body applicant”** means an industry association, statutory professional body or voluntary professional body that has submitted an application to the Financial Services Board for recognition as an examination body, but where recognition has not been granted as yet;

- (c) “**external moderator**” means a person or group of persons with the required moderation knowledge, skills and expertise and the relevant subject matter expertise to conduct objective and fair moderation of the examination content and examination results, independent of the examination body and the Financial Services Board;
- (d) “**fit and proper requirements**” means the requirements as set out in the Determination of Fit and Proper requirements for Financial Services Providers, 2008 as published in Board Notice 106 of 2008;
- (e) “**FAIS Advisory Committee**” means the Advisory Committee on Financial Services Providers referred to in section 5 of the Act;
- (f) **FSB**” means the Financial Services Board;
- (g) “**item bank**” means a source of questions specific to each category and / or sub-category from which questions will be selected to construct the regulatory examination level 1 and regulatory examination level 2;
- (h) “**professional body**” means an organisation of which the main objective is the promotion or furtherance of competence, skills, education and professional excellence in a particular industry;
- (i) “**quality audit**” means the process of examining the indicators which show the degree of excellence achieved;
- (j) “**Quality Management System (QMS)**” means the combination of processes used to ensure that a degree of excellence specified is achieved. A quality management system is the sum of activities and information an examination body uses:
 - i. to enable it to better and more consistently implement and administer examination services; and
 - ii. to meet and exceed the needs and expectations of its clients and beneficiaries in a cost effective and cost efficient manner.

PART II: RECOGNITION AS EXAMINING BODY

- 2. (1) Subject to the provisions of the Act and the Determination of Fit and Proper Requirements, a professional body or industry body applying for recognition in terms of section 6 of the Act must comply with the criteria set out in this Determination. The provisions contained in this Determination and its Annexure must be implemented by an examination body.

PART III: PURPOSE OF EXAMINATION BODY CRITERIA

3. (1) The Registrar is responsible for the regulatory examinations in terms of the Determination of Fit and Proper Requirements, 2008 and will, in terms of Section 6 of the Act, delegate these functions to competent entities (authorised examination bodies) that can assist with the setting, conducting, managing and recording of the regulatory examinations in accordance with this Determination.
- (2) This Determination governs the functions of examination bodies as it relates to the regulatory examinations, as stipulated in the recognition notice, including-:
- (a) all principles and procedures established by the Registrar;
 - (b) the development and maintenance of the question bank for the regulatory examinations;
 - (c) the rules of combination and process for the setting of the regulatory examinations;
 - (d) the implementation, management, administration and record keeping of the regulatory examinations;
 - (e) the resulting and certification of the regulatory examinations;
 - (f) any quality assurance functions delegated to the authorised examination bodies;
 - (g) the roles and responsibilities of all the relevant role players involved with the regulatory examinations;
 - (h) the provision of data and reports in relation to appeals, complaints and irregularities in the conduct of regulatory examinations; and,
 - (i) the provision of data and feedback reports to the Registrar on an ongoing basis in terms of the regulatory examinations in relation to items specified in the authorisation agreement.
- (3) All examination bodies must to adhere to the principles and procedures stipulated within the criteria.
- (4) This examination body criteria provides for:
- (a) uniformity and consistency in decision making and operational processes amongst authorised examination bodies;
 - (b) direction of authorised examination bodies during internal change processes such as staff turnover, restructuring of internal processes and procedures, etc; and
 - (c) a framework for quality assurance in terms of regulatory examinations.

PART IV: ONGOING MONITORING OF EXAMINATION BODIES

4. The Registrar may conduct ongoing monitoring of the activities and functions performed by the examination bodies in relation to the setting, conducting, managing and recording of the regulatory examinations.

PART V: USE OF FSB LOGO

5. Examination bodies may not feature the FSB logo on any correspondence, marketing material, regulatory examinations or certificates without the prior written approval of the Board.

PART VI: RESERVATION OF RIGHTS

6. The Registrar reserves the right to request an examination body to set or administer additional regulatory examinations in the event that a particular Category or sub-category of FSP do not have sufficient access to the services of an examination body.

PART VII: MAINTENANCE OF EXAMINATION BODY POLICY

7. The Registrar may, from time to time, review the examination body criteria, and publish an updated schedule by notice in the *Gazette* as part of a cycle of continuous improvement.

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SECTION I: FUNCTION OF ROLE PLAYERS

1. ROLE PLAYERS

The role players concerned with the setting, conducting, managing, recording and monitoring of the regulatory examinations each have a specific function and responsibility in the examination process.

