

## **CONTINUING PROFESSIONAL DEVELOPMENT POLICY**

### **CONTINUING PROFESSIONAL DEVELOPMENT:**

Continuing Professional Development (CPD) activities are expected to develop and maintain professional competence to enable you to continue to perform your professional role. Any learning and development that is relevant and appropriate to your work and professional responsibilities and growth as a CPA will qualify for CPD.

For CPD reporting, members are to determine if they are required to meet full CPD requirements or if they are considered exempt from CPD requirements. If you are a member of more than one provincial CPA body, please contact the other bodies to ensure that you meet all CPD requirements.

***This policy should be read in conjunction with the CPA Newfoundland and Labrador Continuing Professional Development By-laws.***

### **FULL CPD REQUIREMENTS**

All Members of the Association of Chartered Professional Accountants of Newfoundland and Labrador (CPA NL) who engage in the provision of services that use the skills, knowledge, experience or competencies gained through a member's professional training, education or experience as a CPA, (or legacy CA, CGA, CMA), which includes but is not limited to those who are employed in the workforce or are self-employed regardless of whether they are providing services to clients as well as those who serve on a Board, Audit/Finance Committee or similar governing body for a large or prominent organization regardless of compensation, are required to adhere to all CPD requirements.

- 1) Maintain 120 CPD hours over a 3-year rolling period (calendar year).
- 2) CPD learning activities are classified as either Verifiable or Unverifiable. A minimum of 60 CPD hours over the 3-year rolling period must be Verifiable, which shall include a minimum of 4 hours of verifiable learning in professional ethics.
- 3) A minimum of 20 CPD hours must be reported annually, including a minimum of 10 hours of verifiable learning.
- 4) The annual CPD reporting deadline for a calendar year is January 31st of each year. Failure to report CPD or report a CPD Plan to Remedy deficiencies by January 31st, will result in a \$100 fee.
- 5) 1-hour relevant CPD learning activity = 1 CPD hour.

For audit purposes, members are expected to retain, for a minimum of five-years, documentation in support of verifiable CPD activities claimed. Verifiable CPD documentation should:

- Describe the learning activity;
- Identify the provider of the activity, where applicable;



- Connect the member to the activity;
- Identify when the activity took place; and
- Provide a basis for concluding that the number of reported hours is reasonable.

### **EXEMPT FROM CPD**

Members may qualify for an exemption from CPD when they do not earn income related to the provision of services that use the skills, knowledge, experience or competencies gained through a member's professional training, education or experience as a CPA (or legacy CA, CGA, or CMA) and who do not serve on a board or audit committee (as contemplated in the Full CPD description above) are exempt from reporting CPD.

### **SPECIAL CIRCUMSTANCES**

Members who encounter special circumstances that severely limit their ability to meet the CPD requirement may apply for temporary CPD reporting relief. Maternity and medical leave are two examples of situations where consideration may be given for temporarily exempting a member from meeting their CPD requirements. To apply for CPD reporting relief due to special circumstances, e- mail your request and a description of your circumstances to [nollerhead@cpanl.ca](mailto:nollerhead@cpanl.ca).

### **NEW GRADUATE**

Candidates newly admitted to membership will be required to complete Full CPD requirements in the year of membership, however a Candidate will be permitted to use professional development completed in the year of admission, including, but not limited to CPA Professional Education Program modules.

### **MEMBERS RETURNING TO FULL CPD STATUS**

Members who were exempt from full CPD requirements for three or more years will be required to submit a CPD action plan to CPA NL for approval by the CEO. The CPD action plan should include the nature and number of CPD learning activities the member will complete to update their professional competencies and skills along with the anticipated completion date(s) to update their professional competencies.

### **VERIFIABLE VS. UNVERIFIABLE LEARNING ACTIVITIES**

For the purposes of CPA CPD, learning activities offer significant intellectual or practical content that provides a member the opportunity to develop new or existing competencies in areas relevant to a member's professional responsibilities and growth. Learning activities that result in evidence that the learning activity was undertaken are considered to be "verifiable". "Unverifiable" CPD refers to learning activities that cannot be verified objectively.



Appropriate learning activities are circumstance-specific, and each member requires different professional competencies. The choice of relevant learning activities must be considered in the context of each member's own professional responsibilities.

**Examples of Verifiable Activities:**

- Self-directed learning to prepare for an exam without a structured study program, and passing the exam;
- On-the-job training; major change in job responsibilities, major involvement in special projects, significant learning of new software, systems, and procedures.
- Developing or delivering a course or CPD session, whenever there is a new or refreshed learning experience;
- Formal study of courses leading to a degree, certificate, or diploma;
- Participation as a speaker in conferences, briefing sessions, or discussion groups;
- Writing articles, papers, or books of a technical, professional, or academic nature
- Participation in professional courses, conferences, and seminars;
- Professional re-examination or formal testing;
- Providing or receiving professional development as a facilitator, mentor or coach; or
- Serving on a board or committee contributing to professional competency. [See FAQ #5.](#)

**Examples of Unverifiable Activities:**

- Technical reading, self-study of published materials, self-study courses; or
- Research, including reading professional literature or journals, for application in the professional accountant's role.

