

Guiding Questions and Practical Experience Rubric

CPA PER Appendix A

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Table of contents

Am I performing at a Level 0, Level 1 or Level 2 proficiency?	1
Overview of Technical Competencies	3
Financial reporting	5
Financial reporting needs and systems (FR1)	6
Accounting policies and transactions (FR2)	8
Financial report preparation (FR3).....	9
Financial statement analysis (FR4).....	10
Management Accounting	11
Management reporting needs and systems (MA1).....	11
Planning, budgeting and forecasting (MA2)	13
Cost, revenue, profitability management (MA3).....	15
Organizational/Individual performance Measurement (MA4).....	17
Audit and Assurance	19
Internal control (AA1)	19
Internal audit or external assurance requirements, basis and risk assessment (AA2)	21
Internal audit projects or external assurance engagements (AA3).....	23
Taxation	24
Income tax legislation and research (TX1)	24
Income tax compliance corporate or personal (TX2).....	25
Tax planning: corporate or personal (TX3)	26
Finance	27
Financial analysis and planning (FN1)	27
Treasury management (FN2).....	29
Capital budgeting/valuation/ corporate finance (FN3)	32
Strategy and Governance	34
Governance, mission, vision, values and mandate (SG1).....	34
Strategy development/implementation (SG2).....	36
Enterprise risk management (SG3)	38

Do you need to document your technical competency responses, but don't know where to start? This document will help guide you through the process! Please click on the competency area that you feel applies to your role and use the guiding questions to format your response.

Following this guide will help you meet our Practical Experience Requirements. Please note that if you're reading through the questions and they do not seem to apply to your role, you may be filling out the wrong competency area.

Am I performing at a Level 0, Level 1 or Level 2 proficiency?

For each sub-competency area, please explain the work you do in this area and the general frequency that the work is performed at a high-level. You must ensure your response addresses all of the guiding questions and meets the rubric requirements for the level you are targeting.

Clear, concise communications is essential for a successful CPA student/candidate. All responses must stay within the borders of each PERT response box and not exceed the 5,000-character limit. Any answers outside of the PERT response box cannot be properly verified by your supervisor. Examples must be kept within the PERT character limit, unless otherwise requested.

Prior to reporting on any sub-competency, keep the following in mind:

- Have an understanding of the competency area before reporting.
- Focus on the 8 to 10 sub-competencies that are key to your role.
- Use the Guiding Questions to facilitate and document your response.
- Use clear, concise writing instead of story writing.
- Focus on your most complex examples.

Please reference chart on the next page.

Level 0	Retrieval and comprehension: information gathering, explain, record, calculate	<ul style="list-style-type: none"> • Experience at an administrative or clerical level.
Level 1	Analysis: analyze, identify, research, prepare	<ul style="list-style-type: none"> • Experience at the professional level but lower than what is expected of a newly certified CPA. • This can include experience with tasks that are routine in nature, of a low to moderate level of complexity, and/or are executed with a low to moderate level of autonomy. • Tasks or issues are straightforward and can be competently achieved with a routine approach. • Works under supervision with a lower level of autonomy. • Performs some analysis, which would be reviewed by a supervisor as part of a decision-making process. <p>Please provide 1-2 specific examples and specify how often you perform this analysis.</p>
Level 2	Knowledge utilization: evaluate, develop, review, advise/recommend	<ul style="list-style-type: none"> • This is likely a key requirement of your role. • The experience level expected of a newly certified CPA with skills that are transferrable outside of your present role/organization. • This can include experiences on tasks that have a moderate to high level of complexity and are non-routine or require significant judgment with a moderate to high level of autonomy. • Medium to considerable difficulty is associated with a number of variables and ambiguities that must be considered simultaneously; circumstances which may be less clear and require approaches that are not practiced frequently. • Examples include evaluating analysis prepared by either yourself or a junior staff member for the purpose of decision-making process or used to reach recommendations or conclusions. <p>You can focus on one example per experience report, but you must provide at least 3+ complex examples across your duration and identify how often you perform this work. In addressing the requirements of the sub-competency area, you must show how you apply your judgment to specific work and provide examples with complete and concise walk-through descriptions.</p> <p>Complexity considerations: significant judgment, solution is not easy to get to, tasks where research is required, multiple forms of analysis or alternatives considered, and/or multiple systems or sources of information.</p>

Overview of Technical Competencies

FINANCIAL REPORTING

Do you assess the financial reporting needs of external financial statement stakeholders? Additionally, do you adjust your approach and process to ensure that those needs are met? Do you evaluate accounting policies or prepare accounting transactions? Do you research within the Financial Reporting Handbook to prepare accounting entries? Do you prepare or review parts of or full sets of financial statements and note disclosures for external stakeholders? Do you evaluate year-over-year actual changes as part of a financial statement analysis?