1.1. The Registrar and FSB

- (a) The responsibility of the Registrar is to provide a quality assurance, approval, monitoring, oversight and moderation function relating to examination bodies. These include the following:
 - i. Approving the contents of the regulatory examination item banks which will remain the intellectual property of the FSB;
 - ii. Maintaining ownership of the regulatory examinations;
 - iii. Appointing an external moderator, responsible for the external independent moderation of all examinations as well as for the moderation of results;
 - iv. Ensuring that all examination bodies have the requisite capacity for the design of the examinations for which they will be respectively responsible;
 - v. Ensuring the safe keeping and storing of the regulatory examinations in electronic format;
 - vi. Overseeing the maintenance of the examination item banks;
 - vii. Controlling the versions of the regulatory examinations;
 - viii. Monitoring the examination bodies in terms of:
 - their organisational capacity and resources to conduct regulatory examinations;
 - their Quality Management Systems, including examination and moderation processes and procedures, administrative support, recording and reporting systems and learner support and structures;
 - their irregularities, complaints and appeals procedures, and ongoing feedback on these processes to the Registrar;
 - any verification processes that the Registrar implements.
- (b) In addition to these responsibilities, the Registrar may, after consultation with the FAIS Advisory Committee, require an examination body to develop explanatory memorandums or reference material (body of knowledge) to support each of the regulatory examinations. This material would serve as reference material for prospective examinees, and may assist with their preparation for the regulatory examinations.

- (c) In order meet the responsibilities set out above, the Registrar will consult, where appropriate, with:
- i. The Department of Labour (DoL);
 - ii. The Quality Council for Trades and Occupations (QCTO);
 - iii. The South African Qualification Authority (SAQA);
 - iv. The Sector Education and Training Authorities (SETAs);
 - v. The FAIS Advisory Committee;
 - vi. The examination bodies;
 - vii. The industry and professional bodies in the financial services industry.

1.2. FAIS Advisory Committee

- (a) The FAIS Advisory Committee has appointed a sub-committee consisting of industry experts and educational experts. The sub-committee will be consulted on advice on the implementation and maintenance of the examination structures, which includes satisfying itself that the quality management structures makes provision for effective implementation and monitoring of regulatory examinations.
- (b) The Registrar may refer the following to the Advisory Committee for consultation:
- i. the regulatory examinations in terms of maintenance and updating criteria resulting from changes to legislation, regulations or any other relevant policies that may affect the regulatory examinations;
 - ii. the quality of the regulatory examinations produced by the examination bodies to ensure validity, integrity, reliability, currency and consistency;
 - iii. the quality of the examination body structures, processes and procedures to ensure integrity, reliability and consistency;
 - iv. any related significant findings and recommendations (relating to qualifying criteria, regulatory examinations and examination bodies) of the financial services industry together with the FSB's responses thereto; and
 - v. the effectiveness of the quality management framework and processes.

1.3. Recognised Examination Body

- (a) An examination body must:

- i. set a regulatory examination or a range of regulatory examinations as per agreement with the Registrar;
- ii. subject regulatory examination(s) to external moderation;
- iii. implement and administer the regulatory examination(s);
- iv. guard the security and confidentiality of the regulatory examinations at all times;
- v. quality assure the regulatory examination(s) in accordance to the quality assurance guidelines provided by the Registrar;
- vi. make any changes as may be required by the Registrar and / or external moderators;
- vii. record results in the manner required by the Registrar;
- viii. maintain the regulatory examination(s) item banks and compilation process in line with the condition of recognition;
- ix. certificate candidates who have successfully met the criteria of the regulatory examination(s);
- x. provide formal reports to the Registrar in terms of the regulatory examination(s);
- xi. notify the Registrar of any breach in security at any time and corrective procedures taken to confine the breach.

SECTION II: EXAMINATION BODY APPLICATION AND SELECTION

1. EXAMINATION BODY APPLICATION CRITERIA

(a) The following bodies / associations may apply to become examination bodies:

- i. Statutory Professional Bodies;
- ii. Voluntary Professional Bodies;
- iii. Industry associations.

(b) Examination bodies must operate independently in terms of their decision making and execution of examination activities, especially in the context that industry and/or employers may exert pressure on the examination body in terms of examination processes and/or results.

(c) Where professional bodies / industry associations are involved with the development, delivery and/or implementation of training, the professional bodies / industry associations must ensure that all examination related functions are managed, controlled and implemented under a separate entity with a separate management structure.