## **PROFESSIONAL ETHICS**

Professional ethics CPD is learning that specifically addresses professional ethics and/or professional conduct matters that are relevant and appropriate to the member. Just like all verifiable learning activities, the four-hour professional ethics requirement can be fulfilled in a number of ways, including coursework (whether through a CPA body or other sources), and other relevant learning activities (including in the workplace).

**Examples of topics for Professional Ethics:**

professional ethics CPD can cover a wide range of topics related to ethics and ethical decision making. The four hours do not have to be obtained in one single program but can be accumulated through ethics components in any number of seminars or courses. Examples of ethics topics include, but are not limited to, the following:

- CPA regulatory updates covering the provincial CPA Act, Bylaws, Bylaw Regulations and Code of Professional Conduct
- Regulatory updates that are relevant and appropriate to the member's role or industry
- Professional conduct
- Corporate Codes of Conduct
- Independence/conflict of interest
- Ethical decision making, approaches, thinking and case studies
- Ethical business culture
- Corporate social responsibility
- Honesty in business practice
- Bribery and corruption
- Doing the right thing
- Reputation and risk
- Whistle-blowing
- Anti-money laundering (AML)

**PROFESSIONAL COMPETENCE FOR ENGAGEMENT PRACTICE LEADERS RESPONSIBLE FOR AUDITS OF FINANCIAL STATEMENTS – IES8 (REVISED)**

- a) Provinces comply with IES 8- Professional Competence for Engagement Practice Leaders Responsible for Audits of Financial Statements (Revised);
- b) The requirements of IES 8 be monitored through the following process:
  - Completion of an annual self-assessment & declaration by members performing the role of an engagement practice leader responsible for audits of financial statements, that they have undertaken sufficient relevant CPD to develop and maintain professional competence as required by IES 8 (Revised);
  - The above annual self-assessments & declarations be subject to review and quality checks on the relevance of CPD taken through the provincial CPD audit process; and
  - The provincial Practice Inspection Program (PIP), which utilizes a risk-adjusted cycle, to review competence areas and learning outcomes specified in IES 8 (Revised) as part of the inspection and assessment of adherence to standards and quality control for all members performing the role of an engagement practice leader responsible for audits of financial statements.

## APPENDIX A – ACCEPTABLE EVIDENCE OF VERIFIABLE HOURS

| Verifiable CPD Activity   | Qualifying Number of Hours   | Acceptable Documentation   |
|---|--|--|
| <b>CONTINUING EDUCATION</b><br>Participation in a course, webinar, conference or seminar<br><br>Enrolment in a formal education program leading to a degree, diploma, certificate, re-certification or designation  | Hours spent attending the course, webinar, conference or seminar<br><br>Hours spent preparing or studying for the course, conference, seminar or exam  | Any one of the following: <ul style="list-style-type: none"> <li>• Certificate of completion or official transcript</li> <li>• Course assignment and exam results</li> <li>• Confirmation of participation by provider or employer (e.g. registration confirmation)</li> <li>• Attendance record (e.g. sign-in sheet)</li> <li>• Copy of course payment/invoice</li> </ul>   |
| <b>INSTRUCTION/SPEAKING</b><br>Teaching a course or session in an area relevant to your professional role<br><br>Participation as a speaker in a conference, briefing session or discussion group   | Hours spent preparing for the course/ session.<br><br>Academics may include time spent preparing and learning new material where there has been a significant change to the curriculum.              | Copy of course or presentation material from the session including date and speaker details<br><br>A log of your prep hours (by date)  |
| <b>COMMITTEES</b><br>Participation on a board or technical committee, including: <ul style="list-style-type: none"> <li>• Audit Committee of a public company, registered charity or not-for-profit organization</li> <li>• CPA Provincial Council/Board or CPA Canada Board or Committee(s)</li> </ul> | Hours spent attending meetings provided new learning has occurred<br><br>Hours spent preparing for the meetings  | Any one of the following: <ul style="list-style-type: none"> <li>• Email confirming membership</li> <li>• Meeting agenda or minutes (redacted, if appropriate)</li> <li>• Letter from organization or employer confirming your role</li> <li>• Information circular for public companies</li> </ul> A log of the hours (by date) you spent attending meetings<br><br>A log of the hours (by date) you spent preparing for meetings |
| <b>RESEARCH AND PUBLICATIONS</b><br>Conducting research in an area that expands your knowledge for a specific application in your professional role or to prepare a presentation or report<br><br>Writing or publishing technical articles, papers, books or academic work                              | Actual hours for your presentation if applicable<br><br>Hours spent preparing or researching the presentation or report<br><br>Hours spent researching, authoring or contributing to the publication | A copy of the presentation, report or published material (redacted, if appropriate), or confirmation from third-party or employer<br><br>A log of hours (by date) for your presentation and/or prep/research hours (by date)   |

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