

**CHARTERED PROFESSIONAL
ACCOUNTANTS OF ONTARIO**

**REGULATION 6-6
CPA PRACTICAL EXPERIENCE REQUIREMENT**

**Adopted by the Council pursuant to the Bylaws on November 27, 2014, continued under the
Chartered Professional Accountants of Ontario Act, 2017, and as amended to June 22, 2017.**

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NOTE: Admission to membership in CPA Ontario does not necessarily result in eligibility for a public accounting licence, see Regulation 9-1 for these requirements.

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Application

1. This regulation shall apply to:
 - 1.1 Students registered under Regulation 6-1; and
 - 1.2 Students registered under Regulation 6-4 who are required to comply with the Practical Experience Requirement pursuant to the following sections of that regulation:
 - 1.2.1 section 48 (election);
 - 1.2.2 section 49 (failure to complete practical experience requirements prior to September 1, 2018); or
 - 1.2.3 section 50 (commenced employment after August 31, 2014).

Definitions

2. In this regulation, words have the same meaning as they do in the Act and bylaws and:
 - 2.1 “chargeable hours” are hours normally chargeable to clients of a public accounting practice, provided that work of a routine clerical nature shall not be included in the computation of chargeable hours;
New – August 29, 2016
 - 2.1A “Experience Verification Route” means the accumulation of qualifying practical experience while employed in positions which are not part of a Pre-Approved Program, as demonstrated by the submission of detailed practical experience reports demonstrating the development of the necessary competencies in accordance with the requirements of the CPA Practical Experience Requirements;
 - 2.2 “External Audit Pre-Approved Program route” means a Pre-Approved Program which is approved by the Vice President, Student Services, in accordance with section 45 or 46 and meets the requirements of Regulation 9-1 in providing

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Students with the necessary experience, consisting of a minimum of 2,500 hours which include at least:

- 2.2.1 1,250 chargeable hours in assurance services, of which at least 625 chargeable hours shall be in the audit of historical financial information and 100 chargeable hours of review procedures in review and other assurance engagements;
- 2.2.2 100 chargeable hours in taxation services; and
- 2.2.3 1,150 eligible hours, as defined in Regulation 9-1, in either public accounting services or designated services;

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- 2.3 “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 the grandchild of the individual;
- 2.4 “full time employment” means a work week of 35 hours or more on a regular basis;
- 2.4A “Mentor” means an individual who is approved by CPA Ontario and meets the requirements of this regulation;

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- 2.5 “Practical Experience Recognition Date” means the date which is the later of:
 - 2.5.1 the date on which the Student has provided satisfactory evidence to the Vice President, Student Services, that the Student:
 - 2.5.1.1 has commenced employment
 - 2.5.1.1.1 in a position in a Pre-Approved Program; or
 - 2.5.1.1.2 in a position that allows the Student to gain experience in at least one sub-competency area that is at least at a Level 1 proficiency under the Experience Verification Route; and
 - 2.5.1.2 has a qualified Mentor as prescribed by this regulation; and

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- 2.5.2 the date of registration under Regulation 6-1 or 6-4;

- 2.6 “Pre-Approved Program” means a program meeting the Practical Experience Requirement and approved by the Vice President, Student Services, in accordance with section 45 or 46; and
- 2.7 “Volunteer Experience” means experience where there is no financial gain for the individual.

CPA Practical Experience Requirements

- 3. The *CPA Practical Experience Requirements*, or any successor document approved by the Council shall be considered to be a policy passed by the Council for the completion of the Practical Experience Requirement of this regulation, except where that document is inconsistent with any bylaw, regulation, policy or guideline passed by the Council from time to time.
- 4. Any organization employing Students completing the Practical Experience Requirement shall be considered to be a training office for the purposes of subsection 6.7 of the bylaws.
- 5. To be eligible to apply for a public accounting licence upon admission to membership in CPA Ontario, a Student must comply with the requirements of Regulation 9-1.

