



## **REGULATIONS TO THE BY-LAWS**

**As approved by the Board June 24, 2011**

## Table of Contents

<b>5000</b>	<b>Professional Liability Insurance Regulations .....</b>	<b>3</b>
5001	Insurance Coverage .....	3
5002	Duration of Coverage .....	3
5003	Reporting Requirements .....	4
5004	Notification of Insurance Cancellation or Reduction .....	4
5005	Non-Compliance .....	5
<b>7000</b>	<b>Regulations as to the Minimum Requirements to Write the Final Evaluation .....</b>	<b>7</b>
7001	Eligibility to Write the Uniform Evaluation (UFE) .....	7
7002	Number of Attempts and Period of Writing .....	7
7003	Requirement to Complete ASCA's Professional Program .....	7
7004	Inability to Write the UFE for Medical or Compassionate Reasons .....	7
<b>7100</b>	<b>Regulations as to the Minimum Standards for Approved Training Offices and Experience Requirements .....</b>	<b>9</b>
7101	Application Standards .....	9
7102	Review Standards .....	9
7103	Reporting to the Institute .....	10
7104	Practical Experience Requirements .....	10
7105	Transitional Provisions .....	10
7106	Ability to write the Uniform Evaluation .....	11
7107	Co-op Program Experience .....	11
7108	Retroactive Credit for Practical Experience .....	12
7109	Minimum Prescribed Term of Practical Experience .....	12
7110	Residency Outside the Province .....	12
<b>8000</b>	<b>Office Practice Inspection Committee Regulations .....</b>	<b>13</b>
8001	Governing Principles .....	13
8002	Definitions .....	13
8003	Committee .....	13
8004	Inspectors .....	14
8005	Members or Firms Subject to Inspection .....	15
8006	Procedures of Inspection .....	15
8007	Evaluation of Professional Standards and Review by Committee .....	17
8008	Re-inspections and Sanctions .....	18
<b>9000</b>	<b>Continuing Professional Development Regulations .....</b>	<b>20</b>
9001	Definitions .....	20
9002	Completion Requirements .....	21
9003	Compliance Reporting Requirements .....	22
9004	Non-Compliance with Minimum Requirements .....	23
9005	Reporting Period .....	23

**5000 PROFESSIONAL LIABILITY INSURANCE REGULATIONS****Requirements to Carry Professional Liability Insurance**

## 5001 Insurance Coverage

- (1) Pursuant to By-law 500 professional liability insurance coverage shall be maintained by:
- (a) every firm engaged in the practice of public accounting in Newfoundland and Labrador;
  - (b) every professional corporation engaged in the practice of public accounting in Newfoundland and Labrador; and
  - (c) every member engaged in the practice of public accounting in Newfoundland and Labrador as either a sole proprietor or a partner of a non-member public accountant.

Effective with all new policies or renewals of existing policies taking effect after May 1, 2007, professional liability insurance coverage shall be maintained in an amount at least equal to:

- (i) \$1,000,000 per occurrence, where one member is engaged or employed in the practice of public accounting;
- (ii) \$1,500,000 per occurrence, where two or three members are engaged or employed in the practice of public accounting in the same firm; or
- (iii) \$2,000,000 per occurrence, where four or more members are engaged or employed in the practice of public accounting in the same firm.

## 5002 Duration of Coverage

In the event of:

- (a) the withdrawal of a partner or member employee from a practice of public accounting, whether or not that partner or employee continues to carry on the practice of public accounting elsewhere; or
- (b) the merger, dissolution or cessation of practice of a firm, proprietorship or partnership engaged in the practice of public accounting;

the professional liability insurance that was required to be carried pursuant to paragraph 5001(1) prior to the occurrence of the event referred to in (a) or (b) shall continue to be maintained for a period of at least six years following the event to cover acts or omissions occurring prior to the event.

**5003 Reporting Requirements**

- (1) Upon registration of a practising office or professional corporation in accordance with regulation 213 to the Act and, thereafter, annually on or before June 1, every member in charge of a practising office shall submit to the Chief Executive Officer of the Institute or his or her designate:
  - (a) a declaration that sufficient professional liability insurance is in effect to comply with the requirements of these regulations, and
  - (b) a statement of particulars in prescribed format.
  
