

CMA Pre-Professional Program Guide

2011-2012

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Certified
Management
Accountants

CMA Pre-Professional Program Guide

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Introduction

The CMA is an internationally recognized professional designation, held by over 40,000 members across Canada. Certified Management Accountants are more than just accountants. CMAs are “big picture” strategic thinkers – the kind of professionals who help organizations profit from a changing world.

CMAs are focused on the future, not the past – using financial and operational information to direct strategic and operational decision-making. They are trained to lead and innovate, to be adept in the art of communication and negotiation, and to construct a clear, strategic view of an organization. With an understanding of organizational behaviour, structure and systems, finance and business operations, CMAs can analyze and manage financial information in a cross-functional way.

Founded in 1920, CMA Canada is the only Canadian professional organization dedicated to the development and integration of strategy, management, and accounting. CMA New Brunswick grants the CMA designation and regulates its members under the authorization of provincial legislation. As a self-regulating professional body, CMA New Brunswick establishes and maintains the highest standards, practices and professional conduct to protect the public interest. CMANB's membership, including certified members, students, candidates, and university student members, totals over 1200.

Our MISSION: CMA drives value creation by developing professionals and resources to lead the advancement and integration of strategy, accounting and management.

Our VISION: CMA is the designation of choice.

The CMA Certification Process

Becoming accredited as a Certified Management Accountant is a three-step process. The first step of the program, considered the Pre-Professional Program, involves becoming qualified either through university studies and/or the Accelerated Program. Step Two involves passing a rigorous National Entrance Exam. The final step, which includes the development and application of strategy, management and accounting skills, is the Strategic Leadership Program.

Candidates holding a university degree with specific pre-requisite studies, but not coverage of the full CMA pre-professional syllabus, may enroll in the eight-month Accelerated Program. Candidates who have full coverage of the CMA pre-professional syllabus may proceed directly to the CMA National Entrance Examination.

Held across Canada each June and October, the four-hour Entrance Examination is a comprehensive test of technical accounting knowledge. This knowledge serves as a foundation for the advanced concepts and practices covered in the 18-month Strategic Leadership Program. The Strategic Leadership Program is a management development program designed to enhance candidates' university education and prepare them to play a leadership role in their organization.

In the CMA program, the "case study" is your own organization: you can immediately validate and implement new concepts and practices in partnership with your employer. You can also compare your approach and findings with your peers in different organizations and sectors of the economy. Presentations, teamwork and written reports are fundamental elements of the Strategic Leadership Program. As candidates progress through the program, they gain confidence in these essential management skills.

The practical experience requirement provides assurance that candidates for certification have demonstrated their competency as a Strategic Management Accounting™ professional. To satisfy this requirement, candidates must gain twenty-four months of appropriate management accounting experience through full-time employment or equivalent.

Pre-Professional Program Requirements

Step 1: Becoming Qualified

In order to become eligible for admission to the Strategic Leadership Program, candidates must complete a university degree (including 16 required topics) and the CMA Entrance Examination. The required topics consist of the following:

Core topics:

Introductory Management Accounting
Introductory Financial Accounting
Economics (Macro and Micro)
Statistics

Advanced topics:

Corporate Finance
Taxation
Operations Management
Information Technology
Strategic Management
Human Resources/Organizational Behaviour
Marketing
Internal Control
Intermediate Management Accounting
Advanced Management Accounting
Intermediate Financial Accounting
Advanced Financial Accounting

Candidates may complete their required topics through a combination of university courses and the CMA Accelerated Program, or university courses only. Once a candidate has obtained a university degree with the required topics, or has successfully completed the Accelerated Program, he or she will be eligible to write the Entrance Examination. Upon successful completion of the Entrance Examination, a candidate may register for the Strategic Leadership Program.

Individuals interested in enrolling in the CMA Program are required to submit a copy of their university transcript(s) to CMA New Brunswick for an official transcript evaluation. This evaluation will not only confirm eligibility for the program, but will also determine how a candidate should proceed in obtaining the pre-requisites.

1. University Courses

University courses and degrees must be completed through a university which is recognized by the AUCC (Association of Universities and Colleges of Canada), or a university deemed equivalent by CMA New Brunswick. The minimum grade for courses completed through university is 'C' or 60%. For a listing of qualifying courses at universities in New Brunswick, please view the Program Details document on our website at www.cmanb.com. For degrees completed within Canada but outside of New Brunswick, course listings can be found on our provincial partners' websites or by contacting the provincial office. For degrees and courses completed outside Canada, all verifying documents must be submitted in either English or French.