Practical Experience Requirement

- 6. Unless otherwise specified in this regulation, every Student shall complete a period of 30 months of practical experience which satisfies the *CPA Practical Experience Requirements*, or any successor document approved by the Council, less any period determined by the Vice President, Student Services, to have been completed prior to registration (Practical Experience Requirement).
- 7. Practical experience must be obtained in accordance with the *CPA Practical Experience Requirements* through:
 - 7.1 the Experience Verification Route;
 - 7.2 a Pre-Approved Program; or
 - 7.3 a combination of subsections 7.1 and 7.2 acceptable to the Vice President, Student Services.
- 8. A Student must develop the technical and enabling competencies to the required proficiencies and meet the minimum breadth, depth, and core standards as set out in the

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CPA Practical Experience Requirements to the satisfaction of the Vice President, Student Services.

9. Only experience gained in positions which terminated in the seven years immediately preceding the date upon which the Student's final practical experience report is submitted to CPA Ontario will be recognized towards the completion of the Practical Experience Requirement.
 10. The following experience may be recognized towards the completion of the Practical Experience Requirement in accordance with the criteria set out in the *CPA Practical Experience Requirements*:
 - 10.1 international experience;
 - 10.2 experience gained through self-employment; and
 - 10.3 secondment assignments.
 11. A Student shall fulfill the 30 month Practical Experience Requirement through paid employment. Volunteer Experience shall be excluded from the computation of the experience requirement in section 6 but may be recognized to demonstrate development of enabling and technical competencies, provided that:
 - 11.1 the Volunteer Experience is verifiable; and
 - 11.2 the Volunteer Experience is not obtained through an unpaid internship.
- Amended August 29, 2016*
12. The 30 months of practical experience shall include study leave, attending training programs, vacation, and leaves of absence to a maximum of 20 weeks, or as provided in the policies approved by the Council from time to time, but in all instances, shall exclude experience gained while the Student was not in good standing with CPA Ontario.
- Amended August 29, 2016*
13. Practical experience shall be calculated on the basis of full time employment, and part-time employment shall be calculated on a pro-rated basis for part-time work weeks regularly below 35 hours.
 14. Subject to section 9, the Vice President, Student Services, may recognize a maximum of 12 months of practical experience obtained prior to the Practical Experience Recognition Date, in accordance with the provisions of the *CPA Practical Experience Requirements*, which experience may include multiple positions, provided that each position is of a minimum of three months in duration.

Accumulation of Practical Experience

15. Accumulation of practical experience begins on the Practical Experience Recognition Date, but recognition of experience towards the completion of the Practical Experience Requirement will be subject to the following limits:
- 15.1 no more than 12 months of experience under the Experience Verification Route gained prior to such time as a Student meets the proficiency requirements set out in the *CPA Practical Experience Requirements* will be recognized;
 - 15.2 experience gained in an employment position that does not meet the *CPA Practical Experience Requirements* will not be recognized;
 - 15.3 no more than 18 months of experience gained prior to the Student's PEP Commencement Date as defined in Regulation 6-1 will be recognized; and
 - 15.4 no more than 90 days of experience shall be recognized if it is gained during any period of time in which a Student:
 - 15.4.1 under the Experience Verification Route does not have a Mentor; or
 - 15.4.2 has a Mentor who ceases to meet the requirements of mentorship of this regulation.

Amended August 29, 2016

Exemptions from Practical Experience Requirement

16. Notwithstanding sections 9 and 14, Students in the following categories of registration may apply to the Registrar or Vice President, Student Services, for a determination that some or all of the Practical Experience Requirement has been completed prior to registration:
- 16.1 Accounting Body Outside Canada; and
 - 16.2 *Repealed June 22, 2017*
 - 16.3 *Repealed March 10, 2017*
 - 16.4 Subject to section 17, Accounting Body Outside Canada – Specified.
17. Students in the Accounting Body Outside Canada – Specified category of registration shall complete the practical experience requirement as set out in the memorandum of understanding or agreement between the accounting body and CPA Ontario.