2. THE APPLICATION PROCESS

The application process consists of a series of activities, outlined below:

TABLE A: EXAMINATION BODY APPLICATION PROCESS	
STEP	ACTION
1. Formal application by the professional body / industry association.	<ul style="list-style-type: none"> • The professional body / industry association completes the application. • The application is submitted to the Financial Services Board in writing.
2. The Registrar reviews the application information and conducts a site visit.	<ul style="list-style-type: none"> • A representative of the Office of the Registrar conducts a site-visit to verify the information included in the examination body application of the professional body / industry association. • Where the professional body / industry association complies with all the criteria,

TABLE A: EXAMINATION BODY APPLICATION PROCESS

STEP	ACTION
	<p>continue with Step 3 of the application process.</p> <ul style="list-style-type: none"> Where the professional body / industry association does not comply with all the criteria, continue with Step 4 of the application process.
3. The professional body / industry association complies with all the criteria as stipulated in the application.	<ul style="list-style-type: none"> The application is submitted to the Advisory committee for consultation. The application is submitted to the FSB Board for approval. The Registrar issues a formal delegation of authority letter to the professional body/ industry association in which the Registrar delegate powers to set and conduct examination with certain conditions. The Registrar publish by Notice in the Gazette delegation of authority. <u>End of application process.</u>
4. The professional body/ industry association does not comply with all the criteria as stipulated in the examination body criteria provided in the application.	<ul style="list-style-type: none"> The professional body / industry association is notified in writing by the Registrar of the result of the verification visit. The notification stipulates which criteria were not met. The professional body / industry association revises it's application accordingly, and re-submits the application to the FSB.
5. The FSB reviews the application information and conducts a 2 nd site-visit.	<ul style="list-style-type: none"> If not compliant, the application of the professional body / industry association is declined in writing after consultation with the Advisory Committee. If compliant, continue with Step 3 of the application process. <u>End of application process.</u>

3. THE APPLICATION FORMAT

(a) The application and all its relevant sections must be completed in full.

(b) Applications will **not** be considered where:

- i. A format and numbering system other than that specified in the application has been used;
 - ii. The application does not contain all the relevant information required as stipulated in the application and its annexure.
- (c) The application must be submitted in hard copy to the FSB.

4. SITE VISITS CONDUCTED BY THE FSB

- (a) The purpose of the site visit is to collect evidence of compliance in terms of the criteria stipulated in application and to verify that the examination body applicant has:
- i. a quality management system as prescribed by the Registrar;
 - ii. quality assurance processes in place, particularly where services are outsourced by the examination body applicant e.g. the IT System;
 - iii. examination processes and resources are in place to cater for candidates with disabilities.

5. SELECTION PRINCIPLES

- (a) The following principles will apply:
- i. An examination body applicant either meets **all** the criteria, or not;
 - ii. An application will either be approved (where all the criteria and requirements are met) or declined (where the application does not meet some or all of the criteria);
 - iii. No provisional approvals will be granted where examination body applicants do not meet all the stipulated criteria;
 - iv. An examination body applicant may re-submit an application to the FSB three times and the application process will apply each time – please refer to the application process **table A** of this policy document;
 - v. Examination body applicants will be required to prove that they have the quality assurance resources, policies, procedures and processes in place to design, develop, implement, administer and record the regulatory examination(s).
- (b) Selection and approval of examination bodies will take place strictly in accordance with the criteria stipulated in the application.

6. INFRASTRUCTURE CRITERIA

(a) Examination bodies must the infrastructure to enable them to provide examination services to the required standard. The infrastructure should include the following:

- IT System;
- Administration;
- Resources;
- Budget.

(b) IT System

The IT System must include:

- i. Compatibility with the FSB database as per FSB specifications;
- ii. Capacity to host and to store / back-up data files;
- iii. Contingency plans to continue providing an examination service without interruption and/or loss of quality;
- iv. Maintenance of IT infrastructure;
- v. IT support when / where system problems are encountered;
- vi. System security to control the access of information and data;
- vii. Ability to provide examination information in accordance with the FSB specifications;
- viii. Contingency and disaster recovery plans.

(c) Administration

Administration processes and procedures must support the following functions:

- i. Register candidates and maintain candidate database;
- ii. Conduct examinations in accordance with the required standard;
- iii. Recording the results of the examinations;
- iv. Conduct re-examinations;
- v. Provide feedback to the FSB in accordance to the FSB specifications;
- vi. Conduct moderation and verification of examinations;
- vii. Contingency and disaster recovery plans;
- viii. Training and continuous improvement and development plans.

(d) Resources

Resources must include the following:

- i. Subject matter experts / access to subject matter experts, industry specific experts, content specific experts and training and education specific expertise;
- ii. Administration and support staff to support the IT, administration, and invigilator functions;
- iii. Equipment required to provide the examination service, including but not limited to hardware, software and stationery.

(e) Budget

The examination body must be financially sound, and should be able to provide audited financial statements.

The infrastructure requirements that examination bodies should comply with, are stipulated in detail in the application.