2. Accelerated Program

The Accelerated Program is an eight-month bridging program which addresses the topics beyond those that are standard for a basic business/commerce degree. The program allows students to acquire full coverage of the CMA Entrance Exam Syllabus more quickly than completing the courses individually through university. The topics covered in this program include: Financial Accounting, Management Accounting, Corporate Finance, and Taxation, with self study in the areas of Strategic Management, Operations Management, Human Resources, Marketing, Internal Control and Information Technology.

Note: The Accelerated Program is offered in English only.

2.1 Admissions

To be eligible to enter the Accelerated Program, students must be members of CMA New Brunswick, hold a university degree, and have standing in the four required core topics, as determined by an official transcript evaluation performed by CMA New Brunswick staff. The four core topics are:

- Introductory Financial Accounting
- Introductory Management Accounting
- Economics
- Statistics

Registration forms and enrollment deadlines can be found in the 'Forms' section of our website.

2.2 Program Structure

The Accelerated Program is divided into 22 lessons which are delivered over an eight-month period. Evaluation is based on four module tests, weekly quizzes, and completion of six mandatory Management Studies quizzes. It is recommended that candidates allow for a minimum of 20 hours of study time, on average per week, in addition to the in-class or on-line lecture viewing time

i. Program Delivery

Students can choose to take the Accelerated Program through classroom sessions, distance learning, or a combination of the two. Upon enrollment, all students are provided with access to the program website which contains detailed lesson notes, problems with solutions, online video lectures, and related materials.

Accelerated Program classes commence once each year in the fall and are held from 9:00 am to 4:00 pm on Saturdays from September to April in Fredericton, Saint John or Moncton. The location alternates between the three cities each year to make the program more accessible to all New Brunswick residents.

The distance version is offered thrice each year. The Fall Session coincides with the classroom session from September to April. The Winter Session is offered in distance format only from January to July. The Spring Session coincides with the Winter Session from April to July and the Fall Session from September to December. Students view classroom lectures online and study on their own schedule but must write the online quizzes and the four program exams at scheduled sittings in Fredericton, Moncton, and Saint John over the course of the program.

ii. Evaluation

Students are evaluated through a series of four module tests and weekly quizzes.

Module 1 Test (Lessons 1-6)	20%
Module 2 Test (Lesson 7-11)	25%
Module 3 Test (Lessons 12-17)	20%
Module 4 Test (Lessons 18-22)	25%
Weekly Quizzes	<u>10%</u>
Total	100%

Students must receive a cumulative grade of 60% in each of Segment 1 and Segment 2 in order to be eligible to write the CMA National Entrance Exam. A student who is not successful on one of the segments will be given an opportunity within several weeks to write a supplemental exam that covers all of the material in the failed segment. Students will still be able to proceed to Segment 2 even if they do not pass Segment 1.

a) Module Tests

Tests are comprised of multiple choice, short answer, and long answer questions. This is to ensure that students can logically work through the material before they reach the Entrance Exam. Students are expected to attend all scheduled tests and in the event that they are unable to do so, they are required to inform the Programs Manager. Test dates are available prior to the commencement of the Program, and students are required to arrange personal and professional commitments around these dates. Exam centers are available in Fredericton, Moncton and Saint John and locations will be posted on the program website. Make-up tests will not be provided, so if a student misses a scheduled exam, he or she may write the exam when offered in the next available session or write the supplemental exam offered at the end of each segment.

b) Weekly Quizzes

Students will be required to complete weekly online quizzes, which will be due on Thursday evening before midnight. The quizzes have a dual purpose of encouraging students keep pace with the program and also to provide guidance to the instructor with respect to areas where students are struggling. Students must receive a score of 50% or higher to pass each quiz. By attempting and passing all quizzes in both segments, students will receive the full marks on the weekly quiz component of the final grade.

c) Management Studies Quizzes

In addition to the module exams and weekly quizzes, self-study topics (Operations Management, Marketing, Human Resources, Information Technology, Strategic Management, and Governance, Internal Control, and Risk Management) will be tested

electronically. Students will complete online quizzes in each of the six topics at their own pace and while students are required to pass each topic in order to pass the Accelerated Program, they will not count towards the final grade. Students will have three attempts and each attempt will be a random draw from a question bank. Once a student has passed the attempt, they will no longer be able to attempt that particular quiz. All self-study quizzes must be successfully completed by the end of the Accelerated Program in order to be eligible to write the CMA National Entrance Exam.