- (2) In the event of circumstances as outlined in regulation 5002, where successor members or members in charge of successor firms have arranged to assume responsibility for maintaining such insurance, such successor members or members in charge of such successor firms shall provide annually on or before June 1 to the Chief Executive Officer of the Institute or his or her designate:
  - (a) a declaration that sufficient professional liability insurance is in effect to comply with the requirements of these regulations, and
  - (b) a statement of particulars in prescribed format.
  
- (3) In the event of circumstances as outlined in regulation 5002, where successor members or members in charge of successor firms have not arranged to assume responsibility for maintaining such insurance, the predecessor member shall provide annually on or before June 1 to the Chief Executive Officer of the Institute or his or her designate:
  - (a) a declaration that sufficient professional liability insurance is in effect to comply with the requirements of these regulations, and
  - (b) a statement of particulars in prescribed format.

**5004 Notification of Insurance Cancellation or Reduction**

Every member shall immediately notify the Chief Executive Officer of the Institute or his or her designate and every professional liability insurance contract shall be endorsed with the requirement that the insurer immediately notify the Chief Executive Officer of the Institute or his or her designate of the cancellation of the insurance coverage or the reduction of the insurance coverage below the level required pursuant to Regulation 5001.

## 5005 Non-Compliance

- (1) In the event professional liability insurance coverage as required in regulations 5001 and 5002 is not maintained, or satisfactory proof of such coverage is not provided to the Chief Executive Officer, or his or her designate then:
  - (a) in the case of a firm engaged in the practice of public accounting in Newfoundland and Labrador, the rights and privileges of membership in the Institute of the partners of the firm shall be suspended;
  - (b) in the case of a professional corporation registered by the Institute, the annual licence shall be immediately revoked;
  - (c) in the case of a member engaged in the practice of public accounting in Newfoundland and Labrador as a sole proprietor or a partner of a non-member public accountant, the rights and privileges of membership in the Institute of the member shall be suspended.
- (2) A person whose rights and privileges of membership in the Institute have been suspended pursuant to paragraph (1) shall be reinstated to membership in good standing effective the date upon which satisfactory proof of the required coverage, together with the reinstatement fee and the late filing fee prescribed by the Board, are received by the Institute.
- (3) A professional corporation whose annual licence has been revoked, pursuant to paragraph (1), shall have the annual licence reinstated effective the date upon which satisfactory proof of the required coverage, together with the reinstatement fee and the late filing fee prescribed by the Board, are received by the Institute.
- (4) Subject to paragraph (6), in the event a person whose rights and privileges of membership in the Institute have been suspended pursuant to paragraph (1) remains suspended for a period of thirty (30) days, that person shall be expelled from membership.
- (5) A person expelled from membership pursuant to paragraph (4) may apply to the Board to be readmitted to membership in the Institute upon:
  - (a) making a written application in the form prescribed by the Board;
  - (b) filing a declaration with the application that since the person's expulsion from membership, he/she has not engaged in any conduct, other than as specifically set out in the declaration, that, if engaged in by a member, could reasonably be considered a violation of the Rules of Professional Conduct or the provisions of the *Public Accountancy Act*, RSNL 1990, Chapter P-35;

- (c) providing satisfactory proof of the required coverage;
  - (d) remitting the reinstatement fee required pursuant to paragraph (2); and
  - (e) remitting the readmission fee prescribed by the Board.
- (6) Notwithstanding paragraph (4), where:
- (a) a member's practising unit is the subject of a practice inspection;  
or
  - (b) a member is the subject of an investigation or a charge made by the Complaints Authorization Committee; or
  - (c) a member has not fully complied with an order of an Adjudication Tribunal,

his or her membership shall not be terminated pursuant to paragraph (4) until the practice inspection or Complaints Authorization Committee investigation has been completed, or the final disposition of the charge has been made, or the member has fully complied with the Adjudication Tribunal order.

**7000 REGULATIONS AS TO THE MINIMUM REQUIREMENTS TO WRITE THE FINAL EVALUATION****7001 Eligibility to Write the Uniform Evaluation (UFE)**

To be eligible to write the Uniform Evaluation (UFE), an individual must:

- (a) be a registered student;
- (b) have successfully completed the ASCA professional program, or deemed to have completed same by being exempted from all or some of the specific subject area courses;
- (c) be employed with an approved training office or have completed his/her practical experience requirements;
- (d) apply on prescribed form to the Institute not later than two weeks prior to the UFE start date; and
- (e) pay the prescribed fee.