- Financial reporting needs and systems (FR1)
- Accounting policies and transactions (FR2)
- Financial report preparation (FR3)
- Financial statement analysis (FR4)

MANAGEMENT ACCOUNTING

Do you prepare internal reports to support management decision making? Are you involved in planning, budgeting or forecasting? Do you analyze cost, revenue or profitability for your organization? Do you analyze the key performance indicators of your organization's employees and business units?

- Management reporting needs and systems (MA1)
- Planning, budgeting and forecasting (MA2)
- Cost, revenue, profitability management (MA3)
- Organizational/Individual performance measurement (MA4)

AUDIT AND ASSURANCE

Do you perform internal audit or external assurance engagements? Do you assess the control environment and the impact to the information systems and related internal control processes? Do you perform audit planning and/or testing procedures?

- Internal control (AA1)
- Internal audit or external assurance requirements, basis and risk assessment (AA2)
- Internal audit projects or external assurance engagements (AA3)

TAXATION

Are you involved with tax research, tax planning, or preparing tax returns, either for your organization or for an external client?

- Income tax legislation and research (TX1)
- Income tax compliance: corporate or personal (TX2)
- Tax planning: corporate or personal (TX3)

FINANCE

Do you assess any risks and ratios that could impact the overall health of the organization? Do you evaluate or review financial risk management policies and/or recovery plans? Do you assess the financial viability of business proposals? Do you analyze financial models and evaluate the feasibility of capital projects? Do you analyze cash flows and make recommendations?

- Financial analysis and planning (FN1)
- Treasury management (FN2)
- Capital budgeting, valuation, corporate finance (FN3)

STRATEGY AND GOVERNANCE

Does your role include analyzing and assessing the entity's risk management process and/or strategies? Do you provide recommendations on the strategic plan, considering internal and external factors? Do you prepare information to ensure your organization remains compliant with regulatory requirements?

- Governance, mission, vision, values and mandate (SG1)
- Strategy development and implementation (SG2)
- Enterprise risk management (SG3)

Financial Reporting

Do you assess the financial reporting needs of external stakeholders (i.e. the Board of Directors, investors, financiers)? Do you adjust your processes to ensure that those needs are met? Do you evaluate accounting policies or accounting transactions in accordance with a financial reporting framework (i.e. ASPE, IFRS, PSAS, etc.)? Do you research the Handbook to prepare memos and/or accounting entries? Do you prepare or review parts of or full sets of financial statements and note disclosures for external stakeholders in accordance with this financial reporting framework? Do you evaluate year-over-year historical changes as part of a financial statement analysis?

Notice to Public Accounting Students/Candidates

Depth in financial reporting requires you to work within a financial reporting framework.

It is expected that Compilation engagements would allow you to achieve Level 1 (subject to the specifics of your experience meeting the requirements). At least 425 assurance hours along with a duration requirement with sufficient complexity and diversity in the client industries would be required to support the Level 2's needed.

OR

425 hours spent on complex accounting transactions where clients:

- follow a recognized framework, and
- are subsequently audited/reviewed by another firm and/or through outsourced accounting duties that are determined to be sufficiently complex in lieu of the required assurance hours.

FINANCIAL REPORTING NEEDS AND SYSTEMS (FR1)

GUIDING QUESTIONS

To meet these requirements, you must include: who are the external stakeholders of these financial statements and how do you assess their financial reporting needs? What are their reporting or regulatory requirements? Specialized financial reporting requirements could include developing reporting for new external stakeholders. Also discuss one of the following:

- 1) How have you identified the appropriateness of the basis of the financial reporting framework (i.e. ASPE, IFRS) and why were you required to evaluate the financial reporting framework in your role? Providing a discussion of why your organization follows a specific accounting framework would be considered a Level 0 proficiency.
- 2) How have you evaluated the financial reporting systems, data requirements or financial reporting business processes or controls to ensure that the reporting needs of external users are being met? What significant improvements have you made to support reliable external financial reporting in accordance with the financial reporting framework? Running existing reports from the system or completing straight forward reconciliations without improving the financial reporting process would be a Level 0 in this sub-competency area.

