

(Consolidated up to 213/2007)

ALBERTA REGULATION 177/2001

Regulated Accounting Profession Act

**CERTIFIED MANAGEMENT
ACCOUNTANTS REGULATION**

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Definitions

1(1) In this Regulation,

- (a) “Act” means the *Regulated Accounting Profession Act*;
- (b) “Board” means the Board of Directors of the CMAA;
- (c) “candidate” means a student, other than an executive candidate, who has complied with section 4(1);
- (d) “CMA Canada” means the Board of Directors of the Society of Management Accountants of Canada;
- (e) “CMA entrance examination” means the examination as prescribed that assesses knowledge of the syllabus;
- (e.1) “code of ethics” means the ethical and professional standards of conduct adopted by the Board under section 18(1)(a) of the Act;
- (f) “executive candidate” means a student who has complied with section 4(2);
- (g) “incident” means any alleged occurrence, error, omission or act in rendering or failing to render professional services that any reasonable person would expect to give rise to a claim for negligence;
- (h) “prescribed” means prescribed by the Board;
- (i) “provincial society” means a society, order or other association of certified management accountants incorporated in a territory or province of Canada other than Alberta;
- (j) “SLP” means the Strategic Leadership Program as prescribed that constitutes the academic and work experience requirements for admission as a member;
- (k) “SRA auditor” means a securities regulatory authority auditor;
- (l) “syllabus” means the program of study as prescribed that is required for the CMA entrance examination and includes the following areas:

- (i) management accounting;
- (ii) financial accounting;
- (iii) process of management;
- (iv) computer systems;
- (v) quantitative methods;
- (vi) legal dimensions of accounting;
- (vii) international business;
- (viii) marketing;
- (ix) operations management.

(2) The terms defined in section 1 and Schedule 3 of the Act have the same meaning in this Regulation.

AR 177/2001 s1;213/2007

Part 1 Registration

Division 1 General Registration

Evidence provided on registration

2(1) Each applicant for registration as a candidate, executive candidate or member of the CMAA must provide satisfactory evidence to the registrar of

- (a) being a Canadian citizen or a person lawfully permitted to work or study in Canada, and
- (b) having a good character and reputation.

(2) In determining whether an applicant is of good character and reputation, the registrar must consider whether the applicant

- (a) has had a finding of unprofessional conduct or similar finding made against the applicant by any professional organization, and any orders made in consequence,
- (b) has any outstanding complaints or discipline matters with any professional organization with which the applicant is or has been registered,

- (c) has been convicted of a criminal offence in any jurisdiction,
- (d) has any outstanding charges under the securities regulatory law or the criminal law of any jurisdiction,
- (e) has been convicted of contravening the securities regulatory legislation of any jurisdiction,
- (f) has been subject to any of the bankruptcy or insolvency provisions under the *Bankruptcy and Insolvency Act* (Canada) or any similar legislation of any other jurisdiction, and
- (g) has been found guilty of a breach of a code of conduct or an academic infraction at any post secondary education institution.

(3) In addition to the matters referred to in subsections (1) and (2), the registrar must consider

- (a) any character references,
- (b) information on steps taken to overcome and evidence that the applicant has overcome the competence or ethical issues related to subsections (1) and (2), and
- (c) any mitigating factors provided by the applicant.

Deadline for application as a certified management accountant

3(1) A candidate must apply for registration as a certified management accountant within 5 years of the date of passing the CMA entrance examination.

(2) An executive candidate must apply for registration as a certified management accountant within 3 years of the date of admission as an executive candidate.

(3) If an application for registration as a certified management accountant is made outside the time period prescribed in subsection (1) or (2), the registrar may consider the application and determine what additional requirements, if any, are to be met for approval of the application.

Division 2

Candidates and Executive Candidates

Application requirements

4(1) An applicant for registration as a candidate must provide satisfactory evidence to the registrar of having

- (a) completed the syllabus,
- (b) received a degree granted by a post-secondary institution as prescribed, and
- (c) completed the CMA entrance examination and met the grade requirements as prescribed.

(2) An applicant for registration as an executive candidate must provide satisfactory evidence to the registrar of having

- (a) received a degree granted by a post secondary institution, as prescribed,
- (b) at least 5 years' experience in a senior financial and strategic management position authorized by the registrar, and
- (c) completed the syllabus or another course of study as prescribed.