**7002 Number of Attempts and Period of Writing**

- (1) An individual will be permitted three (3) attempts at the UFE.
- (2) Upon application to and approval by the Board, a student shall take a maximum of four years to complete three attempts at the UFE.\* This application must be received no later than two weeks prior to the scheduled UFE start date.

**7003 Requirement to Complete ASCA's Professional Program**

- (1) An individual who has written and failed the UFE must enrol in, attend, and write all test cases and exams in ASCA's Finalist Preparation Program prior to sitting for the final attempt at the UFE, and that failure to comply with the above will constitute an attempt at the UFE.
- (2) To satisfy the requirements of paragraph (1) above, the Finalist Preparation Program must be completed no longer than 18 months prior to the start date of the final attempt at the UFE.
- (3) The Board may, upon application, approve an alternate course of study to satisfy the requirements of paragraphs (1) and (2) above.

**7004 Inability to Write the UFE for Medical or Compassionate Reasons**

If, for medical or compassionate reasons, a student is unable to write the UFE, such student should address an application in writing to the Board, requesting that the failure to write the exam not be considered an attempt. The application must be accompanied by a doctor's certificate, or, in the case of compassionate

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\* for students registering on or after September 1, 2004. Students registered prior to September 1, 2004 shall take a maximum of five years to complete three attempts at the UFE.

reasons, a written explanation of same. This appeal must be filed within fourteen days of the completion of the UFE.

## **7100 REGULATIONS AS TO THE MINIMUM STANDARDS FOR APPROVED TRAINING OFFICES AND EXPERIENCE REQUIREMENTS**

### 7101 Application Standards

- (1) The experience required of a student under regulation 201 to the Act shall be obtained in an approved training office.
- (2) A practising office may apply to the Office Practice Inspection Committee to have that office registered as an approved training office by completing an application which demonstrates the office's ability to provide CA students with the quality of working environment, practical experience and supervision required to prepare them to be Chartered Accountants as outlined in Section 2 of the *CA Practical Experience Requirements* or any successor document or criteria as may be approved by the Board from time to time.
- (3) A practicing office seeking approval to train students to practice public accounting must, in addition to the requirements outlined in paragraph (2) provide the minimum number of chargeable hours in assurance services, audit engagements and taxation services and the required total chargeable hours as prescribed by the Board.
- (4) An organization may apply to the Board to have that office registered as an approved training office by completing an application which demonstrates the organization's ability to provide CA students with the quality of working environment, practical experience and supervision required to prepare them to become Chartered Accountants as outlined in Section 2 of the *CA Practical Experience Requirements* or any successor document or criteria as may be approved by the Board from time to time.
- (5) The Board may approve an application for registration as an approved training office if in its opinion:
  - (a) such office can provide the appropriate experience as required under paragraphs (2), (3) and (4); and
  - (b) the ratio of students to practising members in a practicing office does not exceed 3 to 1; and
  - (c) management of the office shall be under the personal charge of a person who has been a member of an Institute or Ordre of Chartered Accountants for a period of not less than two years.

### 7102 Review Standards

Each approved training office shall be reviewed on a cyclical basis by the Board, or its designated representative, to ensure its ongoing compliance with the By-laws and regulations of the Institute.

## 7103 Reporting to the Institute

- (1) Each approved training office is required to submit a certification sign-off, on prescribed form, to the Institute or its designate within 30 days of a student ceasing to be employed by the approved training office or 30 days before a student becoming eligible for membership. The certification sign-off must be signed by the Training Principal and confirm on behalf of the CA training office the requirements as outlined in Section 5 of the *CA Practical Experience Requirements* or any successor document or criteria as may be approved by the Board from time to time.
- (2) Each CA Student is required to submit, on a prescribed form that he or she has met the practical experience requirements as outlined in Section 5 of the *CA Practical Experience Requirements* or any successor document or criteria as may be approved by the Board from time to time.