To be eligible for a Level 2 you must (1) be independently or autonomously determining the needs of external users and (2) include your recommendation to management and demonstrate how you have made significant improvements to financial reporting systems or financial reports based on a financial reporting framework (for example, creating new control processes, automation, system improvements, ERP system implementations). Please provide at least 1-2 examples for a Level 1, and at least 3 complex examples for a Level 2.

RUBRIC

Level 0	Level 1	Level 2
<p>Use the accounting system to process transactions and/or generate reports.</p> <p>Verify mathematical accuracy of financial information (sub-totals, totals).</p> <p>Perform simple reconciliations.</p>	<p>Analyze the financial reporting information required by external stakeholders, including regulatory requirements (can include specialized financial reporting requirements); plus</p> <p>(a) Analyze/identify the appropriateness of the basis of financial reporting; or</p> <p>(b) Analyze reporting systems, data requirements or business processes to support reliable financial reporting</p>	<p>Evaluate financial reporting information required by external stakeholders, including regulatory requirements (can include specialized financial reporting requirements); plus</p> <p>(a) Evaluate the appropriateness of the basis of financial reporting; or</p> <p>(b) Evaluate reporting systems, data requirements or business processes to support reliable financial reporting</p>

ACCOUNTING POLICIES AND TRANSACTIONS (FR2)

GUIDING QUESTIONS

Please document how you have analyzed or reviewed accounting policies or transactions in accordance with a financial reporting framework. Please ensure you indicate the financial reporting framework you're working within, how frequently you perform this type of work, and provide examples that demonstrate how you are researching, preparing and/or reviewing these accounting policies or transactions. Please provide at least 1-2 examples for a Level 1, and at least 3 complex examples for a Level 2.

To be eligible for a Level 2, you must include at least 3 examples from multiple areas of a framework over the course of your duration. These examples must be complex/non-routine accounting policies and/or transactions you worked on that involve reviewing various sections of the Handbook, preparing an analysis and using professional judgment to prepare or conclude the transaction. This work must be performed as a part of your regular job duties.

Complexity would include work performed on non-routine transactions where you had to determine the proper accounting treatment (i.e. the accounting treatment is not already pre-determined). This requires you to research the Handbook and apply your own judgment in determining how to capture the transaction.

Foundational accounting concepts (i.e. matching principle, prepaids, cash transactions, accruals) would be a Level 0 in this sub-competency area.

Make sure to include the resources you used, the financial reporting framework, the Handbook section reference, and discuss why the transactions were complex and recommendations you made as a result of your analysis.

RUBRIC

Level 0	Level 1	Level 2
Record accounting entries for routine transactions. Roll forward provisions from prior years.	Research the appropriate accounting policies and procedures (or explains the basis in which they were selected and applied to an organization); or Research and analyze treatment for routine transactions	Evaluate appropriate accounting policies and procedures; or Evaluate treatment for routine and non-routine transactions; or Research and evaluate treatment for complex events/transactions.

FINANCIAL REPORT PREPARATION (FR3)

GUIDING QUESTIONS

Please document your role in preparing/reviewing the external facing financial statements (Income Statement, Balance Sheet, Cashflow Statement, Statement of Equity, external note disclosures, etc.) and which entities you prepared them for.

How frequently have you worked on these statements in accordance with the external financial reporting requirements (i.e. annually, quarterly)? Do you prepare/review the full set of statement and disclosures and if not, which sections do you work on? What work is essential in preparing the Financial Statements (i.e. adjustments made, presentation, classification, consolidation; NOT analysis of accounting policy as this is FR2)?

Do you prepare note disclosures in accordance with a financial reporting framework? What work is inherent in assessing the disclosure requirements? How do you ensure that the presentation and disclosures are in line with the financial reporting framework? Please provide at least 3 examples of disclosures prepared.

Are the financial statements subsequently audited or reviewed? What makes your financial statement preparation and review process complex?