iii. Repeating the Program

Students who are unsuccessful in the program may rewrite examinations for up to two program offerings after completing the program. No additional tuition will be charged, however students are subject to annual member dues and re-write fees of \$100 plus HST per test. Payment for exam rewrites must be made at least one week in advance of the scheduled test date. Students are only required to rewrite tests until an overall grade of 60% is achieved in the failed segment.

iv. Deferral

Students may choose to take a leave of absence from the Accelerated Program for up to two program offerings. All tuition fees paid will be carried over to the new session, however, students are subject to annual member dues and re-write fees for any tests previously written. Requests to defer must be made in writing to the CMA New Brunswick office. Please be advised that once a student chooses to defer enrollment, any future request for a refund will not be granted.

v. Withdrawals

Students must notify the CMA New Brunswick office in writing of their intention to withdraw from the Accelerated Program. The date of receipt of the letter, email or fax will constitute the withdrawal date. Requests for a refund must be received **within two weeks of the program commencement date**. Students who withdraw will receive a refund of tuition fees and member dues less an administrative fee of \$300 plus HST. No refunds will be issued after this date, unless based on extenuating circumstances, at the discretion of CMA New Brunswick and prorated based on the length of the program. Before a refund can be issued, students must first return all program materials and their member card to the CMA New Brunswick office. Refunds will only be issued to the person or organization making the payment.

3. CMA Accredited Program

Select university programs have been accredited by CMA Canada. The Accreditation Process has been designed to recognize those universities that achieve high standards of instruction in management accounting. In 2008, the CMA Stream at Mount Allison University was accredited by CMA Canada and in 2011, UNB Fredericton was also accredited. Graduates from 2008 or later from Mount Allison and 2011 or later from UNB Fredericton who complete all CMA pre-requisite topics with an overall average of 75% or higher are eligible to apply for the waiver of the CMA National Entrance Exam within three years of completing their degree and can proceed immediately to the CMA Strategic Leadership Program. Students who graduate from the CMA Stream who do not obtain an average of 75% but have completed

all of the pre-requisite courses will be eligible to write the CMA National Entrance Exam. As this is a nationally accredited program, this eligibility would be recognized across Canada by all provincial CMA affiliates, if a student were to move to another province after graduation. The list of courses in the CMA Stream can be found in our Program Details brochure on our website. Further information on the accredited programs at Mount Allison University and UNB Fredericton is available on our website <http://www.cmanb.com/1/4/1/4/0/index1.shtml>

Step 2: The Entrance Exam

The CMA National Entrance Examination ensures that all candidates meet a uniform standard from coast to coast. It assesses the student's mastery of the technical material covered in the pre-professional program. It emphasizes knowledge, understanding and application.

Admissions

In order to become eligible to write the CMA National Entrance Exam, candidates must have successfully completed a university degree which includes the 16 required topics, or a combination of a university degree and the Accelerated Program. An official copy (ie. a copy that is sealed and forwarded directly to CMA New Brunswick by the university) of all university transcripts must be received before an application to write the exam is complete. Failure to submit an official transcript will result in the student being ineligible to enter the exam centre.

Application forms and registration deadlines are posted at www.cmanb.com. The examination fee and member dues must accompany the application form.

Structure and Logistics

The Entrance Exam is four hours in duration. It contains up to 120 multiple-choice questions and will test candidates in six subjects areas: Strategic Management, Risk Management and Governance, Performance Management, Financial Management, and Financial Reporting. Candidates should note that not all multiple-choice questions are weighted equally. Candidates can choose to write the exam in English or French, or request a copy in both official languages, however only one may be submitted for marking.

In 2012, the CMA Entrance Examination will be held in, but are not restricted to, Fredericton, Saint John and Moncton on the following dates:

June: Wednesday, June 13, 2012, 9:00am – 1:00pm

October: Thursday, October 11, 2012, 9:00am – 1:00pm

i. Calculator Policy – CMA Entrance and Case Examinations

The following models of calculators are authorized for use on the Entrance Examination and the Case Examination, effective January 2008:

Texas Instruments	TI BA II Plus (including the Professional model)
Hewlett Packard	HP 10bII (or HP 10Bii)
Sharp	EL-738C

Presiding Officers will be responsible for inspecting calculators used by candidates during the examination. Candidates will not be permitted to use calculators that are not listed above and use of any unauthorized calculator is a violation of the rules governing CMA examinations.

ii. Evaluation

In order to pass the examination and qualify for entry into the CMA Strategic Leadership Program, writers must obtain a passing grade of 60% on the Entrance Examination. Students will be advised of their success on the exam via the national website www.cma-canada.org, normally within 60 days of the exam sitting. Results are provided on a confidential basis and require the student's member number to access their grade. CMA New Brunswick staff are not able to advise in advance when the marks will be posted but will notify writers via email as soon as they are. In order to ensure the confidentiality of the results, they will not be given by telephone.