## 7104 Practical Experience Requirements

A student registering with the Institute on or after September 1, 2009 or a student commencing employment in an approved training office after September 1, 2007 in an experience stream outside of public practice is required to complete the practical experience requirements prescribed in the *CA Practical Experience Requirements* or any successor document or criteria as may be approved by Council from time to time.

## 7105 Transitional Provisions

- (1) All students commencing employment in an approved training office prior to September 1, 2007 and those students commencing employment in an approved training office training to practice public accounting prior to September 1, 2009 are required to complete the practical experience requirements prescribed in paragraphs (2) and (3) below.
- (2) A student registering with the Institute prior to September 1, 2007 and commencing employment in an approved training office training to practice public accounting prior to September 1, 2009 is required to complete a 30-month term of experience. All chargeable and non-chargeable activities carried out by a student while employed with an approved training office are generally acceptable for purposes of the 30-month requirement. Activities not recognized for experience purposes include paid or unpaid:
  - (i) vacation in excess of three weeks per annum;
  - (ii) leave for study and examinations. This includes time spent on ASCA courses, preparation and writing of the Uniform Evaluation, and attendance at any other course, unless the course is specifically directed at job training for the approved training office;

- (iii) sickness, bereavement or other leaves of absence in excess of a reasonable amount as established by the approved training office. As a guideline to assist in consistent application, it is recommended that such leaves taken in excess of ten working days per year not be recognized for experience purposes
- (3) Students must obtain the following chargeable hours under the direct supervision and control of the approved training office during their 30-month term of experience:
- |  |       |
|--|-------|
| Minimum chargeable hours                       | 2,500 |
| Minimum attestation and review hours           | 1,250 |
| of which maximum hours allocated to review are | 625   |
| Minimum taxation hours                         | 100   |
- In order for experience to qualify in each of the above areas, it must fall within the general scope of the *CA Candidates' Competency Map*.
- (4) It is the joint responsibility of the student and the approved training office to ensure all student training requirements are met.

#### 7106 Ability to write the Uniform Evaluation

Candidates will be permitted to write the Uniform Evaluation when they have satisfied all prescribed course and examination requirements, irrespective of the length of time they have been employed with an approved training office.

#### 7107 Co-op Program Experience

- (1) The work experience of students enrolled in a specifically defined cooperative program will be recognized towards the practical experience requirement.
- (2) The work experience of students enrolled in a recognized baccalaureate degree program will be recognized to a maximum of 8 months, provided they have completed at least twenty credit courses towards their degree requirement. Experience obtained prior to completion of twenty credit courses in the degree program will be discounted fifty percent prior to recognition towards the eight-month maximum established above.
- (3) The work experience of registered students with a degree, working part-time will be recognized on a full-time equivalent basis, with the provision that it be completed within five years of registration as a student. Institute approval must be received in advance for the commencement of any part time arrangements and any subsequent changes thereto.

**7108 Retroactive Credit for Practical Experience**

No retroactive credit will be granted for experience gained prior to the date the student applies for registration with ASCA as a student of the institute except:

- (i) for administrative purposes, the experience commencement date may be up to three months prior to the date on which ASCA receives the student registration application;
- (ii) in cases of an application oversight, as declared by an approved training office, retroactive credit may be recognized provided all registration requirements could have been met at the experience commencement date and all annual dues for the interim period have been paid
- (iii) in cases where the experience was gained while a university student, both co-op and regular, and all applicable annual dues have been paid.

**7109 Minimum Prescribed Term of Practical Experience**

- (1) Each student must complete the 30-month requirement within a rolling five year period from the experience commencement date, except as otherwise permitted by the Board.
- (2) Overtime chargeable hours will count towards fulfilling the minimum chargeable hours set out in (1) above. However, overtime may not be carried forward for credit to a different day or week.
- (3) Allowances may be made for seasonal variations in regular office hours, including situations where regular additional (non-overtime) hours worked within a pre-set period are then used to offset regular workday or week shortfalls later in the year.

**7110 Residency Outside the Province**

In some circumstances, upon approval by the Board, it may be possible to complete a portion of the required experience while a resident outside the province.

