



OMFC REGISTRATION REVIEW

**Institute of Chartered Accountants of Manitoba
Final Registration Review Report (2013)**

OFFICE OF THE MANITOBA FAIRNESS COMMISSIONER

Table of Contents

Introduction	1
Registration Review Process	2
The Profession of Chartered Accounting in Manitoba	3
Overview of the Assessment and Registration Process of the Institute of Chartered Accountants of Manitoba	4
Registration Review Findings	9
Fairness Standard & Criteria Document – ICAM Review Findings.....	13
Fairness Commissioner’s Recommendations	25
Institute of Chartered Accountants of Manitoba’s Action Plan.....	26
Fairness Commissioner’s Statement of Compliance.....	31
Appendix A	32
Appendix B	33

Introduction

This Final Registration Review Report presents the results of the Office of the Manitoba Fairness Commissioner's (OMFC) registration review with the Institute of Chartered Accountants of Manitoba (ICAM) as of July 2013.

Registration reviews are conducted as part of the Fairness Commissioner's mandate to review the registration practices of regulatory bodies subject to *The Fair Registration Practices in Regulated Professions Act* (Act).

The purpose of a registration review is to enable the Fairness Commissioner to determine a regulator's compliance to the Act and to make recommendations to improve compliance. Two senses of compliance are at work in the legislation. First and foremost, it refers to the fairness of assessment and registration practice, with particular attention drawn to the need for the fair consideration of internationally educated applicants. Secondly, it refers to the co-operation of the regulator with the Fairness Commissioner.

The Act stipulates that a registration review for any given regulator is to be undertaken at times specified by the Fairness Commissioner. It also stipulates that the content of a registration review is to include an analysis of the relevance and necessity of registration requirements, the timeliness of decision making, the reasonableness of fees and the registration of internationally educated individuals. This may involve the review of any third parties employed in the assessment and registration process.

The OMFC's review process culminates in a Final Registration Review Report, complete with an Action Plan from the regulator. This report is a public document submitted to the Province's Minister of Immigration and Multiculturalism and posted on the OMFC's website.






The OMFC undertook a registration review with the ICAM between March and July of 2013 (see appendices A & B). Several meetings were involved, documentation was gathered and reviewed, field work was conducted and the ICAM provided an Action Plan in response to the Fairness Commissioner's recommendations. The ICAM's Action Plan, as well as the OMFC'S review findings and the Fairness Commissioner's recommendations follow throughout this report.

Registration Review Process

The OMFC's multi-step review process has several key phases: agreeing to a review schedule, documenting and understanding, evaluating and drafting the findings and recommendations, and achieving an action plan to move things forward. The process is designed to support meaningful reviews that concretely identify fairness issues and lead to progressive change.

The Fairness Standard and Criteria Document

For the purposes of the 2012/2013 registration review cycle, regulatory practice is evaluated against a single, broad fairness standard: ***Dedicated and fair practices are applied for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure their effectiveness.*** In the Fairness Standard and Criteria Document, this fairness standard is defined by 14 elements, each further differentiated into one or more criteria.

For each criterion in the 'Fairness Standard and Criteria Document', green, yellow, and red check marks --    -- designate whether evidence is found indicating compliance, needs improvement, or non-compliance. Practices identified as needing improvement or non-compliant --  or  -- are followed by an analysis that explains the finding.

Recommendations, Action Plan & Compliance Statement

The Fairness Commissioner makes recommendations based on a consideration of the issues of non-compliance and areas that show opportunity for improvement. These are identified and explained in the 'Fairness Standard and Criteria Document' completed for the regulator.

The action plan, in turn, is drafted by regulators to respond to the Fairness Commissioner's recommendations. For each of the Fairness Commissioner's recommendations, regulators reply with a plan to address the concern as well as a timeline for the execution of the plan. Regulators are given opportunity to remark upon any recommendation made by the Fairness Commissioner.

Finally, the Fairness Commissioner's Compliance Statement provides comment on the suitability of the regulator's Action Plan and the overall compliance of the regulator's registration practice.

OMFC Support

Addressing problematic practice can pose considerable challenges for regulators. No remedy may be readily at hand; third-parties may be involved; resources and expertise may be wanting. In these circumstances, the OMFC is committed to working with regulators to support and assist the development of innovative solutions and better practice.

The Profession of Chartered Accounting in Manitoba

Chartered Accountants (CAs) provide expertise in finance, taxation, business strategy, auditing, management, and business leadership. Many CAs are engaged in public practice work, many work in the private sector. They can be owners or partners in public accounting firms.

In Canada, “Chartered Accountant” is one of three professional accounting designations; the other two being Certified Management Accountants (CMAs) and Certified General Accountants (CGAs).

For the lay person, the distinction between these professions is subtle. The CA certification program is often described as having a focus on public accounting and most candidates obtain auditing experience from public accounting firms, although since 2007, candidates have been allowed to obtain their experience requirements in industry at companies that have been accredited for training CAs; the CMA program focuses in management accounting, but also provides a general approach to financial accounting and tax; the CGA program takes a general approach allowing candidates to focus in their own financial career choices.

The Institute of Chartered Accountants of Manitoba (ICAM) and the Society of Management Accountants of Manitoba are currently undergoing a merger. A new designation will be created -- 'Chartered Professional Accountant' or 'CPA' -- and will replace the 'CMA' & 'CA' designations. Similar mergers are underway across the country, although there are differences amongst the provinces concerning which of the three accounting professions will merge. In Manitoba to date, the Certified General Accountants Association of Manitoba has not agreed to merge.

The CPA designation is intended to unite all of the accounting designations in Canada --CGA, CMA & CA -- by providing a broad certification regime that supports recognition, training and assessment for all of the major areas of professional accounting.

Accounting standards and practices in Canada are high and similar to other jurisdictions around the world that employ professional accounting programs to train practitioners.

Over the past decade there has been a convergence of standards of a number of international accounting bodies with International Financial Reporting Standards of the International Federation of Accountants. These standards align with those in Canada. This international convergence of standards is resulting in increasing numbers of internationally trained accountants immigrating to Canada with similar training and technical skills as Canadian trained accountants.

Market demand for professional accountants in Manitoba is very strong. Internationally educated professional accountants not only support Manitoba’s need for practitioners but bring a much valued depth of international business experience and connections to this group of practitioners.