18. Exemptions from some or all of the Practical Experience Requirement set out in the *CPA Practical Experience Requirements* or any successor document approved by the Council shall only be granted by the Vice President, Student Services, in accordance with the criteria set out in the *CPA Practical Experience Requirements* and the policies approved by the Council from time to time.

Elements of the Practical Experience Requirement

Supervision

19. Each Student shall have a supervisor who occupies a higher position than the Student in the hierarchy of the organization in which the Student is employed.
20. Supervisors shall verify the accuracy of the practical experience report of a Student under the Experience Verification Route and make any required declarations before the report can be assessed by CPA Ontario.
21. The experience of a Student under the Experience Verification Route must be verified by an unrelated person for the purposes of the practical experience report:
- 21.1 if the Student reports directly to a family member; or
- 21.2 in accordance with the policies approved by the Council from time to time.

Mentorship

22. Each Student shall have a Mentor approved by CPA Ontario.
23. Students under the Experience Verification Route shall be responsible for identifying their own Mentor, except that if a Student cannot identify a Mentor after three months from the date of the creation of their profile on the Practical Experience Reporting Tool (PERT), CPA Ontario shall match the Student with a suitable Mentor.
24. Students participating in a Pre-Approved Program route shall be assigned a Mentor by their employer.
25. A Mentor:
- 25.1 shall be a member in good standing of CPA Ontario or a Provincial Body; and
Amended August 29, 2016
- 25.2 shall not:
- 25.2.1 have been convicted of a criminal or similar offence;

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- 25.2.2 have been adjudged bankrupt or made an arrangement with creditors pursuant to the *Bankruptcy and Insolvency Act, 1985*;
 - 25.2.3 be subject to a professional conduct investigation or disciplinary proceedings by any professional accounting or regulatory body; or
 - 25.2.4 have been the subject of a disciplinary finding by any professional accounting or regulatory body.
26. The Vice President, Student Services, shall approve as a Mentor any individual who:
- 26.1 makes an application in the prescribed form;
 - 26.2 provides proof of completion of a CPA Ontario-approved orientation session for Mentors;
 - 26.3 demonstrates, to the satisfaction of the Vice President, Student Services, that the individual meets the criteria set out in section 25; and
 - 26.4 provides all information and produces all documents and other materials as requested by the Vice President, Student Services.
27. A Mentor shall disclose to the Vice President, Student Services, forthwith upon the occurrence of any event which would make the individual ineligible to serve as a Mentor pursuant to section 25.
28. An individual who meets the criteria set out in sections 19 and 25 may perform the roles of supervisor and Mentor for the same Student.
29. A Mentor shall act at all times in accordance with the requirements set out in the *CPA Practical Experience Requirements* and shall:
- 29.1 meet with the Student a minimum of twice in every 12 month period to discuss competency development; and
 - 29.2 document any unresolved competency development concerns within the CPA Practical Experience Reporting Tool (PERT).
30. A Mentor who does not meet the ongoing obligations set out in section 29 and in the *CPA Practical Experience Requirements* may be required by CPA Ontario to:
- 30.1 repeat the CPA Ontario orientation session;

- 30.2 undertake specific professional development; or
 - 30.3 fulfill other requirements at the discretion of the Vice President, Student Services.
31. The Vice President, Student Services, shall suspend the approval of an individual to serve as a Mentor upon:
- 31.1 the occurrence of any event which would make the individual ineligible to serve as a Mentor pursuant to section 25;
 - 31.2 the failure to comply with any obligation imposed under section 29; or
 - 31.3 the breach of any obligation imposed by CPA Ontario.
32. The Vice President, Student Services, shall revoke the approval of an individual to serve as a Mentor upon the expiry of 180 days from the date of suspension pursuant to section 31.

Pre-Approved Program Leader

33. Each Pre-Approved Program shall be the responsibility of a Pre-Approved Program Leader.
34. The Pre-Approved Program Leader shall be a member in good standing of CPA Ontario or a provincial body, and sufficiently senior within the organization or unit to:
- 34.1 ensure the organization or unit implements and adheres to the *CPA Practical Experience Requirements*; and
 - 34.2 influence the opportunities for Students' competency development.
- 34A. At least one Pre-Approved Program Leader of an External Audit Pre-Approved Program must have a current public accounting licence.