Please note that verifying mathematical accuracy of the statements or completing statements that do not follow a financial reporting framework would be a Level 0 in this area.

For a Level 2, students/candidates must have exposure to statements that offer diversity and complexity. This includes preparing full sets of statements, including note disclosures at small/mid-sized organizations and exposure to preparing sections of the financial statements with accompanying notes at larger organizations. In addition, you must have exposure to multiple cycles (i.e. 2 annual, OR 1 annual and 3+ quarters) to achieve a Level 2 in this area.

RUBRIC

Level 0	Level 1	Level 2
Verify mathematical accuracy of the financial statements and note disclosures.	Prepare or review financial statements, including note disclosures.	Evaluate financial statements, including note disclosures.

FINANCIAL STATEMENT ANALYSIS (FR4)

GUIDING QUESTIONS

This analysis must support external reporting for the preparation of external reporting financial statements for period end (i.e. period end analysis, or analysis to support preparation of the MD&A).

Please document the scope of the analysis you're responsible for (i.e. line items, financial statements) and how you have reviewed historical period-to-period actual results and drew conclusions based on the interdependencies and analysis (ex: variances, ratios, trends). Who are the end-users of your analysis and how do you present/communicate your analysis to them? Please indicate the frequency of your analysis and what sections of the financial statements you prepare this analysis for.

Please note, forward looking financial analysis (i.e. budgeting/forecasting) is not captured in this sub-competency area (but rather MA2 in addition to preparation of the budget).

To be eligible for a Level 2 you must demonstrate how you are examining multiple line items, considering interrelationships between financial statements, performing multiple forms of analysis, and making recommendations (i.e. to support higher level strategic decision making). This must also be completed for multiple accounting cycles (i.e. monthly, quarterly, annually). Please provide at least 1-2 examples for a Level 1, and at least 3 complex examples for a Level 2.

RUBRIC

Level 0	Level 1	Level 2
Calculate ratios and/or % changes in account balances.	<p>Prepare or review the management communication (e.g., MD&A) or</p> <p>Prepare or review financial reporting results for stakeholders (external or internal) or</p> <p>Prepare or review the impact of strategic and operational decision on financial results (external or internal).</p>	<p>Evaluate management communication (e.g., MD&A) or</p> <p>Evaluate financial reporting results for stakeholders (internal or external) or</p> <p>Evaluate the impact of strategic, and operational decision on financial results (external or internal).</p>

Management Accounting

Do you prepare internal reporting for the purpose of management decision making? Are you involved in planning, budgeting or forecasting? Do you analyze cost, revenue or profitability for your organization using managerial accounting techniques? Do you analyze the key performance indicators of your organization's business units?

To demonstrate proficiency in this area, your reporting should be focused on internal management and the impact of your analysis on operating decisions and forward-looking management decision making. Please note that external reporting in accordance with a financial reporting framework would be captured in FR.

MANAGEMENT REPORTING NEEDS AND SYSTEMS (MA1)

GUIDING QUESTIONS

There are three sections to this sub-competency area that you must address to be considered proficient. All sections must be clearly addressed within your response.

- 1) Analyze management information requirements: who are your internal reporting stakeholders? How do you determine their information requirements, and what are they? What internal processes are they using this information for?
- 2) What recommendations or improvements have you made to enhance these internal reports, business processes, data requirements or reporting systems? Have you created any new reports or dashboards in your role? How are your internal reports and/or system changes/implementations used in your organization to help facilitate management decision making? How did you understand the internal stakeholder reporting needs and how did you recommend any improvements or create reports to help facilitate these internal decisions?

- 3) How do you ensure data integrity and confidentiality? Some examples include ethical and privacy considerations, safeguarding of information, or validating system generated information to ensure it can be relied upon.

Using information systems to generate reports that have already been established would be considered a Level 0 proficiency.

Please provide at least 1-2 examples for a Level 1, and at least 3 complex examples for a Level 2. For a Level 2, your examples must demonstrate how you independently evaluated the information needs of management in order to create or significantly improve new management report(s) or were involved in a system improvement/implementation. Complexity can include: scope of role and length of the project, level of autonomy in analyzing management information needs and incorporating multiple systems that information is sourced from.