Overview of the Assessment and Registration Process of the Institute of Chartered Accountants of Manitoba

The Institute of Chartered Accountants of Manitoba (ICAM) currently operates under the authority of *The Chartered Accountants Act* (C.C.S.M. c. C70). In Manitoba, all accountants using the title of Chartered Accountant or the 'CA' designation must be registered with the ICAM.

Merger with the Society of Management Accountants of Manitoba

ICAM is currently undergoing a merger with the Society of Management Accountants of Manitoba (SMAM). A formal agreement was signed in February 2013 and both bodies are currently working together with the province to establish new legislation. A new designation and new organization will be created -- 'Chartered Professional Accountant' or 'CPA' -- and will be introduced to eventually replace the 'CMA' & 'CA' designations. CPA Manitoba will replace ICAM and SMAM.

The transition to the new certification program is underway. Most of the key elements of the CPA Program are in place, although many details and some key components are still being finalized. The Chartered Accountants School of Business (CASB) accepted its last group of candidates into CA Program in May 2013. Moving forward, all subsequent applications will be for the CPA Program.

For the purposes of this registration review, we will focus both on what is currently in place during this transitional phase as well as what is anticipated for the CPA assessment process. This report refers to certain processes that exist in ICAM and SMAM as the separate legal entities that exist currently. However, for ease of reference, it also refers to some processes that are carried out jointly by "CPA Manitoba," although such a body will not be created until the new legislation is enacted and proclaimed.

Qualifications

Principal qualifications required for registration as a CPA include possessing an undergraduate degree with specified coursework in accounting and successful completion of the CPA Program. The CPA Program involves meeting up to three years of qualifying professional work experience and completing the CPA Professional Education Program (PEP) which is a series of professional training modules and assessments, including a final capstone exam.

Applicants with degrees that lack some or all of the required accounting coursework can qualify for the CPA PEP by first completing the CPA Prerequisite Education Program (CPA PREP).

Assessment and Registration Process: CPA Program

Counseling Session

For some applicants, the first step in the assessment and registration process is to attend a group information session or if preferred a one-on-one counseling session with CPA Manitoba. This is not mandatory, but recommended. Applicants are asked to bring their resumé and educational transcripts, along with course outlines or descriptions (if available) and language benchmark results (if applicable). Official documents are not needed at this stage.

The purpose of these sessions is to provide information about the program and to provide an initial, preliminary and low stakes evaluation of the applicant's qualifications to provide an indication of the applicant's eligibility for the CPA Program and whether some, or all, of the CPA PREP will likely be required.

Those applicants who have already met the undergraduate degree and specified coursework requirements are eligible for direct entry into the CPA PEP, and their applications are made directly to the profession-owned Western-region PEP delivery body (currently "CASB", but this body will be renamed as part of the merger).

Applying to become a CPA

For those applicants who may not qualify for direct entry into the CPA PEP, the first formal or mandatory step to apply for the CPA Program involves completing a CPA Manitoba Transcript Evaluation Form. Currently in Manitoba, application for this assessment will be made with SMAM staff.

Applicants provide the following information and documents with the CPA Manitoba Transcript Evaluation Form:

- personal contact information
- resumé
- photocopies or fax copies of education degrees, transcripts, and course descriptions
- Canadian educated applicants must arrange directly submitted official transcripts from their academic institutions.
- Internationally educated applicants must arrange a directly submitted basic credential assessment with a Statement of Comparison from an approved Canadian credential assessment agency, such as International Qualifications Assessment Service, World Education Services or International Credential Evaluation Service.

All documents must be in English and applicants are responsible for the cost of certified translations. We note there is currently no fee for the initial application assessment.

Upon completed application, CPA Manitoba will assess an applicant's work history and academic qualification to determine eligibility for the CPA Program. Applications will be either deemed fully eligible for the CPA Program *or* deemed conditionally

eligible upon completing some or all of the CPA PREP **or** deemed ineligible on the grounds that the minimum academic requirement of an undergraduate degree is not met.

Application assessment decisions are provided within two weeks. Applicants have the opportunity to request a reassessment if they can provide additional information or explanation. Formal appeal is also a possibility.

For those applicants who qualify for direct entry into the CPA PEP, the same (or substantially similar) information is submitted to "CASB", as the Western region education delivery body for CPA PEP.

CPA Prerequisite Education Program

CPA PREP consists of 12 modules covering accounting fundamentals. The program is designed to provide gap training for those who lack some or all of the prerequisite courses required for admission to the CPA PEP or for those who have an undergraduate degree in a discipline other than accounting and have little or no academic training in accounting. During the 2013-14 transition the CPA PREP modules are to be delivered through the provincial CMA organizations. Some aspect may be regionalized in the coming years when mergers have taken place.

Modules take between 4 to 12 weeks to complete and each involves completion of quizzes, assignments and/or exams. A module's passing grade is 60% and in-class, on-line and self-study options will be available. Where an internationally educated applicant submits detailed course information which indicates completion of most of the module topics, they may be offered the opportunity to challenge the final exams for applicable module(s). Three exam attempts are permitted for any module; upon a second fail, a module re-take is required.

Cost of the program is based on the modules required as well as a \$425.00 student registration fee (\$325.00 after October, 2013). Modules 5 - 10 range from \$525.00 to \$725.00 each. Fees for modules 1 - 4 and 11, 12 have yet to be set and these courses will not be offered until 2014.

The length of time to complete the program will vary by individual and by the number of modules needed. At least 2 years will be required for those that need to complete all 12 modules. It is anticipated that most students will require a year.

CPA Certification Program

The CPA Program is a national program, developed by CPA Canada. It has two essential elements: a two- year Professional Education Program (CPA PEP) and period of qualifying professional work experience (expected to be finalized at 2 ½ to 3 years).

The CPA PEP is a graduate level program delivered part time and designed to be undertaken while students are employed meeting the professional work experience requirement. During the 2013-14 transition, the CPA PEP modules will be delivered through the current Chartered Accountants School of Business (CASB).

CPA PEP consists of six modules and a Common Final Evaluation:

- two common core modules which all CPA candidates must take

- two elective modules
- a capstone integrative module
- a capstone exam preparation module

Each core and elective module culminates in an evaluation that must be successfully completed for admission into the next module. The 'capstone' assessment design of the PEP program means that the modules are intended to integrate knowledge and skills associated with an entire sequence of study in the program. The Common Final Evaluation involves a multi-day exam that tests for breadth of knowledge in six core competency areas and depth of knowledge in two core competency areas. Specific details about the Common Final Evaluation are not currently available, including specifics of the format or cost. The first final evaluation will occur in the fall of 2015. It is anticipated that each PEP Module and the Common Final Evaluation will be offered twice annually.