New – March 22, 2016

35. The Pre-Approved Program Leader shall be responsible for only those Students employed by the organization who are obtaining practical experience through the Pre-Approved Program.
36. The Pre-Approved Program Leader shall provide CPA Ontario with a Certification Sign Off of a Student's experience report before the report will be assessed by CPA Ontario.

Reporting

37. Students shall report their experience development to CPA Ontario at least twice in every 12 month period of employment through the submission of experience reports.
38. A Student under the Experience Verification Route shall file a report to CPA Ontario in order to obtain approval of the Student's initial employment position, and subsequently:
- 38.1 within three months of the date that:
- 38.1.1 the Student changes employers;
- 38.1.2 there is a material change in the Student's role or responsibilities;
- 38.1.3 the Student has accumulated 12 months of recognized experience (the 12-Month Assessment Report); or
- 38.1.4 the Student's self-assessment indicates they have completed the CPA Practical Experience Requirement; and
- 38.2 as directed by the Vice President, Student Services.
39. In addition to the reporting required pursuant to section 37 and 38, a Student under the Experience Verification Route shall submit additional reports to CPA Ontario in the following circumstances:
- 39.1 *Repealed August 29, 2016*
- 39.2 where the 12-Month Assessment Report indicates that the Student has not met the required progression of their technical competencies, the Student shall work with their employer to change their role or seek new employment, and shall file an experience report within three months of starting the new role.
40. A Student under the Experience Verification Route may submit experience reports more frequently than required by sections 37, 38 and 39, and CPA Ontario may charge a fee for the assessment of additional reports.
41. A Student participating in a Pre-Approved Program route shall submit experience reports to CPA Ontario:
- 41.1 within three months of:
- 41.1.1 commencing or discontinuing employment;

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- 41.1.2 moving from the Experience Verification Route to a Pre-Approved Program route;
 - 41.1.3 moving from one Pre-Approved Program to another Pre-Approved Program with the same employer;
 - 41.1.4 the date that the Student's self-assessment indicates they have completed the Practical Experience Requirement; or
 - 41.2 as directed by the Vice President, Student Services.
42. Late submission or failure to submit required experience reports may at the discretion of the Vice President, Student Services result in:
- 42.1 late fees; or
 - 42.2 the experience not being recognized.

Amended August 29, 2016

Approval and Monitoring of Pre-Approved Programs

Approval

43. An organization may apply to the Vice President, Student Services:
- 43.1 for approval of a Pre-Approved Program;
 - 43.2 to increase the number of Students it is authorized to employ; or
 - 43.3 to modify a Pre-Approved Program.
44. On receipt of an application pursuant to section 43, the Vice President, Student Services, may request documentation, information or consents from the organization.
45. The Vice President, Student Services, shall approve any organization to offer a Pre-Approved Program that:
- 45.1 makes an application in the prescribed form;
 - 45.2 provides all information and produces all documents and other materials as requested by the Vice President, Student Services;
 - 45.3 demonstrates to the satisfaction of the Vice President, Student Services, that it will:

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- 45.3.1 maintain senior-level ownership of, and commitment to, the training of Students by appointing a Pre-Approved Program Leader;
 - 45.3.2 provide a working environment that prepares Students to become CPAs, which includes having a written code of conduct and/or acknowledgement of Rules of Professional Conduct and providing supervision, guidance, and instruction on practical ethical issues as part of the on-the-job training and progress reviews;
 - 45.3.3 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, to allow Students to develop these competencies within 30 months of paid employment;
 - 45.3.4 ensure Students document their developing competencies using the profession's on-line reporting tool;
 - 45.3.5 provide appropriate supervision and mentorship;
 - 45.3.6 provide time away from the office for Students to write any weekday examinations;
 - 45.3.7 agree to CPA Ontario performing a periodic review of the program(s);
and
 - 45.3.8 maintain approval of the program.
46. The Vice President, Student Services, shall approve any organization to offer an External Audit Pre-Approved Program that meets the requirements of section 45 and in addition demonstrates to the satisfaction of the Vice President, Student Services, that it:
- 46.1 is able to provide Students with a minimum of 2,500 hours that satisfy the requirements of subsection 2.2;
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 - 46.2 is able to provide diversity of assignments to ensure well-rounded training;
 - 46.3 exhibits adherence to the *CPA Practical Experience Requirements*; and
 - 46.4 exhibits adherence to the Standards of the Public Accountants Council for the Province of Ontario.