RUBRIC

Level 0	Level 1	Level 2
<p>Use existing information systems to generate management reports.</p> <p>Recognize ethical and privacy issues related to information technology.</p>	<p>Analyze management information requirements, plus</p> <p>Analyze business processes, systems and data requirements or analyze potential improvements to meet information needs plus</p> <p>Analyze ethical and privacy issues related to information technology and its use.</p>	<p>Evaluate management information requirements, plus</p> <p>Evaluate business processes, systems and data requirements and evaluate or recommend improvements to meet information needs plus</p> <p>Evaluate ethical and privacy issues related to information technology and its use.</p>

PLANNING, BUDGETING AND FORECASTING (MA2)

GUIDING QUESTIONS

Please document your involvement in the preparation of operational/financial budgets, plans and/or forecasts.

There are three categories in this sub-competency that you must address in order to be obtain proficiency:

- 1) Inputs: Please describe what type of analysis you prepared to assess the inputs for the budget, plan or forecast. Identify your sources of information, the judgment applied in reviewing the assumptions made, and your approach for assessing the reasonability of the inputs. Please elaborate on at least 3 examples of the inputs you analyzed.
- 2) Preparation of the budget, plan and/or forecast: Are you responsible for the entire estimate or specific sections? Is the exercise performed for the full organization or an operating unit? What is the scope? How frequently do you do this (i.e. annually, monthly or quarterly forecasting)? What makes this estimate process complex?
- 3) Variance analysis: Do you explain/calculate variance analysis (i.e., estimate to actual) and how often is this done (i.e. monthly, quarterly)? What is the impact? What are your recommendations? Please provide at least 3 examples of the variance analysis performed you performed.

For a Level 2, you must have experience in preparing operational/financial budgets, plans and/or forecasts for multiple cycles (i.e. two annual or 1 annual and multiple forecasts), analyzing multiple inputs, relevant scope and complexity in the sections you're responsible for (i.e. materiality of the section responsible for, exposure to various line items requiring analysis from multiple sources of information to assess reasonability) and recommendations made on variance analysis. It is expected that you have exposure to working on the majority of the budget for a small organization and exposure to working on sections of the budget for a large organization.

Please reference rubric on the next page.

RUBRIC

Level 0	Level 1	Level 2
<p>Verify mathematical accuracy of plans, budgets and/or forecasts.</p>	<p>Analyze or prepare data and information inputs for operational plans, budgets and forecasts; plus</p> <p>Prepare operational plans, budgets, or forecasts; plus</p> <p>Analyze variances.</p>	<p>Evaluate data and information inputs (including assumptions) for operational plans, budgets and forecasts; plus</p> <p>Evaluate operational plans, budgets, or forecasts; plus</p> <p>Evaluate implications of variances.</p>

COST, REVENUE, PROFITABILITY MANAGEMENT (MA3)

GUIDING QUESTIONS

For this sub-competency you need to demonstrate proficiency in one of the three requirements (cost **OR** revenue **OR** profitability management), rather than all three.

Please indicate in which of the three areas you will be demonstrating proficiency (you may target more than one but must fully address the requirements of the area that you are claiming) and what your business group is responsible for.

Cost management: Using examples, discuss what cost management techniques you are applying along with any decisions that your work supports (i.e. fixed/variable, direct/indirect, standard costing, activity-based costing, job costing, etc.). Ensure you describe the steps that you take in performing this analysis, along with the frequency that you complete this work. Discuss any analysis of potential changes you make to cost management techniques or process improvements, including recommendations/conclusions used to support decision making (i.e. pricing decisions, purchasing decisions, maximizing production, reducing overhead). Describe the impact of your recommendations to the business. Please note, ensuring the mathematical accuracy of costs recorded, or validating GL coding would not demonstrate proficiency in this area towards management accounting.

Revenue management: Discuss the analysis (i.e. product mix, sales by product line, sensitivity analysis) you perform to analyze revenue growth sources/drivers and any recommendations/conclusions you made. Ensure to indicate who your stakeholders are and the frequency with which you perform this task. Please also describe the outcome of this analysis and the impact it had on the business.

Profitability management: Using examples, discuss any sensitivity analyses you perform and include the recommendations you made. Next, discuss the tasks you perform to provide alternatives for profit maximization or capacity management performance, including recommendations/conclusions, using examples (i.e. break-even analysis, contribution margin analysis, etc.). Describe the impact your recommendations made to the business.

