CPA
Practical Experience Requirements

Effective April 1, 2021

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1 Introduction

1.1 About this document

This document provides the practical experience requirements for certification as a Chartered Professional Accountant (CPA). Practical experience requirements for public accounting are provided as a specific pathway within the practical experience requirements for certification.

Standards in this document meet or exceed International Federation of Accountants (IFAC) standards.

> While the CPA profession strives for national consistency, provincial regulations and bylaws take precedence over national practical experience requirements. Refer to provincial regulations and bylaws for the specific requirements in each jurisdiction. CPA students/candidates are subject to the specific regulations and bylaws of the provincial/regional body with which they have registered.

(The terms "candidate" or "student" may be used depending on provincial/regional regulation.)

Some organizations may be subject to requirements of more than one provincial/regional body. Individuals will be subject to the requirements of the province/region in which they are registered.

In extraordinary circumstances, a provincial/regional body may exercise judgement in how these standards are recognized.

1.2 Glossary

This document uses the following terms as defined below. These definitions are provided for clarity to assist in the interpretation of CPA practical experience requirements; they are not intended to modify or interpret provincial/regional regulations or bylaws.

Assessment: For purposes of practical experience, assessment includes CPA students/candidates performing self-assessments of the level of proficiency developed for each competency area, and a provincial/regional body assessing the experience of CPA students/candidates. See also *Reporting*, *Competency area* and *Proficiency level*.

Assurance: "Audit" and "Review" as defined herein, and other assurance services as set out in the current *CPA Canada Handbook – Assurance*.

Audit: The audits of financial statements and other historical financial information as set out in the current *CPA Canada Handbook – Assurance*.

Audit stream: Qualifies candidates for registration to provide audit, review and compilation services as defined herein.

Autonomy: The degree of independence CPA students/candidates assume in carrying out a task. See also *Circumstance* and *Complexity*.

Breadth: The requirement for CPA students/candidates to gain proficiency in at least eight technical competency sub-areas, of which four must be at Level 2 proficiency and the remaining four at least at Level 1 proficiency. See also *Depth*, *Core*, *Competency sub-area* and *Proficiency level*.

Chargeable hours: Hours supervised (directly or overall) by a CPA registrant that are normally chargeable to clients. Chargeable hours do not include time spent on "work of a routine clerical nature."

Circumstance: Situations are either routine or non-routine in nature. See also autonomy and complexity.

> Routine—Circumstances typically encountered by and requiring the knowledge expected of newly certified CPAs.

> Non-routine—Circumstances not typically encountered by newly certified CPAs; may require advanced technical expertise.

Competency area: One of the 11 competency areas defined in *The CPA Competency Map*. There are six technical competency areas: Financial Reporting, Management Accounting, Taxation, Strategy and Governance, Finance, and Audit and Assurance; and five enabling competency areas: Professional and Ethical Behaviour, Problem-Solving and Decision-Making, Communication, Self-Management, and Teamwork and Leadership. See also *Competency sub-area*, *Competency statements*.

Competency sub-area and competency statements: The specific technical competency statements are grouped into 20 competency sub-areas. Each competency area has between three to four competency sub-areas. See also *Competency area* and *CPA Competency Map*.

Compilation: Compilations prepared while performing an external engagement service where there is reasonable expectation that all or any portion of the compilations or associated materials will be relied upon or used by a third party and the notice to reader communication is required as set out in the compilation engagement section(s) of the current *CPA Canada Handbook – Assurance*.

Compilation Stream: Qualifies candidates for registration to provide compilation services as defined herein.

Complexity: The degree of difficulty associated with the number and nature of interrelationships and ambiguities that must be considered simultaneously. There are three levels of complexity:
- Low complexity—Little difficulty is associated with a small number of straightforward and frequently encountered issues; may achieve competence relying on "rote" approach.
- Moderate complexity—Medium difficulty is associated with a number of interconnections or variables that need to be considered simultaneously; circumstances may be less clear and require approaches that are not practised frequently.
- High complexity—Considerable difficulty is associated with a large number of interrelationships and ambiguities that must be considered simultaneously; often requires innovative approaches.

See also *Autonomy* and *Circumstance*.

Core: All CPA students/candidates must demonstrate technical proficiency in any three competency sub-areas, at least at Level 1 proficiency, in financial reporting and/or management accounting. See also *Breadth*, *Depth*, *Competency sub-area* and *Proficiency level*.

CPA: Canadian Chartered Professional Accountant; while there are other international CPA designations, all references in this document refer to the Canadian designation.

CPA candidate: Individuals who are registered with a provincial or regional body and:
- are enrolled in a CPA Professional Education Program (CPA PEP), either through the profession's CPA PEP or through an accredited graduate level program offered by a post-secondary institution; or

- have completed the CPA PEP modules and have yet to successfully complete the Common Final Examination (CFE), and/or their practical experience requirements.

  Note that the terms "candidate" or "student" may be used by provincial/ regional bodies, depending on provincial/regional regulation. See *CPA student.*

CPA certification program: All elements of the CPA program required for certification, including academic prerequisites, the CPA Professional Education Program, the Common Final Examination, and qualifying practical experience.

The CPA Competency Map: The CPA publication that profiles the competencies required of a CPA on the path to, and upon, certification. The competency statements and defined proficiency levels for practical experience are modified from those in the *CPA Competency Map*. These adjustments were made to reflect what CPA students/candidates are expected to demonstrate through practical experience.

CPA experience verification: The CPA practical experience model in which commences when CPA students/candidates are employed in any position that allows them to gain experience in at least one sub-competency area at least Level 1 proficiency. The experience is approved by a provincial/regional body as the experience is gained. See also *CPA pre-approved model.*

CPA pre-approved model: The CPA practical experience model in which CPA students/candidates are employed in a program that has been pre-approved by a provincial/regional body.

CPA pre-approved program: Programs offered by employers that allow CPA students/candidates to satisfy all of the practical experience requirements contained in this document within the required minimum term of practical experience. Pre-approved programs are monitored by the profession to ensure the approved training program is being followed.

CPA preparatory courses: Courses that provide those with undergraduate degrees in areas other than accounting with the specific knowledge requirements for admission to the CPA Professional Education Program.

CPA Professional Education Program (CPA PEP): The education program that CPA students/candidates must complete to become a CPA. It is delivered by the profession and by post-secondary institution programs accredited by the profession.

CPA registrant: An individual CPA or CPA firm registered with a provincial/ regional body to provide public accounting services. (See Registration.)

CPA student: Individuals registered with a provincial/regional body and working towards prerequisites for admission to CPA PEP—either in CPA preparatory courses or in recognized courses and programs offered by post-secondary institutions.

> *Note that the term "student" may be used by provincial/regional bodies to refer to CPA candidates, depending on provincial/regional regulation.* See *CPA candidate.*

Depth: The requirement for CPA students/candidates to gain proficiency in all technical competency sub-areas relating to one competency area, with at least two competency sub-areas being at Level 2 proficiency. The remaining competency sub-areas need to be at least at Level 1 proficiency. See also *Breadth, Core, Competency sub-area* and *Proficiency level.*

Enabling competencies: The essential skills for ethical behaviour, decision-making, problem-solving, communication, and leadership required of a professional accountant. See also *Competency area*, the *CPA Competency Map*, and *Technical competencies.*

Foundational level: An employment position in which the majority of technical proficiency is at Level 0, with only one competency sub-area at Level 1 proficiency.

IFAC: International Federation of Accountants is the global organization for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies.

Legacy program: A Chartered Accountant (CA), Certified Management Accountant (CMA) or Certified General Accountant (CGA) certification program.

Mentor: A CPA, or another individual otherwise approved by a provincial/ regional body under the requirements contained in this document, who provides guidance to CPA students/candidates on competency development, and who models and facilitates the understanding of the CPA profession's values, ethics and attitudes.

Practical experience reporting log (PERL): The online tool for CPA students/ candidates to report their practical experience in Quebec.

Practical experience reporting tool (PERT): The online tool for CPA students/candidates to report their practical experience. PERT is used in all provinces/regions, with the exception of Quebec.

Pre-approved program leader: The senior CPA responsible for an office's pre-approved program(s). This individual is sufficiently senior to adjust the duties of CPA students/candidates to provide opportunities to obtain the technical and enabling competencies required of the training program. See also *CPA pre-approved program*, *Mentor* and *Supervisor.*

Proficiency level: At the point of certification, CPA students/candidates are expected to demonstrate competence (a combination of attitude, skill, and knowledge) at defined levels of proficiency. Three distinct and progressively higher levels of proficiency are described, reflecting the increase in the ability of CPA students/candidates throughout the program. Complexity, circumstance, and autonomy are considered in determining proficiency levels. Generally, as complexity increases and/or routine work decreases and/or autonomy increases, the proficiency level increases. There are three levels of proficiency:

1. *Level 0*—Experience that is at an administrative or clerical level.

2. *Level 1*—Experience that is at the professional level but lower than that expected of a newly certified CPA. This can include experience with tasks that are routine in nature, of a low level of complexity, and/or are executed with little autonomy.

3. *Level 2*—The experience level expected of a newly certified CPA.

See also *Autonomy*, *Circumstance*, and *Complexity*.

Provincial/regional body: A professional accounting body that is a member of CPA Canada.

Public accounting: Audit, review and compilation activities as defined herein.

Public practice: Activities typically undertaken by CPA offices, including public accounting activities.

Regional body: An organization that has been approved to deliver the CPA certification program, excluding accredited institutions.

Registration: The right to offer public accounting services granted by CPA provincial/regional bodies to CPAs and CPA firms. Registration is mandatory for CPAs and CPA firms that provide public accounting services. Individual CPAs and CPA firms that have earned this right are "registered," and referred to as "CPA registrants", as defined above. (Note that provincial/regional registration may also be required for other regulated services.)

Reporting: CPA students/candidates are required to capture all practical experience in experience reports. The reports contain factual information such as the type of experience being obtained (through experience verification or through a pre-approved program) and duration, as well as an assessment of the experience. See also *assessment*.

Review: A review of historical financial statements and other financial information as set out in the current *CPA Canada Handbook – Assurance*.

Review Stream: Qualifies candidates for registration to provide review and compilation services as defined herein.

Secondment: Qualifying experience obtained outside of the pre-approved program that does not require CPA students/candidates to switch to experience-verification.

Self-employed: Individuals who work under contract or in a consultative capacity for someone other than themselves are not considered to be self-employed.

Supervisor: The person to whom CPA students/candidates report. In experience verification, the supervisor verifies that the experiences of CPA students/candidates are appropriately reflected in experience reports. In pre-approved programs the supervisor assigns work according to the program. Ideally, the supervisor is also a professional accountant. See also *Mentor*.

Technical competencies: The abilities expected of professional accountants and performed by professional accountants in many roles in public practice, industry, and the public sector. For purposes of practical experience, the required technical competencies have depth, breadth and core proficiency standards. See also *Competency area*, *CPA Competency Map*, *Depth*, *Breadth*, *Core* and *Enabling competencies*.