Candidates who score less than the passing grade of 60% on the exam are considered to have made an unsuccessful attempt of the exam. Candidates are deemed to have made an "attempt" if they show up at the examination center and receive a numbered envelope and examination questionnaire, even if they answer none of the questions.

Entrance Examination candidates are allowed three attempts to pass the CMA Entrance Examination. Entrance Examination candidates will be allowed, on an appeal basis, a fourth attempt at the Entrance Examination. Extenuating circumstances are limited to medical or compassionate grounds or circumstances of a similar nature beyond the control of the student. A student requesting a fourth attempt of the CMA Entrance Exam must state in writing the grounds in which the request is based and provide documentation to support the grounds cited. Student appeals should be addressed to the CEO of CMA New Brunswick.

iii. Audit Service

Students wishing to have their examination results reviewed may apply to have this done by completing the appropriate form, sent to all unsuccessful students with their exam results.

The audit service includes a review of the student's multiple-choice answer sheet to ensure the accuracy of the marking, and to provide feedback on the number of correct answers in each of the eleven topic areas. Specific written comments regarding the student's answers will not be provided.

The application must be submitted in writing within thirty days of the posting of the examination results, and must be accompanied by the appropriate fee. The result obtained following this review is final. CMA New Brunswick cannot provide individual feedback on how candidates performed on the exam, other than through an official audit of the student's exam.

iv. Entrance Examination Preparation Program

Those who register for the Entrance Exam are invited to attend the Entrance Examination Preparation Program at no cost. The two-day Technical Review session goes over topics in Financial Accounting, Taxation, Management Accounting, and Corporate Finance. The one-day Exam Writing Strategies session allows participants to attempt sample exams in an exam-like

setting and introduces students to critical exam writing techniques. Drawing on past exams and setting and successful exam writing strategies, the program coaches students on the optimal approach to the exam. It is available in English and French (provided sufficient registration) each May and September.

a) Materials

An Exam Preparation Manual and a Study Guide are provided to all registered students. As well, access to a practice website that includes multiple-choice questions and a performance analysis tool is provided to those who register for the exam. Past exams may be found on the CMA New Brunswick website at www.cmanb.com.

b) Evaluation

The preparation program is a self-assessment program intended to highlight for students where preparation is required. A grade is not given to students, nor are they required to pass in order to write the CMA Entrance Examination.

v. Withdrawal

Requests for a refund must be sent to CMA New Brunswick in writing before the deadline. All Examination fees are reimbursed and the registration is cancelled. Students who are registered but do not write the exam and have not notified the Programs Manager in advance will not be eligible for a refund.

Step 3: The Strategic Leadership Program

Upon successful completion of the CMA National Entrance Exam, candidates will proceed to the Strategic Leadership Program. The CMA Strategic Leadership Program is a management development program designed to enhance candidates' university education and prepare them to play a leadership role in their organization. The Strategic Leadership Program builds a solid foundation in each of the six Functional Competencies (Strategic Management, Performance Measurement, Performance Management, Financial Resource Management, Risk Management and Governance and Financial Reporting) and the four Enabling Competencies (Problem Solving and Decision Making, Leadership and Group Dynamics, Professionalism and Ethical Behaviour and Communication) of the CMA Competency Map.



The CMA Strategic Leadership Program, which lasts approximately 18 months, begins with an Orientation Session which familiarizes the candidates with the program as well as their fellow candidates and the program moderators. Year One of the program, or the Development Phase, is primarily based on individual performance and consists of three Interactive Sessions and the Business Case Exam. Year Two, or the Application Phase, is primarily group-based and consists of three additional Interactive Sessions and concludes with the Board Report. Attendance at the six interactive sessions is mandatory and candidates are required to produce a number of pre- and post-session reports during the course of the program as well as participate in online discussions. The Board Report, a comprehensive business case presented to a mock Board of Directors completes the program.