Please note to gain proficiency in MA3, students/candidates need to ensure they are examining more than just variance analysis (as this is covered in MA2). For a Level 1, students/candidates need to provide at least 3 examples

of analysis to support potential cost saving opportunities, sources or drivers of revenue growth, or calculate the sensitivity analysis for profitability management and analysis to support profit maximization.

For a Level 2, students/candidates are required to provide at least 3 complex examples across the course of their duration in one or more of the above areas. Complexity would require you to be performing multiple steps in your analysis or multiple forms of analysis and would require you to be responsible for making recommendations to management.

RUBRIC

Level 0	Level 1	Level 2
<p>Collect information to assist with cost, revenue or profitability management.</p>	<p>Cost management: Apply the appropriate cost classifications and costing methods for management of ongoing operations, apply cost management techniques appropriate for specific decisions, and analyze potential changes identified by applying process improvement methodologies; or</p> <p>Revenue management: Analyze or prepare information to understand the sources/drivers of revenue growth; or</p> <p>Profitability management: Prepare the sensitivity analysis and analyze alternatives for sustainable profit maximization/capacity management performance.</p>	<p>Cost management: Evaluate appropriate cost classifications and costing methods for management of ongoing operations, and evaluate cost management techniques appropriate for specific decisions, and evaluate and recommend either: (a) change identified by applying process improvement methodologies or (b) cost management improvements across the entity; or</p> <p>Revenue management: Evaluate sources and drivers of revenue growth; or</p> <p>Profitability management: Evaluate the sensitivity analysis, and evaluate sustainable profit maximization and capacity management performance.</p>

ORGANIZATIONAL/INDIVIDUAL PERFORMANCE MEASUREMENT (MA4)

GUIDING QUESTIONS

This sub-competency area is directed to the performance analysis of the business (or units within the business) for management decision making. Impact of analysis is forward looking and assesses the impact on management decision making. Include how you have determined whether the organization, team or responsibility center is performing to plan as part of your analysis.

Also indicate which one of the three areas of this sub-competency you are targeting to analyze the root causes of performance issues: management incentive schemes, KPIs or another accepted performance framework, or responsibility centers. Please provide at least 1-2 examples for a Level 1, and at least 3 complex examples for a Level 2.

Management Incentive Schemes: Note that this area does not include individual performance reviews. Are you analyzing the implications of management incentive schemes and/or employee compensation methods? What alternatives did you consider and what were their strengths and weaknesses? How did you assess their effectiveness? What were your conclusions and recommendations? What was the length of this project? Did you monitor the performance of this incentive scheme after implementation to assess if it met the objective? What was the impact?

For a Level 2, you must demonstrate how you have either (1) created a management incentive scheme or (2) made material recommendations to an existing incentive scheme based on the considerations analyzed above.

Key Performance Indicators (KPIs): Please document which KPIs you are analyzing. Are you responsible for determining whether the KPIs in your organization are appropriate? How often do you perform this analysis (i.e. monthly, quarterly)? For your specific examples: (1) describe the KPI; (2) the root causes of performance issues noted as a result of your analysis to plan; and (3) how you came to a conclusion and/or advised management on any changes to operations or measuring the KPIs. For a Level 2, you must provide at least 3 examples that demonstrate that you are routinely making recommendations.

Responsibility Center: What is the scope of your responsibility center? Are you involved in establishing responsibility centers and/or creating guidelines for performance? How are you analyzing the performance of this responsibility center (i.e. balanced scorecard, ROI, metrics)? For a Level 2, you must provide at least 3 examples that demonstrate you are routinely making recommendations.

RUBRIC

Level 0	Level 1	Level 2
Calculate/prepare performance scorecard/KPI based on information supplied by units	<p>Analyze possible root causes of performance issues, through one of:</p> <p>Analyze the implications of management incentive schemes and employee compensation methods, or</p> <p>Analyze performance using accepted frameworks or KPIs, or</p> <p>Analyze performance of responsibility centers.</p>	<p>Evaluate root causes of performance issues through one of:</p> <p>Evaluate the implications of management incentive schemes and employee compensation methods, or</p> <p>Evaluate performance using accepted frameworks or KPIs, or</p> <p>Evaluate performance of responsibility centers.</p>

Audit and Assurance

Do you perform internal audit or external assurance engagements in accordance with the relevant assurance standards (i.e. CAS, ISA, Institute of Internal Auditors Framework)? Do you assess the control environment and the impact to the information systems and related internal control processes? Do you perform audit planning and/or design and execute testing procedures in accordance with these standards?