## **8000 OFFICE PRACTICE INSPECTION COMMITTEE REGULATIONS**

### **8001 Governing Principles**

- (1) The Office Practice Inspection Committee in the exercise of its functions and powers shall observe the applicable provisions of the By-laws.
- (2) Subject to the provisions of paragraph (1) hereof, the following rules and procedures shall be observed by the Committee and the Practice Inspectors appointed pursuant to the By-laws.

### **8002 Definitions**

The definitions in and provisions of the By-laws of the Institute govern these regulations, where applicable. For the purposes of these regulations, the following definitions are applicable:

- (a) "Institute" means The Institute of Chartered Accountants of Newfoundland and Labrador.
- (b) "Board" means the Board of the Institute.
- (c) "By-laws" means the By-laws of the Institute as amended and in force from time to time.
- (d) "Committee" means the office practice inspection committee.
- (e) "Inspector" means a member of the Canadian Institute of Chartered Accountants who has been appointed by the Committee to carry out practice inspections.
- (f) "Committee Member" means a member of the committee.
- (g) "Member" means a member of the Institute.
- (h) "Partner" means any member of the Institute practising public accounting in partnership with others or in a professional corporation and includes sole practitioners and employees of a firm of Chartered Accountants or professional corporation with responsibility to sign financial statements.

### **8003 Committee**

- (1) The committee is to be comprised of members of the Institute pursuant to By-law 801(1).
- (2) At least 75% of the committee members should be at the partner level (or equivalent) and at least 75% shall have been a CA for more than 10 years.
- (3) The committee members are to be appointed by the chair, subject to Board approval.

- (4) Where possible, to provide continuity, at least 50% of the committee should be comprised of individuals who have previously served on the committee.
- (5) The term of office of a committee member shall be three years with eligibility for one renewal, except in the case where an individual becomes the chair, in which case that individual would be eligible to serve an additional two years. A committee member's term of office will expire on the day his successor is appointed or, if applicable, on the day he tenders his resignation. Committee members should have a time-out period of three years before returning to the committee.
- (6) A majority of the members of the committee shall form a quorum and the majority of the members present shall rule. In the event of a tie vote, the chair shall have an additional vote.
- (7) Any committee member who is or appears to be in a conflict of interest position in a particular matter, must withdraw from any deliberations and actions with respect to that matter.
- (8) The committee shall designate a secretary from its members. The secretary shall be responsible for ensuring that minutes are maintained for all meetings and are distributed to the committee and approved on a timely basis.
- (9) The committee's offices shall be the same as that of the Institute.
- (10) No committee member shall act on his own initiative, without first receiving approval from the committee.

#### 8004 Inspectors

The Committee shall:

- (1) appoint, with approval of the Board, an inspector(s) which it feels best serves the interest of the Institute and its members. The inspector(s) shall:
  - (a) be a member(s) in good standing with the Institute and must maintain their independence with respect to the member being inspected and the member's clients and must not be or appear to be in a conflict of interest situation. Inspectors shall sign an independence declaration for each practice inspection completed by the inspector.
  - (b) have the necessary competencies and training to perform practice inspections. Inspectors should be professional, have an interest in the protection of the public and in the coaching of members, demonstrate excellent communication skills, have a strong technical knowledge, experience in matters covered by practice inspection, experience with practice management, show sound professional judgement and be computer literate.

- (2) A member, firm or professional corporation shall have the right to request, on the grounds of objectivity, that another inspector be appointed for that particular inspection. The committee, where justified, shall appoint an alternate inspector after consultation with the member or firm.

#### 8005 Members, Firms or Professional Corporations Subject to Inspection

- (1) The committee shall maintain a listing of all members, offices, firms or professional corporations engaged in the practice of public accounting.
- (2) Annually, the committee shall circularize an information return to all members to determine which members are engaged in the practice of public accounting.
- (3) The information returns must be returned by June 1.
- (4) Any member who does not comply with the reporting requirement of paragraphs (2) and (3) above, after a 30-day grace period will be automatically suspended from membership.
- (5) The committee shall establish which offices are subject to inspection based on information and representations presented in accordance with paragraph (2) above.