In addition to completing CPA PEP, candidates must complete a period of qualifying and progressive practical experience approved by CPA Manitoba. Experience can be gained in two ways:

- In positions offered by approved organizations or offices with approved training paths;
- In training positions with approved supervisors or mentors. Candidates in these positions must submit experience reports to CPA Manitoba.

CPA students are responsible to secure an appropriate employment opportunity to meet the CPA Program's practical experience requirements. CPA Manitoba has developed a dedicated webpage on jobs for CPA students. Many policies surrounding the practical experience element of the program are under development, including those related to unfavourable assessments and the need for work extensions or new work positions. It is anticipated that they will be similar in character to what ICAM and SMAM have in place for their former professional experience requirements. Student Handbooks for the CPA PEP and the practical experience requirement are also under development.

CPA Registration

Upon successful completion of the CPA Program including the approved practical experience the Chartered Professional Accountant designation can be granted, once provincial legislation is in place.

Appeal Process

Following *The Chartered Accountants Act*, all of ICAM's assessment and registration decisions are subject to appeal. Appeals are heard by the ICAM'S Council. The Council is independent of the original decision makers and provides written reasons for unfavourable appeal decisions.

It is anticipated that a similar appeal process will be in place for CPA Manitoba, augmented by the current SMAM reconsideration process. Under this reconsideration process, applicants with unfavourable initial application assessments

with respect to the PREP will be able to provide additional evidence in support of qualification.

Time and Cost

Time and costs for Internationally Educated Accountants (IEAs) to complete the registration process vary according to the circumstance of the individual.

For IEAs whose academic training supports full eligibility, the CPA Program will take approximately 3 years to complete: roughly 2 years of CPA PEP concurrently with 2 ½ to 3 years of qualifying work experience. Individuals who require remedial academic work will need an additional 1 -2 years of CPA PREP for a total of 4-5 years to complete the process. Significant delays are possible if the individual requires several rewrites or even a module retake to complete a component of the program or if the individual has challenges securing an appropriate qualifying employment opportunity.

Many of the costs for the CPA Program are not yet determined. Information at hand suggests \$6,000.00 to \$13,500.00 in direct costs for the CPA Program.

With regard to the CPA PREP, cost for modules 5 – 10 have tentatively been set and total \$3,775.00; fees for the remaining 6 modules have yet to be determined. Doubling this total -- to \$7,500.00 – is likely a reasonable projection for all 12 modules.

With regard to the CPA PEP, key dates and timelines have been set for the modules but fees are yet to be determined. A fee of roughly \$1,000.00 per module is anticipated, which at six modules in total would cost \$6,000.00.

Associated costs may involve expenses incurred translating documents, supplying a credential assessment and re-taking exams and modules.

Costs in the CPA Program are mitigated in so far as students are gainfully employed throughout the CPA PEP portion of the process. Employment as an accountant is also possible throughout the initial CPA PREP, as the CPA is a right to title designation and so does not preclude practice in the field for those without a designation.

Most significantly, employers often pay for their employees to undertake the CA and CMA Programs and this practice is expected to continue with the CPA Program. This represents a major financial remedy for what otherwise appears a fairly costly process.

Registration Review Findings

Summary of Findings

The Institute of Chartered Accountants of Manitoba (ICAM) is committed to the fair assessment and recognition of internationally educated accountants (IEAs).

ICAM is undergoing a major transition as it merges with the Society of Management Accountants of Manitoba (SMAM) to form Chartered Professional Accountants of Manitoba (CPA Manitoba). A formal agreement is in place and both bodies are currently working with the province to establish new legislation. The Chartered Professional Accountant or CPA designation will be introduced to eventually replace the CMA and CA designations.

The CPA certification program shares a strong family resemblance to the CA and CMA certification programs; an academic qualification process is followed by a program that combines professional development, assessment and structured practical experience. These programs are difficult to complete, requiring graduate level training and assessment and result in designations well regarded in the field. That so many Manitoba employers pay for their employees to undertake these programs is a testament to their perceived value.

The new CPA Program provides many of the strengths of these older programs. CPA Manitoba actively seeks to recruit prospective accountants for whom the program may be a good fit. Internationally educated accountants are seen as a real resource and this is reflected in IEA friendly information package. A variety of dedicated supports are in place for IEAs, including an initial no-fee application that is preceded by group and individual information sessions that allow individuals a sense of what the program will involve prior to arranging official documentation. A reasonable strategy is in place for the assessment of international academic credentials. The Prerequisite Education Program (PREP) allows applicants with a diverse set of academic qualifications a pathway to eligibility.

The CPA Program will provide an additional pathway and more opportunities for students to meet the professional experience requirements. In the older CA Program, those in need of professional work experience needed to complete it in an ICAM approved CA Training Office. Spots for CA students often fell well short of demand and lack of opportunity was creating a barrier, especially of IEAs. In the CPA Program a second pathway similar to what occurs in the older CMA Program has been adopted; CPA students will now have the option to meet the professional work experience in training positions with approved supervisors or mentors.

One significant issue raised in this registration review concerns the lack of certainty as of this date regarding the CPA Program's ability to recognize qualifications acquired through professional work experience and whether there will continue to be opportunity for appropriately qualified IEAs to have elements of the CPA Program waived or to have a fast-track certification opportunity. Both the CA and CMA programs had provisions in place for the recognition of work professional work experience. The CA's Evaluation of Experience program (EvE) is a good example of what might be possible for the CPA Program.

A few information concerns are flagged as needing attention. As many elements of the CPA Program are under development, the current information package is quite naturally incomplete. ICAM and the other CPA Program stakeholders recognize the need to provide a complete information package. We note that the registration material that was in place for the old CA and CMA programs were quite strong: comprehensive, clear, welcoming and accommodating for internationally educated accountants (IEAs). These progressive information packages would have scored well against the OMFC's fairness criteria and bodes well, setting good precedence, for the new information package under development.

Information issues raised in this review concern the need for realistic cost and time range information as well as complete appeal information. These were areas of information that were not well addressed in the information packages for the former CA and CMA programs and for which there are no current plans to address.

Key findings from ICAM's registration review are listed below. These findings cover the range of fairness issues as defined by the Fairness Standard and Criteria document and roughly follow the order of this document (see pp. 13-24).