SECTION III:REGULATORY EXAMINATIONS

1. LEVELS OF REGULATORY EXAMINATIONS

- (a) The regulatory examinations must be set in accordance with the qualifying criteria set out in the Determination of Qualifying Criteria and Qualifications, 2008 and the principles stipulated in the determination of Fit and Proper Requirements, 2008. The regulatory examinations must be set on two different levels:
- (b) Regulatory Examination Level 1:
These regulatory examinations include a set of core examinations (referred to as first level regulatory examinations) dealing in particular with legislation directly binding on an FSP, its key individuals and representatives in terms of the Act (particularly the provisions of the Act and the Financial Services Board Act, 1990, and of all measures promulgated there under).
- (c) Regulatory Examination Level 2:
These regulatory examinations are specific examinations (referred to as second level regulatory examinations) relating to the category or subcategories in respect of which an FSP is authorised to render financial services.
- (d) The regulatory examinations focus in particular on testing the application of factual knowledge of the examinees in relation to:
 - i. the rendering of financial services applicable to specific categories or subcategories to clients; and
 - ii. the relevant legal provisions, particularly of the rights and duties which they vest in providers and clients, their appreciation of the legal meaning, the implications of these provisions, and their competence to apply these provisions correctly.

2. VERSION CONTROL OF REGULATORY EXAMINATIONS

- (a) Only one national version of any regulatory examination may be set for each category or subcategories. All regulatory examinations will be hosted and distributed by the Registrar. Examination bodies have access to the regulatory examinations based on their application criteria and area of expertise.
- (b) The intention is to ensure that the content, quality and standard of each regulatory examination is the same nationally. There will be no fluctuation in standard or quality across examination bodies, provinces, etc.

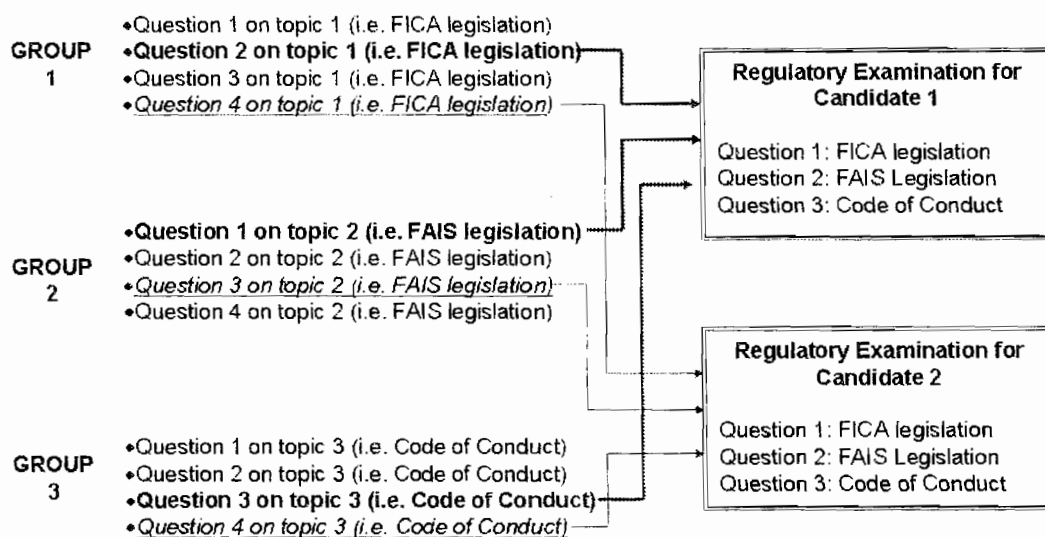
3. SETTING OF THE REGULATORY EXAMINATIONS

- (a) The Registrar delegates specific regulatory examinations to examination bodies that are responsible for developing and setting the questions for each of the regulatory examinations. In order to do this, specific expertise is required in terms of:
 - i. Educational expertise, specifically referring to the setting of questions, the relevant assessment and quality assurance principles;
 - ii. In-depth financial product knowledge and expertise.
- (b) The examination body must at all times be able to prove to the Registrar that it has:
 - i. educational ability and expertise relating to examinations;
 - ii. expertise relating to a specific sub-category / sub-categories.
- (c) The questions for each of the examinations must therefore be set by the examination body with the most appropriate level of expertise relating to a specific sub-category / sub-categories.
- (d) In order to ensure consistency between the various examinations, all examination bodies will be required, prior to setting the questions, to attend the relevant workshops and information sessions, as required by the Registrar, in preparation of setting the examinations, in an attempt to standardise the level and style of the regulatory examinations.
- (e) When the examinations are set, an alignment document must be kept for each regulatory examination set by an examination body. This alignment document serves as proof of the alignment of the regulatory examination to the qualifying criteria for each category and sub-category.
- (f) The alignment documentation will be moderated by the examination body and the Registrar, after consultation with the Advisory committee, to verify alignment. The alignment documentation will also be used when updating and maintaining of regulatory examinations are required.
- (g) All regulatory examinations must be:
 - i. Valid – the examinations test what was intended to be tested, i.e. the qualifying criteria;
 - ii. Reliable – the standard of the examinations is the same across different demographical areas and examination bodies;

- iii. Fair – all candidates that are tested on the same category / sub-category should receive questions that cover the same competence outcome, are of the same standard or level of complexity and the same style;
- iv. Consistent – two candidates with the same knowledge and skill should obtain the same results.