47. The Vice President, Student Service, shall specify the terms of any approval in writing, including the maximum number of Students to be employed in the Pre-Approved Program.

Obligations of Organizations Offering Pre-Approved Programs

48. Every organization approved to offer a Pre-Approved Program shall:
- 48.1 consent to the performance of monitoring and investigative procedures by CPA Ontario in accordance with this regulation and comply with any such procedures;
 - 48.2 maintain compliance with the requirements of subsection 45.3 and, if the organization is approved to offer an External Audit Pre-Approved Program, maintain compliance with the requirements of section 46;
 - 48.3 maintain records showing chargeable hours for Students in External Audit Pre-Approved Programs;
 - 48.4 obtain approval from the Vice President, Student Services, for any material change to the Pre-Approved Program before the change is effected; and
 - 48.5 inform the Vice President, Student Services, of any non-material modification to a Pre-Approved Program within 30 days of the effective date of the modification.

Monitoring

49. CPA Ontario may at any time designate any person to monitor a Pre-Approved Program. Circumstances that may result in monitoring include, but are not limited to:
- 49.1 scheduled monitoring visit as part of the typical three-year cycle;
 - 49.2 significant change in an organization such as a merger or a significant loss of partners, Pre-Approved Program Leaders or CPA Mentors involved in the Pre-Approved Programs;
 - 49.3 significant change in the number of Students employed;
 - 49.4 Student complaints received regarding the training;
 - 49.5 past Student program issues having been identified; or
 - 49.6 consistent Student failures or high Student failure rate on the CPA Professional Education Program and/or the Common Final Examination.

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50. When monitoring an organization pursuant to section 49, CPA Ontario may request documentation, information or consents from the organization.
51. An individual designated a monitor under section 49 shall consider whether the organization meets, or continues to meet, the requirements to offer a Pre-Approved Program and shall provide a recommendation to the Vice President, Student Services.
- Amended August 29, 2016*

52. Upon receipt of the recommendation made pursuant to section 51, the Vice President, Student Services, may:

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- 52.1 confirm the existing terms of approval;
- 52.2 amend the existing terms of approval; or
- 52.3 suspend or revoke the approval.

Revocation

53. The Vice President, Student Services, shall revoke the approval of an organization to offer a Pre-Approved Program upon the expiry of 90 days from the date of suspension pursuant to subsection 52.3 and at any time if the organization fails to:

- 53.1 continue to meet the requirements of this regulation;

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- 53.2 supply documentation or information to CPA Ontario within 30 days of a specific written request; or
- 53.3 co-operate in any manner with the monitoring process.

Review

54. An individual who is denied approval to serve as a Mentor or whose approval to serve as a Mentor is suspended or revoked pursuant to section 31 or 32 may request the decision be reviewed by the Membership Committee.
55. An organization which is denied approval to offer a Pre-Approved Program or whose approval to offer a Pre-Approved Program is suspended or revoked pursuant to subsection 52.3 or section 53 may request the decision be reviewed by the Membership Committee.

Membership Committee

56. On a review, the Membership Committee shall have the power to refer an application back to the Vice President, Student Services, for reconsideration if the Membership Committee determines that one or more of the following circumstances exists:
- 56.1 the Vice President, Student Services, failed to follow appropriate procedures in arriving at his or her decision; or
 - 56.2 the Vice President, Student Services, did not give due consideration to all of the evidence available in arriving at his or her decision.
57. The decision of the Membership Committee on a review is final.