#### 8006 Procedures of Inspection

- (1) Frequency of Inspection
  - (a) All members, firms or professional corporations registering under regulation 213 to the Act shall be inspected within the first eighteen months of operation.
  - (b) All members, firms or professional corporations subject to inspection shall be inspected using a risk adjusted cycle with the standard being a three year cycle. Notwithstanding this, all members, firms or professional corporations shall be subject to inspection once every four years and each member or firm that audits reporting issuers will be inspected no less than once every three years.
  - (c) Inspections may be made on a more frequent basis if considered necessary by the committee.
  - (d) Re-inspections resulting from a failure to maintain professional standards may be made at any time as considered necessary by the committee.

(2) Notice of Inspection

- (a) The committee shall communicate with the member, firm or professional corporation to be inspected in writing at least 15 days prior to the anticipated date of the inspection.
- (b) A member, firm or professional corporation may request a reasonable delay which should not normally exceed 30 days. Any delay beyond 30 days shall be assessed and granted at the discretion of the committee.
- (c) If a member, firm or professional corporation refuses to be inspected or insists upon a delay, which has been deemed to be unreasonable by the committee, the committee shall report this breach of the By-laws to the Complaints Authorization Committee of the Board.

(3) Scope of Review

- (a) A confidential information questionnaire will be sent to the member, firm or professional corporation, along with the notice of inspection. This questionnaire shall be completed by the member, firm or professional corporation prior to the inspection.
- (b) The extent of the review will be determined based upon the evaluation of the confidential information questionnaire and evaluation of the firm's quality controls.
- (c) If, in the opinion of the committee or the inspector, the member, firm or professional corporation does not have in place adequate safeguards to assure consistency and uniformity within the practice or between the partners, then the committee or the inspector may expand the extent of the inspection, or may consider the partners to be separate practising firms.
- (d) The inspector may, in all cases, examine an additional file or files in whole or part, if the file originally selected does not contain an area of importance or is deficient in some regard.

(4) Selection of Files for Review

- (a) The selection of files will be made by the inspector based upon the confidential information questionnaire and client listing.
- (b) Files selected by the inspector will be representative of the overall practice of the member, firm or professional corporation as determined by review of the member's, firm's or professional corporation's client listing and discussion with the member.
- (c) A member, firm, or professional corporation may refuse to have a particular file reviewed if, in his/her opinion the particular file relates to a business enterprise which is of a sensitive nature or where copies of the financial statements reproduced for the committee's use would jeopardize the confidentiality of either the member involved or his/her

client. in such a case the inspector can, at his/her discretion and/or upon consultation with the director, select another file for inspection.

- (d) Any disagreement between the member, firm or professional corporation and the inspector concerning the selection of a file for review shall be referred to the Chair of the committee for a decision.
- (e) The member, firm or professional corporation may appeal the Chair's decision to the committee.

(5) Inspection and Inspection Review Questionnaire

- (a) The inspector shall use in his evaluation of the files selected for review an inspection review questionnaire as prepared or selected by the committee. Revisions to this questionnaire may be made from time to time by the committee.
- (b) The member or a partner of the firm or professional corporation shall be available during the inspection process to assist the inspector or to answer any questions which might arise.
- (c) The inspector shall review the significant deficiencies, non-reportable matters and any other items noted by the inspector with the member or partner of the firm or professional corporation prior to completion of the inspection and shall note any comments they might have. Comments obtained from the member or partner will be included, when applicable, on the draft reports provided to the member or partner under (e) below
- (d) The inspector shall obtain copies of the financial statements from the files selected for review which should be edited as appropriate to protect the confidentiality of the member and the member's client.
- (e) A member or partner of a firm or professional corporation, at the time of the inspection and before the file is submitted for detail review, shall be provided with a copy of the draft practice inspection reports, including but not limited to draft significant deficiencies and draft non-reportable matters. The member or partner of the firm or professional corporation will have the opportunity to make additional written comments to the inspector within 14 days of receipt of the reports in (e) and those comments will become an integral part of the practice inspection file.

8007 Evaluation of Professional Standards and Review by Committee

- (1) The evaluation of the professional standards of the firm or professional corporation shall be based upon existing standards as applicable to the nature of the work performed. These shall include conformity with generally accepted accounting principles and auditing standards and any other standards which might exist for the particular field of work.
- (2) Proper documentation evidencing work performed by the member, firm or professional corporation will be required in each case.

