Significant developments with respect to the unification initiative nationally and provincially since the March 2012 Saskatchewan Merger Proposal include:

- **The CPA One** promotional campaign was launched on a new microsite to raise awareness of the CPA brand and new certification program
- The new CPA Competency Map has been approved and the legacy programs are being transitioned to the CPA certification program across the country
- **CPA Canada** is being established January 1, 2013 by CICA and CMA Canada
- Canada’s first CPA body was established with legislation enacted in Quebec
- CA Alberta withdrew from unification discussions
- Alberta CMA and CGA boards released a unification proposal
- **CMA Ontario** withdrew from unification discussions
- CA Ontario confirmed its intention to participate in the development of CPA Canada and its programs with a view towards joining CPA Canada when that organization is incorporated. It has also committed to make the enabling amendments to its bylaws and regulations needed to allow it to issue the CPA designation to members and to regulate the future use of the CPA in Ontario, as well as to protect both the CA and CPA designations for members.

The leadership of Saskatchewan’s Chartered Accountants (ICAS) and Certified Management Accountants (CMA) developed the proposal, outlining key elements of a merger of the two accounting bodies and the creation of a new accounting designation in Saskatchewan: Chartered Professional Accountant (CPA).

ICAS Council and CMA Saskatchewan Council support the proposal, which continues to be consistent with the [National Unification Framework](#) released in January 2012.

The document follows the release to members of a CA CMA CGA Saskatchewan Merger Proposal in March 2012. In May 2012, CGA Saskatchewan withdrew from unification discussions. The following are the areas in this proposal that have been updated from that previously delivered to Saskatchewan members:

- **Education** – National development of the CPA competency map and pre-certification education program to be offered as early as fall 2013, and a national common final exam offered in Fall 2015.
- **Governance** – The composition of the Board of Directors has been revised to ensure proportionate representation of members of the legacy bodies following the withdrawal of CGA Saskatchewan.
- **CPA Canada** – Agreements are being developed for the establishment of CPA Canada on January 1, 2013. Board appointments will provide for representation from participating regions, and will be made by the participating bodies.
- **Consultation** – Substantive consultation with stakeholders concluded, and included CA training offices, Saskatchewan businesses and the provincial government. The results of these surveys are summarized in the proposal with results available at [www.icas.sk.ca](http://www.icas.sk.ca) and [www.cma-saskatchewan.com](http://www.cma-saskatchewan.com).
Results include those in favour and those who voted to allow the elected Council to decide, where applicable.
CPA VISION

To be the pre-eminent, internationally recognized Canadian accounting designation and business credential that best protects and serves the public interest.

CPA VALUE PROPOSITION

“What’s In It For Me?”

- **Keep what you have already earned**
  All members would retain the right to use their existing designations.

- **Receive a new designation with international recognition**
  All members would receive the Chartered Professional Accountant (CPA) designation. CPA, in its various forms, is the most widely-held accounting designation in the world.

- **Access greater professional resources**
  A larger, stronger profession would provide more extensive and targeted services to members.

- **Eliminate duplicated efforts of the two accounting bodies**
  Combining the provincial accounting bodies into one would result in more efficient, cost-effective administration and regulation of the profession.

“What’s In It For The Accounting Profession?”

- **Create Saskatchewan’s dominant professional accounting designation**
  Membership of the combined bodies would represent 87% of the professionally-designated accountants in the province.

- **Ensure uniform high and consistent ethical and practice standards**
  The public is better protected when professional accountants and the services they deliver are subject to the highest common standard.

- **Respond to increased competition**
  A merged profession can better react to the potential entry into Canada and Saskatchewan by foreign accounting bodies.

- **Increase global influence**
  A newly merged CPA profession would have the size and resources to contribute substantially to international accounting organizations and initiatives.
USE OF DESIGNATIONS: PROTECTION THROUGH TAGGING

If a merger of the two accounting bodies is approved, and once provincial legislation is enacted, all current members in good standing of both legacy bodies would be granted the CPA designation to hold in conjunction with their existing designations. With legacy designations required to be tagged to the new CPA for a minimum of 10 years, and permanently if members so choose, potential market confusion over members’ legacy designations should be eliminated.

Members would use their designations as follows:

Members - First 10 Years:
- First and Last Name, CPA, CA
- First and Last Name, CPA, CMA

Use of the CPA designation or a legacy designation on its own would not be permitted.

Members - After 10 Years:
- First and Last Name, CPA, CA
- First and Last Name, CPA, CMA

Or
- First and Last Name, CPA

Use of a legacy designation on its own would not be permitted.

Fellows:
Members of legacy accounting bodies who have been awarded Fellow designations would retain the use of that designation subsequent to a merger. The future awarding of the FCPA designation would be at the discretion of the new CPA body.

Firm Names and Signing of Assurance Reports:
The use of only “Chartered Professional Accountants” or “CPA” in a firm name would be preferred; however, adding a legacy accounting designation would be permitted. Professional corporations would be considered firms for these purposes.

