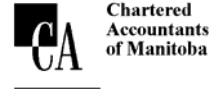


FACT Sheet



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Proposed New Minimum Continuing Professional Development Requirements

The Canadian CA profession's Public Trust Task Force has recommended that uniform minimum continuing professional development (CPD) requirements be adopted across the country. These proposed changes have been approved, in principle, by all Provincial Institute/Ordre Councils/Bureau.

Background

A major factor contributing to the decision to review minimum CPD requirements was the recent adoption of a new international CPD standard by the International Federation of Accountants (IFAC). While most PICAs/Ordre currently have mandatory CPD, requirements vary across the country. Other accounting bodies already meet or are moving toward meeting the IFAC standard, which took effect on January 1, 2006.

Proposed New Minimum CPD Requirements

Under the proposed new requirements, each PICA/Ordre would adopt a harmonized standard that, as a minimum, meets the IFAC standard. Members would be required to:

- complete a minimum of 120 hours of CPD over a three-year cycle, including at least 60 hours of verifiable study;
- complete at least 20 hours of study annually;
- choose learning opportunities that provide for the development of new or existing competencies that are relevant to the individual member's overall professional responsibilities and growth.

It is anticipated that the majority of members already meet or exceed the IFAC requirement of 120 hours of CPD over three years. Therefore, the new standard is not expected to result in significant change for most members.

Examples of Qualifying Study

Areas of study would not be mandated by the proposed requirements – members would complete study in areas they identify as relevant to their practice or employment. PICAs/Ordre have been asked to develop a harmonized list of examples of both verifiable and unverifiable study and would publish that information for members. Examples of verifiable study might include:

- courses, conferences, seminars and in-house training;
- formal study, professional re-examination/testing;
- reading/research leading to presentations, reports and articles or for a specific application in a professional role;
- formal study and/or self-study leading to an examination or attainment of a designation, diploma or degree;
- participation on committees or boards that contributes to professional growth;
- publication of articles, papers or books;
- relevant teaching and speaking.

Examples of unverifiable study might include:

- on-the-job training;
- self-study that does not involve an examination or other objective certification of completion;
- reading of professional journals or magazines that is not part of research for a specific application in a professional role.

Universality

In the current environment, it is imperative that CAs remain knowledgeable and current in all areas in which they practise or work in order to best serve the interests of clients, employers and the general public. Therefore, the proposed new minimum CPD requirements would apply to all members, with certain exceptions.

PICAs/Ordre would be able to provide exemptions to members who merit special consideration, such as those who are retired or on medical leave. PICAs/Ordre would be asked to share information on their exemption practices, with a view to harmonizing them to the extent possible.

Reporting and Monitoring

The proposed new standard would require an annual report to confirm that a member has met the minimum CPD requirements, including the number of annual hours, cycle hours and verifiable versus unverifiable study. The three-year reporting cycle would be fixed (established in three-year blocks) or rolling (continues to re-start or roll over every year). The proposed standard also requires verification of selected annual reports from members. While the method of verification and selection would be established by each PICA/Ordre, it would allow for verification by the PICAs/Ordre for a period of at least one year following each three-year cycle.

Enforcement and Penalties

As is the case now in most jurisdictions, failure to report CPD results or to comply with minimum CPD requirements would usually ultimately result in expulsion from membership. The proposed standard would also ensure that individual PICA/Ordre governing legislation, bylaws and practices are respected.

Implementation Date

Each PICA/Ordre would determine the effective date of the proposed new CPD requirements, based on its current reporting cycle. PICAs/Ordre would also be able to phase in the requirements.

Cost-Effectiveness

PICAs/Ordre are being asked to share information on their CPD practices and to work together to harmonize the application, reporting and monitoring of the proposed new CPD standard as much as possible, in order to make the system cost-effective.

For More Information

For answers to frequently asked questions and information on the reasons behind the recommended changes, visit www.icam.mb.ca/mediacentre_news.html.