

**CHARTERED PROFESSIONAL
ACCOUNTANTS OF ONTARIO**

**REGULATION 4-5
CONTINUING PROFESSIONAL DEVELOPMENT**

Adopted by the Council pursuant to the Bylaws on June 16, 2011, continued under the *Chartered Professional Accountants of Ontario Act, 2017*, and as amended to September 28, 2017.

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Adopted by the Council pursuant to the Bylaws on June 16, 2011, continued under the *Chartered Professional Accountants of Ontario Act, 2017*, and as amended to September 28, 2017.

Definitions

1. In this regulation, words have the same meaning as they do in the Act and bylaws and:

1.1 “public interest entity” is one where there is a high degree of outside interest in the entity from large numbers and diverse classes of stakeholders and either:

1.1.1 the entity has a social responsibility because of the nature of its operations; or

1.1.2 the substantial majority of the entity’s stakeholders depend on financial reporting, as they have no other way of obtaining financial information about the entity;

and, without limiting the generality of the foregoing, a public interest entity as defined in clauses 1.1.1 and 1.1.2 includes:

1.1.3 a deposit-taking institution; and

1.1.4 a not-for-profit organization, charity, foundation, hospital, health authority, publicly funded educational institution, social service agency or co-operative business enterprise that has annual gross revenue greater than \$100,000.

1.2 “Recognized Professional Accounting Body” means a provincial body, or a professional accounting body that is recognized by the Council pursuant to Regulations 6-1, 6-2 or 6-4.

1.3 “Reliance Services” means activity undertaken by a Member where it is reasonable to believe that another party is relying on the Member’s skills as a chartered professional accountant and includes, but is not limited, to:

1.3.1 serving on the board or governing body of a reporting issuer as defined in rule 204 of the Code of Professional Conduct;

1.3.2 serving on the board or governing body of a public interest entity;

1.3.3 providing accounting services to the public; and

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- 1.3.4 providing other professional service(s) for which the Member is remunerated and the gross annual revenue from such service(s) exceeds \$25,000.
- 1.4 “retired” means the Member has ceased full-time practice, full-time employment or full-time business activity and:
 - 1.4.1 the sum of the Member’s age and the total number of years of aggregate membership in CPA Ontario, ICAO, CMA Ontario, CGA Ontario or any combination thereof, equals or exceeds “70”;
 - 1.4.2 the sum of the Member’s age and the total number of years of aggregate membership in CPA Ontario, ICAO, CMA Ontario, CGA Ontario and a Recognized Professional Accounting Body, equals or exceeds “70”;
 - 1.4.3 prior to April 1, 2014, the Member was a retired member of CMA Ontario; or
 - 1.4.4 prior to July 2, 2014, the Member was a retired member of CGA Ontario.
Amended June 18, 2014
- 1.5 “Unverifiable continuing professional development” means independent and informal learning activities and may include:
 - 1.5.1 on-the-job training for new software, systems, procedures or techniques for application in a professional role;
 - 1.5.2 self-study that does not involve an examination or other objective certification of completion, such as conference reference material or self-study by electronic media or device;
 - 1.5.3 casual reading of professional journals or magazines that is not part of research for a specific application in a professional role.
- 1.6 “Verifiable continuing professional development” means that the learning can be objectively verified by a competent source and may include:
 - 1.6.1 participation in courses, conferences and seminars;
 - 1.6.2 organized employer-based in-house training sessions;

- 1.6.3 research or study projects in areas that expand the professional knowledge of the Member and that result in presentations, reports or similar documentation;
- 1.6.4 research, including reading professional literature or journals for specific application in a professional role;
- 1.6.5 participation and work on technical committees;
- 1.6.6 published professional writing or academic work;
- 1.6.7 writing technical articles, papers or books;
- 1.6.8 teaching a course or a continuing professional development session in an area that is relevant to a professional role;
- 1.6.9 participation as a speaker in conferences, briefing sessions or discussion groups;
- 1.6.10 formal study such as leading to a degree or diploma;
- 1.6.11 pre-professional re-examination or formal testing;
- 1.6.12 self-study involving successful completion of an examination or leading to a designation.

Continuing Professional Development Requirements

Obligation

- 2. Every Member, unless otherwise exempt, shall undertake continuing professional development relevant and appropriate to the work and professional responsibilities of the Member.