EDUCATION

PRE-CERTIFICATION

The national Certification Steering Committee has developed plans for the transition to and implementation of the CPA pre-certification program, with the program beginning as early as Fall 2013, with the first national common final evaluation to be written in Fall 2015.

Highlights of the Canadian CPA Certification Program include:

- Be, and be recognized as being, at least as rigorous as the current programs.
- Require an undergraduate degree.
- Culminate in a comprehensive multi-day final examination.
- Meet or exceed all International Federation of Accountants (IFAC) standards for education, assessment and practical experience.
- Meet or exceed the requirements of the leading global accounting bodies, ensuring the new profession can maintain existing and establish new Mutual Recognition Agreements (MRAs).

The proposed CPA pre-certification program will be robust and draw on the strengths of all three of Canada’s accreditation programs. It will be nationally developed, will be regionally delivered, and ensure a consistent professional education experience for all aspiring CPAs. It is designed to meet the needs of industry, government and not-for-profit, academia, and public practice, ensuring that all CPAs will have the strong foundation of knowledge and skill as a professional accountant to succeed in whatever role or position they take on.

Details of the program accompanied the release of the national unification framework and can be found at www.cpacanada.ca or the websites of the provincial bodies.

As noted, delivery of the certification program is a provincial responsibility; however, collaboration with other provinces to develop a regional delivery model is underway. Post secondary institutions in Saskatchewan will continue to deliver pre-requisite courses required to gain entrance into the program. The CPA profession will also develop national accreditation standards for post-secondary institutions interested in
offering components of the CPA professional education program.

Transitional provisions will be provided to ensure students who have started a legacy program have the opportunity to either finish it or bridge into the new CPA program. Those transitioning to the new CPA program will receive full recognition for the work completed towards a legacy designation.

A separate program will be developed for individuals who aspire to a career in accountancy but not as a designated CPA. This program would have relevant entrance, education and assessment requirements to meet the market need and the goals of the profession. Education/examination bridges to the appropriate stage of the CPA certification program would also be developed.

POST-CERTIFICATION

Continuing professional education for CPAs will create learning opportunities that match the diversity of the membership. Cooperation with the national and other provincial bodies would ensure sufficient breadth of courses and leverage economies of scale. Post designation specialty programs, developed nationally, will offer members the opportunity to enhance their expertise and advance their careers.

GOVERNANCE

Consistent with the current governance of ICAS and CMA Saskatchewan as well as the other provincial and national bodies, Saskatchewan’s new CPA profession would be governed by a volunteer board. The size, roles, responsibilities, policies and procedures would be reflective of best practices for corporate governance and provincial regulations.

Transitional Steering Committee

Subsequent to a decision to merge the bodies and prior to the enactment of CPA legislation, both professional bodies would continue to operate and be governed under the existing structure.

The development and implementation of a plan for integration of the bodies would be overseen by a Transitional Steering Committee (TSC) with equal representation from the legacy bodies. The TSC would be made up of three members appointed by each professional body, their CEOs, and staff support as needed.

The TSC would remain accountable to the Councils of the organizations, and operate according to Terms of Reference approved by the two bodies. Responsibilities of the TSC would include such priorities as:

• hiring of a CEO for new CPA organization,
• working with government on approving and adopting legislation and bylaws,
• developing an effective governance structure,
• determining education delivery, and
• determining initial funding requirement of the new CPA body.

CPA Board of Directors

The new Saskatchewan CPA entity would be governed by a volunteer board and to ensure continuity within the new profession, to the extent possible new board members would be appointed from the existing Councils of ICAS and CMA Saskatchewan. The initial Board, which is based on current member representation, would consist of:

• 7 CPA, CA
• 6 CPA, CMA and
• 2 public representatives.

After two years, initial Board members would be replaced with elected CPA members with appropriate competencies and experience. The first Board election would be held after the second anniversary of the new legislation takes effect.

Once the transitional period is completed, the CPA Board would be comprised of eleven CPAs elected by the membership, and two public representatives appointed by the provincial government.

Terms of Office

Terms of office would be two years, renewable for a maximum of one consecutive term. Exceptions to this term limit would be based on the governance model adopted by the new CPA Board.

Board Chair

The Chair of the Board would be elected by, and from among the Board members, for a one-year term. The first Chair of the Board would continue to serve as a member of the Board to complete a two-year term. For the first two years, the position of Chair would alternate between members of the legacy professional bodies.

Executive Committee

The Executive Committee would consist of board members appointed annually by the Board.
MEMBER DUES
Members in both accounting bodies pay dues each year to the national and provincial bodies. National dues among the legacy bodies differ and a plan to harmonize these dues would be developed by the national legacy bodies. All members would pay the same provincial dues regardless of their legacy designation.