- ICAM accepted its last group of candidates into its CA Program in May 2013. Moving forward, all subsequent applications will be for the CPA Program. A transition policy will be in place by 2014 for candidates who have not achieved their CA designation. A transition policy is also in place for CPA graduates if they complete the program before legislation is passed to establish CPA Manitoba.
- The transition process has been implemented in a way that will result in no delays for applicants completing CA Programs or entering the new CPA Program.
- CPA Canada's national CPA One website has been launched that provides well-organized, applicant friendly overview of the CPA Program and CPA PREP, including a helpful FAQ section. With many elements of these programs still under development, significant gaps in information are apparent; a partial fee schedule has been established, assessment format and protocols are incomplete; limited information is currently available about the Final Common Evaluation of the CPA PEP.
- Complete program information for the CPA PREP, CPA PEP & CPA practical experience requirement are under development and will be provided in the form of detailed Student Handbooks.
- Realistic cost and time range information is not provided. Little realistic cost and time range information was provided for the former CA and CMA Programs. Given the high costs of the CPA Program, as well as likelihood that many IEAs will not complete the program without having to redo some of the evaluations, realistic cost and time range information becomes critical for proper planning and preparation.
- English or French language proficiency is not a registration requirement. To be successful, applicants are advised in the registration material and in ICAM's information and counseling sessions of the importance of a

reasonable degree of proficiency. Minimally CLB 8s in all four language areas are recommended and second language applicants are encouraged to be assessed.

- ICAM provides group and individual counseling sessions about the CPA Program. This includes providing information about a variety of available IEA supports including funding, language upgrading and employment opportunities. Strong personal support and assistance is recognized as critical given the current transition.
- Documentation requirements are reasonable and the application process allows applicants to have their documents reviewed and informally assessed before committing to a formal application and documentation process.
- ICAM reports alternative documentation will be possible for the CPA Program, with cases reviewed on an individual basis. Information about the possibility of alternative documentation will be included in the CPA application form.
- The initial Manitoba CPA transcript evaluation is currently available at no charge and the assessment timeline is prompt: within two weeks. Detailed written reasons accompany the initial assessment result.
- A Transcript Evaluation Reassessment process is provided where IEAs can provide additional information and documentation if they disagree with their assessment. A formal appeal opportunity is also made clear.
- ICAM currently has provisions for the recognition of the qualifications acquired through professional work experience, and in some cases, elements of the current CA Program can be waived on the basis of these qualifications. It is not yet certain whether the CA's Evaluation of Experience Program (EvE) will be adopted for the CPA Program or whether Mutual Recognition Agreements in place for the CA and CMA programs will be transitioned under the CPA Program.
- A standards document has been developed and published for the CPA Program in 2012: 'The CPA Competency Map Knowledge Supplement.' This 45-page, well-organized, user-friendly document defines and explains the knowledge and competencies expected of candidates throughout the various phases of the CPA Program.
- CPA Program evaluation and exams have undergone and continue to undergo considerable psychometric scrutiny. The CPA Assessment Task Force released its latest CPA Assessment Framework report in January 2013.
- Both the CPA PREP and CPA PEP programs are designed to be flexible and support applicants completing program requirements part-time while they work.
- All of ICAM assessment and registration decisions are subject to appeal. Appeal and review policies for the various elements of the CPA Program are under development. Full appeal opportunities need to be provided for all critical assessment decision in the CPA Program. Complete appeal

information also needs to be introduced into the CPA registration information and needs to accompany any assessment decision subject to appeal.

- The CPA profession is considering a separate program and credential for individuals who aspire to have a career in accountancy but are not qualified as a CPA. This program will have relevant entrance, education and assessment requirements to meet the market need and the goals of the profession. Bridges to the appropriate state of the CPA certification program are also being considered.
- Access to records policies are in place and an online 'Desire2Learn Management Systems' will provide each CPA student access to program materials information and their assessment records.
- Many aspects of the CPA Program are efficient and support timely registration: IEAs with diverse academic training are provided a pathway into the program through the CPA PREP; both the CPA PREP & PEP programs are designed to be highly flexible allowing an 'earn-while-you-learn' path to admission and licensure; innovative financial support opportunities are provided; documentation requirements are reasonable; applicant-centric information and strong one-on-one counseling services are provided.

Still, it is not clear whether the CPA Program will include the ability to recognize qualifications evident in an applicant's professional work history and this could impact whether the program will be efficient for highly qualified IEAs. For this group, more streamlined, fast-tracked paths to admission and licensure are called for.

Commendable Practices

A number of ICAM's assessment and registration practices deserve to be recognized as exemplary, fair practices. Most of these will have already been described above or in other areas of this report, but the most significant bear repeating.

- Strong transition policies and planning have enabled ICAM to implement the new CPA Program with no significant delays for applicants;
- ICAM's documentation requirements are fair and reasonable for IEAs: English language proficiency is identified as critical and language assessment and upgrading resources are identified. Alternative documentation is a possibility and a reasonable criminal record policy is in place;
- ICAM has made a commendable commitment to work to minimize financial barriers to its programs. The provision of financial support information, as well as financial advice in the counseling sessions, including information about bursaries, and scholarships are a valuable resource for IEAs. ICAM and SMAM are working to ensure similar programs remain in place for the CPA Program.

Fairness Standard & Criteria Document – ICAM Review Findings

Standard: Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.					
Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	1. Qualification requirements and the criteria used to assess qualifications.	✓			<p>Information about qualifications requirements and the criteria used to assess qualifications for the CPA Program is not fully complete. As of May 2013, The Institute of Chartered Accountants of Manitoba (ICAM) has transitioned to a new certification program to support a new and soon to be legally recognized Chartered Professional Accountant (CPA) designation.</p> <p>Together with other stakeholders, ICAM recognizes and is working to develop complete policies and information for the CPA licensing program.</p> <p>We note that ICAM shared the registration material that was in place for the old CA licensing program. The quality of this registration material is remarkably strong: comprehensive, clear, welcoming and accommodating for internationally educated accountants (IEAs). This progressive information package would have scored well against the OMFC's fairness criteria and bodes well, setting good precedence, for the new information package under development.</p> <p>With regard, then, to qualification requirements, policies yet to be determined include:</p> <ul style="list-style-type: none"> • Currency requirements; • Completion time range deadlines for the PREP and PEP programs; • Policies and criteria for the recognition of professional work experience; • CMA Program Mutual Recognition Agreements transitioning into the new CPA Program. <p>We note ICAM provides regularly scheduled group information sessions and that individuals unable to attend can arrange a one-on-one counseling session. ICAM's tradition of providing strong personal support and assistance for IEAs is particularly critical in the midst of transition to a new program and certification process.</p>