Volunteer: Experience where there is no financial gain for the individual.

1.3   Objectives of practical experience

Practical experience is essential to the CPA certification process. It provides CPA students/candidates opportunities to apply formal learning in workplace settings and to develop and enhance the professional competencies defined in the *CPA Competency Map*.

Ultimately, there are three objectives for practical experience:

1. Build, in actual workplace settings, on the foundation of skills and knowledge gained in the CPA PEP.

2. Facilitate the development of the profession's values, ethics, and attitudes while CPA students/candidates develop their own professional identities.

3. Develop professionals who are capable of thinking and acting appropriately in diverse and often ambiguous situations.

CPA students/candidates are not expected to demonstrate achievement of all technical competencies through their practical experience. Technical competencies are developed through a combination of experience and education.

CPA students/candidates are expected to develop all enabling competencies as part of their practical experience.

1.3.1   Practical experience requirements for public accounting

The CPA certification program trains all CPA students/candidates to an equivalent overall level of competency regardless of the electives taken by any individual candidate. For students/candidates seeking registration to practice public accounting, there are specific requirements for education, evaluation and practical experience that are a prescribed pathway within the general CPA certification program.

Practical experience requirements for public accounting are, for the most part, not additional requirements, but rather specific choices which CPA public accounting students/candidates make within the general requirements for certification. Their goal is to ensure public accounting students/ candidates have sufficient opportunity to develop the appropriate competencies to be able to provide public accounting services at the time of certification.

1.3.1.1   Definition of public accounting

Many services may be included within the practice of public accounting. For the purposes of this document, public accounting is limited to activities in audit, review and compilation, as defined in the glossary.

1.3.1.2   Public accounting requirements in provinces with differentiated categories of public accounting registration

Practical experience requirements for three public accounting streams — audit, review and compilation — apply in provincial jurisdictions recognizing multiple categories of public accounting registration.

1.3.1.3   Public accounting requirements in provincial jurisdictions with no differentiated categories of public accounting registration

Practical experience requirements for the audit stream apply in provincial jurisdictions with no differentiated categories of public accounting registration.

1.4 Effective date

CPA practical experience requirements for certification are effective September 1, 2014 (with updates effective September 1, 2017), and apply to all CPA students/candidates registering with a provincial/regional body in Canada or Bermuda on or after September 1, 2014, for the purposes of recording CPA practical experience, and must be met for certification as a CPA.

Practical experience requirements specific to public accounting are effective September 1, 2015 and must be met for public accounting registration.

Provincial/regional bodies may choose to adopt these requirements earlier. See Section 5 for Transition rules.

1.5 Maintain currency of standards

The CPA profession will review practical experience requirements at least every three years.

2 Qualifying practical experience

2.1 Overview

CPA practical experience can be gained through pre-approved programs and/or experience verification except for the audit and, where applicable, review streams of public accounting, which can be gained only through the pre-approved programs. Qualifying practical experience is defined in terms of duration (the minimum term of practical experience), and technical and enabling competency development to required levels of proficiency. All qualifying experience must be gained under appropriate supervision and mentor- ship. There are specific reporting requirements to facilitate discussions of CPA students/candidates with their mentors as well as to assess the experience obtained.

The following comprise CPA practical experience requirements applicable to all CPA students/candidates:

The following comprise CPA practical experience requirements:

- **A minimum term of 30 months (24 months in Quebec) is required** — See Section 2.5
  - Up to 12 months (eight months in Quebec) can be claimed as prior experience.
  - No more than 12 months (six months in Quebec) in aggregate of experience at the foundational level.
  - CPA students/candidates registered with a provincial/regional body may accumulate up to 18 months (eight months in Quebec) of qualifying practical experience before commencing in the CPA PEP. If they do not commence the CPA PEP after accumulating 18 months (eight months in Quebec), no further qualifying experience will be recognized until they register in the CPA PEP.

- — All practical experience must be gained in positions that ended in the last seven years, except for public accounting, where both the competency and the chargeable hour requirements must be met in positions that ended in the last five years.
- **Appropriate international experience is recognized**—See Section 2.3— All experience that satisfies the practical experience requirements will be recognized, whether it is gained domestically or internationally. (There may be exceptions for CPA students/candidates developing an area of depth in a standards-based competency area, and for chargeable hour requirements for CPA students/candidates pursuing public accounting.) The process for recognizing experience of members of international accounting bodies will be determined by the respective provincial/regional body.
- **There are competency requirements**—See Section 2.6
  - — **Technical**—Demonstrate proficiency in the core, and the required proficiency level in any depth area. In addition, CPA students/candidates must develop any two additional competency sub-areas in order to satisfy overall breadth, or four if core is also the area of depth. The exit requirement is that all competencies must be to at least Level 1 proficiency but only a portion need to be at the level expected of a newly certified CPA (Level 2). CPA students/candidates pursuing the public accounting streams must make specific choices in meeting core requirements; those pursuing the audit stream must also make Audit & Assurance as their area of depth.
  - — **Enabling**—All enabling competencies must be developed to the level expected of a newly certified CPA (Level 2).
- **A semi-annual meeting with a mentor is required**—See Section 2.7.2.1 —While registered with a provincial/regional body, CPA students/candidates must meet with their mentor at least semi-annually.
- **Appropriate supervision of practical experience is required**—See Section 2.7.1.1.
- **Reporting is required**—See Section 3 — All practical experience must be captured in experience reports that include the duration of experience, the type of experience being obtained (experience verification or through a pre- approved program) and assessment of the experience. CPA students/ candidates pursuing public accounting streams must also report chargeable hours.
- **There are two types of assessments**—See Section 3
  - — **Self-Assessments**—All experience is self-assessed by CPA students/ candidates at least twice each year. These reports are discussed with the mentors of CPA students/candidates. If there are material changes in the experience obtained, additional reports may be required. The reports

include certain attestations (supervisors in experience verification; pre-approved program leaders in pre-approved programs) and confirmations (mentor).

— **Assessments by a provincial/regional body** — The provincial/regional body performs an initial assessment of all experience:

» For pre-approved programs, this initial assessment is of a defined training program being proposed by an organization. See Section 4.

» For experience verification, this assessment focuses on the likelihood of CPA students/candidates progressing beyond foundational experience after 12 months (six months in Quebec) within their current positions.

» Some CPA student/candidate self-assessments are formally assessed by a provincial/regional body. The frequency depends on the nature of experience obtained.

2.2 Experience routes

Qualifying practical experience for certification can be gained by way of two experience routes. CPA students/candidates can gain experience through either route, or through a combination of both.

Qualifying experience for the audit and, where applicable, review streams of public accounting can be gained only through the pre-approved program route.

Qualifying experience for the compilation stream, where applicable, can be gained through either the experience verification route or the pre-approved program route, or a combination of both.

2.2.1 Experience verification route

The experience verification route requires CPA students/candidates to obtain and demonstrate they have developed the necessary competencies. They are required to complete detailed practical experience reports that the profession assesses in depth throughout the period of practical experience.

Specific supervision and mentorship requirements are outlined in Section 2.7.

Specific reporting requirements are outlined in Section 3.

2.2.2 Pre-approved program route

The pre-approved program route requires employers—offices or organiza-tions—to develop defined training programs and have them approved by a provincial/regional body. The approval process requires the organization to identify two processes:

1. How the required competencies will be developed

2. How the organization will support CPA students/candidates through the CPA certification program

The provincial/regional body will work closely with the office or organization to prepare their applications for approval and to ensure the appropriateness of the program. The assessment of the experience is done as part of the approval process; as a result, less documentation will be required from CPA students/candidates as they work in these programs.

Specific supervision and mentorship requirements are outlined in Section 2.7.

Specific reporting requirements are outlined in Section 3.

The requirements to offer a pre-approved program are outlined in Section 4.

2.2.3 Qualifying experience routes for public accounting

Practical experience requirements are presented for three streams for public accounting: audit, review, and compilation. Not all jurisdictions have adopted these three streams in which case the candidate/student will be required to meet the requirements for the audit stream. See Section 1.3.1.2 and Section 1.3.1.3 for more information.

2.2.3.1 Audit stream

Qualifying practical experience for audit can be gained only in pre-approved pro-grams approved by the profession to offer qualifying experience for audit services.

2.2.3.2 Review stream *(where applicable)*

Qualifying practical experience for review can be gained only in pre-approved programs approved by the profession to offer qualifying experience for audit or review services.

2.2.3.3 Compilation stream *(where applicable)*

Qualifying practical experience for compilation can be gained either in pre-approved programs or through experience verification, but only in firms reg-istered with a provincial/regional body to provide audit or, where applicable, review or compilation services.

2.2.4 Pre-approved bridge to assurance

Qualifying practical experience for audit and, where applicable, review streams can be achieved in a period up to 30 months post-certification to meet any shortfall in assurance competency development or chargeable hours that exists at the end of the 30-month certification period.

2.3 International experience

This section applies only to international experience gained by CPA students/candidates in two distinct situations:

- CPA students/candidates who do not hold any professional accounting designations but are seeking to have prior experience recognized.
- CPA students who are registered as CPA students/candidates with a provincial/regional body while they are working abroad. They are encouraged to seek opportunities where supervision is provided by an IFAC accountant.

This section does not apply to the following international experience:

- Experience gained by members of international accounting bodies with which the CPA profession has an existing agreement which fully recognizes practical experience as being sufficient for membership and therefore does not require an assessment of experience.
- Experience gained by members of international accounting bodies with which the CPA profession has an existing agreement which does not recognize practical experience and therefore the individual assessment of this experience is performed by the provincial/regional body.
- Experience gained by members of international accounting bodies with which the CPA profession does not have an existing agreement and therefore the individual assessment of this experience is performed by the provincial/regional body.

   If an assessment of experience by a provincial/regional body is required for members of international accounting bodies, these individuals will have their experience evaluated on the practical experience requirements contained in this document.
   — the minimum term (including allowance for time off)
   — currency of experience
   — development of the technical and enabling competencies to the required level of proficiency
   — appropriate validation of the experience claimed

   These applicants may be eligible for recognition of up to 30 months (24 months in Quebec) of prior experience for certification, on the basis of individual evaluation by the provincial/regional body.

2.3.1 Qualifying experience for public accounting include additional chargeable hour requirements (see Section 2.5.2.1)

Chargeable hour requirements for public accounting (audit and, where applicable, review and compilation) can be met only in firms registered with a provincial/regional body to provide audit or, where applicable, review or compilation services (See Section 2.2.3.)

The process for recording and evaluating the experience of members of international accounting bodies will be determined by the respective provincial/regional body.

Experience reports must be submitted in either English or French.

