

A Simple Guide to CPD Requirements

Continuing Professional Development (CPD) is intended to ensure that, as a CPA, you are well prepared to navigate through disruptive changes in business. CPD equips you to stay relevant and to learn and grow in your field of practice. This simple guide provides you answers to some of your frequently asked questions.

WHAT IS CPD?

CPD stands for Continuing Professional Development and **it's** really all about learning.

It's a required component of CPA Nova Scotia membership, and as a CPA, ongoing professional development activities enable you to:

- enhance your abilities as a CPA and strategic business partner
- contribute to the acquisition of new knowledge
- build familiarity with issues relevant to you, in your role
- maintain and improve the skills the public expects from you as a CPA

Your requirement as a member, unless exempt, is to complete CPD that is relevant and appropriate to your specific work and professional responsibilities.

It's Easier Than You Think

CPD is about more than taking financial reporting courses. We know that CPA Nova Scotia members are diverse not only in their interests, but also their roles – from the financial sector, to entertainment, public service and the world of entrepreneurship. What this means practically speaking is that you can meet your CPD requirements doing what means the most for you and your career, to help you evolve as a leader in business regardless of your practice.

How Many CPD Hours Must I Complete and When Do I Report?

CPD Declarations are made as part of your Annual Membership Renewal which begins in February of each year and are due to March 31st annually. Specifically, you will be asked to declare that you have met the minimum CPD hours as set out below.

Annual Requirements	Triennial Requirements
Fixed period (calendar year): January 1 st to December 31 st annually	First 3-Year Rolling period: January 1, 2016 – December 31, 2018* Subsequent Rolling periods – oldest year “drops off” and the balance of 120 total hours, 60 of which are verifiable must be maintained.
Minimum of 20 hours 50% (or 10 hours) must be verifiable Reporting deadline is March 31 st annually.	Minimum of 120 hours 50% (or 60 hours) must be verifiable Reporting deadline is March 31 st annually. For the triennial period ending December 31, 2019, and for each triennial period thereafter, the 60 verifiable hours must include four verifiable hours of professional ethics.

**For those individuals who were members at the time of merger August 2, 2016. Individuals joining membership in subsequent years have been advised of their rolling start date.*

Members with outstanding declarations after May 31st are subject to automatic suspension.

TIP Though you only need to complete a minimum of 20 hours per year, you need a total of 120 hours by the end of each triennial period. At least half must be verifiable hours (60 hours).

WHAT ARE VERIFIABLE HOURS?

At least 50% of your declared hours must be “verifiable”. What does that mean? It means you must have documentation to support your professional development. This chart will help you determine if your hours would count toward your 50% requirement and help ensure you maintain the documents needed to support your CPD declaration. Remember, the activity must be learning related to CPA competencies.

Verifiable CPD Activity	Qualifying Number of Hours	Acceptable Documentation
CONTINUING EDUCATION		
Participation in a course, webinar, conference or seminar	Actual number of hours you spent attending the course, conference or seminar	<p>Any one of the following:</p> <ul style="list-style-type: none"> • Copy of course payment/invoice • Copy of agenda • Copy of course outline • Certificate of completion • Confirmation of attendance by provider (e.g. registration confirmation)
You attend an in-house training session organized by your employer	Actual number of hours you spent attending the training session.	<p>Any one of the following:</p> <ul style="list-style-type: none"> • Attendance record (e.g. copy of sign-in sheet or email confirmation) • Certificate of completion • Confirmation of attendance by employer
You engage in major formal study leading to a degree, diploma, certificate, re-certification or designation.	Hours spent preparing or studying for the course, conference, seminar, or exam (to a maximum of 5 hours prep time for each hour of participation).	<p>Any one of the following:</p> <ul style="list-style-type: none"> • Copy of course payment/invoice • Official transcript • Certificate of achievement • Course assignment and exam results <p>For prep hours:</p> <ul style="list-style-type: none"> • A log of your prep hours, by date
INSTRUCTION/SPEAKING		
Learning time associated with preparing to teach a course or session relevant to your professional role.	Actual hours you spent preparing for the course/session (to a maximum of 5 hours for every hour of teaching time)	<p>Copy of course material outline including date and speaker details</p> <p>A log of your prep hours (by date)</p>
You participate as a speaker in a conference, briefing session or discussion group.	<p>Actual hours you spent participating as a speaker.</p> <p>Actual hours you spent preparing for the conference, briefing session or discussion group (to a maximum of 5 hours for every hour of presentation time)</p>	<p>A copy of the presentation materials or agenda/outline of session.</p> <p>A log of hours (by date) for your presentation</p> <p>A log of your prep hours (by date)</p>
COMMITTEES		
<p>Participation on a board or technical committee, where the activity helps you to develop and maintain professional competence to enable you to perform your professional role, including (must be a learning activity):</p> <ul style="list-style-type: none"> • Audit Committee • CPA Nova Scotia Board or Committee • Technical aspects of not-for-profit organizations 	<p>Hours spent attending committee meetings provided that you are learning</p> <p>Hours spent preparing for the meetings (to a maximum of 5 hours prep time for each hour of participation)</p>	<p>Proof of your membership on the technical committee (e.g. copy of email confirmation, information circular for public companies or letter from organization confirming your role on the committee and meeting attended)</p> <p>Minutes or Agenda with reference to learning time.</p> <p>A log of the hours (by date) you spent preparing for the meetings with supporting verification that you attended the meeting(s).</p>