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	2. Documentation requirements.	✓			
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	3. Fees and fee payment options.	✓			Currently, as of June 2013, only partial fee information is posted for the CPA assessment and registration process. Fees for many elements of the program are yet to be determined. It is anticipated the various fees will be similar to those found in the former CMA and CA programs. ICAM is currently informally advising applicants of this expectation for those elements of the program not yet determined. Full fee and fee payment option information is planned to be introduced as soon as available.
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	4. A realistic sense and range of the full costs involved in the process, including common associated costs.		✓		No realistic cost range information, including associated costs is provided in ICAM's registration material. No plans are in place for the introduction of this type of information. We note the information package for the former CA Program also lacked realistic cost range information. Given the significant costs involved with the PREP and PEP programs, realistic cost range information is important for proper planning.
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	5. Financial support opportunities.	✓			
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	6. Timelines and key dates.	✓			

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	7. A realistic sense and time range of how long the entire process often takes.		✓		No realistic time range information is provided in ICAM's registration material. No plans are in place for the introduction of this type of information. We note the information package for the former CA Program also lacked realistic time range information. Given the difficulty many IEAs have with some of the assessments in the former program and the sorts of delays experienced as a result, realistic time range information will be important for proper planning.
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	8. Step-by-step, easy-to-navigate path of the registration process.	✓			
1. Applicants are provided clear, complete and accurate information about assessment and registration process.	9. Information provided about opportunities for general and occupation-specific upgrading.	✓			
2. Standards of practice are identified and periodically reviewed.		✓			
3. Required qualifications are relevant and necessary for competent professional practice.		✓			

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
4. Documentation requirements are reasonable. Alternative documentation opportunities are available and explained to applicants	1. Difficult-to-provide documents – e.g. originals, syllabus – are warranted.	✓			
4. Documentation requirements are reasonable. Alternative documentation opportunities are available and explained to applicants	2. Alternative documentation opportunities are available and clearly explained.	✓			
4. Documentation requirements are reasonable. Alternative documentation opportunities are available and explained to applicants	3. Criminal records policy is warranted and clearly explained.	✓			
5. Any third party assessments in the registration process are transparent, objective, impartial and fair.	1. Applicants are provided clear, complete and accurate information about the role of third party assessments in the registration process.	✓			
5. Any third party assessments in the registration process are transparent, objective, impartial and fair.	2. Measures are in place to ensure third party assessment policy and practice is fair.	✓			

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
5. Any third party assessments in the registration process are transparent, objective, impartial and fair.	3. Third party assessment decisions are subject to appeal.	✓			
6. Assessment of qualifications is transparent, objective, impartial and fair.	1. Valid and reliable methods of assessment are employed for internationally educated applicants.	✓			
6. Assessment of qualifications is transparent, objective, impartial and fair.	2. Assessment methods and tools are subject to psychometric scrutiny and cultural review.	✓			
6. Assessment of qualifications is transparent, objective, impartial and fair.	3. Multiple assessment methods are available. Applicants have the opportunity to demonstrate competence.	✓			
6. Assessment of qualifications is transparent, objective, impartial and fair.	4. Knowledge and skills acquired through work experience are assessed, including international work experience.		✓		<p>It is not certain whether or how professional work experience will factor in the assessment process for the CPA Program. Both the CMA & CA Programs formerly had strategies in place to recognize professional work experience and to fast track professionally experienced applicants.</p> <p>The recognition of professional work experience is a basic requirement of fair assessment practice, if redundant training and assessments are to be avoided.</p>

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
6. Assessment of qualifications is transparent, objective, impartial and fair.	5. International educational credentials are subject to a reasonable, valid equivalency assessment: reasonable measure has been taken to acquire an informed understanding of the content of international educational programs and their equivalence to Canadian programs.	✓			
6. Assessment of qualifications is transparent, objective, impartial and fair.	6. The regulator has objective standards and criteria to assess knowledge and competencies acquired through work experience.		✓		Both the CMA & CA Programs formerly had strategies in place to recognize professional work experience. In terms of standards and criteria, a lot of relevant work is at hand. The CA's Evaluation of Experience Program (EvE) is a good example. Still it is not clear whether or how the former programs and strategies can or will modify the CPA Program.
7. Staffs responsible for assessment, appeals and working with internationally educated applicants received appropriate training and possess relevant expertise	1. Training for the assessment academic qualifications.	✓			

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Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
7. Staffs responsible for assessment, appeals and working with internationally educated applicants received appropriate training and possess relevant expertise	2. Training for the assessment of work experience	✓			
7. Staffs responsible for assessment, appeals and working with internationally educated applicants received appropriate training and possess relevant expertise	3. Appeal training	✓			
7. Staffs responsible for assessment, appeals and working with internationally educated applicants received appropriate training and possess relevant expertise	4. Cross-cultural training.	✓			
8. English and French language proficiency requirements for registration and professional practice are reasonable.	1. French or English language proficiency levels are identified and based on the language demands of the profession.	✓			English or French language proficiency is not a registration requirement. To be successful applicants are advised in the registration material and in ICAM's information and counseling sessions of the importance of a reasonable degree of proficiency. Minimally CLB 8s in all four language areas are recommended and second language applicants are encouraged to be assessed. Oral and written communication is a competency required by the CPA Competency Map.

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Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
8. English and French language proficiency requirements for registration and professional practice are reasonable.	2. Level of language proficiency identified at key points in the registration process – e.g., entry to practice vs. application or entry to gap training.	✓			
8. English and French language proficiency requirements for registration and professional practice are reasonable.	3. The identification of the nature and type of communicative demands for professional practice and the assessment process.	✓			
8. English and French language proficiency requirements for registration and professional practice are reasonable.	4. The appropriate use of language proficiency tests, expiration dating and test-scores.	✓			No language tests are required.
8. English and French language proficiency requirements for registration and professional practice are reasonable.	5. A variety of English language test are recognized	✓			No language tests are required.
9. Assessment and registration process is relationally fair.	1. Written reasons accompany assessment results.	✓			Detailed written reasons were one of the strengths of the former CA & CMA Programs. Similar policies are planned for the CPA Program. Initial application assessments currently provide detailed feedback.