(3) An applicant under subsection (1) must apply for registration as a candidate within 2 years of complying with subsection (1)(c).

(4) An applicant under subsection (2) must apply for registration as an executive candidate within 6 months of complying with or being exempted from subsection (2)(c).

(5) If an application for registration is made outside the time period referred to in subsection (3) or (4), the registrar may consider the application and determine what additional requirements, if any, are to be met for approval of the application.

Continuance of registration

5(1) For the purposes of section 51(1)(a) of the Act, registration as a student continues in effect if the student

- (a) achieves the minimum grade requirement in the SLP as prescribed, and
- (b) holds a full-time position approved by the registrar.

- (2) For the purposes of section 51(1)(c) of the Act, registration as a student continues in effect if the student provides to the registrar, within the time specified by the registrar,
- (a) any changes to the information required to be provided to the registrar under the Act, this Regulation and the by-laws,
 - (b) on request of the registrar, satisfactory evidence of continued compliance with conditions imposed by the registrar, and
 - (c) an annual declaration in the form specified by the registrar that the student has complied with the code of ethics.

AR 177/2001 s5;213/2007

Cancellation of student registration

6 A student's registration will be cancelled if the student is no longer eligible to become a member of the CMAA under this Regulation.

Division 3 Registration of and Requirements for Certified Management Accountants

Requirements for registration by student applicants

7(1) An application for registration as a member of the CMAA by a candidate must be accompanied by evidence satisfactory to the registrar that the applicant has met the requirements under sections 8 and 9(1).

(2) An application for registration as a member of the CMAA by an executive candidate must be accompanied by evidence satisfactory to the registrar that the applicant has meet the requirements under sections 8 and 9(2).

Academic requirements

8 For purposes of section 7, the academic requirements of the SLP consist of meeting the grade or performance requirements as prescribed on courses and examinations in the following areas:

- (a) strategy;
- (b) management accounting;
- (c) operations;
- (d) finance;

- (e) management;
- (f) organizational behaviour;
- (g) marketing;
- (h) information technology.

Experience requirements

9(1) An applicant under section 7(1) requires a total of 24 months of experience in a full-time position approved by the registrar, accumulated during the applicant's enrolment in the SLP.

(2) An applicant under section 7(2) requires

- (a) a total of 5 years of experience in a full-time position approved by the registrar, accumulated in the period specified by the registrar prior to entry in the SLP, and
- (b) continued experience in a full-time position approved by the registrar accumulated during the applicant's enrolment in the SLP.

(3) The Board must establish the nature of experience required under subsections (1) and (2).

(4) The registrar may recognize other relevant experience for the purposes of subsections (1) and (2).

CMAs from provincial society

10(1) For the purposes of section 35(2)(b) of the Act, if an applicant for registration as a certified management accountant is registered by a provincial society as a certified management accountant, the applicant must provide satisfactory evidence to the registrar that the applicant has met the competence requirements referred to in section 35(1)(a) of the Act by providing evidence that the applicant

- (a) is registered in good standing with that provincial society, and
- (b) meets the good character and reputation requirements referred to in section 2.

(2) An applicant who does not meet the requirements of subsection (1) may not be registered until the applicant meets those requirements.

Other evidence of competence

11 An applicant who does not meet the requirements of section 7 or 10, as the case may be, may provide evidence of competence for the purposes of section 35(1)(a) of the Act in accordance with section 12.

Registration under section 35(2)(c)

12(1) An applicant may provide evidence of competence to satisfy the registrar under section 35(2)(c) of the Act by providing to the registrar satisfactory evidence of

- (a) grades and performance achieved in academic, educational and other relevant studies substantially equivalent to those required to demonstrate a thorough knowledge of the syllabus,
- (b) a minimum of 5 years' experience in a senior level position that demonstrates leadership in financial and strategic management as prescribed, and
- (c) completion of any courses or examinations with the required grades as prescribed.

(2) For the purposes of subsection (1), the evidence must be presented in writing and may be supplemented by personal representations from the applicant or from other individuals, at the request of the applicant or registrar.