Verifiable CPD Activity	Qualifying Number of Hours	Acceptable Documentation
RESEARCH AND PUBLICATIONS		
<p>Conducting research in an area that expands your knowledge for a specific application in your professional role to prepare a presentation or report</p> <p>Writing or publishing technical articles, papers, books or academic work</p>	<p>Actual hours spent preparing or researching the presentation or report (to a maximum of 5 hours prep time for each hour of presentation)</p> <p>Hours spent researching, authoring or contributing to the publication</p>	<p>A description of the nature of the research you did.</p> <p>A copy of the presentation, report or published material (redacted, if appropriate), or confirmation from third-party or employer</p> <p>A log of hours (by date) for your presentation and/or prep/research hours (by date)</p>
<p>You engage in a research or study project that results in a presentation, report or similar documentation (in an area that expands your professional knowledge).</p>	<p>Actual hours for your presentation</p> <p>Hours you spent preparing the presentation, report or similar documentation (to a maximum of 5 hours prep time for each hour of presentation)</p>	<p>A copy of the presentation, report or similar documentation (redacted, if appropriate), or confirmation from independent party.</p> <p>A log of hours (by date) for your presentation</p> <p>A log of your prep hours (by date)</p>
<p>You publish professional writing (e.g. articles or papers) or academic work</p>	<p>Actual hours you spent authoring or contributing to the publication.</p>	<p>A copy of the published material.</p> <p>A log of the hours (by date) you spent writing or contributing to the material.</p>
<p>You write technical articles, papers or books.</p>	<p>Actual hours you spent authoring or contributing to the publication.</p>	<p>A copy of the published material.</p> <p>A log of the hours (by date) you spent writing or contributing to the material.</p>

- Notes:
- 1) Volunteering does not necessarily count as CPD hours. However, if the activities that you do result in one of the above verifiable activities, then it can be counted towards your CPD.
 - 2) Networking hours (social functions, lunch, dinner, etc.) normally do not count as CPD, unless it can be determined that there was learning involved such as if there is a speaker for the duration of the lunch or dinner.

How Do I Track My Hours?

It is important to keep track of all your CPD hours and to keep documents to support the hours that are verifiable. To help record, update and track your hours, you can use our online CPD Reporting Tool at www.cpans.ca and log in to the member portal and click "My CPD".

TIP

50% of qualifying hours can consist of independent and informal learning (Unverifiable CPD) including self-study and reading of professional journals or magazines.

Ethics Requirement

Effective January 1, 2017, a minimum of 4 hours of verifiable CPD in professional ethics in year rolling 3-year period is required.

The 4 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.

Guidance

Continuing Professional Development (CPD) is learning that develops and maintains professional competence to enable members to continue to perform their professional roles. Any learning and development that is relevant and appropriate to a member's work and professional responsibilities and growth as a CPA will qualify for CPD.

Business ethics CPD is learning that specifically addresses business ethics matters that are relevant and appropriate to the member. Just like other verifiable learning activities, the four-hours ethics requirement can be fulfilled in a number of ways, including course work (whether through CPA Nova Scotia or other sources), and other relevant learning activities (including in the workplace).

Business ethics CPD can cover a wide range of topics related to ethics and ethical decision-making.