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Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
9. Assessment and registration process is relationally fair.	2. Detailed feedback is provided about qualification gaps.	✓			
9. Assessment and registration process is relationally fair.	3. Applicants have the opportunity to discuss assessment and registration decisions of concern.	✓			
9. Assessment and registration process is relationally fair.	4. Applicants without appropriate qualifications receive advice and information about alternative careers.	✓			
10. Registration process allows for different levels of recognition.	1. Opportunity for restricted or conditional license and supervised practice.	✓			The CPA profession is considering a separate program for individuals who aspire to have a career in accountancy but not qualified as a CPA. This program will have relevant entrance, education and assessment requirements to meet the market need and the goals of the profession. Bridges to the appropriate state of the CPA certification program are also being considered.
10. Registration process allows for different levels of recognition.	2. Re-assessment only required in areas where competence has not been demonstrated.	✓			
10. Registration process allows for different levels of recognition.	3. Time-frames for re-assessment are consistent with currency of practice standards.	✓			

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
11. A fair appeal or review process is available.	1. All assessment and registration decisions that deny or condition registration are subject to appeal.		✓		All of ICAM's registration decisions are subject to appeal. It is not clear whether decisions in the CPA Program, particularly those made at the National level – module assessments and exams in the CPA PREP & CPA PEP -- will be subject to appeal and if so, what the appeal process will involve.
11. A fair appeal or review process is available.	2. Appeal or review committee members are independent from those responsible for the original decision.	✓			
11. A fair appeal or review process is available.	3. Timely hearings and appeal decisions	✓			
11. A fair appeal or review process is available.	4. Detailed, written reasons are provided to appellants for unfavorable decisions.	✓			
11. A fair appeal or review process is available.	5. Applicants are advised of their right to appeal.		✓		Appeal information is not provided in the CPA information package. Little appeal information was presented in the former CA program.

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
11. A fair appeal or review process is available.	6. Appeal information accompanies any assessment and registration decision subject to appeal.		✓		No appeal information accompanied the assessment decisions the OMFC reviewed from the former CA Program.
12. Legal exceptions notwithstanding, applicants have full and timely access to their assessment results and records associated with registration.	1. There is a process under which requests for records are considered. Fees for access to records are reasonable and do not exceed cost recovery.	✓			
12. Legal exceptions notwithstanding, applicants have full and timely access to their assessment results and records associated with registration.	2. Applicants are informed of their access to records and the process for requesting records.	✓			
13. Fees involved in the assessment and registration process are reasonable.	1. Fees do not exceed cost recovery.	✓			
14. Assessment and registration process is timely.	1. Reasonable measure is taken to ensure the prompt processing of applications and assessments.	✓			

Standard: *Dedicated and fair practices are in place for the assessment and registration of internationally educated applicants. Policies and procedures are documented, consistently followed and periodically reviewed to ensure effectiveness.*

Elements	Criteria	Assessment			Office of the Manitoba Fairness Commissioner's Findings
		Compliant	Improvement Needs	Non-compliant	
14. Assessment and registration process is timely.	2. Communication with applicants is timely and systematic.	✓			
14. Assessment and registration process is timely.	3. Assessment and registration process is structured efficiently and minimizes unnecessary delays.		✓		<p>Many aspects of the CPA Program are efficient and support timely registration: IEAs with diverse academic training are provided a pathway into the program through the CPA PREP; both the CPA PREP & PEP programs are designed to be highly flexible allowing an 'earn-while-you-learn' path to admission and licensure; innovative financial support opportunities are provided; documentation requirements are reasonable; applicant-centric information and strong one-on-one counseling services are provided.</p> <p>Still, , it is not clear whether the CPA Program will include the ability to recognize qualifications evident in an applicant's professional work history which risks a two-dimensional assessment and means that all IEAs, whether just out of school or with highly accomplished careers are subject to the same CPA Program requirements.</p> <p>For highly qualified IEAs, a lack of professional work history recognition is not efficient and more streamlined, fast-tracked paths to admission and licensure are called for.</p>

Fairness Commissioner's Recommendations


As a result of the OMFC's registration review of The Institute of Chartered Accountants of Manitoba (ICAM) and to ensure compliance to *The Fair Registration Practices in Regulated Professions Act*, the Fairness Commissioner recommends:

1. With regard to the assessment and registration information, *that* ICAM provide clear, complete and accurate information about:
 - a. Realistic cost and time range information for the CPA PREP and CPA PEP programs;
2. *That* ICAM work with CPA Program stakeholders to develop and implement a strategy to recognize qualifications evident in an applicant's professional work experience;
3. With respect to the appeal process, *that* ICAM:
 - a. Provide complete, clear and accurate appeal information in the registration material and in its assessment result letters, including timelines and the process to initiate appeal;
 - b. Ensure all national assessment decisions in the CPA PREP and CPA PEP programs are subject to appeal and appeal information is presented in the registration material and accompanies assessment decisions subject to appeal.

Institute of Chartered Accountants of Manitoba's Action Plan

In response to the Fairness Commissioner's Recommendations, the Institute of Chartered Accountants of Manitoba proposed the following action plan as of July 2013. The plan is reprinted in its entirety under the 'ICAM's Planned Action(s)' column in the table below.

The ICAM's Action Plan will form the basis of its relationship with the OMFC moving forward. The plan is monitored by the OMFC and will be tracked in the 'Completion Date' box of the Action Plan as it comes to fruition. As the report will be available online, this allows any interested party to see the progress to date.

OMFC's Recommendation	ICAM's Planned Action(s)	Short Term Less than 3 months	Medium Term 3 months to 1 year	Long Term 1 year or more	Completion Date
<p>1. With regard to the assessment and registration information, <i>that</i> ICAM provide clear, complete and accurate information about:</p> <p>a. Realistic cost and time range information for the CPA PREP and CPA PEP programs;</p>	<p>While the information for prospects will indicate that a maximum of six years will be allowed for completion of each of the newly developed CPA PREP and PEP programs, we will not have any historical data to be able to provide realistic cost and time range information for a year or two. However, we will develop a planned approach to integrate such details, which may include estimates as opposed to actual experience in the shorter term.</p>				
<p>Regulator's Comments: We note that in a program which we expect will continue to have a number of possible pathways for IE applicants into the profession and a number of assessments along the way, time and cost can vary greatly from one applicant to another depending on the level of recognition granted and the applicant's success with each assessment that is attempted. We are concerned that providing "typical" information on a website or in other material that is widely available might have the converse effect of setting up unrealistic expectations if it is taken out of context and misinterpreted. Therefore, we would prefer to continue with the current approach of publishing program component cost information and discussing realistic time and cost information with each applicant based on the applicant's circumstances. However, we will undertake to develop time and cost information in such a way as to minimize the possibility for misunderstanding.</p>					