REGULATORY PROCESSES
Currently, the provincial accounting bodies are responsible for regulating their respective professions and protecting and serving the public interest. The new CPA body would adopt self-regulatory processes, using best practices consistent with other provincial bodies. Such processes would include rules of professional conduct; practice inspection; complaints resolution; professional development; and discipline.

Until provincial CPA legislation is passed, members would continue to follow the bylaws, regulations, and rules of their legacy bodies. The current regulatory processes of each body would be maintained.

DECISION MAKING PROCESS
The two accounting bodies will proceed to schedule member votes in order to obtain the views of their members on this proposal.

The Councils of ICAS and CMA Saskatchewan will assess all of the stakeholder feedback received, including the results of their member votes. As well, the status of merger initiatives in other provinces will be reviewed and considered. The Councils of the two bodies will then independently decide whether to approve a provincial merger.

If a recommendation to merge is issued by both bodies, a detailed merger agreement would be formulated to accompany a submission to the provincial government for its consideration. The provincial government would then be in a position to determine whether it is prepared to proceed with enabling legislation.

The leadership of Saskatchewan’s CAs and CMAs looks forward to continued dialogue with its members, who are invited to provide feedback regarding this merger proposal.
FORMATION OF CPA CANADA
Discussions are currently underway between Canadian Institute of Chartered Accountants and CMA Canada regarding the formation of CPA Canada which is targeted for January 1, 2013. Details are still being finalized. However, governance of the new CPA Canada body would reflect the following:
• Board representation to be based on the relative membership of the legacy bodies participating; and
• Board appointments to provide for regional representation.
A Collaboration Accord governing the relationship among the provincial CPA bodies and the national CPA body is being developed. This agreement will detail the roles and responsibilities of the various bodies in the governance and management of the national CPA profession.

CONSULTATION
Starting in May 2011, ICAS and CMA Saskatchewan carried out an extensive and comprehensive consultation with stakeholders on the unification initiative.

Members
Members were invited to provide feedback on the Position Paper, National Unification Framework and March 2012 Saskatchewan Merger Proposal. Numerous telephone calls, emails and other communications were received from members.

A series of town hall meetings and other events with members were held in June 2011 and from March to June 2012. In total, approximately 500 CAs and 500 CMAs attended. Questionnaires were completed by 220 CAs who attended the March/April 2012 town hall meetings, with 74% supportive of unification, 10% opposed and 16% undecided. In addition, 79% responded that the proposed CPA pre-certification program has sufficient rigor to produce pre-eminent professional accountants.

Informal feedback from CMAs who attended events and provided feedback via email indicated strong support for unification.

In May 2012, an online survey was sent to all CAs asking for their views on the unification of the profession. 839 CAs completed the survey with the following results: 50% were supportive of unification, 34% were opposed and 16% were undecided. Click here for full survey results.

Public Accounting Firms
The leadership of national accounting firms in Saskatchewan, which train the majority of CA students, and also employ CMA’s and those pursuing the CMA designation, indicated strong support for the proposed merger.

CA Training Offices
Invitations to participate in a survey were sent to all CA training offices (CATOs) in Saskatchewan. Overall, the CATOs support the proposed merger of the CA and CMA professions, with 84% of the respondents positive about the initiative. Over 80% agreed that a single provincial accounting body would be a more effective regulator of the profession. Full survey results are available here.

Business/Consumers
Consumers are those who either hire or use the services of professional accountants. A survey of members of the Saskatchewan Chamber of Commerce indicated that almost 80% were in favour of the merger of the CA and CMA professions. Over 85% of respondents felt the strongest perceived benefit for both business and the public was a consistent code of conduct. For survey results, click here.

These findings are consistent with independent surveys conducted nationwide of Managers, Owners, Professionals and Executives regarding a potential merger of the CAs and CMAs.

Academics
Academics were also identified as a key stakeholder in our profession, as they educate students before entrance into professional accounting programs. Interviews with academics elicited a wide range of responses to the proposed merger. Deans and members of faculty of the business schools at the University of Saskatchewan and University of Regina indicated support for the unification initiative. Discussions with the ICAS and CMA Saskatchewan representatives centered around the fact that a merger of professional accounting bodies would allow universities to streamline the curriculum that is provided to students.

Faculty indicated that students have questions regarding the current choice of professional designations and confusion exists with respect to the differences between those choices. Unifying under one designation would reduce confusion when students are making their career decision to become a professional accountant.

QUESTIONS / COMMENTS?
To learn more or have your questions addressed or comments considered, please contact:

ICAS
3621 Pasqua Street
Regina SK S4S 6W8
PH. 306-359-1010
FX. 306-569-8288
www.icas.sk.ca
info@icas.sk.ca

CMA SK
202 1900 Albert Street
Regina SK S4P 4K8
PH. 306-359-6461 / 1-800-667-3535
FX. 306-347-8580
www.cma-saskatchewan.com
bhoffart@cma-sask.org