Content

- 3. The content of the Member's professional development activity shall:
 - 3.1 be quantifiable, meaning that it must be specifically identifiable and be able to be expressed in terms of a specific time requirement;
 - 3.2 be directly related to the competencies needed to carry on the Member's employment or practice;
 - 3.3 be relevant to the Member's current professional needs and/or long-term career interests; and

- 3.4 contain significant intellectual or practical content.

Required Hours

4. The minimum amount of continuing professional development that a Member must complete, unless the Member is exempt, shall be:
- 4.1 20 hours annually; and
- 4.2 120 hours in every three-year period.

Triennial Period

5. For the purposes of this regulation, the triennial period commenced on January 1, 2016 and will terminate on December 31, 2018, and the triennial periods thereafter commence on the January 1 next following and terminate on December 31 of the third year following.

Verifiable and Unverifiable Hours

6. At least fifty (50) percent of both the annual and triennial hours set out in section 4 shall consist of Verifiable continuing professional development. The remaining hours may consist of Unverifiable continuing professional development.

Documentation

Retention

7. Every Member shall retain documentation, records and other evidence satisfactory to CPA Ontario of the professional development activities undertaken by the Member.

Production

8. A Member shall, upon request, produce any documentation, record, declaration, evidence or other item relating to professional development activities undertaken or to the Member's compliance with the requirements of this regulation.

Annual Declaration

9. On or before the date prescribed, every Member shall submit annually a completed [Form 4-5A](#) compliance declaration, attesting that the continuing professional development requirement:
- 9.1 has been complied with;
- 9.2 has not been complied with, or
- 9.3 the Member is exempt.

Plan of Action

10. A Member who indicates in the compliance declaration ([Form 4-5A](#)) that the continuing professional development requirement was not complied with shall file contemporaneously with the [Form 4-5A](#):
 - 10.1 a plan of action in [Form 4-5B](#) detailing how the Member intends to complete the required continuing professional development; or
 - 10.2 a request for an exemption, reduction or other special consideration from the requirements of this regulation in accordance with section 19.
11. The Registrar shall review the plan of action to determine whether it is complete and contains sufficient detail of how the Member intends to complete the required continuing professional development, and shall:
 - 11.1 accept the plan of action and so notify the Member in writing or by other electronic means that the plan of action has been accepted and the date of acceptance; or
 - 11.2 reject the plan of action, and:
 - 11.2.1 notify the Member in writing or by other electronic means of the deficiencies in the plan of action; and
 - 11.2.2 require the Member to file a corrected plan of action along with any other supporting documents within 14 days from such notice.
12. A Member shall complete a plan of action and file [Form 4-5C](#) attesting to the completion with the Registrar within 120 days from the date of acceptance of the plan.
13. Subject to the provisions of sections 19 and 20, the Registrar shall not accept more than one plan of action from a Member pertaining to any single triennial period.

Exemption - Other Professional Memberships

Other Provincial Bodies

14. Where a Member holds membership in more than one provincial body, the Member shall report continuing professional development to the provincial body where the Member holds prime membership.

Non-residents

15. A Member not residing in Canada or Bermuda who holds membership in a Recognized Professional Accounting Body which has continuing professional development

requirements substantially similar to those of CPA Ontario, shall meet and attest, on a [Form 4-5A](#) compliance declaration, that the Member has met the requirements of that body.

Exemption - Retired Members

16. A Member who is retired shall be exempt from the requirement to complete continuing professional development, except as otherwise set out in section 17.

Exception

17. A retired Member who:

17.1 is licensed to practise public accounting; or

17.2 provides any Reliance Services;

must complete the relevant continuing professional development requirements as prescribed in Schedule 1.

Decision by Registrar

18. Despite a declaration on [Form 4-5A](#) by a Member that he or she is exempt by reason of retirement, the Registrar may determine that the Member is not eligible to claim the exemption in section 17.