OMFC's Recommendation	ICAM's Planned Action(s)	Short Term Less than 3 months	Medium Term 3 months to 1 year	Long Term 1 year or more	Completion Date
2. That ICAM work with CPA Program stakeholders to develop and implement a strategy to recognize qualifications evident in an applicant's professional work experience;	ICAM will continue to work with CPA partners with an end goal of developing a competency based framework that recognizes applicants' professional work experience relative to their educational qualifications.		✓		
<p>Regulator's Comments: The current ICAM evaluation process provides for recognition of international professional experience; ICAM has already provided feedback to its CPA partners about the importance of this flexibility and is committed to continuing its support of such an approach.</p>					

OMFC's Recommendation	ICAM's Planned Action(s)	Short Term Less than 3 months	Medium Term 3 months to 1 year	Long Term 1 year or more	Completion Date
<p>3. With respect to the appeal process, <i>that</i> ICAM:</p> <p>a. Provide complete, clear and accurate appeal information in the registration material and in its assessment result letters, including timelines and the process to initiate appeal;</p> <p>b. Ensure all national assessment decisions in the CPA PREP and CPA PEP programs are subject to appeal and appeal information is presented in the registration material and accompanies assessment decisions subject to appeal.</p>	<p>ICAM agrees with the recommendation and will ensure that complete, clear, and accurate reassessment and appeal information is included in the registration material, including the timelines and process to initiate the appeal.</p> <p>ICAM will work with regional and national CPA partners to ensure that all CPA assessment decisions are subject to appeal and that related information is presented in the applicable information.</p>	<p>✓</p>	<p>✓</p>		

OMFC's Recommendation	ICAM's Planned Action(s)	Short Term Less than 3 months	Medium Term 3 months to 1 year	Long Term 1 year or more	Completion Date
<p>Regulator's Comments: The PREP Transcript Evaluation Request form has been revised to include information on an applicant's opportunity for a reassessment with the submission of additional details/documentation. Our unification partners are also currently working on the Student Handbook with respect to the PREP program, which will contain specific appeal details, and collaborating with CASB to coordinate consistency between PREP and PEP applicant requirements.</p>					

Fairness Commissioner's Statement of Compliance

The Institute of Chartered Accountants of Manitoba's (ICAM) Action Plan is a positive response to the recommendations that resulted from the OMFC's registration review. These actions will support the fairer assessment and recognition of Internationally Educated Accountants and are consistent with *The Fair Registration Practices in Regulated Professions Act*.

ICAM has a history of progressive regulatory practice and it is encouraging to see this history continue as ICAM transitions to the new CPA Program. The CAs were one of the first professions to develop a competency framework for the profession, *The CA Competency Map*, that defines the competencies of the profession and lays the foundation for fair assessment. In addition, the profession has provided supports and pathways for internationally educated accountants with diverse backgrounds and qualifications.

In the midst of introducing a new program and merger, ICAM's transition to the new CPA Program has been thoughtfully undertaken in a manner that avoids any delays for new applicants or those still engaged in the CA Program.

Still a work in progress, ICAM recognizes and has raised the need to ensure the CPA Program develop strategies to recognize qualifications evident in international professional work experience.

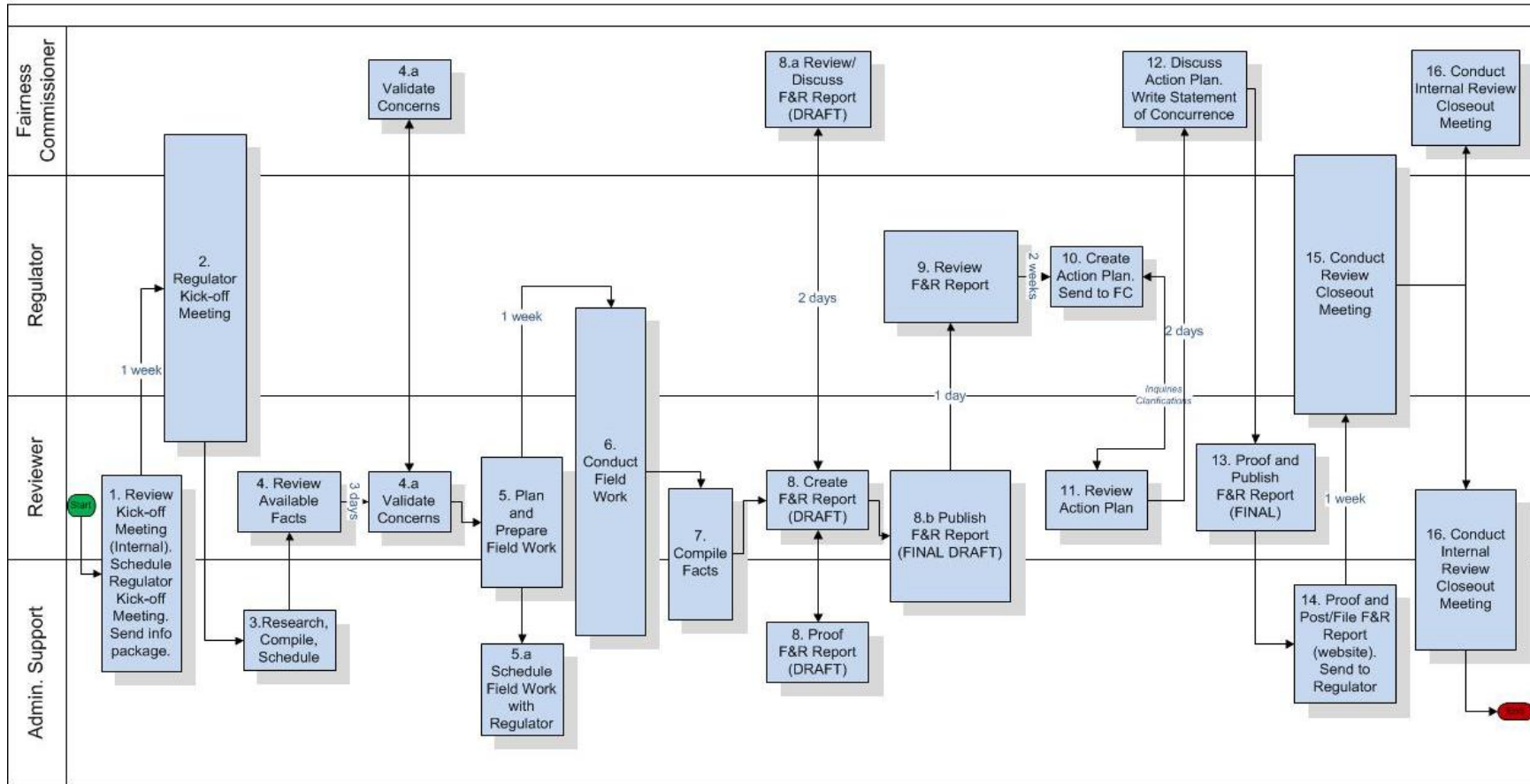
We truly appreciate the professionalism, openness and co-operation of ICAM's staff and management during the review process and their commitment toward further evolving the CPA Program.