2.3.2 Depth requirements for standards-based competency areas

For CPA students/candidates whose designated area of depth is a standards-based competency area (i.e. financial reporting, audit and assurance or tax), experience must include at least six months in total in any one of the following areas:

- **Financial Accounting**—Canadian generally accepted accounting principles (GAAP) (or substantial equivalent)
- **Auditing & Assurance**—Canadian Standards on Quality Control (CSQCs), Canadian Auditing Standards (CASs), Other Canadian Standards (OCSs), International Standards on Auditing (ISA), International Standard on Assurance Engagements (ISAE), International Standards on Quality Control (ISQCs), and International Standards for the Professional Practice of Internal Auditing
- **Taxation**—Canadian Income Tax Act

2.4 Experience gained through self-employment

Acceptable experience gained through self-employment will qualify for recognition towards CPA experience requirements for certification. Experience gained through self-employment will not qualify for recognition towards CPA experience requirements for public accounting.

In Quebec, experience gained through self-employment will not qualify for recognition towards CPA practical experience for certification or public accounting.

2.5　Duration

2.5.1　Minimum term

The minimum term of practical experience is 30 months (24 months in Quebec) of relevant, paid employment. No position held for less than three months will be recognized as part of the 30-month term (24-month term in Quebec). The minimum term is subject to adequate progression and appropriate links to education. Volunteer experience will not normally be recognized for duration, but may be used for competency development under certain conditions.

2.5.1.1　Additional minimum term requirements for public accounting

Within the minimum 30-month (24-month in Quebec) practical experience term of relevant, paid employment that qualifies for certification, the following requirements must be met for public accounting:

2.5.1.1.1 Audit stream

CPA students/candidates pursuing the audit stream must acquire their full 30 month (24 months in Quebec) of qualifying experience in a pre-approved program route in public practice, with at least 1,250 chargeable hours in assurance, of which a minimum of 625 hours must be obtained in the audit of historical financial information.

2.5.1.1.2 Review stream *(where applicable)*

CPA students/candidates pursuing the review stream must acquire their full 30 months of qualifying experience in a pre-approved route in public practice, with at least 1,250 chargeable hours in assurance, of which a minimum of 625 hours must be obtained in providing assurance on historical financial information.

2.5.1.1.3 Compilation stream *(where applicable)*

CPA students/candidates seeking compilation registration must acquire their full 30 months of qualifying experience in public practice, with at least 625 chargeable hours in compilation. Hours spent on the audit or review of historical financial information are accepted as compilation hours.

> While the CPA profession strives for national consistency, provincial regulations and bylaws take precedence over national practical experience requirements. Refer to provincial regulations and bylaws for the specific requirements in each jurisdiction. CPA students/candidates are subject to the specific regulations and bylaws of the provincial/regional body with which they have registered.

2.5.1.2 Additional time to meet audit and review stream requirements

CPA students/candidates pursuing audit and review streams who meet all requirements for certification within thirty months have an additional thirty months post certification to meet any additional assurance requirements for public practice registration.

2.5.2 Currency of experience

To ensure currency and relevance, all experience must be gained in positions that ended in the last seven years, except for public accounting, where the chargeable hour requirement must be met in positions that ended in the last five years. Only appropriately-reported experience gained in a position that ended within seven years of the current reporting date (five years for public accounting chargeable hours) will be recognized. Experience that ended more than seven years ago (five years for public accounting competencies and chargeable hours) will not be recognized, regardless of whether it was previously approved by the profession.

2.5.3 Allowance for time off

An allowance of up to 20 weeks of time away from work for any reason, including vacation, sickness, professional development or study time, is permitted within the calculation of the 30-month (24-month in Quebec) term of experience. Time away from work in excess of 20 weeks will be added to the duration requirement.

2.5.4 Full-time work week

For the purposes of calculating duration, a full-time work week is 35 hours or more on a regular basis.

2.5.5 Part-time work week

Duration is calculated at a pro-rated basis for part-time work weeks regularly below 35 hours.

2.5.6 Changes in work week

CPA students/candidates are required to update their employment profiles with their provincial/regional body should there be a material change in the number of hours worked per week. Any additional changes to the nature of employment may be subject to additional reporting requirements outlined in Section 3.

2.5.7 When the qualifying period of practical experience begins

The qualifying period of practical experience begins when CPA students/candidates attain three conditions:

1. They start working in a position that allows them to gain experience in at least one technical sub-competency area at least a Level 1 proficiency, as outlined in Section 2.6.

2. They are accepted as CPA students/candidates by a provincial/regional body.

3. They have a qualified mentor, as outlined in Section 2.7.

Provincial/regional bodies will perform initial assessments to determine the likelihood that CPA students/candidates seeking to gain experience through experience-verification will be able to develop any two competency sub-areas to at least Level 1 proficiency after 12 months (six months in Quebec) of recognized experience. The assessment will determine the frequency of reporting requirements detailed in Section 3.

2.5.8 Suspension of recognition of qualifying experience

Recognition of practical experience will be suspended under any one of these conditions:

1. CPA students/candidates qualifying under the experience verification model who have not developed any two competency sub-areas to at least Level 1 proficiency are at the foundational level and will have their accumulated duration suspended at 12 months (six months in Quebec). Duration will resume when this proficiency requirement has been satisfied. See Section 3.

2. CPA students/candidates qualifying under the experience verification model who change employment positions to one that does not allow them to gain experience in at least one sub-competency area at least at Level 1 proficiency will have their accumulated duration suspended until this proficiency requirement is satisfied. See Section 3.

3. CPA students/candidates who do not meet the requirements and apply for entry into CPA PEP (whether to enroll in a module, attempt a challenge examination(s), or attempt the CFE), will have their accumulated duration suspended at 18 months (eight months in Quebec). If a provincial/regional body determines the admission requirements have not been satisfied, after reviewing the documentation, accumulated time will be suspended at 18 months (eight months in Quebec). Duration will resume when admission requirements are satisfied.

2.5.9 Recognition of prior experience

Recognition may be given for a total of up to 12 months (eight months in Quebec) of experience prior to the commencement of when the qualifying period of practical experience, on approval by a provincial/regional body. To qualify, the

period of experience must be of at least three months duration, to a total of 12 months. The experience must be reported to the provincial/regional body in either English or French.

In assessing prior experience, the duration of experience and competencies developed can be recognized with final approval at the discretion of the provincial/regional body. The experience report and any supplemental information must be submitted in either English or French.

CPA students/candidates who receive credit for prior experience must meet with their mentors initially regarding the prior experience reports and semi-annually for the remainder of the practical experience terms.

2.5.9.1 Assessing prior experience

Provincial/regional bodies will assess applications for prior experience credit according to four criteria:

1. At least one sub-competency area was developed at least at Level 1 proficiency.

2. At the time the experience was gained, the individual was working towards or had completed an undergraduate degree.

3. Sign-off by the appropriate supervisor who can verify that the experience is accurately reflected in the experience report.

4. Currency of experience: Position(s) ended within the last five-and-a-half years for certification (three-and-a-half years for the audit and, where applicable, review and compilation streams).

Prior experience gained internationally will also be assessed under the criteria in Section 2.3.

2.6 Competency development

2.6.1 Technical competency development

All CPA students/candidates are required to meet minimum breadth, depth and core standards.

The technical competencies to be developed during practical experience are based on those defined in the *CPA Competency Map* and grouped into six competency areas. Each competency area consists of three or four competency sub-areas:

Financial Reporting
Financial reporting needs and systems
Accounting policies and transactions
Financial report preparation
Financial statement analysis

Management Accounting
Management reporting needs and systems
Planning, budgeting, and forecasting
Cost/revenue/profitability management
Organizational/individual performance measurement

Audit and Assurance
Internal control
Internal audit or external assurance requirements (basis and risk assessment)
Internal audit projects or external assurance engagements (risk response and reporting)

Strategy and Governance
Governance, mission, vision, values, and mandate
Strategy development/ implementation
Enterprise risk management

Finance
Financial planning and analysis
Treasury management
Capital budgeting/ valuation/corporate finance

Taxation
Income tax legislation and research
Tax compliance: corporate or personal
Tax planning: corporate or personal

Each competency sub-area consists of a series of competency statements which help define the expectations, by proficiency level. The competency statements and related proficiency level expectations are summarized in Appendix A.

Practical experience requirements for certification allow CPA students/candidates considerable choice and flexibility, based on their interests and career aspirations. CPA students/candidates pursuing public accounting streams must choose specific options to meet practical experience requirements for public accounting.

2.6.1.1 Core
CPA students/candidates are required to gain proficiency in any three competency sub-areas in financial reporting and/or management accounting to at least Level 1 proficiency.

2.6.1.1.1 Core requirements for public accounting
CPA students/candidates pursuing any public accounting stream (audit and, where applicable, review or compilation) are required to gain proficiency in at least three financial reporting sub-areas.

2.6.1.2 Depth

CPA students/candidates achieve depth by gaining proficiency in all of the competency sub-areas relating to one competency area. At least two of the competency sub-areas must be at Level 2 proficiency. The remaining sub-areas must be at least at Level 1 proficiency.

2.6.1.2.1 Depth requirements for public accounting

2.6.1.2.1.1   Audit stream

CPA students/candidates pursuing the audit stream are required to gain depth in the audit and assurance competency area, requiring that competencies be developed in all three audit and assurance competency sub-areas, two at Level 2.

2.6.1.2.1.2 Review stream (where applicable)

The area of depth is at the choice of the student/candidate.

2.6.1.2.1.3 Compilation stream (where applicable)

The area of depth is at the choice of the student/candidate.

2.6.1.3 Breadth

CPA students/candidates achieve breadth by gaining proficiency in at least eight of the competency sub-areas, with at least four competency sub-areas at Level 2 proficiency and the remaining competency sub-areas at least at Level 1.

2.6.1.3.1 Breadth requirements for public accounting

2.6.1.3.1.1   Audit stream

CPA students/candidates pursuing the audit stream may gain the remaining experience to meet their breadth requirement in any two competency sub-areas of their own choice.

2.6.1.3.1.2 Review stream (where applicable)

CPA students/candidates pursuing the review stream are required to gain experience in at least two competency sub-areas (both at Level 2) from the audit and assurance competency area. The remaining three competency sub-areas required to meet overall breadth can be of their own choice.

2.6.1.3.1.3 Compilation stream (where applicable)

CPA students/candidates pursuing the compilation stream may gain the remaining experience to meet their breadth requirement in any five competency sub-areas of their own choice.

2.6.1.4 Progression

CPA students/candidates are not expected to demonstrate the required level of proficiency over the entire term of their practical experience; rather it is expected that there will be a progression in proficiency over the term. Therefore, CPA students/candidates are expected to perform increasingly complex work, less routine work and/or with increasing autonomy during their term of practical experience. Ensuring this progression will be part of the experience approval process.

2.6.1.5 Proficiency level

There are three levels of proficiency:

Level 0—Experience is at an administrative or clerical level.

Level 1—Experience is at the professional level but lower than that expected of a newly certified CPA. This can include experience with tasks that are routine in nature, of a low level of complexity, and/or are executed with little autonomy.