4. ITEM BANK

- (a) Each regulatory examination must have an item bank of at least 200 questions in the database to ensure a variety of alternative questions for each candidate completing the examination.
- (b) Every effort should be made to use questions relating to case studies.
- (c) The examination body should take into consideration that the type of questions apart from the cognitive level, may impact on the difficulty level. The level of questions will be informed by the complexity of the regulatory examination. The questions must be set strictly in accordance to the qualifying criteria published in the Gazette by the Registrar.
- (d) The nature of the question development methodology used must make provision for the type of knowledge and skills that will be tested.
- (e) As a result the same type of question and cognitive level must be used for each grouping of questions within the regulatory examination for each candidate. The same topic or competence outcome must be covered in the group of four questions to ensure that the same competence outcome is tested when different candidates complete the examination. It is not advisable, for example that one candidate is tested on cash flow, and another candidate is tested on analysis of financial statements.
- (f) The total number of questions included in each examination should not be less than 20 questions and not more than 80 questions.
- (g) The following is an illustration as to how the groupings of questions should be developed:

Diagram A: Question development

- (h) A random selection of questions from each group (topic) should be used to make up the total number of questions contained in the specific regulatory examination which each candidate takes. Each candidate will therefore get a unique set of questions covering all aspects/topics of the qualifying criteria as per diagram A.
- (i) The cognitive and complexity level of the question contained in each group must therefore be the same to ensure consistent and reliable testing for all candidates completing the same regulatory examination.

NOTE: The regulatory examination must be developed in a manner that will allow for electronic assessment as well as written assessment in certain instances and the same design and development methodology should therefore apply. This means that all questions must be designed and developed as per the structure illustrated above. In addition, provision must be made for candidates with special needs.

5. TESTING AND MODERATION

- (a) Subsequent to the development of the regulatory examination questions, the validity of the regulatory examination must be tested. This is the responsibility of the examination body responsible for the setting of the regulatory examination. The standards to be used for the testing of the regulatory examinations will be supplied by the Registrar, in consultation with the Advisory committee.

- (b) The Registrar may subject regulatory examinations to an external moderation prior to finalisation of the item bank.

SECTION IV: IMPLEMENTATION AND DELIVERY OF REGULATORY EXAMINATIONS

1. PRE-IMPLEMENTATION PILOT AND TESTING

- (a) The administration, implementation, and management of regulatory examinations are the responsibility of the examination body.
- (b) The regulatory examinations may be delivered in the following formats:
- i. an on-line format, and/or
 - ii. a written format (hard copy).
- (c) Only authorised staff in the employ of the examination bodies may have access to the regulatory examination questions, and examination bodies must ensure that there is sufficient security in place to limit and control access to the regulatory examination questions.
- (d) Examination bodies will be required to:
- i. download the regulatory examination questions onto its electronic examination system/platform;
 - ii. verify that the data is secure and that back-up processes and procedures are in place and functional;
 - iii. check, test and verify whether the examination questions have been downloaded correctly and that the questions will populate correctly on the electronic examination system;
 - iv. verify that the regulatory examination can be made available in different formats, i.e. the examination questions can be printed for written examinations, or can be viewed electronically for on-line examinations, whatever the case may be;
 - v. perform overall quality assurance of the questions and system.
- (e) In order to ensure that the regulatory examination will be administered correctly, a pilot session(s) must be conducted prior to implementation ensure that:

- i. the correct regulatory examination is generated based on the candidate accessing the system. For example: the key individual examination will populate if a key individual signs onto the system, etc.;
- ii. the questions generated for each regulatory examination are correct and relevant to the type of regulatory examination in question;
- iii. the sequencing of the questions is correct;
- iv. the examination can be supplied in the required formats, i.e. electronically and/or paper-based;
- v. re-examinations can be administered, when and if required;
- vi. check that sites approved for writing have all systems in place and are fully capable of meeting IT and invigilation requirements.