Continuance of registration as a member

13 For the purposes of section 51(1)(c) of the Act, registration as a certified management accountant continues in effect if the registrant provides to the registrar, within the time prescribed by the registrar,

- (a) any changes to the information required to be provided to the registrar under the Act, this Regulation and the by-laws,
- (b) the report required under section 15,
- (c) on request of the registrar, evidence satisfactory to the registrar of continued compliance with conditions imposed by the registrar, and
- (d) an annual declaration in the form specified by the registrar that the member has complied with the code of ethics.

AR 177/2001 s13;213/2007

Post-designation learning

14(1) For the purpose of this section,

- (a) “formal education” includes actively pursuing a degree, designation or diploma from a recognized post-secondary institution, as prescribed;
- (b) “informal education” includes any other form of learning activity recognized by the registrar as informal education;
- (c) “post-designation learning” means formal education or informal education, or a combination of both, as prescribed that contributes to continued competency and effectiveness of members of the CMAA as financial and strategic management professionals.

(2) Each certified management accountant must complete post-designation learning within the time period prescribed.

(3) The registrar may grant an exemption from the post-designation learning requirements imposed pursuant to subsection (2).

Reporting

15 Each member of the CMAA must

- (a) submit annually, on or before the date set out in the by-laws, a report in the form specified by the registrar that includes
 - (i) a declaration that the member has complied with section 14 and the particulars of compliance, or
 - (ii) a declaration that section 14 does not apply to the member, if an exemption has been granted pursuant to section 14(3),

and

- (b) keep an annual record of the member’s post-designation learning for 5 years, completed in accordance with section 14 and, on request, provide to the registrar or its designate the record and supporting documentation of post-designation learning completed.

Division 4 Reinstatement of Registration

Applications for reinstatement of registration

16(1) An applicant whose resignation was accepted under section 75(2) of the Act or the predecessor Act or whose registration was cancelled under Part 5 or 6 of the Act or the predecessor Act must comply with all orders or any conditions specified in connection with the resignation or cancellation, before being entitled to apply for reinstatement of registration.

(2) Unless otherwise provided in the Act or this Regulation, an investigated party whose registration was cancelled under Part 5 or 6 of the Act or the predecessor Act may not apply to the registrar for reinstatement within 2 years of the cancellation.

(3) An applicant for reinstatement referred to in subsection (1) must

- (a) comply with the requirements of this section;
- (b) provide satisfactory evidence to the registrar of meeting the requirements of section 2;
- (c) meet any education requirements specified by the registrar;
- (d) pay a reinstatement fee as provided by the resolutions;
- (e) satisfy any other terms or conditions specified by the registrar.

(4) The registrar may, on the terms and conditions the registrar considers necessary, reinstate the registration of an applicant under subsection (1) if all orders have been complied with and all conditions set at the time of the cancellation or resignation, as the case may be, have been met.

(5) Sections 32 to 34 of the Act apply to all applications for reinstatement of registration after cancellation or resignation.

Division 5 Use of Titles, Abbreviations and Initials

Certified management accountant

17(1) Subject to the rules of professional conduct, only a certified management accountant or public accounting firm registered under Part 3 of the Act may use the names “Certified Management Accountant” or “comptable en management accrédités” or the initials “CMA”.

(1.1) Subject to the rules of professional conduct, only a certified management accountant or public accounting firm registered under Part 3 of the Act may use the names “Registered Industrial Accountant” or “RIA” or “comptable en administration industrielle”.

(2) Only a certified management accountant registered under Part 3 of the Act who has been elected as a Fellow of the Certified Management Accountants by CMA Canada may use the name “Fellow of the Certified Management Accountants” or “Fellow comptable management accrédités” or the initials “FCMA”.

AR 177/2001 s17;88/2003

Division 6 Professional Corporations

Continuance of registration as a professional corporation

18 For the purposes of section 51(1)(c) of the Act, registration as a professional corporation continues in effect if the registrant provides to the registrar, within the time specified by the registrar,

- (a) any changes to the information provided to the registrar pursuant to section 40 of the Act, and
- (b) on request of the registrar, evidence satisfactory to the registrar of continued compliance with conditions imposed by the registrar on the registration.

Division 7 Public Accounting Firms

Gross revenue threshold for registration of public accounting firms

19(1) For the purposes of section 46(3) of the Act, a member of the CMAA, professional corporation or a partnership that provides only the services referred to in section 1(oo)(iv) or (vi) of the Act is not required to register as a public accounting firm if annual gross revenue from those services is less than \$10 000.