- (3) The inspector's files, including his or her recommendations, shall be turned over to the committee for independent evaluation by the committee. Each file shall be subject to detail review by the Director, Member Services/Practice Advisor or by a committee member. Should the detail reviewer not concur with the inspector's recommendations the file shall then be subject to a second review by a committee member before it is presented to the committee for a decision on the practice inspection.
- (4) Based on the reviewer(s) evaluation(s) and the inspector's recommendations the committee shall make a decision. The committee's decision and recommendations will be communicated to the member, firm or professional corporation in writing.
- (5) Any member, firm or professional corporation shall have the right to meet with the committee to receive explanation to any recommendation made or to clarify the member's position. Where appropriate, a follow up letter shall be sent to the member, firm or professional corporation by registered mail.
- (6) The identity of the member, firm or professional corporation shall not be disclosed to the members of the committee other than the chair, except where at the discretion of the chair the disclosure of the member's, firm's or professional corporation's identity is essential to the evaluation of the file or the recommendation of sanctions.

#### 8008 RE-INSPECTIONS AND SANCTIONS

- (1) Where, in the opinion of the committee, a member, firm or professional corporation does not meet the standards of inspection on an initial or subsequent inspection or re-inspection, the committee may impose sanctions which may include, but not necessarily be limited to:
  - (a) partial or full re-inspection within a specified period of time;
  - (b) implementation of improvements as recommended;
  - (c) mandatory completion of a professional course of instruction;
  - (d) supervised practice;
  - (e) mandatory performance or re-performance of certain procedures;
  - (f) suspension of ability to train students;
  - (g) partial suspension of practice rights.
- (2) The committee may make re-inspections of a member, firm or professional corporation which it considers necessary to ascertain whether or not its recommendations have been followed.
- (3) The committee will establish a reasonable period of time for such re-inspection.
- (4) Where, as a result of an inspection, the committee is of the opinion that any failure to maintain professional standards is sufficiently serious as to reflect adversely upon the professional competence, reputation or

integrity of a member, firm, professional corporation or student, the committee shall report the matter to the Complaints Authorization Committee of the Board and turn over its files for its independent investigation.

## **9000 CONTINUING PROFESSIONAL DEVELOPMENT REGULATIONS**

### **9001 DEFINITIONS**

For the purposes of this regulation and related by-law 900:

- (a) “continuing professional development” means a program of verifiable and unverifiable learning which contributes directly to the professional competence of a member. In order to qualify as acceptable continuing professional development the learning activity must be relevant and appropriate to the member’s work and professional responsibilities to develop and maintain the members’ competence necessary to provide high quality service to clients, employers and other stakeholders.
- (b) “exempt members” means members who are exempted from continuing professional development requirements as determined by the Board pursuant to regulation 9002.
- (c) “prescribed form” means the format of reporting as prescribed by the Board from time to time.
- (d) “recognized society” means one that has been approved by the International Qualifications Appraisal Board.
- (e) “unverifiable learning activities” means independent and informal learning activities that do not result in a product or for which no evidence of the learning exists. Such activities shall be relevant and appropriate to the member’s work and professional responsibilities, contain significant intellectual and practical content and may include:
  - On-the-job training for new software, systems, procedures or techniques for application in a professional role,
  - Self-study that does not involve an examination or other objective certification of completion, such as conference reference materials or self-study CDs,
  - Casual reading of professional journals or magazines that is not part of research for a specific application in a professional role.
- (f) “verifiable learning activities” means measurable, structured learning activities that result in some product or for which there is some other evidence that the learning activity was undertaken. Such activities shall be relevant and appropriate to the member’s work and professional responsibilities, contain significant intellectual and practical content, and may include:
  - Participation in courses, conferences and seminars,
  - Organized employer-based in-house training sessions,
  - Research or study projects in areas that expand the professional knowledge of the member and that result in presentations, reports or similar documentation,
  - Research, including reading professional literature or journals for a specific application in a professional role.

- Participation and work on technical committees or formal study groups,
- Published professional writing or academic writing,
- Writing technical articles, papers or books,
- Teaching a course or CPD session in an area that is relevant to a professional role,
- Participation as a speaker in conferences, briefing session or discussion groups,
- Formal study (leading to a degree or diploma),
- Professional re-examination or formal testing,
- Self-study involving successful completion of an examination or leading to a designation.