Level 2—The experience level that is expected of a newly certified CPA.

As indicated in Section 2.6.1.4, CPA students/candidates are not required to demonstrate achievement of all technical competencies through practical experience.

Complexity, circumstance and autonomy are considered in determining the level of proficiency. Generally, the proficiency level increases as complexity and autonomy increase and/or routine work decreases.

Complexity: The degree of difficulty associated with the number and nature of interrelationships and ambiguities that must be considered simultaneously. There are three levels of complexity:

Low complexity—Little difficulty is associated with a small number of straightforward and frequently encountered issues; may achieve competence relying on "rote" approach.

Moderate complexity—Medium difficulty is associated with a number of interconnections or variables that need to be considered simultaneously; circumstances may be less clear and require approaches that are not practised frequently.

High complexity—Considerable difficulty is associated with a large number of interrelationships and ambiguities that must be considered simultaneously; often requires innovative approaches.

Circumstance: Situations are either routine or non-routine in nature.

>**Routine**—Circumstances that are typically encountered by and requiring the knowledge expected of a newly certified CPA.

>**Non-routine**—Circumstances that are not typically encountered by a newly certified CPA; may require advanced technical expertise.

Autonomy: the degree of independence CPA students/candidates assume in carrying out a task. CPA students/candidates who require a lot of corrections in their work from their Supervisors are not likely demonstrating a high degree of autonomy.

For an illustrative example of how these three variables impact proficiency, refer to Appendix C.

2.6.1.6 Diversity of experience for public accounting streams
CPA students/candidates pursuing public accounting pathways must obtain diversity while meeting the experience requirements.

2.6.1.6.1 Audit stream
CPA students/candidates pursuing the audit stream must gain sufficient diversity of audit experience through a variety of audit clients and/or a variety of audit experiences.

2.6.1.6.1.1 Recognizing review experience towards audit diversity requirements
Exposure to various GAAP in review engagements related to financial statement presentation may be recognized towards some of the diversity of experience requirements for audit. All other audit requirements must be met through audit engagements, including the 625 audit hour requirement and progressive audit experience relating to the various areas of GAAP.

2.6.1.6.2 Review stream *(where applicable)*
CPA students/candidates pursuing the review stream must gain sufficient diversity of assurance experience through a variety of assurance clients and/or a variety of assurance experiences.

2.6.1.6.3 Compilation stream *(where applicable)*
CPA students/candidates pursuing the compilation stream must gain additional experience in tax and advisory services.

2.6.2 Enabling competency development
By the end of the term of practical experience, CPA students/candidates are required to develop a level of proficiency expected of a newly certified CPA for all five enabling competencies: Professional and Ethical Behaviour,

Problem-solving and Decision-Making, Communication, Self-Management, and Teamwork and Leadership, as defined in Section 3.0 of the *CPA Competency Map*.

CPA students/candidates must demonstrate their level of proficiency by answering five, three-part questions designed to describe an experience, its implications for enabling competency development, and how it will impact future behaviour for each of the five competency areas listed above, in addition to at least one of two overall questions.

See Appendix B for a list of the enabling questions.

2.7   Supervision and mentorship

Each CPA student/candidate is required to have both a supervisor and a mentor; this may be the same person.

2.7.1   Supervisor

2.7.1.1   Role and Responsibilities

The supervisor is the person to whom the CPA student/candidate reports. Supervisors do not assess the competency development of CPA students/candidates. However, supervisors are responsible for verifying experience or assigning work:

- **Experience verification**—The supervisor verifies that the experience of CPA students/candidates is accurately reflected in the experience report, per Section 3.
- **Pre-approved program positions**—The supervisor assigns the work specified in the approved program and provides feedback to the CPA mentor, highlighting any deviations from the program.

Supervisors who meet the mentor criteria outlined in Section 2.7.2.3 can perform the roles of supervisor and mentor for the same CPA students/candidates.

In situations where the experience gained under experience verification cannot be verified by the supervisor, that experience will not be accepted by the profession.

2.7.1.2 Supervisor Qualifications

Supervisors must occupy a position at a higher hierarchy level than CPA students/candidates.

In experience verification, situations where CPA students/candidates report directly to a family member, an independent (not in Quebec), unrelated person must verify the experience for reporting purposes. For purposes of practical experience, a family member means an individual's spouse, common-law spouse, natural or adopted parent, sibling, natural or adopted children, natural grandchildren or a child legally adopted by the natural or adopted child of the individual such that the child is considered a grandchild of the individual.

2.7.2 Mentor

2.7.2.1 Role and Responsibilities

The mentor is a CPA, or another individual otherwise approved by a provincial/regional body under the requirements contained in Section 2.7.2.3, who provides guidance on the competency development of CPA students/candidates and models and facilitates the development of the profession's values, ethics and attitudes.

Mentors meet at least twice each year with CPA students/candidates to discuss competency development as recorded in the practical experience reporting tool (PERT)/practical experience reporting log (PERL) and to identify any strategies for further development. Meetings must be synchronous.

While mentors may also discuss competency development with the appropriate supervisor of CPA students/candidates, they are expected to maintain confidentiality about anything discussed during their mentor-mentee relationship.

Mentors are required to document any unresolved competency development concerns within the PERT/PERL, but are not responsible if the mentee does not develop competencies as expected.

Mentors are not expected to perform these tasks:

1. Verify the accuracy of CPA student/candidate self-assessments or competency development.

2. Help CPA students/candidates progress in pre-requisite education, CPA PEP, or CPA evaluations.

3. Find jobs for CPA students/candidates.

2.7.2.2 Identifying mentors

Experience Verification—CPA students/candidates following experience verification are responsible for identifying their own mentors. If, after demonstrating reasonable efforts, a CPA student/candidate cannot find a mentor, their provincial/regional body may assign a mentor or provide a list of approved mentors. A fee may be charged for this service.

Pre-approved programs—CPA students/candidates following pre-approved programs are appointed mentors by their employers.

2.7.2.3 Mentor Qualifications

All mentors must meet one of two qualifications. They must be:

- A CPA in good standing.
- A member in good standing with a professional accounting body with which the profession has an existing agreement requiring no additional Canadian experience to obtain a legacy or CPA designation, or where by virtue of an agreement, whose experience would otherwise be assessed by a provincial/regional body as being substantially equivalent.

For qualifying practical experience for the audit and, where applicable, review streams, mentors must be in public accounting. For qualifying practical experience for the compilation stream, where applicable, mentors must be in public practice.

In all cases, mentors must be approved by a provincial/regional body as meeting the criteria above, as well as having successfully completed an orientation session delivered by the profession.

Mentors working in organizations offering pre-approved programs with in-house training may be exempt from attending the profession-delivered orientation provided the training has been assessed as substantially equivalent.

Mentors are expected to stay up-to-date on CPA practical experience requirements.

2.7.2.4 Avoiding conflicts of interest

In situations where the mentor is not employed within the same organization as the mentee, the mentor-mentee relationship must comply with any terms set by the mentee's employer. If conflicts of interest are identified, they will be addressed through a letter of agreement.

If mentors and CPA students/candidates work together, the mentor cannot be subordinate to the CPA student/candidate.

The employer of CPA students/candidates can be an audit client of a mentor's employer; in such cases, however, the mentor cannot be a part of the team assigned to the client.

Mentors cannot charge any fee to CPA students/candidates.

3 Experience reporting and assessments

CPA students/candidates are required to capture all practical experience in experience reports. The reports contain factual information such as the type of experience being obtained (experience verification or through a pre-approved program) and duration, as well as an assessment of that experience. An overview of experience reporting and assessments is in Appendix D.

3.1 Reporting requirements for CPA students/ candidates

Experience-report submitted refers to the reports submitted by CPA students/ candidates to record the duration of experience and self-assess their level of proficiency in the technical and enabling competencies using the practical experience reporting tool (PERT)/practical experience reporting log (PERL). *Experience-report assessed* is a sub-set of those reports, and are required to be assessed by a provincial/regional body.

3.1.1 General requirements

CPA students/candidates are required to report on their experience development to their provincial/regional body at least twice per year, using a reporting tool provided by the profession. They are required to use this reporting tool to track experience and:

- Record information about their employer and position.
- Record the duration of their experience, including time away from work.
- Self-assess their level of proficiency in the technical and enabling competencies using the PERT/PERL.
- CPA students/candidates pursuing public accounting streams must also report chargeable hours.

When completing experience reports, CPA students/candidates will have the opportunity to answer any of the enabling competency questions. If no enabling competency development has happened since the last report

(for example, if the semi-annual meeting falls shortly after the CPA student/ candidate changes roles), the CPA student/candidate is not required to answer any enabling competency questions. The proficiency level will be assessed by a provincial/regional body.

The assessment of the semi-annual reports will be completed at the discretion of the provincial/regional body.

3.1.2 Specific reporting requirements for CPA students/ candidates under experience-verification

In addition to the general requirements, CPA students/candidates following experience-verification programs record details about their duties. Their supervisors are required to verify these duties, along with the accuracy of duration, any time away from work and information about the employer and position.

CPA students/candidates must also file reports under these circumstances:
- When they change employers per Section 3.1.5.1 and Section 3.1.5.2.
- When they have a material change in their role or responsibilities.
- When their self-assessment indicates they have completed the CPA practical experience requirements.
- **12-month assessment report**—CPA students/candidates are required to submit an assessment report after they have accumulated 12 months of recognized experience to ensure that they have developed two technical competency sub-areas to at least Level 1 proficiency. Unless otherwise determined by a provincial/regional body, this report will satisfy the semi-annual report that would have otherwise been required. Accumulated duration will be suspended at 12 months until this proficiency requirement has been satisfied.
  - If prior experience is recognized, the provincial/regional body will indicate whether the 12-month assessment report is necessary, based on how much prior experience is recognized.

3.1.3 Special circumstances

Additional reporting to the provincial/regional body is required under the following circumstances:
- CPA students/candidates whose initial provincial/regional assessment identifies concerns that their current position may not provide sufficient opportunity to develop any two competency sub-areas to at least a Level 1 proficiency within 12 months must submit their first experience report after three months of recognized experience.

- CPA students/candidates following experience-verification whose 12-month assessment report indicates they have not met the required progression of their technical competencies will be required to either work with their employer to change their role to obtain the appropriate experience, or seek a different employment opportunity. They must file a practical experience report within three months of starting the new role. This report will be assessed by the provincial/regional body to determine if this role provides the opportunity to develop to the required proficiency level. If so, the provincial/regional body will date the experience from the start date of the new role, to a maximum of three months before the date the report was filed.

CPA students/candidates following experience-verification programs can submit experience reports more frequently than outlined above; assessment of additional reports may be subject to a fee as determined by the provincial/regional body.