Exemption, Reduction, Special Consideration

19. A Member may, by submitting [Form 4-5D](#) and any additional information and documents in support, request the Registrar grant an exemption, reduction or special consideration of the continuing professional development requirements of this regulation.
20. Upon receipt of a completed [Form 4-5D](#), the Registrar shall review the request and consider all the information and documents provided and may:
- 20.1 exempt the Member from all or a portion of the continuing professional development requirement;
- 20.2 require the Member to provide forthwith any additional information or documents in order to consider the request;
- 20.3 require that the Member file a plan of action ([Form 4-5B](#)) and, if applicable, prescribe a date by which the Member must file [Form 4-5C](#) (declaration of completion);

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- 20.4 consider and, if found acceptable, approve a plan of action ([Form 4-5B](#)) or other proposal by a Member to remedy any contravention of this regulation or to complete continuing professional development;
- 20.5 take steps or actions necessary to ensure the Member complies with this regulation and the integrity of the continuing professional development program is maintained.

Registrar

Reference

- 21. Prior to making a decision provided for in this regulation, the Registrar may refer the matter to the Membership Committee for advice.
- 22. The Membership Committee shall consider any matter referred to it under section 21 and give advice to the Registrar.
- 23. The Registrar shall consider any advice provided under section 22 and shall make a decision provided for in this regulation.

Discretion

- 24. The Registrar shall not exercise the discretion granted by this regulation to exempt a Member from any or all of the requirements of section 4 unless the Member's ability to practise or earn a livelihood has been interrupted or significantly impaired.
- 25. In determining whether circumstances exist of such a nature to justify the exercise of the discretion granted by this regulation, the Registrar shall consider the relevant circumstances of the Member, which may include, but are not limited to:
 - 25.1 the nature of the circumstances;
 - 25.2 the likely duration of the circumstances;
 - 25.3 the continuing professional development history of the Member, including any previous requests for the exercise of discretion;
 - 25.4 the nature of the practice, employment or business of the Member, and the Member's current professional competence; and
 - 25.5 the impact of any exercise of discretion on the Member's competence to act as a chartered professional accountant and, if licensed, as a licensed public accountant.

Amended June 18, 2014

Notice

26. The Registrar shall give prompt notice in writing or by other electronic means to the Member of any decision made under this regulation.

Decision Final

27. A decision of the Registrar made under this regulation is final.

Compliance Audit

28. The Registrar shall annually select Members to be audited for compliance with this regulation.
29. The Registrar shall give notice in writing or by other electronic means to the Members selected for audit, and such notice shall specify the information required from the Member and the format in which the information is to be provided.
30. A Member shall comply with the notice pursuant to section 29 within 30 days of the date of that notice, by providing all information as required by the notice.
31. The Registrar shall review the information provided pursuant to section 30, and may require the Member to provide further information, including documentation, explanations, and declarations, relating to or in support of the information provided pursuant to that section.
32. A Member shall comply with the requirements of the Registrar within the time period provided by the Registrar, such time period not to be less than 10 days from the date of the notice of the requirement.

Failure to Comply

33. A failure to comply with any section of this regulation is a breach of member obligations as defined in Regulation 4-3.

SCHEDULE 1: CONTINUING PROFESSIONAL DEVELOPMENT

FOR RETIRED MEMBERS PROVIDING RELIANCE SERVICES

Minimum Continuing Professional Development Requirement	Activity by Retired Member
<p>Retired Member must meet the Continuing Professional Development Requirements set out in section 4 of Regulation 4-5.</p>	<ul style="list-style-type: none"> ▪ Licensed to practise public accounting (subsection 17.1) ▪ Serving on the board or governing body of a reporting issuer as defined in rule 204 of the Code of Professional Conduct (subsection 17.2 and clause 1.3.1) ▪ Providing accounting services to the public or other professional services and the aggregate gross annual revenue from such services exceeds \$75,000 (subsection 17.2, clauses 1.3.3 and 1.3.4)
<p>Retired Member must meet the following:</p> <ul style="list-style-type: none"> ▪ 10 hours annually of continuing professional development and 60 hours in each three year reporting period. ▪ At least 50 percent of these hours shall be Verifiable continuing professional development. The remaining hours may consist of Unverifiable professional development. 	<ul style="list-style-type: none"> ▪ Serving on the board or governing body of a public interest entity (subsection 17.2 and clause 1.3.2) ▪ Providing accounting services to the public or other professional services and the aggregate gross annual revenue from such services exceeds \$25,000 but not \$75,000 (subsection 17.2, clauses 1.3.3 and 1.3.4)