Running concurrent to the Strategic Leadership Program is the practical experience requirement which

provides assurance that candidates for certification have demonstrated their competency as a Strategic Management Accounting™ professional. To satisfy this requirement, candidates must gain twenty-four months of appropriate management accounting experience through full-time employment or equivalent, 12 months of which must be completed while enrolled in the Strategic Leadership Program. In order to meet the requirement, candidates must be at a CS-2 level (Basic Proficiency). Please refer to the CMA Competency Map for a detailed description.

http://www.cma-canada.org/index.cfm/ci_id/2544/la_id/1/document/1/re_id/0

Candidates have five years from successfully completing the CMA National Entrance Exam to complete the Strategic Leadership Program including the practical experience component.

2011/2012 Schedule of Fees

	Deadline	Amount	HST	Total
Annual dues				
	Registered Member	\$ 800.00	\$ 104.00	\$ 904.00
	Candidate Member	\$ 550.00	\$ 71.50	\$ 621.50
	Student Member	\$ 550.00	\$ 71.50	\$ 621.50
	University Student Member	Free	Free	Free
Accelerated Program				
	Full payment: Aug 19	\$3000.00	\$ 390.00	\$3390.00
	Or: 1 st installment: Aug. 19	\$1500.00	\$ 195.00	\$1695.00
	2 nd installment: Oct 1	\$ 750.00	\$ 97.50	\$ 847.50
	3 rd installment: Dec.1	\$ 750.00	\$ 97.50	\$ 847.50
	Withdrawal administrative fee	\$ 300.00	\$ 39.00	\$ 339.00
Entrance Exam and Preparation Program				
	Entrance Exam	\$ 300.00	\$ 39.00	\$ 339.00
	Audit	\$ 100.00	\$ 13.00	\$ 113.00
Strategic Leadership Program				
Development Phase (Year2)	Full payment: Sept.16	\$3000.00	\$ 390.00	\$3390.00
	Or: 1 st installment: Sept. 16	\$1000.00	\$ 130.00	\$1130.00
	2 nd installment: Jan. 1	\$1000.00	\$ 130.00	\$1130.00
	3 rd installment: Mar. 1	\$1000.00	\$ 130.00	\$1130.00
	Repeat module	\$1000.00	\$ 130.00	\$1130.00
Business Case Exam				
	Exam	\$ 700.00	\$ 91.00	\$ 791.00
	Audit	\$ 200.00	\$ 26.00	\$ 226.00
Strategic Leadership Program				
Application Phase (Year 1)	Full payment: Oct.21	\$3000.00	\$ 390.00	\$3390.00
	Or: 1 st installment: Oct.21	\$1000.00	\$ 130.00	\$1130.00
	2 nd installment: Jan. 1	\$1000.00	\$ 130.00	\$1130.00
	3 rd installment: Mar. 1	\$1000.00	\$ 130.00	\$1130.00
	Repeat module	\$1000.00	\$ 130.00	\$1130.00

*Please note: These rates are in effect until June 30, 2012. Rates shown are subject to change based upon annual review by CMANB. NSF cheques will be charged a \$100 NSF fee.

Member Professionalism and Conduct

Academic Misconduct

Academic Misconduct is an intentional act by a member, or by members, which may result in a false evaluation of the member(s), or which represents an attempt to unfairly gain an academic advantage. Academic misconduct includes, but is not limited to, the following acts which are presented as examples or a guide since not every possible circumstance can be anticipated:

- a. Plagiarism, which is the unacknowledged presentation, in whole or in part, of the work of others as one's own, whether in written, oral or other form, in an examination or test;
- b. Cheating, which involves the using, giving, receiving, or the attempt to use, give or receive unauthorized information during an examination in oral, written or other form; or, copying an examination or test, or allowing someone else to copy one's examination or test;
- c. Impersonating another person in an examination or test;
- d. Buying or otherwise obtaining tests or examinations for submission of another person's work as one's own for evaluation;

Sanctions are levied by the Society's Discipline Committee and their severity is determined in relation to the degree of academic dishonesty committed or attempted, to the intention to commit dishonest acts, or to the degree to which an individual has been a party to attempted or committed acts of dishonesty.

Accelerated Program Instructors and Test Invigilators have full authority over test centres and are required to report any misconduct occurring during the Accelerated Program to the Society for action. It is incumbent upon the members to act in accordance with the directions of the Instructors and Invigilators with regards to the test centre writing or it will be deemed that they are in violation of academic misconduct and will face sanctions as determined by the Discipline Committee.