Event	Experience report submitted	Primary Purpose
3 months	Yes, if required as result of initial assessment per S3.1.3	Assessed by provincial/regional body
12 months	Required	Assessed by provincial/regional body
Semi-annually from acceptance as a CPA student/candidate to certification	Required	Discussed with mentor
Completion of experience	Required	Assessed by provincial/regional body
New job or new employer	Required	Assessed by provincial/regional body
New supervisor	Encouraged, but not required. If new supervisor is in a position to verify, not necessary.	May be assessed by provincial/regional body
Other	Optional; may be subject to a fee	Assessed by provincial/regional body

In some circumstances, as determined by the provincial/regional body, CPA students/candidates may be required to submit reports more frequently; which may be subject to a fee.

3.1.4 Specific reporting requirements for CPA students/ candidates in pre-approved programs

Generally, these reports are prepopulated with the specific technical competency development that was pre-approved by the profession, making the reporting process simple and straight forward. In some circumstances, as determined by the provincial/regional body, CPA students/candidates may be required to submit additional information or reports that may be subject to a fee.

CPA students/candidates must file reports when their employment changes, per Sections 3.1.5.1, 3.1.5.2, and 3.1.5.3.

Event	Experience report submitted	Primary Purpose
Semi-annually from employment start to certification	Required but most technical competency information is prepopulated based on program pre-approval	Discussed with mentor
Completion of experience	Required	Assessed by provincial/ regional body
New employer	Required	Assessed by provincial/ regional body
New pre-approved program with same employer	Required	Assessed by provincial/ regional body
Other	Optional; may be subject to a fee	Assessed by provincial/ regional body

Under the pre-approved model, experience-report assessment consists of two main components:
- When reports are submitted, assessment is limited in scope (control checks, etc.).
- When monitoring per Section 4.5 to ensure the pre-approved program is being followed, individual reports will be reviewed in detail.

All pre-approved programs are subject to regular monitoring by the provincial/ regional body, as outlined in Section 4.

3.1.5 Employment changes

CPA students/candidates changing jobs must file experience reports within three months (30 days in Quebec) of changing employment, in the following situations:
- The employer has changed.
- The students/candidates have moved from experience-verification to a pre-approved program, whether with the same employer or different employers.
- The students/candidates have moved from one pre-approved program to another pre-approved program with the same employer.

The provincial/regional body will date the experience from the start date of the new position, to a maximum of three months (30 days in Quebec) before the date the report was filed.

At the discretion of the provincial/regional body, CPA students/candidates changing jobs multiple times may be charged an assessment fee.

CPA students/candidates changing employment programs are also subject to the following additional conditions, depending on the nature of the employment change:

3.1.5.1 Changing from experience-verification to a pre-approved program
In addition to meeting the general and specific requirements outlined in Section 3, CPA students/candidates switching from an experience-verification position to a pre-approved program must meet with their mentors assigned by the organization offering the pre-approved program to discuss the competencies developed to date and determine whether the remaining competencies can be developed within the 30-month duration (24-month duration in Quebec). If it is not possible to develop the remaining competencies, duration will extend beyond the 30-month minimum term (24-month minimum term in Quebec).

3.1.5.1.1 Public accounting: Changing from compilation stream experience verification route to a pre-approved audit or review stream route
CPA students/candidates changing from a compilation stream experience verification route to a pre-approved program audit or review stream must meet the full chargeable hour and competency requirements for the audit or review stream within a pre-approved program.

3.1.5.2 Changing from a pre-approved program to experience-verification
In addition to meeting the general and specific requirements outlined in Section 3, CPA students/candidates with less than 12 months of experience in a pre-approved program who change to an experience-verification position must complete the 12-month assessment report.

3.1.5.2.1 Public accounting: Changing from a pre-approved audit or review program to experience verification route
CPA students/candidates changing from any pre-approved public accounting (audit or review) program to experience verification within public practice will qualify only for the compilation stream for purposes of public accounting.

3.1.5.3 Changing pre-approved programs
In addition to meeting the general and specific requirements outlined in Section 3, CPA students/candidates switching from one pre-approved program to another must meet with their mentors assigned by the organization offering the new pre-approved program to discuss the competencies developed to date and determine whether the remaining competencies can be met within

the 30-month duration (24-month duration in Quebec). If it is not possible to develop the remaining competencies, duration will extend beyond the 30-month minimum term (24-month minimum term in Quebec).

3.1.5.3.1 Public accounting: Changing from a pre-approved public accounting program to a pre-approved program not in public accounting

CPA students/candidates changing from any pre-approved public accounting stream (audit, review or compilation) to a pre-approved program not in public accounting cannot qualify for public accounting (i.e. audit or review). The experience will count towards certification.

3.1.6   Penalties for missed reports

Failure to submit required experience reports may result in a penalty, as determined by the provincial/regional body, including:.

* fines
* suspension of experience accumulation
* ineligibility to enroll in the next CPA PEP module
* expulsion
* other, as determined by the provincial/regional body

3.2   Supervisor reporting responsibilities

Before any experience report can be finalized, CPA students/candidates following the experience verification program must have their supervisor verify the accuracy of duration, any time away from work, the nature of the work experience recorded and information about the employer and position.

3.3   Mentor reporting responsibilities

Mentors are required to meet with CPA students/candidates at least twice each year to review the competency development recorded within the practical experience reporting tool (PERT)/practical experience reporting log (PERL). Mentors are responsible for documenting that meetings have occurred and noting, within the PERT/PERL, any competency development concerns.

3.4   Pre-approved program leader reporting responsibilities

Each pre-approved program is the responsibility of a designated pre-approved program leader, who must be a CPA in good standing with a provincial/regional body. The pre-approved program leader is accountable to the provincial/regional body for CPA students/candidates gaining experience through the organization's pre-approved program(s).

Before experience reports of CPA students/candidates in pre-approved pro-grams are assessed by a provincial/regional body, the pre-approved program leaders must provide the provincial/regional body with a certification signoff. This signoff will include the progress of the CPA student/candidate to time of departure and will ensure the practical experience is captured in the PERT/PERL and applies to all CPA students/candidates who complete their experi-ence requirements or who depart from the pre-approved program during their training period.

3.4.1   Additional reporting requirements for public accounting

Pre-approved program leaders overseeing students/candidates pursuing public accounting streams must:

- sign-off on chargeable hours
- certify that the student/candidate was under the overall supervision of a public accounting registrant for their chargeable hours

3.5   Assessments by a provincial/regional body

A provincial/regional body is responsible for approving the experience of all CPA students/candidates.

Ultimate approval of assessed experience reports must be done by an indi-vidual suitably qualified as determined by the provincial/regional body.

3.5.1   Insufficient experience

If the provincial/regional body determines that the experience reported by a CPA student/candidate is insufficient, the provincial/regional body will commu-nicate with the CPA student/candidate, and the organization, if applicable, to address any issues.

3.5.2   Problems with mentors

CPA students/candidates and mentors are expected to attempt to resolve any issues. The provincial/regional body may choose to assist with resolving dis-putes should these attempts at resolution fail.

In cases where a mentor is not meeting obligations, one of or more of the fol-lowing requirements may be assigned:

- repeat the orientation session
- undertake specific CPD
- withdraw from mentoring
- other requirements, as determined by the provincial/regional body, may be required

4 Organizations offering pre-approved programs

4.1   Responsibilities

Organizations offering pre-approved programs must commit to meeting the following responsibilities to the CPA students/candidates they employ and to a provincial/regional body.

4.1.1   Responsibilities to CPA students/candidates:

Organizations offering pre-approved programs will ensure the following responsibilities are fulfilled:

- Maintain senior-level ownership of and commitment to, the training of CPA students/candidates by appointing a pre-approved program leader, per Section 4.2.
- Provide a working environment that prepares CPA students/candidates to become CPAs, which includes having a written code of conduct and/or acknowledgement of the profession's code of conduct and providing supervision, guidance and instruction on practical ethical issues as part of the CPA student/candidate on-the-job training and progress reviews.
- Offer structured training position(s), with a sufficient range of progressively complex assignments, increasing responsibility and high-quality practical experience in the required CPA technical and enabling competencies, per Section 2.6. Program approval is based on the organization's ability to provide opportunities to develop these competencies within 30 months (24 months in Quebec) of paid employment.
- Ensure CPA students/candidate document their developing competencies using the profession's on-line reporting tool (PERT/PERL), per Section 3.
- Provide appropriate supervision and mentorship as defined in Section 2.7.

- Provide time away from the office to write any workday examinations for the CPA PEP and the CFE.
- Respond to CPA student/candidate reporting requirement queries within 30 days.

4.1.2 Additional responsibilities of organizations offering pre-approved programs in public accounting

In addition to the general requirements, employers seeking the right to offer pre-approved programs for public accounting must meet the following criteria:

4.1.2.1 Hour requirements

Audit stream: The pre-approved route must ensure the CPA student/candidate receives a minimum of 1250 chargeable assurance hours, of which a minimum of 625 hours are audit of historical financial information, within the 30-month period (24-month period in Quebec) of practical experience.

Review stream *(where applicable)***:** The pre-approved route must ensure the CPA student/candidate receives a minimum of 1250 chargeable assurance hours, of which a minimum of 625 hours are in the application of assurance procedures on historical financial information, within the 30-month period of practical experience.

Compilation stream *(where applicable)***:** The pre-approved route must ensure the CPA student/candidate receives a minimum of 625 chargeable hours, of which a minimum of 625 hours are in the provision of compilation services, within the 30-month period of practical experience. Hours spent on audit or review are acceptable to meet the compilation chargeable hours requirement.

> While the CPA profession strives for national consistency, provincial regulations and bylaws take precedence over national practical experience requirements. Refer to provincial regulations and bylaws for the specific requirements in each jurisdiction. CPA students/candidates are subject to the specific regulations and bylaws of the provincial/regional body with which they have registered.

4.1.2.2 Diversity of experience

Pre-approved routes for public accounting must offer CPA students/candidates sufficiently diverse experience.

4.1.2.2.1 Audit Stream

The path must offer sufficient diversity of audit experience through a variety of audit clients and/or a variety of audit experiences.

4.1.2.2.1.1 Meeting diversity requirement for audit through review assignments

Provinces may recognize diverse exposure to various GAAP in review engagements related to financial statement presentation towards some of the diversity of experience requirements for audit. All other audit requirements must be met through audit engagements, including the 625 audit hour requirement and progressive audit experience relating to the various areas of GAAP.

4.1.2.2.2 Review stream *(where applicable)*

The path must offer sufficient diversity of assurance experience through a variety of assurance clients and/or a variety of assurance experiences.

4.1.2.2.3 Compilation stream *(where applicable):*

The path must offer additional experience in tax and advisory services.

4.1.2.3 Professional standards

Offices and members must be CPA registrants in good standing to offer pre-approved routes for public accounting, and meet the standards of practice inspection.

4.1.3 Responsibilities to the CPA profession:

Organizations offering pre-approved programs will ensure these responsibilities are fulfilled:

- Agree to the approving provincial/regional body performing a periodic review of the program(s), per Section 4.5.
- Maintain approval with its provincial/regional body.