Ximena Munoz
Manitoba Fairness Commissioner

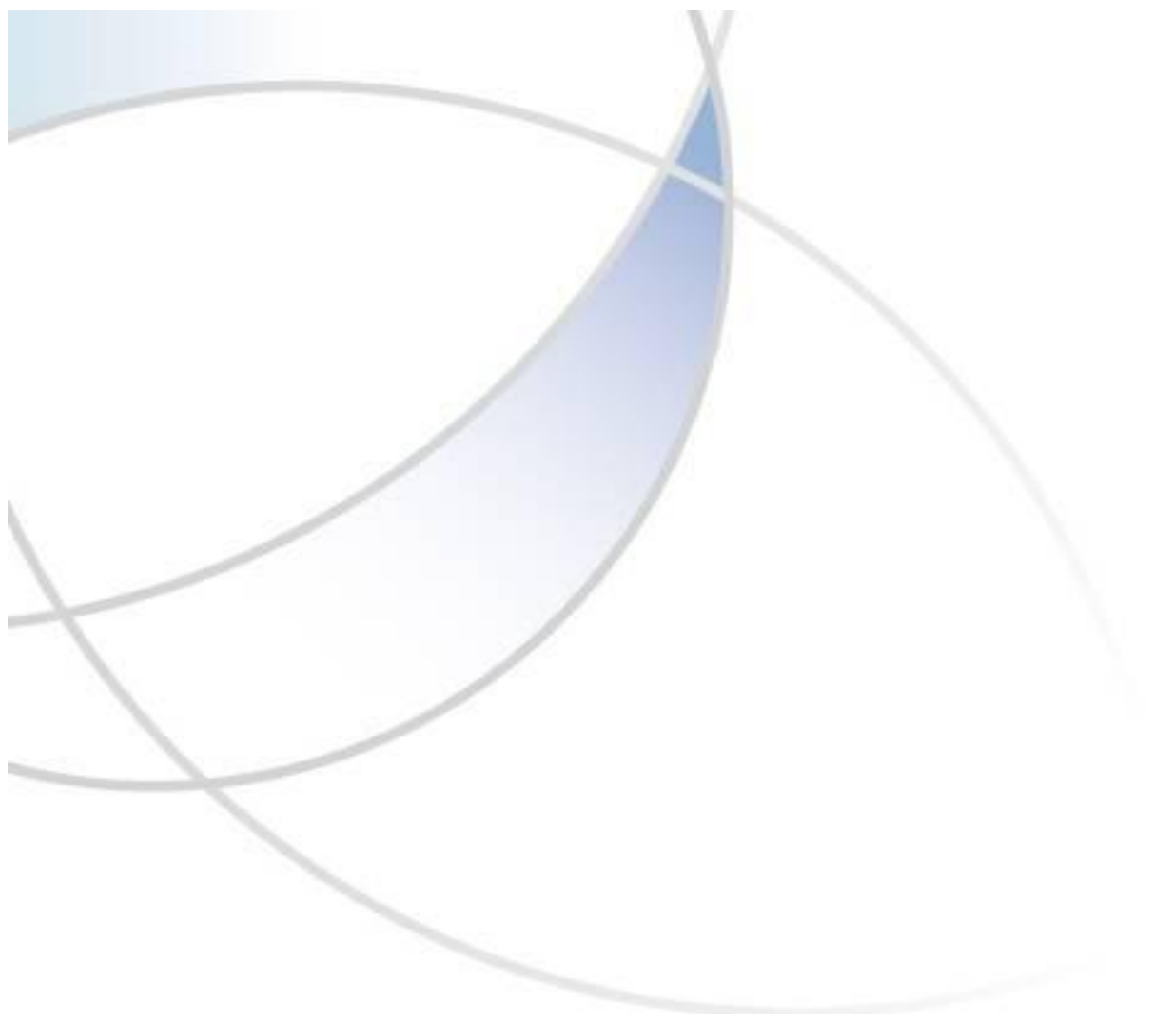
Appendix A

OFFICE OF THE MANITOBA FAIRNESS COMMISSIONER Registration Review Process



Appendix B

ICAM's Registration Review		
Activity	Description	Date
Block Meeting	<ul style="list-style-type: none"> Meeting between OMFC, ICAM and other regulators in the block of reviews for this period Registration review process presented Review schedule set Documentation requested 	<ul style="list-style-type: none"> March 21, 2013
Kick-Off Meeting	<ul style="list-style-type: none"> Launch of ICAM's registration review Key decisions makers from regulator in attendance Collect requested documentation Fieldwork planned 	<ul style="list-style-type: none"> April 16, 2013
Fieldwork	<ul style="list-style-type: none"> Collect information otherwise unavailable through public information and policy documents Clarify information and acquire a more in-depth understanding of policy and practice 	<ul style="list-style-type: none"> May 3, 2013
Findings and Recommendations Report	<ul style="list-style-type: none"> ICAM receives a report with the review findings, the Fairness Commissioner's recommendations and a request for an Action Plan Findings and Recommendations Meeting 	<ul style="list-style-type: none"> June 25, 2013 June 27, 2013
Action Plan	<ul style="list-style-type: none"> ICAM's Action Plan submitted to OMFC 	<ul style="list-style-type: none"> July 4, 2013
Final Registration Review Report	<ul style="list-style-type: none"> Final report submitted to ICAM; report contains the review findings, the Fairness Commissioner's recommendations, ICAM's Action Plan, and the Fairness Commissioner's Compliance Statement 	<ul style="list-style-type: none"> July 11, 2013
Registration Review Closeout Meeting	<ul style="list-style-type: none"> Discuss review results & Action Plan Final report uploaded to OMFC's website 	<ul style="list-style-type: none"> July 25, 2013



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