Wrongful Use of the CMA Designation

Pursuant to regulations regarding use of the designation, registered students and candidates may not under any circumstances use the designation, "member of the CMA New Brunswick" or "CMA", or any other title suggesting that they are Certified Management Accountants (CMA). Registered students and candidates must use the term "registered candidate to CMA New Brunswick". No one may claim to be a member of CMA New Brunswick without holding an official certificate to this effect. Any person contravening this regulation may be struck from the roll for wrongful use of the CMA designation.

Code of Ethics

First Schedule

Code of Ethics for Management Accountants

The following Code of Ethics is adopted

Introduction

The relationship between a Member of CMA New Brunswick, other Members of the CMA New Brunswick, other professionals, and Members of the public must be governed by certain standards of professional and ethical conduct. These standards govern the performance of a Member's duties, to ensure that those duties are discharged in accordance with acceptable accounting and management practices, and a high level of professional integrity.

It is the duty of every Member of CMA New Brunswick to uphold and foster the competence and prestige of the accounting profession. In keeping with CMA New Brunswick's high standards of conduct, Members must carry out their professional work with honesty, impartiality, courtesy and personal honour. A breach of the Principles of Conduct outlined below will constitute professional misconduct and will render the offending Member liable to such disciplinary measures that CMA New Brunswick may consider appropriate.

A professional approach to an ethical problem requires that the rules be treated as setting out the minimum standard of behaviour, not the maximum. Where the rules are silent, an even greater sense of responsibility is called for to ensure the course of action followed reflects the general standards that have been established by Members of the Society over the years.

Definitions

Unless otherwise specifically provided for herein, the following terms shall have the following meanings:

"Act" shall mean the Society of Management Accountants of New Brunswick, Statutes of New Brunswick, as amended from time to time.

"Code" shall mean the Code of Ethics and Professional Conduct for Management Accountants, Society of Management Accountants of New Brunswick, as amended from time to time;

"Board of Directors" shall mean the Board of Directors of the Society, duly elected.

"Member" shall include a registered Member, student Member, honorary Member and life Member of the Society;

"Society" shall mean the Society of Management Accountants of New Brunswick;

Principles of Conduct

1.1 General

1.1.1 A Member shall at all times act in the best interests of the public and of the accounting profession as a whole, and shall not conduct his or her affairs in a manner that is or may be detrimental to the

profession or may tend to bring its standing into disrepute.

- 1.1.2 In the exercise of professional responsibilities, a Member shall subordinate his or her personal interests to those of the public, the employer, the Society, and the profession generally, as the nature of the case may require.
- 1.1.3 A Member shall at all times conduct his or her professional affairs in conformity with the Act, Code, by-laws, rules and regulations of the Society, as well as with all laws of general and specific application.

1.2 **Relations with the Public**

- 1.2.1 Only a Member in Good Standing shall direct attention to his or her Membership in the Society by any means whatsoever.
- 1.2.2 Only a Registered Member shall use the designation "Certified Management Accountant" or the initials "CMA" on any letterhead, nameplate, professional card, or announcement.
- 1.2.3 No Member shall sign or prepare any letter, report, statement or representation that he or she knows is false or misleading or that is prepared in a manner that tends to mislead or to misrepresent the actual situation.
- 1.2.4 When preparing financial statements or expressing an opinion on financial statements that are designed or intended to provide information to the public, a Member shall disclose all material facts known to him or her, shall require all and sufficient information and shall report all material misstatements or departures from generally accepted accounting principles.
- 1.2.5 In the presentation of a forecast of future results a Member must indicate the degree of reliability and precision of such forecast to avoid any misleading interpretation of such forecast.

1.3 **Relations with Clients and Employers**

- 1.3.1 A Member shall respect the confidence of clients and employers regarding their personal and business affairs.
- 1.3.2 A Member shall treat as confidential any information and documentation obtained by virtue of his or her relationship with a client or employer. The Member shall not disclose or produce such information or documentation without the consent of the client or employer concerned except by the lawful order of a competent authority.
- 1.3.3 It is the duty of a Member to inform a client and employer of any business connection, interest or affiliation that might influence his or her judgment or of which the client or employer might reasonably expect to be informed.
- 1.3.4 No Member shall improperly use confidential knowledge or information acquired with respect to a client's or employer's affairs, or shall acquire any interest, property or benefit, or take any position in connection with which he or she improperly uses, or is in a position to use, confidential knowledge or information of the client's or employer's affairs.
- 1.3.5 A Member shall at all times strive to ensure the provision of quality services for and on behalf of the client and employer and, in so doing, shall make his or her best efforts to employ procedures, methods and standards which are both current and of general acceptance in the profession.
- 1.3.6 A Member shall not knowingly lend himself or herself, or his or her name or services, to any unlawful act of a client, employer or any other person.