4.1.4 Types of programs

Organizations may offer pre-approved programs through a single department, a combination of departments through a rotation-based program, and/or offer multiple pre-approved programs. Each pre-approved program must be approved by a provincial/regional body responsible for confirming that the program satisfies the responsibilities highlighted above. The organization can choose to appoint pre-approved program leaders that best align with its organizational structure, subject to the conditions outlined below. An organization offering a pre-approved program may also employ CPA students/candidates in experience-verification.

4.2   Responsibilities of the pre-approved program leader

Each pre-approved program is the responsibility of a designated pre-approved program leader, who must be a CPA in good standing with a provincial/regional body. The pre-approved program leader is accountable to the provincial/regional body for ensuring CPA students/candidates gain experience through the organization's pre-approved program(s). The pre-approved program leader is not responsible for any CPA students/candidates employed by the organization who are gaining experience through experience verification.

Pre-approved program leaders must be sufficiently senior within the organization or unit of the organization to:
•   Ensure the organization or unit implements and adheres to the profession's practical experience requirements.
•   Influence the opportunities for CPA students'/candidates' competency development.

4.2.1   Additional requirements for pre-approved program leaders in public practice

Pre-approved program leaders in public accounting streams must:
•   be CPA registrants
•   ensure CPA students/candidates pursuing public accounting streams (i.e. audit and, where applicable, review and compilation) are under the overall supervision of a CPA registrant while meeting their chargeable hour requirements

Additionally, for the organization's or unit's pre-approved program(s), the pre-approved program leader has overall responsibility to liaise with the designated mentors to confirm these student/candidate activities have occurred:
•   CPA students/candidates have discussed their progress with their mentors at least semi-annually.
•   CPA students/candidates are meeting the progression expectations of the CPA pre-approved program.

Furthermore, the pre-approved program leader must provide the provincial/regional body with a certification signoff for all CPA students/candidates who complete their experience requirements or who depart from the pre-approved program during their training period:
•   This signoff will confirm that the practical experience gained by CPA students/candidates meet the requirements of the pre-approved program by the provincial/regional body.

4.3   Secondments

Organizations may provide CPA students/candidates who gain experience through a pre-approved program with opportunities to obtain practical experience on secondment. Participation in secondments is subject to professional standards, for example, independence. Secondment assignments will be recognized as qualifying practical experience within a pre-approved program under specific conditions:

- Assignments are with an international office of the organization.
- Assignments are with a subsidiary of the organization, or of one of a subsidiary's international offices.
- Assignments are with a different department of the organization.
- Assignments are with a client of the organization.
- Any other assignment opportunities must be pre-approved by a provincial/regional body.

Experience that does not meet these conditions will be deemed an employment change to experience-verification, as outlined in Section 3.1.5.2.

All secondment assignments must be arranged by the organization offering the pre-approved program. The secondment arrangement must continue to meet the CPA profession's practical experience requirements, including supervision, mentoring and reporting requirements. Secondment positions must adhere to the CPA profession's rules of professional conduct.

CPA students/candidates may work on more than one secondment assignment; however, no more than twelve months of the total 30-month duration (24-month duration in Quebec) will be recognized towards the fulfillment of CPA practical experience requirements.

4.3.1   Secondments for CPA students/candidates pursuing public accounting pathways

Practical experience acquired during secondments is recognized towards the 30-month requirement (24-month requirement in Quebec) for practical experience. Subject to the 12-month limitation (eight-month limitation in Quebec) as described in Section 4.3. Practical experience will also be recognized towards the chargeable hour requirements for public accounting streams (audit, and where applicable, review and compilation) if the secondment is within a registered firm with a recognized public accounting stream (see Section 2.5.1.1). It will not otherwise be recognized towards the chargeable hour requirements for public accounting.

4.4 Approval process

A provincial/regional body will work closely with any organization interested in seeking approval for pre-approved programs. Approvals are based on the organization's ability to satisfy the requirements detailed in Section 4.1. The collection, assessment, and process for approval are detailed in a separate administrative policy.

4.4.1 Approval limit

The provincial/regional body will set a limit on the number of CPA students/candidates who may be employed within each pre-approved program, based on four factors:

1. The number of CPAs employed within the organization.

2. The amount of qualifying experience that is available. (For public accounting streams, this includes the number and diversity of chargeable hours available.)

3. The results from any prior monitoring conducted by a provincial/regional body, if applicable.

4. Other, as determined by the provincial/regional body.

4.4.2 Modifying an existing pre-approved program

The organization must inform the provincial/regional body of any modification to a pre-approved program. The provincial/regional body will determine whether the proposed modification is material.

4.4.2.1 Modifications that are not material in nature

Modifications that do not change the substance of the training program are considered immaterial and do not need to be formally approved by a provincial/regional body. However, the organization should make administrative updates, such as updating the PERT/PERL, as necessary.

Examples of modifications that are not material in nature:
• Adding or replacing a role that is substantially identical in nature to what was previously approved (for example, adding a new financial reporting department for a different operating division than was previously approved or adding an internal audit department that is responsible for a different geographic territory than the one previously approved). The addition could be in a different office location.
• Updating the specific duties or proficiency expectations within an existing role, if the role continues to develop the same competency sub-areas.

- Changing the number of CPA students/candidates approved for a program, providing the structure is consistent with the previously-approved application (for example, maintaining the same ratio of mentors to CPA students/candidates, if the ratio is outlined in the approved application).

4.4.2.2 Modifications that are material in nature
Modifications that change the substance of the pre-approved program are material and therefore require approval from a provincial/regional body before the changes are effected.

Examples of modifications that are material in nature include:
- Adding or replacing a role that is not substantially identical to that which was previously approved, even if it develops the same competency sub-areas.
- Changing the risk profile of the application and/or the nature of the work assignment.
- For public accounting streams, a material change in the number or diversity of chargeable hours.

4.5 Monitoring
Every CPA pre-approved program will be reviewed by the profession at least every three years. The extent and frequency of reviews will be based on an assessment of risks and safeguards, and will allow for discretion and consideration of special circumstances.

The objective of monitoring is to assess whether the organization is in compliance with the basis under which the program was approved. If a pre-approved program is determined not to be in compliance with the CPA profession's practical experience requirements, the provincial/regional body will determine appropriate remedial action. If the pre-approved program is within a public accounting firm that is subject to practice inspection, the results of the most recent inspection will be considered as part of the monitoring review.

For public accounting streams, the results of practice inspections are included within the monitoring process.

4.6 Criteria for withdrawing program approval
If a pre-approved program is deemed to be non-compliant with the CPA profession's practical experience requirements, the profession will work with the organization on appropriate remedial action. Should this prove ineffective, a provincial/regional body may, at its sole discretion, withdraw approval of the program.

Recognition of experience for CPA students/candidates working in the program will no longer be recognized as of the date that the provincial/regional body withdraws its approval of the program.

For experience to continue to be recognized, CPA students/candidates will have to report to their provincial/regional body indicating that they have met any one of three requirements:

1. They are enrolled in an alternate pre-approved program.

2. They have secured a CPA mentor and switched to experience-verification.

3. They have re-enrolled with the same pre-approved program, should the program's approval be reinstated.

There are specific situations that may result in approval being withdrawn:

*   There is no longer a designated pre-approved program leader. For example, the designated pre-approved program leader ceases employment with an organization offering a pre-approved program and no replacement pre-approved program leader is assigned to the program within a reasonable amount of time.

*   The organization can no longer offer the required experience. For example, the organization no longer offers the required experience as outlined in the pre-approved program as a result of being acquired by another organization.

*   Non-compliance with the conditions as set out in 4.1. For example, the organization fails to meet the commitments to a provincial/regional body and to the CPA students/candidates that they employ and there has been no appropriate remedial action taken by the organization within the timeframe communicated by a provincial/regional body.

*   For public accounting streams, the organization is no longer registered with a provincial/regional body to offer the required level of public accounting services.

5 Transition rules

CPA practical experience requirements for certification are effective September 1, 2014. Practical experience requirements for public accounting are effective September 1, 2015. Legacy requirements remain in effect until September 1, 2018 (August 31, 2018 in British Columbia). Under the principles of unification, all experience completed and recognized towards the completion of a legacy program's experience requirements will be recognized toward the CPA practical experience requirements until applicable transition dates specified in the *Transition Student Guidelines* or identified by the provincial/regional CPA bodies.

5.1   Experience starting before September 1, 2014

CPA students/candidates who enroll in the CPA PEP are required to satisfy the CPA practical experience requirements unless a provincial legacy body has approved the completion of an individual's practical experience under its legacy standard.

Students/candidates who transition to the CPA PEP from a legacy education program and are unable to complete their legacy practical experience requirements by September 1, 2018, are required to transition to the CPA practical experience requirements. These individuals will not lose any experience that was previously recognized by a legacy body (subject to Section 2.5.2 - Currency of experience). Those students/candidates who choose not to transition to the CPA practical experience requirements, but are transitioning to the CPA PEP, must complete the legacy practical experience requirements associated with the legacy certification program in which they were previously enrolled.

Any legacy student/candidate can elect to transition to the CPA practical experience requirements as a transitioning student/candidate. By definition, these students/candidates are required to transition to the CPA PEP under the CPA PEP transitional rules.

Students/candidates who have been transitioned to the CPA PEP from a legacy education program and, at the time of transition, have completed their practical experience under a legacy practical experience, are exempt from the CPA practical experience requirements.

5.1.1   Transitioning to CPA requirements

CPA students/candidates who began their experience on or before August 31, 2014, can transition to the CPA practical experience requirements by fulfilling three steps:

1. Complete a catch-up experience report.

2. Discuss the report with their mentor.

3. Submit their report to their provincial/regional body for assessment.

Transition to CPA experience requirements is encouraged for all CPA students/candidates who started their experience between September 1, 2013, and August 31, 2014, using the prior experience provisions in Section 2.5.

Transitioning CPA students/candidates are expected to meet all CPA practical experience requirements, including mandatory reporting of experience.

The transition to the CPA practical experience requirements can affect both employers and employees. CPA students/candidates working in legacy CA Training Offices and Level 2 CGA Training Offices must obtain the approval from their employers before transitioning to CPA requirements.

5.2   Transition for training offices and key employers

The CPA profession will work with existing training offices and key employers intending to offer pre-approved programs to ensure a smooth and rapid transition. The approval process for existing programs will be simple and straightforward.

CMA key employers are organizations that have been identified for the purpose of building and developing strong corporate relationships with employers.

5.3 Offices authorized at unification to train public accounting students/candidates in assurance through the experience verification route

Offices authorized at unification to train CPA students/candidates in assurance through experience verification may continue to do so until September 1, 2018, by which time they must meet CPA practical experience requirements for public accounting. After September 1, 2018, they may continue to train students in assurance (i.e. audit and review) only in pre-approved programs. Offices choosing not to offer pre-approved programs may continue to train CPA students/candidates under experience verification for compilation and certification.