Examples of business ethics topics include, but are not limited to, the following:

- CPA Nova Scotia regulatory updates covering the CPA Nova Scotia 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
- Whistleblowing
- Anti-money laundering

DO YOU QUALIFY FOR A CPD EXEMPTION?

Are You Permanently Inactive?

“Permanently Inactive Members” have no intention of returning full-time to the workforce and do not earn active income (less than \$26,436*). Examples of Permanently Inactive Members include:

- Retired, no active income (less than \$26,436*) and do not serve on a Board or similar governing body, or an audit, finance, or similar governance committee of a public company, reporting issuer, or a large or prominent** organization and you are not providing public accounting or regulated services to the public (including tax or accounting advice); or
- Infirm, in cases where a member is permanently withdrawn from employment and other professional activity due to a long-term critical, terminal or chronic medical condition; or
- Special circumstances as approved.

Permanently Inactive Members who, in rare circumstances, return to the workforce after claiming an exemption from minimum CPD requirements for any reason must prepare, submit for approval to CPA Nova Scotia, and execute in a timely manner, a plan which will develop the current competencies necessary to support the member’s reintegration into the workforce. CPA Nova Scotia must be notified within 30 days of return to the workforce.

*Superintendent Standard for Bankruptcy Canada, to be adjusted annually.

** Large or Prominent Organizations include organizations with one or more of the following characteristics:

- Greater than 20 FTE employees; or
- Annual revenue or expenditures greater than \$25 million; or
- Investments (endowment or otherwise) greater than \$50 million; or
- Position acquired through Provincial or Federal appointments; or
- Other characteristics as may be determined by the PD Committee

Are you Temporarily Inactive?

A “Temporarily Inactive Member” has a reasonable expectation of returning to the workforce at some point in the future. This purpose of this category would be to give the member relief from minimum CPD requirements during a temporary absence from the profession. Examples of Temporarily Inactive Members include:

- Maternity/Paternity leave; or
- Caring for a child or children; or
- Caring for a family member with a critical, terminal or chronic medical condition; or
- Personal medical illness or condition; or
- Special circumstances, as approved.

Members who are Temporarily Inactive longer than two years will be required to submit a re-entry plan to CPA Nova Scotia for approval by the Professional Development Committee within 30 days of returning to active employment.

Unemployed members are not Inactive Members and therefore must comply with CPD requirements.

Definition:

“Active Income” means gross income from all employment or director’s fees, and/or net income from self-employment. Active Income does not include EI, pension income, investment income, support payments or disability income, Active Income is based on individual earnings, not family earnings. All other sources of income will be considered “active”.

TIP

Exemptions can be requested as part of the Annual CPD reporting process.

CAN MY CPD BE AUDITED?

Each year, CPA Nova Scotia performs CPD audits of selected members. You may be audited at any time, so it is important to keep records and supporting documents related to your CPD activity. If audited, you will be asked to provide them. You will be given written and electronic notice, with 30 days to provide the required documentation.

WHAT IF I'M UNABLE TO MEET THE REQUIREMENTS?

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If you did not complete the minimum annual CPD requirements by the end of any calendar year, you must still record any hours you did achieve and submit your declaration. If you completed “zero” hours, you must still submit the declaration. A member who fails to complete the minimum required hours of CPD will be referred to the Professional Development Committee, which may take one or more of the following actions:

- a) Waive a portion or all of the CPD requirement;
- b) Stipulate the time frame and manner in which the member must complete any deficiency;
- c) Make a report to the CEO recommending that the CEO refer the fact of the member's failure to complete the minimum required hours of CPD to the Chair of the Complaints Committee; or
- d) Make a report to the CEO concerning the member's failure to complete the required hours and recommend that the member's registration should be suspended until certain action identified by the Professional Development Committee is taken by the member.

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For more information, please refer to the Continuing Professional Development Non-Compliance Policy.

TIP

Track your hours. Submit your declaration. Stay in good standing.

Need More Information?

For frequently asked questions, visit

http://www.cpans.ca/web/CPANS/Continuing_Professional_Development/CPD_General_FAOs.aspx. If you have other questions, please contact Danielle Roode, Associate Registrar at droode@cpans.ca, or call 1-902-425-7273 ext. 231.

This guide is provided for general information purposes and information has been summarized and paraphrased for ease of use. Responsibility for compliance with CPA Nova Scotia Bylaws and Policies remains with the member.