(2) A member of the CMAA, professional corporation or partnership that provides only the services referred to in section 1(oo)(iv) or (vi) of the Act and that has annual gross revenue from those services equal to or greater than \$10 000, but less than \$20 000, may apply to the Board or its delegate for an exemption from registration as a public accounting firm.

AR 177/2001 s19;88/2003

Registration of certified management accountants as public accounting firms

20 For the purposes of section 47(e) of the Act, an applicant for registration as a public accounting firm must provide to the registrar

- (a) the primary name under which the practice is conducted;
- (b) the legal name of the public accounting firm;
- (c) other names under which the practice is conducted;
- (d) the names of any related business or practice;
- (e) the firm's business address;
- (f) a listing of the principals, partners, directors, officers and shareholders of the firm;
- (g) a listing of the areas of public accounting practice the firm plans to engage in;
- (h) for each area of public accounting practice that the firm plans to engage in, satisfactory current evidence that a certified management accountant with the firm meets any education and experience requirements specified by the practice review committee;
- (i) the name of any professional corporation related to or affiliated with the firm.

Continuance of registration as a public accounting firm

21 For the purposes of section 51(1)(c) of the Act, registration as a public accounting firm continues in effect if the registrant provides to the registrar, within the time specified by the registrar,

- (a) any changes to the information provided to the registrar pursuant to section 47 of the Act and section 20, as applicable,
- (b) satisfactory evidence, on request by the registrar, that the amount of professional liability insurance required under this Regulation and the by-laws is currently maintained, and
- (c) satisfactory evidence, on request by the registrar, of continued compliance with conditions imposed on the registration by the registrar.

Division 8 Limited Liability Partnerships

Limited liability partnerships

22(1) For the purpose of registration as an Alberta limited liability partnership or an extra-provincial limited liability partnership under Part 2.1 of the *Partnership Act*, the applicant must provide satisfactory evidence to the registrar that the partnership carries professional liability insurance in an amount not less than

- (a) \$1 000 000 per incident for partnerships with fewer than 5 certified management accountants or professional corporations engaged in the partnership's practice, and
- (b) \$2 000 000 per incident for partnerships with 5 or more certified management accountants or professional corporations engaged in the partnership's practice.

(2) Notwithstanding subsection (1), a letter of credit, bond or other protection against professional liability may be substituted for professional liability insurance if it is

- (a) in an amount not less than the professional liability insurance that would be required under subsection (1), and
- (b) in a form approved by, and otherwise acceptable to, the registrar.

(3) A partnership referred to in subsection (1) must provide annually to the registrar satisfactory evidence of continued compliance with subsection (1) or (2).

Division 9 Professional Service Providers

Who must register

23 A person who meets the requirements of section 48 of the Act must register as a professional service provider if that person is

- (a) a certified management accountant, or
- (b) a student who is approved by the registrar to practise as a professional service provider.

Professional services for purposes of s48(1)(a) and 49(a) of the Act

24 For the purposes of sections 48(1)(a) and 49(a) of the Act, the professional services are

- (a) acting as a trustee in bankruptcy, a liquidator, a receiver, a receiver-manager or acting in any other aspect of insolvency practice, or
- (b) public practice as a business valuator.

Information to be provided on registration

25 For the purpose of section 49(d) of the Act, an applicant for registration as a professional service provider must provide to the registrar

- (a) the primary name under which the professional service provider practises,
- (b) the legal name of the entity under which the professional service provider practises,
- (c) other names under which the practice is conducted,
- (d) the applicant's business address,
- (e) the applicant's areas of professional practice,
- (f) a plan, acceptable to the registrar, of how the applicant will maintain client files, so that each client file will be separate and accessible for practice review purposes, and
- (g) an undertaking, acceptable to the registrar, allowing the CMAA access, for practice review purposes, to the working paper files that evidence the work performed by the applicant.

Continuance of registration as a professional service provider

26 For the purpose of section 51(1)(c) of the Act, registration as a professional service provider continues in effect if the registrant provides to the registrar, within the time prescribed by the registrar,

- (a) any changes to the information provided to the registrar pursuant to section 49 of the Act and section 25,
- (b) satisfactory evidence, on request by the registrar, that the amount of professional liability insurance required under this Regulation and the by-laws is currently maintained, and
- (c) satisfactory evidence, on request by the registrar, of continued compliance with conditions imposed by the registrar.