2. CANDIDATE REGISTRATION

- (a) The registration of candidates must be supported by an effective learner management system. A learner management system is essential in order to:
 - i. keep accurate records of all candidate registrations;
 - ii. keep accurate records of candidate information such as contact details, etc.
 - iii. track when candidates have accessed the examination system so that their identities can be checked and the invigilation requirements imposed;
 - iv. track whether the candidate has completed the regulatory examination(s) for which the candidate has registered; as
 - v. make statistical analysis possible as and when required by the Registrar.
- (b) Candidate information recorded during registration must be in line with requirements of the Registrar:

Table B: Candidate Information

Candidate Information	
1) Type of identification	7) Race
2) ID number / Valid Passport number	8) Gender
3) First Name	9) Disability

4) Initials	10) Contact details: (Area code) Telephone number(s), Fax number(s), e-mail address.
5) Surname	11) Highest qualification
6) Age	
Employer Information	
12) FSP number employer	16) Job Title
13) Employer name	17) Occupational category
14) Employer physical address	
15) Department / Branch	

- (c) The registration system must be tested to ensure that accurate records can be kept of all candidate registration- and achievement-related information. The system hardware and software must be able to support the registration process.
- (d) Examination bodies must have the procedures, processes and system infrastructure in place to cater for large corporate enrolments as well as candidate enrolments.

3. REGULATORY EXAMINATION IMPLEMENTATION

- (a) The regulatory examination delivery will commence once all system tests have been completed and quality assurance requirements are in place. The Registrar must receive feedback in terms of the success of the testing and piloting of the examinations before the regulatory examination delivery phase can commence.
- (b) The delivery phase includes:
- i. Actual registrations taking place;
 - ii. Actual regulatory examinations being completed within the prescribed conditions;
 - iii. Actual records of real candidates being maintained.
- (c) It is recommended that the initial delivery of the regulatory examinations is monitored closely by the examination body and the office of the Registrar, to

ensure that all processes and procedures are followed as stated in this Determination.

- (d) A calendar of examination dates should be provided by all examination bodies at the beginning of each year. The calendar should stipulate the dates and venues for all the regulatory examinations. Additional examination(s) should also be made available if there is a demand for it, based on arrangements with candidates and/or organisations.
- (e) Examination bodies should provide those candidates that wishes to complete more than one regulatory examination at a time, with an option to do so.

4. EVALUATION

- (a) Evaluation refers to the feedback obtained from candidates and other relevant role players with regards to the examination processes and procedure, in order to improve examination processes and procedures. Evaluation should be integrated with all regulatory examination-related processes and procedures and should not be a separate activity.
- (b) Examination bodies should have reliable evaluation systems that make timely declaration of results possible. Examination bodies must indicate the anticipated turn-around time for both on-line and paper-based examinations in their submissions to the Registrar.
- (c) Thus, evaluation systems must be in place for on-line and written regulatory examinations to verify the consistency and quality of the marking of these papers – whether it is marked electronically or manually.

5. REGULATORY EXAMINATION RESULTS

- (a) The results of the regulatory examinations must be treated as confidential, and should be made available to only the following parties:
 - i. The candidate – on completion of the resulting process of the regulatory examination;
 - ii. The Registrar – for regulation, monitoring and auditing purposes.
- (b) Examining bodies should strive to issue the results of on-line examinations as printed statements for all candidates on completion of the examination. Such immediate feedback will benefit all candidates and will streamline the process. The statement of results must have a unique identifiable number and must

include the name of the regulatory examination, the pass mark obtained and the date of the examination.

- (c) The certificate should be made available to the candidate within one hour of the completion of an electronic assessment by any candidate and within one week of the completion of a written assessment by any candidate. If there are large numbers of candidates whose scripts must be marked manually, this may not be realistic. When a larger organisation make reservation for its employees, then this may be an appropriate time for the examination body to inform the organisation what the turn-around time would be in terms of certification.
- (d) Results for all completed regulatory examinations must be kept by the examination body for a period of at least 5 years. The results can be archived but must be accessible at the request of the Registrar.

6. PASSMARK FOR REGULATORY EXAMINATIONS

- (a) The pass mark for regulatory examination(s) is 70%.
- (b) Where a candidate failed to obtain the required pass mark, the candidate will be required to re-write the regulatory examination at a later stage once the candidate is ready.

Please note: The candidate will be required to re-write the regulatory examination in total, and not just a specific section of the regulatory examination.

7. APPEALS AND RE-EXAMINATIONS

- (a) Provision must be made in the Quality Management System (QMS) of the authorised examination body for appeals and re-examinations. Also refer to requirements stipulated under "Regulatory Examination Appeals and Complaints Management" of this policy.

8. UPLOADING OF REGULATORY EXAMINATION RESULTS ONTO THE FSB SYSTEM

- (a) The results of all regulatory examinations must be uploaded electronically to the FSB's system within 2 weeks of the candidate completing the regulatory examinations. Where results cannot be uploaded within this timeframe, the examination body must notify the Registrar accordingly in writing stipulating:
 - i. The reason for the delay;
 - ii. The action plan in place to address the problem;

- iii. A timeframe by which the results will be uploaded;
- iv. Contact details of the person(s) accountable for the upload taking place.