1.4 **Relations with Professional Accountants**

- 1.4.1 A Member shall treat and deal with other professional accountants courteously and in good faith. Without restricting the generality of the foregoing, and when not limited or restricted in writing by the terms of his or her engagement, no Member shall in respect of professional work entrusted to him or her, criticize a professional accountant without first submitting the criticism to such professional accountant for explanation. The Member shall also inform such professional accountant as to the action he or she has taken with regard to the criticism.
- 1.4.2 Members shall uphold the principle of appropriate and adequate compensation for work and will endeavor to provide opportunity for professional development and advancement of accountants in their employ or under their supervision.

1.5 **Professional Conduct**

- 1.5.1 A Member has a duty to carry out and conform to the principles of conduct set out in this Code in the spirit as well as the letter. A Member must strive at all times to observe a standard of conduct that reflects credit on the profession generally, and inspires the confidence, respect and trust of clients, employers, and the community at large.
- 1.5.2 A Member shall be deemed to have committed professional misconduct if he or she violates any of the above provisions of the Code.

Second Schedule

Rules for Implementation of the

Code of Ethics for Management Accountants

2.1 **Investigation of Complaint**

- 2.1.1 Any Member may become subject to investigation under the provisions hereof upon the receipt by the Board of Directors of a written complaint, alleging conduct on the part of the Member which may constitute professional misconduct from anyone, setting out summarily the nature, time and place of the alleged conduct.
- 2.1.2 Upon receipt of any such complaint, the Board of Directors shall designate either the President-Elect or the Chairman of the Professional Services Committee, and any one other Member of the Board of Directors to act as an Investigation Committee. The Investigation Committee shall undertake such Investigations as the Committee deems proper into the matter in question. The President-Elect or the Chairman of the Professional Services Committee selected to the Investigation Committee by the Board of Directors shall act as chairman of the Committee.
- 2.1.3 The Investigation Committee shall provide the Member forthwith with a copy of the complaint and notify the Member whose conduct or actions are being investigated of the complaint who shall be given fourteen days in which to submit in writing any explanations or representations the Member may wish to make concerning the complaint.
- 2.1.4 Where during its investigation, the Investigation Committee determines that it may be desirable and in the public interest to suspend from practice the Member being complained of pending completion of the investigation or, if a complaint is referred to the Board of Directors, pending hearing and adjudication, the Board of Directors may order the suspension of such Member for a period not exceeding three months, provided that any such suspension may by subsequent order of the Board

of Directors be extended for a further period of three months, or if the person suspended consents, for such longer period as he or she may consent to.

- 2.1.5 The Investigation Committee may, at the investigation level:
- i. decide that the complaint has no merit and take no further action;
 - ii. counsel the Member involved;
 - iii. caution the Member involved;
 - iv. counsel and caution the Member, or
 - v. refer the complaint or complaints to the Board of Directors.

In any event, the Committee shall notify the Board of Directors and the Member in question of its written decision, and in the case of a determination by the Committee that one or more formal complaints shall be referred to the Board of Directors, the Committee shall prepare and forward to the Board of Directors a complaint in the form attached as Appendix "A" to this Code.

2.2 **Proceedings Before the Board of Directors**

- 2.2.1 Upon receipt by the Board of Directors of a complaint from the Investigating Committee relating to a Member, the Board of Directors or its designate shall arrange for a formal hearing before the Board of Directors and shall by registered mail or personal service provide the Member in question notice of the hearing. Notice shall be given to the Member at least fourteen calendar days prior to the time appointed for the hearing of the complaint (excluding the day of receipt or service and the day of hearing).
- 2.2.2 Notice by registered mail shall be provided to the Member's last known address as shown in the Society's records, and shall be deemed to have been received by the Member four days after the date of mailing, unless returned marked undelivered.
- 2.2.3 Such notice shall be in the form attached as Appendix "B" to this Code and shall be accompanied by the Information Sheet attached as Appendix "C".
A copy of the complaint and Code shall also be included with such notification.
- 2.2.3 Where a Member has been duly notified of a hearing and does not attend, the Board of Directors may nevertheless proceed with the hearing.
- 2.2.4 Unless it is otherwise specifically provided, the procedure at all hearings before the Board of Directors shall be determined by the ruling of the chair whose decisions shall be final, binding and conclusive. Any Member of the Board of Directors who was a Member of the Investigation Committee on the matter in question shall not take part in the adjudication by the Board of Directors of the complaint.
- 2.2.5 At the hearing before the Board of Directors into allegations of professional misconduct of a Member, the Board of Directors shall:
- i. consider the allegations, hear the evidence and ascertain the facts of the case;
 - ii. permit the Member to present a full and complete defense.
- 2.2.6 After the conclusion of the hearing the Board of Directors shall:
- i. determine whether upon the evidence and the facts so ascertained the allegations are proven;
 - ii. determine whether in respect of the allegations so proven the Member is guilty of professional misconduct;
 - iii. determine the penalty to be imposed after hearing any representations as to penalty as the Member may wish to present.