Appendix A: Technical Competency Sub-Areas

Note: the technical competency requirements are based on achieving a certain number of competency sub-areas at Level 1 and Level 2 proficiency; Level 0 will be defined solely for the purpose of providing guidance to CPA students/candidates with their self-assessments.

CPA Technical Competencies for the Purpose of Practical Experience

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Financial Reporting			
Financial Reporting Needs and Systems	***Identify and analyze*** financial reporting information required by various stakeholders, including regulatory requirements (can include specialized financial reporting requirements); **plus** (a) ***Evaluate*** the appropriateness of the basis of financial reporting; or (b) ***Evaluate*** reporting systems, data requirements and business processes to support reliable financial reporting	***Explain*** the financial reporting information required by various stakeholders, including regulatory requirements (can include specialized financial reporting requirements); **plus** (a) ***Analyze*** the appropriateness of the basis of financial reporting; or (b) ***Analyze*** reporting systems, data requirements **or** business processes to support reliable financial reporting	Use the accounting system to process transactions and/or generate reports. Verify mathematical accuracy of financial information (sub-totals, totals). Perform simple reconciliations.

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Accounting Policies and Transactions	***Evaluate*** appropriate accounting policies and procedures; or ***Evaluate*** treatment for routine and non-routine transactions; or ***Research and analyze*** treatment for complex events/transactions.	***Research*** the appropriate accounting policies and procedures (or explains the basis in which they were selected and applied to an organization); or ***Research and analyze*** treatment for routine transactions.	Record accounting entries for routine transactions. Rollforward provisions from prior years.
Financial Report Preparation	***Analyze or prepare*** financial statements, including note disclosures.	***Explain*** financial statements, including note disclosures.	Verify mathematical accuracy of the financial statements and note disclosures.
Financial Statement Analyses	***Analyze or prepare*** management communication (e.g., MD&A), or ***Analyze or prepare*** financial reporting results for stakeholders (internal or external), or ***Analyze or estimate*** the impact of strategic, and operational decision on financial results (external or internal).	***Explain*** the management communication (e.g., MD&A), **or** ***Explain*** financial reporting results for stakeholders (external or internal), **or** ***Explain*** the impact of strategic and operational decision on financial results (external or internal).	Calculate ratios and/or % changes in account balances.
Management Accounting			
Management reporting needs and systems	***Analyze*** management information requirements, **plus** ***Evaluate*** business processes, systems and data requirements and ***evaluate or recommend*** improvements to meet information needs, **plus** ***Analyze*** ethical and privacy issues related to information technology and its use.	***Explain*** management information requirements, **plus** ***Analyze*** business processes, systems and data requirements and ***analyze*** potential improvements to meet information needs, **plus** ***Explain*** ethical and privacy issues related to information technology and its use.	Use existing information systems to generate management reports. Recognize ethical and privacy issues related to information technology.

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Planning, budgeting and forecasting	***Evaluate*** data and information inputs (including assumptions) for operational plans, budgets and forecasts, **plus** ***Analyze*** operational plans, budgets, and forecasts, **plus** ***Analyze*** implications of variances	***Analyze or prepare*** data and information inputs for operational plans, budgets and forecasts, **plus** ***Prepare*** operational plans, budgets, and forecasts, **plus** ***Explain and calculate*** variances	Verify mathematical accuracy of plans, budgets and/or forecasts.
Cost / revenue / profitability management	**Cost management**: ***Apply*** appropriate cost classifications and costing methods for management of ongoing operations, and ***apply*** cost management techniques appropriate for specific decisions, and ***evaluate and recommend*** either: (a) change identified by applying process improvement methodologies or (b) cost management improvements across the entity; or **Revenue management**: ***evaluate*** sources and drivers of revenue growth; or **Profitability management**: ***analyze*** sensitivity analysis, ***evaluate*** sustainable profit maximization and capacity management performance.	**Cost management:** ***Explain*** the appropriate cost classifications and costing methods for management of ongoing operations, *explain* cost management techniques appropriate for specific decisions, and ***analyze*** potential changes identified by applying process improvement methodologies; or **Revenue management:** ***analyze or prepare*** information to understand the sources/ drivers of revenue growth; or **Profitability management:** ***explain and calculate*** the sensitivity analysis, and ***analyze*** alternatives for sustainable profit maximization/ capacity management performance.	Collect information to assist with cost, revenue or profitability management.

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Organizational / individual performance measurement	**Evaluate** root causes of performance issues through one of: **Analyze** the implications of management incentive schemes and employee compensation methods, or **Evaluate** performance using accepted frameworks or KPIs, or **Evaluate** performance of responsibility centers	**Analyze** possible root causes of performance issues, through one of: **Explain** the implications of management incentive schemes and employee compensation methods, **or** **Analyze** performance using accepted frameworks or KPIs; **or** **Analyze** performance of responsibility centers.	Calculate/prepare performance scorecard/KPI based on information supplied by units.
Audit & Assurance (consider public accounting needs a depth in Assurance)			
Internal control	**Evaluate** the entity's risk assessment processes; or **Evaluate** the information system and processes, using knowledge of data requirements and risk exposures.	**Analyze or prepare** the entity's risk assessment processes; or **Analyze** the information system and processes, using knowledge of data requirements and risk exposures.	Execute procedures that relates to existing internal controls.
Internal audit or external assurance requirements, basis and risk assessment	**Analyze** an entity's assurance needs **plus** **Basis**: **Analyze** which set of criteria to apply to the subject matter being evaluated, or analyze which standards/ guidelines to apply based on the nature and expectations of the assurance engagement/ project, **plus** **Risk assessment**: **Evaluate** issues related to the undertaking of the engagement or project, or **evaluate** materiality for the assurance engagement/ project, or **evaluate** the risks of the project (for audit engagements, **evaluate** the risks of material misstatement at the financial statement level and at the assertion level for classes of transactions, account balances, and disclosures).	**Explain** an entity's assurance needs plus **Basis**: **Explain** which set of criteria to apply to the subject matter being evaluated, or **explain** which standards/ guidelines to apply based on the nature and expectations of the assurance engagement/ project, plus **Risk assessment**: **Explain** issues related to the undertaking of the engagement or project, **explain and calculate** materiality for the assurance engagement/ project, or **explain** the risks of the project (for audit engagements, **explain** the risks of material misstatement at the financial statement level and at the assertion level for classes of transactions, account balances, and disclosures).	Assemble information about the business (external), or department (internal).

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Internal audit projects or external assurance engage-ments	**Work plan: *Evaluate or develop*** appropriate procedures, considering the use of data analytics, based on the identified risk of material misstatement, ***analyze or perform*** the work plan, ***evaluate*** the evidence and results of analysis, documents the work performed and its results, **plus** Draw conclusions, communicate results, and contribute to a report for stakeholders, using data visualization where appropriate.	**Work plan**: ***Analyze or perform*** the work plan on less complex/riskier areas, ***evaluate*** the evidence and results of analysis, documents the work performed and its results, **plus** Draw conclusion, com-municate results, and contribute to a report for stakeholders, using data visualization where appropriate.	Compile planning documentation. Coordinate third party confirmations; identify outstanding items.
Finance			
Financial analysis & planning	***Evaluate*** the entity's financial state, including an assessment of reporting systems, data quality and the analytical models used to support financial analysis and decision-making; or ***Evaluate*** financial proposals and financing plans including an assessment of reporting systems, data quality and the analytical models used to support financial analysis and decision-making	***Analyze*** the entity's financial state, or ***Analyze*** or prepare financial proposals and financing plans	Perform calculations to support analysis (ratios and/or % changes in account balances).

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Treasury management	***Analyze*** the entity's cash flow and working capital, **plus** ***Evaluate*** the entity's investment portfolio, or ***Evaluate*** sources of financing and decisions affecting capital structure, or ***Evaluate*** the entity's cost of capital, or ***Evaluate*** decisions related to distribution of profits	***Explain and calculate*** the entity's cash flow and working capital, **plus** ***Analyze or research*** the entity's investment portfolio (less complex), or ***Analyze or research*** sources of financing and decisions affecting capital structure, or ***Analyze or research*** the entity's cost of capital, or ***Analyze or research*** decisions related to distribution of profits	Record investment/FX transactions based on confirmations; update market values from third-party sources, if applicable. Reconcile differences between records and third-party statements.
Capital budgeting *Valuation* *Corporate finance*	***Analyze or prepare*** financial models or business plans as part of or in addition to: ***Evaluate*** capital budgeting processes and decisions, or ***Evaluate*** the value of a tangible asset or ***analyze or estimate*** the value of an intangible asset, or ***Analyze or estimate*** the value of a business, or ***Evaluate*** financial risk management policies, or ***Analyze*** the use of derivatives as a form of financial risk management, or ***Evaluate*** the purchase, expansion or sale of a business, or ***Evaluate*** or advise a financially troubled entity.	***Analyze or prepare*** information to aid in the capital budgeting processes and related decisions, or ***Analyze or estimate*** the value of a tangible asset, or ***Explain and calculate*** value of a business, or ***Explain*** financial risk management policies, or ***Explain*** the use of derivatives as a form of financial risk management, or ***Analyze*** the purchase, expansion or sale of a business, or ***Analyze*** possible solutions to aid a financially troubled entity.	Coordinate the capital budgeting process. Calculate market value of publicly-traded security. Calculate/collect multiples for market-based valuations.

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Taxation			
Income tax legislation and research	***Research and analyze*** treatment for transactions/events, **plus** Draw conclusions and communicate results.	***Explain*** the relevant section of the Income Tax Act, tax conventions and/or treaties, as it relates to specific transactions/ events.	Use Income Tax Act to assemble rates, filing deadlines and requirements.
Tax compliance: corporate or personal	***Analyze*** the relevant tax issues, **plus** ***Analyze or prepare*** a tax return	***Explain*** the relevant tax issues, **plus** ***Explain*** tax return or ***analyze or prepare*** information to support the preparation of the tax return	Assemble information for tax return and explains required information. Use tax software to process corporate tax returns. Prepare schedule of due dates.
Tax planning: corporate or personal	***Analyze*** specific tax-planning opportunities for individuals or corporations, and applicable GST implications, such as: (a) income tax implications of death of an individual (b) compensation planning between shareholders and a corporation, or (c) purchase and sale of a corporation.	***Explain and calculate*** specific tax-planning opportunities for individuals or corporations, and applicable GST implications, such as: (a) income tax implications of death of an individual (b) compensation planning between shareholders and a corporation, or (c) purchase and sale of a corporation.	Use information prepared internally/externally to explain changes arising from Federal or Provincial budgets. Use tax software to calculate pro-forma taxes payable under various tax planning opportunties.