9. CANDIDATE SUPPORT

- (a) Once a candidate has registered for the completion of a regulatory examination(s), the candidate must have access to support services. The following aspects can be considered as candidate support:
 - i. Access to primer(mock) examination questions to see what the candidate can expect from the actual examination;
 - ii. Access to the policies and procedures of the authorised examining body;
 - iii. Access to brochures / website / information that may assist the candidate in preparing for the regulatory examination(s);
 - iv. access to information that can address regulatory examination(s);related queries, concerns, etc.

10. CANDIDATES WITH SPECIAL NEEDS

- (a) Candidates with special needs and/or disabilities must be catered for. Access to the regulatory examination and examination facilities cannot be refused to any such person, and all authorised examination body must ensure that they have the means to assist these candidates, provided that the candidate in question notified the examination body in advance that such a service will be required
- (b) Where a special need has been identified, and special arrangements must be made for the candidate, it is essential to ensure that the candidate is kept informed of all arrangements.
- (c) Any special arrangements made for the candidate must not hinder or assist the candidate's ability to achieve the desired regulatory examination results. In other words, the achievement of the required regulatory examination results must not be easier or more difficult for the candidate due to the special arrangements made by the examining body to accommodate his/her special needs.

11. REGULATORY EXAMINATION ADMINISTRATION

- (a) Under no circumstances may a candidate complete a regulatory examination without the physical presence of an invigilator.

- (b) Where a candidate is unable to complete a regulatory examination due to circumstances beyond his/her control (i.e. load shedding, falling ill during the examination etc.) the candidate must be given the opportunity to complete the regulatory examination again at a later stage as agreed by the candidate and the examining body, without having to pay for the regulatory examination again.
- (c) Extreme care should be taken by all examination bodies to ensure that the regulatory examination content is secure and that questions are randomly selected in line with the rules of combination prescribed to ensure that full examination papers cannot be leaked.
- (d) Extreme care should be taken by all examination body to ensure that the regulatory examination content is secure and that questions are randomly selected to ensure that exam papers cannot be duplicated unlawfully or leaked.
- (e) The question papers for all paper-based examinations should be collected and destroyed after each examination.

12. APPEALS AND COMPLAINTS MANAGEMENT

- (a) The internal policies and procedures of the examination body must make provision for:
 - i. Appeals processes;
 - ii. Complaints management.
- (b) Where an appeal / complaint cannot be addressed to the satisfaction of the examining body and/or candidate, then the matter must be referred to the Registrar. The Registrar will make the final decision on what recourse is required to settle the matter.
- (c) The FSB will be the appeal of last resort.
- (d) The following process will apply where a matter is referred to the Registrar:
 - i. **Step 1: Submission to the office of the Registrar**
 - All contact details of both parties should be included;
 - All supporting documentation and evidence must be submitted.
 - ii. **Step 2: Investigation**
 - The submission is reviewed by the office of the Registrar;
 - Where additional information is required, interviews with the relevant parties are conducted.

iii. **Step 3: Hearing**

- All parties concerned (i.e. candidate, examination body, etc.) attends the hearing scheduled at the office of the Registrar;
- The results of the investigation is communicated and remedial action required and the timeframes applicable is clearly communicated;
- The finding of the Registrar is final and binding.

SECTION V: MODERATION AND MONITORING

(a) **PRINCIPLES OF MONITORING**

- (a) The following quality indicators per criteria element form the basis of the Registrar's scope for monitoring, and is expanded in the individual monitoring reports according to the purpose of the monitoring event.

No.	Criteria / Scope	Quality Indicator
1.	Organisational Capacity	<ul style="list-style-type: none"> • Ratios – exams per examiner / invigilator • Examiners per moderator not relevant if electronic • Geographical spread • Quality provision of regulatory examinations
2.	QMS	<ul style="list-style-type: none"> • Admin Management • Examination Management • Candidate Management • Examination Staff Management • Examination Result and Certification Management
3.	Resources, Facilities and Infrastructure	<ul style="list-style-type: none"> • Physical • Financial • Administrative • Human
4.	Regulatory Examinations	<ul style="list-style-type: none"> • Examination policy, practices and process • Management, review, role players • Principles, instruments, access • Role players competence and capacity

No.	Criteria / Scope	Quality Indicator
5.	Moderation	<ul style="list-style-type: none"> • Policy, practice and process • Role players competence and capacity, management • Scope, impact, instruments

(b) The scope of monitoring that the Registrar will exercise is as follows:

- i. Organisational capacity
- ii. Quality Management Systems
- iii. Resources
- iv. Examination system, processes and procedures
- v. Moderations
- vi. Administrative support
- vii. Discrepancies / irregularities/ complaints / appeals
- viii. Quality provision
- ix. Contingency planning
- x. Provision for candidates with special needs and disabilities

2. MONITORING METHODS AND TECHNIQUES

(a) The following monitoring methods and techniques are used by the Registrar:

No	Method	Description
1.	Off-site Desk top evaluation	Documented evidence of examining body's strategic, operational and examination practices are submitted for review and evaluated against set criteria established by the Registrar.
2.	On-site Evidence Validation	Evidence submitted for desk-top review is validated against actual practice.