Division 10

Categories of Registrants

Categories of registrants

27(1) The following categories of members of the CMAA are established:

- (a) members in good standing;
- (a.1) specialists who are approved by the registrar;
- (b) suspended members;
- (c) members engaged in a public accounting practice;
- (d) members engaged in the professional services set out in section 24;
- (e) members who have conditions or restrictions placed on their registration.

(2) The following categories of public accounting firms are established:

- (a) public accounting firms in good standing;
- (a.1) limited liability partnerships;
- (b) SRA auditors;
- (c) suspended firms;
- (d) firms that have conditions or restrictions placed on their registration or practice.

(3) The following categories of professional service providers are established:

- (a) professional service providers in good standing;
- (a.1) professional service providers that have conditions or restrictions placed on their registration or practice;
- (b) suspended professional service providers.

(4) The following categories of students are established:

- (a) executive candidates;
- (b) candidates;

- (c) students who have conditions or restrictions placed on their registration;
- (d) suspended students.

(5) The fees, dues and levies payable by categories of members of the CMAA, public accounting firms, professional service providers and students may vary from category to category, as determined by resolution.

AR 177/2001 s27;213/2007

SRA auditors

28(1) Only a public accounting firm that receives an approval from the practice review committee to practise as an SRA auditor may perform an audit or review engagement for entities that are required to file financial statements or financial information with a securities regulatory authority.

(2) The Board may establish additional education, experience and professional liability insurance requirements to be met by an applicant for approval as an SRA auditor.

(3) The practice review committee must approve a public accounting firm as an SRA auditor if the applicant meets the requirements as prescribed.

(4) If the applicant fails to meet the requirements as prescribed, the practice review committee may approve the application subject to conditions or restrictions.

(5) Approval as an SRA auditor continues if the public accounting firm provides to the registrar

- (a) an annual filing establishing continued compliance with education, experience and professional liability insurance requirements and any conditions or restrictions, as prescribed,
- (b) notification within the time specified by the registrar
 - (i) of any contravention of a condition or restriction,
 - (ii) that the firm is subject to a follow-up practice review,
 - (iii) that the firm or any member of the firm has been found guilty of contravening the provisions of any securities legislation,
 - (iv) that the firm or any member of the firm has been discharged absolutely on conviction or after pleading

guilty to contravening the provisions of any securities legislation, or

- (v) that the firm or any member of the firm has reached a settlement with a securities regulatory authority regarding contravention of the provisions of any securities legislation,

and

- (c) the annual fees prescribed by the Board.

(6) Approval as an SRA auditor automatically terminates if the registration of the public accounting firm is suspended or cancelled.

(7) The practice review committee may, in order to protect the public interest, place restrictions or conditions on a public accounting firm's ability to practise as an SRA auditor if the firm does not meet the education and experience requirements or is subject to a follow-up practice review.

Part 2 Public Information

Maintenance of information

29 For the purposes of section 26 of the Act, the CMAA must maintain the information about registrants and former registrants for the following periods of time:

- (a) for at least 10 years for information respecting past registration status, registration decisions on registrations that were refused or conditions placed on registration or practice;
- (b) for at least 10 years for information under section 28(1)(c) to (f) of the Act;
- (c) for at least 5 years for information respecting practice specialty, professional corporations and the principals, partners, directors or shareholders of a public accounting firm;
- (d) for at least 4 years
 - (i) for information respecting a past practice review where the public accounting firm or professional service provider has an outstanding follow-up practice review, or

- (ii) for a practice review report under section 56 of the Act;
- (e) for at least one year for any other relevant information maintained in accordance with the Act, this Regulation or the bylaws.

AR 177/2001 s29;88/2003

Applicant information

29.1 For the purposes of section 34(4) of the Act, the CMAA must maintain complete applications for registration for at least 5 years after the Registrar or Registration Committee makes a decision on the application.

AR 88/2003 s5

Part 3 Repealed AR 88/2003 s6.

Part 4 Transitional Provisions and Repeals

Limitation on investigated parties

31 Any limitation placed on an investigated party under a former Act is deemed to be equivalent to a restriction imposed under the Act.

Repeal

32 The *General Regulation* (AR 159/88) is repealed.