Competency sub area	Level 2 High level of autonomy with Low to Moderate complexity (knowledge utilization); Lower level of autonomy for complex and non routine (analysis)	Level 1 Low to Moderate complexity (analysis); Moderate complexity limited to Retrieval/Comprehension; Restricted to routine	Level 0 Foundational (clerical / administrative)
Strategy & Governance			
Governance *Mission, vision, values & mandate*	**Analyze or prepare** the entity's governance policies, processes, and/ or code, and **analyze** information and analysis to ensure entity remains compliant with regulatory/compliance requirements, or **Evaluate** whether management decisions align with the entity's mission, vision and values.	**Explain** the entity's governance policies, processes, and/or code, and **prepares** information to aid in the analysis to ensure entity remains compliant with regulatory/compliance requirements, or **Analyze** management decisions to the entity's mission, vision and values.	Describe the entity's governance policies, processes, and/or code.
Strategy development / implementation	**Analyze** the entity's strategic objectives and **evaluate** related performance measures, or **Evaluate** the entity's internal and external environment and **analyze** its impact on strategy development; analyze strategic alternatives, or **Analyze** the key operational issues including the use of information assets and analyzes alignment with strategy.	**Explain** the entity's strategic objectives and **analyze** related performance measures, or **Analyze** the entity's internal and external environment and **explain** its impact on strategy development; **explain** strategic alternatives, or **Explain** the key operational issues including the use of information assets and explains the alignment with strategy.	Explain the entity's strategic objectives. Collect information on the entity's internal and external environment.
Enterprise risk management	**Evaluate** components of an effective risk management program and **evaluate** its impact on shareholder value, or **Evaluate** the impact of IT/IS risks on enterprise risk and **recommend** appropriate risk management strategies	**Analyze or research** components of a risk management program and **analyze** its impact on shareholder value, or **Analyze** the impact of IT/IS risks on enterprise risk and **identify** appropriate risk management strategies	Record risk responses.

Appendix B: Enabling competency reflective questions

Question 1: Acting Ethically and Demonstrating Professional Values (formerly Professional and Ethical Behaviour)

a) CPAs can face complex situations where they may be in conflict with their professional values. These values (as defined in your provincial Code/Rules of Professional Conduct) are integrity, due care, objectivity, independence, professional competence, and confidentiality. Describe a time where you encountered a situation that challenged one of your professional values identifying:
   — which value was in conflict
   — what was at stake for all involved, including yourself
   — what you did

b) How did you choose this course of action and what alternatives did you consider? What were the pros and cons of each alternative? What information did you need to gather and/or who did you seek guidance from?

c) What impacts did your course of action have on all involved, including yourself? If confronted with a similar situation in the future, what would make it easier for you to act and what you would do differently?

Question 2: Solving Problems and Adding Value (formerly Problem-Solving and Decision-Making)

a) Describe a time when you attempted to improve a process, product or service in the workplace, including the problem you were trying to solve. What challenges did you encounter and what actions did you take to address them? Describe the CPA value that was most applicable to this situation.

b) How did you choose this course of action and what alternatives did you consider? What were the pros and cons of each alternative? How did you apply existing knowledge in new or different ways? What were the risks and limitations of your chosen course of action and how did you address them?

c) What did you learn from this experience about solving problems? How can you apply these learnings in the future?

Question 3: Communicating (formerly Communication)

a) Describe a time when you adapted your oral or written communication to meet the needs of a specific audience. What actions did you take? Describe the CPA value that was most applicable to this situation.

b) How did you choose this course of action and what alternatives did you consider? What were the pros and cons of each alternative? What would have been the result had you not taken these steps?

c) What did you learn from this experience about communicating? How can you apply these learnings in the future?

Question 4: Managing Self (formerly Self-Management)

a) Describe a time when your performance did not fully meet your expectations. What challenges did you encounter and what actions did you take to address them? Describe the CPA value that was most applicable to this situation.

b) When you reflect on your course of action, what alternatives could you have considered? What were the pros and cons of each alternative? Who could you have consulted with or sought guidance from?

c) Having carried out these actions, what would you do differently next time? What skills do you need to develop to help you meet your expectations going forward in your career? How are you planning to gain them?

Question 5: Collaborating and Leading (formerly Teamwork and Leadership)

ANSWER **ONE** OF THE FOLLOWING (5.1 **or** 5.2):

5.1: Plans and effectively manages teams and projects

a) Describe a time when you managed a team or project. What did you do to plan and execute the assignment effectively? Describe the CPA value that was most applicable to this situation.

b) How did you choose this course of action and what alternatives did you consider? What were the pros and cons of each alternative? How did you promote and gain support for your ideas?

c) What did you learn from this experience about leadership? How can you apply these learnings in the future?

5.2: Collaborates effectively as a team member

a) Describe a time when, as a member of a team, you worked with others to achieve a particular objective. What challenges did you encounter and how did you overcome them? Describe the CPA value that was most applicable to this situation.

b) How did you choose this course of action and what alternatives did you consider? What were the pros and cons of each alternative? Who did you consult with or seek guidance from?

c) What did you learn from this experience about yourself and others? How can you apply these learnings in the future?

Summary Questions

In addition to the five reflective questions, CPA students/candidates will be provided with two brief summary questions—one that asks CPA students/candidates to reflect on progress over the reporting period and another that sets the focus for the next reporting period. These brief summary questions also guide the discussions of CPA students/candidates with their mentors.

Summary Question A (MANDATORY):

Identify key competency areas (enabling and/or technical) you will focus on developing or improving between now and your next meeting with your mentor. What is your action plan for doing so?

Summary Question B (OPTIONAL):

Looking back at your experience captured in this report, in which competency areas (enabling or technical) do you feel most confident in your abilities and why?

Appendix C: Guidance with proficiency

The following illustration is intended to provide guidance in determining the level of proficiency, based on complexity, circumstance and autonomy.

Complexity: CPA students/candidates preparing complex financial state-ments, including note disclosures, for an entity would generally be considered obtaining Level 2 proficiency. However, a CPA student/candidate would not reasonably be expected to prepare the entire set of financial statements for a complex entity—therefore, a Level 2 proficiency could also be developed by assuming ownership of sections of these financial statements that include complex areas. Preparing financial statements without notes could be low in complexity and therefore considered Level 1 proficiency.

Circumstance: Preparing the presentation of non-routine transactions in the financial statements generally help develop Level 2 proficiency.
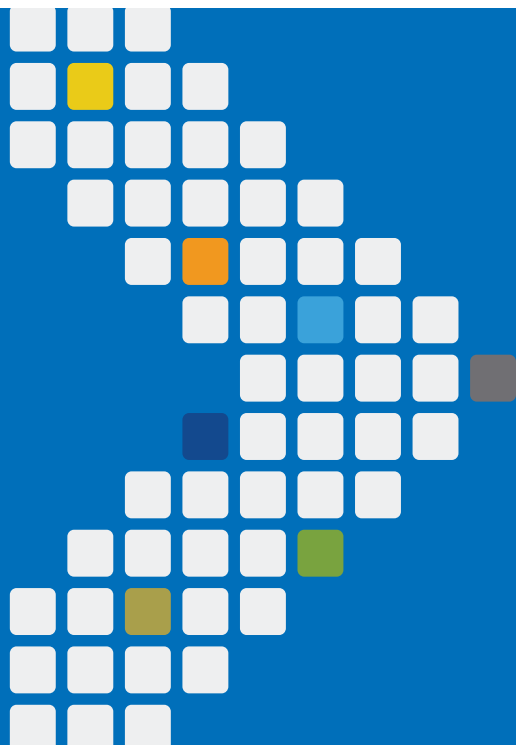
Autonomy: A CPA student/candidate is expected to perform with greater autonomy in tasks that are lower in complexity and/or routine in nature to develop Level 2 proficiency. Likewise, tasks that are highly complex and/or non-routine can be performed with lower autonomy without impacting the proficiency level.

An illustrative example follows.

Proficiency Guidance
Illustrative example for financial report preparation
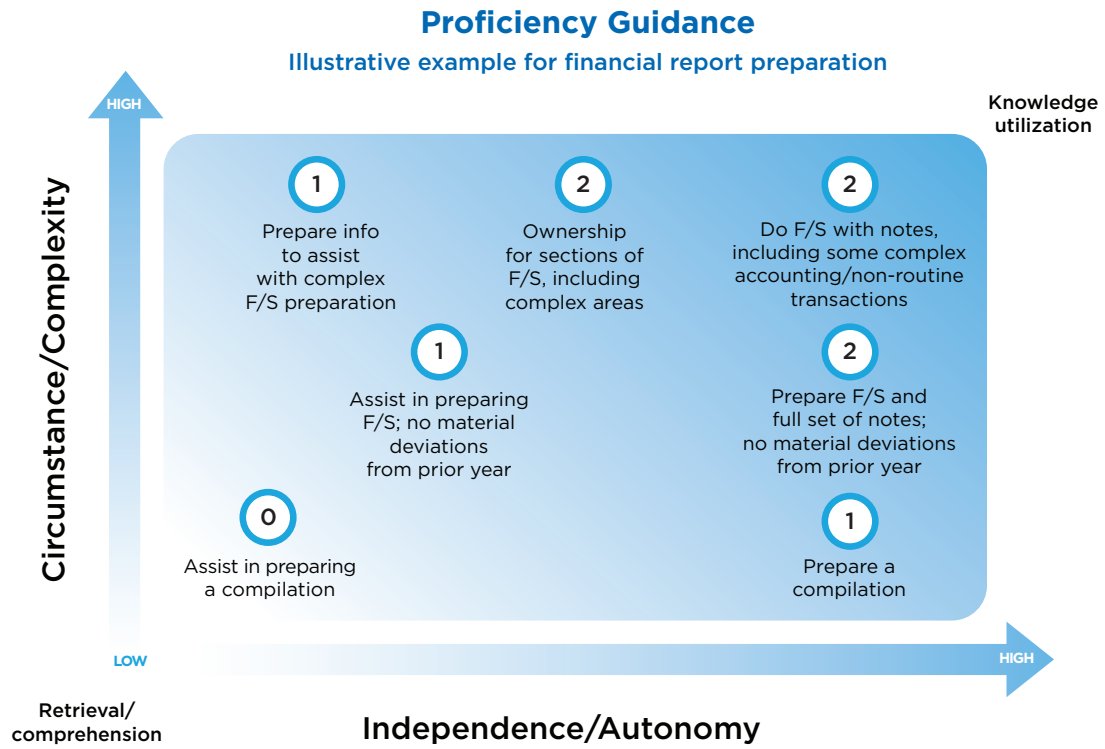
Appendix D: Overview of experience reporting and assessments

Responsibility	Experience verification	Pre Approved programs
CPA students/candidate	Report factual information, including duration, detailed record of duties performed Self-assess level of proficiency	Indicate which pre-approved program they are employed in; record duration Self-assess level of proficiency
Supervisor	Sign-off on factual accuracy	Feedback to mentor
Mentor	Discuss self-assessment with CPA student/candidate	Discuss self-assessment with CPA student/candidate
Pre-approved program leader	N/A	Sign-off on CPA student/candidate progress to time of departure, or completion of program
Provincial	Assesses experience report	Assesses experience report