- 2.2.7 If more than one Member is involved in any complaint or if there is more than one complaint, the hearing may proceed as to each complaint or Member separately or together as the chair may determine.
- 2.2.8 A formal hearing before the Board of Directors may be adjourned at any time and from time to time and no further notice shall be required.
- 2.2.9 The proceedings at any hearing before the Board of Directors shall be recorded in shorthand or otherwise and a transcript or summary produced; such transcript or summary signed by the chair shall be conclusive evidence of the proceedings for all purposes.
- 2.2.10 Any witness testifying at a hearing may be subject to cross-examination.
- 2.2.11 The Board of Directors or its designate shall make all necessary arrangements for the retention of legal counsel or other appropriate person to present evidence in support of the complaint, and otherwise to appear and present argument at the hearing.
- 2.2.12 In the conduct of a formal hearing into a complaint the Board of Directors shall:
- i. be composed of persons who do not have a direct business or personal relationship with the Member charged;
 - ii. rely only on evidence presented at the hearing;
 - iii. be at liberty to make a finding of professional misconduct although all of the stated elements of the complaint have not been proven, and
 - iv. require the attendance of any Member and the production of such evidence as may be deemed necessary by the Board of Directors.
- 2.2.13 Proof of any formal complaint before the Board of Directors shall be on a balance of probabilities.
- 2.2.14 Upon the determination by the Board of Directors that the Member is guilty of professional misconduct, it may order any one or more of the following:
- i. that the Member be admonished or reprimanded in such a way that the Board of Directors may determine;
 - ii. that the Member be suspended or expelled from the Society;
 - iii. attach any conditions or restrictions on the continued Membership or re-admission of a Member to the Society;
 - iv. require that the Member pay the costs of the proceedings the payment thereof by the Member shall in such event be a condition precedent to his continued membership in the Society and shall constitute a debt due to the Society by such Member;
 - v. order the Member to undergo counseling;
 - vi. make such other or ancillary orders as the Board of Directors considers appropriate or requisite.
- 2.2.15 The Board of Directors shall be obliged to provide a written decision which shall contain the findings and conclusions made at the hearing and the reasons for the decision. A copy of the decision shall be forwarded by prepaid registered mail to the Member.
- 2.2.16 No member of the Board of Directors shall participate in a decision of the Board of Directors unless he or she was present throughout the hearing and heard the evidence and argument of the parties.
- 2.2.17 Where a proceeding is commenced before the Board of Directors and the term of office on the Board of Directors of a Member expires or is terminated before the proceeding is disposed of but after the evidence has been heard, the Member shall be deemed to remain a member of the Board of Directors for the purpose of completing the disposition of the proceeding in the same manner as if his or her term of office had not expired or terminated.

2.2.18 The Board of Directors shall report any Member expelled to the Secretary of the Society of Management Accountants of Canada who, in turn, shall be permitted to transmit this information to the Secretary of each of the Provincial/Territorial Societies.

2.2.19 The Board of Directors may, at its option, report any Member, who is expelled to the Secretary of the New Brunswick Institute of Chartered Accountants and/or the Certified General Accountants of New Brunswick. The Board of Directors may also, at its option, advertise in the daily printed New Brunswick media the expulsion from Membership in the Society.

2.3 **Conviction of an Offence**

2.3.1 A Member may be found to be guilty of professional misconduct if he or she has been found guilty by a court of competent jurisdiction of an offence which, in the opinion of the Board of Directors, renders him or her unsuitable to remain a Member of the Society upon proof of such conviction being received by the Board of Directors.



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