No	Method	Description
3.	Sampling Framework	Random and/or targeted selection of candidate records for external moderation purposes, to include Probability-based and Non-probability based selection of sampling.
4.	Document Review	Review of policies, standard forms and templates, examination materials.
5.	Validation	Comparison of evidence to practice. Testing validity against performance of competent volunteer practitioners (as opposed to genuine candidates).

3. ROLE OF EXAMINATION BODIES IN THE MONITORING PROCESS

- (a) The examination body is required to comply with the Registrar's monitoring & auditing process by:
- Preparing the evidence requested for submission and evaluation;
 - Submitting all required evidence timeously as per any reasonable request from the Registrar;
 - Arrange for access of the Office of the Registrar to the required premises, people and documented evidence;
 - Implement and report on the implementation of the agreed Conditional Compliance Plan (where applicable);
 - Follow the formal channels of Appeal in the event of a dispute regarding a monitoring and auditing outcome.

4. MONITORING RESULTS

- (a) Should a Monitoring Intervention show evidence of sub-standard examination practices, a variety of outcomes may be recommended by the Registrar, depending on the severity of the non-compliance / non-conformance:

No	Non-compliance	Example	Outcome
(a)	Compliance Rating - 5	<ul style="list-style-type: none"> All QMS and Examination policies & practices comply to FSB QA criteria as stated. 	<ul style="list-style-type: none"> Approval of continuation

(b)	Compliance Rating - 4	<ul style="list-style-type: none"> • Policies and practices are in place, but selected areas need improvement. • Examination processes and procedures show evidence of alignment and good practice, but does not meet the criteria set by the Registrar. • Self evaluation of examination practices is insufficient. 	<ul style="list-style-type: none"> • Conditional approval of continuation of practices • Development Plan with due dates
(c)	Compliance Rating Below 4	<p>Insufficient evidence of :</p> <ul style="list-style-type: none"> • sound examination evidence and practices, • QMS policy and practice implementation • Quality provision and candidate support • Insufficient moderation practices • Obvious disregard for criteria set by the Registrar for quality provision, • No evidence of quality examination practices, • QMS practices insufficient in all examination areas 	<ul style="list-style-type: none"> • Immediate withdrawal of "authorised" status. • Suspension of all examination activities. • Handover to another authorised examination body appointed by the FSB. • Examination body to reapply for authorisation status.

5. QUALITATIVE AND QUANTITATIVE REVIEW

- (a) The Registrar shall conduct a quantitative and qualitative review of all monitoring activities on a quarterly or bi-annual basis, depending on need and demand, to determine:
- trends and patterns in monitoring results;
 - required capacity building interventions; and
 - continuous improvement requirements.

6. REPORTING

- (a) A Monitoring Report will be issued to all examination bodies and stakeholders after each Monitoring Review.

7. NON-COMPLIANCE

(a) The following actions will be regarded as non-compliance:

- i. Non-compliance to the criteria and/or process of Monitoring & Auditing as described in this policy. Where an examination body does not comply with the processes and procedures as described in this policy, the examination body will be placed on suspension until such time that the examining body and prove compliance. Please refer to the Monitoring and Auditing processes and procedures in this policy;
- ii. Material breach where the integrity of the regulatory examination(s) have been compromised by the examination body.
Where the integrity of the regulatory examination(s) has been compromised by the examination body, the authorisation status of the examination body will be withdrawn with immediate affect.

(b) Candidates enrolled with this examination body will be transferred to another authorised examination body to ensure that the candidates are not unduly affected.

SECTION VI: POLICY MAINTENANCE

- (a) The policy will be reviewed annually and recommendations will be reviewed, documented and implemented by the Registrar, after consultation with the Advisory Committee.
- (b) Examination bodies will be notified formally of any amendments to processes and procedures that may affect their responsibilities within 2 weeks of the amendments being made.
- (c) This particular process will be monitored annually by the Registrar, using the following indicators:

Indicators	Description
Process Audit	<ul style="list-style-type: none"> o A Self -evaluation will be done on a yearly basis through the random selection of examination body that have been audited to establish due process and administrative support.
Electronic compliance audit	
Internal Self Evaluation	

Appeals against the Registrar's Monitoring & Auditing process and outcomes	<ul style="list-style-type: none">o An Internal Self Evaluation of the status and accuracy of the FSB Record Keeping System.o Number and nature of appeals received against the monitoring activities of the Registrar.
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