## 9002 COMPLETION REQUIREMENTS

### (1) Minimum Requirements

Effective January 1, 2008, all members, except any members exempt under the provisions of paragraph (2), shall complete a minimum level of continuing professional development of

- (a) 20 hours annually, and
- (b) 120 hours in every three-year period.

At least 60 hours of the 120 hours triennial requirement shall consist of verifiable continued professional development. The remaining hours may consist of unverifiable continuing professional development.

### (2) Exemptions from Minimum Requirements

- (a) Retired members who are exempt from fees under By-law 403 and who are no longer providing professional services in any capacity, whether or not for remuneration, shall be exempt from the continuing professional requirements.
- (b) Members on short-term maternity/paternity, compassionate or medical leave shall be given an exemption for one full calendar year. When the leave overlaps a calendar year, the member may elect the year for which an exemption is being claimed. Members who are on such leave on more than one occasion receive a one year exemption for each such leave. Because the onus rests on the member to choose the year of exemption, such members must still continue to file a report annually.
- (c) Members on long-term leave while raising a family shall be exempt from the CPD requirements for each year they meet the active earnings criteria. Prior to returning to the workforce these members shall be required to submit to the Institute a learning

plan which outlines a strategy to develop the competencies necessary to re-integrate into the workforce.

(3) Proration for Partial Year Membership

Every person who becomes a member during the calendar year shall be required to complete continuing professional development on a prorated basis at the rate of 1.67 hours per month commencing with the month following the month of admission, except that a student who has successfully completed the Uniform Evaluation and is admitted to membership during the year shall be deemed to have completed the minimum continuing professional development requirement for the year.

(4) Non-Resident Members

(a) Non-resident members who meet the requirements of another provincial institute or foreign accounting body that are substantially the same as the requirements in regulation 9002(1) must report that they are in compliance with the requirements of the other jurisdiction

(b) Members admitted to membership by affiliation from another provincial institute/Order/Bermuda are required to meet the annual minimum requirements of the jurisdiction of which they were a member on April 1.

### 9003 COMPLIANCE REPORTING REQUIREMENTS

(1) Every member shall submit a report, in the prescribed form, to the Chief Executive Officer or his/her designate on or before February 15<sup>th</sup> of each year declaring that the member complied with the continuing professional development requirement, did not comply with the continuing professional development requirement, or was exempt from the continuing professional development requirement for the preceding calendar year.

(2) Any member who does not comply with the reporting requirement of paragraph (1) above, after a 30 day grace period will be automatically suspended from membership.

(3) Every member shall maintain documentation for four years to support the annual declaration. A worksheet will be provided to assist members in tracking their learning activities.

(4) Annually the Chief Executive Officer, or his/her designate, shall select a random sample of reports submitted for purposes of verifying members' compliance with the continuing professional development requirements.

(5) Any member who has been requested to provide evidence of their continuing professional development activities pursuant to paragraph (4) above shall provide sufficient appropriate documentation within a reasonable period of time. Any member who fails to provide the relevant documentation within a reasonable period of time, as

determined by the Chief Executive Officer, or his/her designate, shall be reported to the Complaints Authorization Committee of the Board.

#### 9004 NON-COMPLIANCE WITH MINIMUM REQUIREMENTS

- (1) Any member who has not met the minimum continuing professional development requirement shall submit a report to the Chief Executive Officer, or his/her designate, containing the member's plan to remedy the deficiencies over a reasonable period of time or an explanation of extenuating circumstance which exist to warrant a full or partial exemption from the requirement for a particular calendar year(s).
- (2) Any member who has not met the minimum continuing professional development requirement and has not submitted a report as required in paragraph (1) above within a reasonable period of time, as determined by the Chief Executive Officer, or his/her designate, shall be reported to the Complaints Authorization Committee of the Board.

#### 9005 REPORTING PERIOD

The first three-year period for purposes of complying with these regulations commences on January 1, 2008 and ends on December 31, 2010, and every three year period thereafter shall commence and end in similar fashion. The continuing professional development requirement of any member in respect of any three-year period shall be prorated based on the number of months during this period that the member was subject to the requirements of these regulations.