Notice to Public Accounting Students/Candidates

If you are in public accounting, at least 425 chargeable hours in assurance with sufficient complexity and diversity in your work experience is required in this competency area to support a Level 2 for breadth and at least 1,250 hours for depth.

INTERNAL CONTROL (AA1)

GUIDING QUESTIONS

The focus on this sub competency area is the risk assessment around processes (not individual tasks or policies) and the impact to the audit approach OR assessing the work done around controls related to information systems and associated processes. Please identify which section of the sub-competency area you are addressing.

Analyzing the risk assessment process: This area focuses on the risk assessment of key processes, not individual tasks, policies or controls. Please provide concrete examples of how you assessed the internal control environment. Which processes are you responsible for? What are some of the operational and financial reporting implications arising from these key processes and controls? How does it impact the risk of material misstatement? What recommendations have you made to address these issues in the audit approach (i.e. addressing the control risk)? Complexity in this area for a Level 2 would consider multiple processes (including significant risk processes) and their impact to the external or internal audit approaches. Please note that

executing an existing internal control, analyzing individual controls, or being involved in executing the testing of a control without the risk assessment will not grant you proficiency in this area.

Evaluating the information system and processes: Which information systems have you evaluated? How do you evaluate the design and operating effectiveness of the information system (including general and application controls)? What recommendations have you made? If you are in internal/external audit, what is the impact to the risk of material misstatement? Exposure to this area may be seen in roles outside of internal or external audit, if the department and company have significant information systems with controls which they rely on to perform their duties (for example, month-end analysis) and students/candidates are tasked to look for improvements in the controls. Please note that executing existing system controls would be a Level 0 in this sub-competency area.

You can focus on one example per experience report, but you must provide at least 3 complex examples across the course of your duration and identify how often you perform this work.

To achieve Level 2, you are likely in an internal or external audit role OR we will need to see that you have ongoing and significant involvement in evaluating internal controls, identifying deficiencies or redundancies and making recommendations for the impact to the audit approach including factors of complexity in the internal controls/recommendations provided.

RUBRIC

Level 0	Level 1	Level 2
Execute procedures that relates to existing internal controls.	<p>Analyze or prepare the entity's risk assessment processes; or</p> <p>Analyze the information system and processes, using knowledge of data requirements and risk exposures.</p>	<p>Evaluate the entity's risk assessment processes; or</p> <p>Evaluate the information system and processes, using knowledge of data requirements and risk exposures.</p>

INTERNAL AUDIT OR EXTERNAL ASSURANCE REQUIREMENTS, BASIS AND RISK ASSESSMENT (AA2)

GUIDING QUESTIONS

To obtain proficiency in AA2 you need to be working on the audit plan for an internal or external audit engagement. This is typically achieved in public accounting or in the role of an internal auditor as you would be completing these requirements in accordance with the relevant standards (i.e. CAS). You must address all 3 sections to get proficiency in this area.

There are 3 requirements you must address:

- 1) What are the assurance needs of your client or engagement and why?
- 2) Basis: What are the standards that you're following for this engagement and what is expected of this engagement in accordance with these standards? How did you apply these standards in planning the engagement?
- 3) Risk Assessment: Describe the analysis for the risk assessment for the overall engagement (i.e., key engagement risks, considerations for calculating materiality, evaluating the risk of material misstatement) and the resulting impact on the engagement (i.e. scoping, testing procedures). Please provide at least 3 examples.

For Level 2, you must have had exposure to planning multiple internal or external assurance engagements at a high level of autonomy, including multiple forms of risk assessment. We will need to understand the factors of complexity, recommendations you have made as a result of your analysis and how many engagements you have completed planning for.

Please reference rubric on the next page.

RUBRIC

Level 0	Level 1	Level 2
<p>Assemble information about the business (external), or department (internal).</p>	<p>Analyze an entity's assurance needs, plus</p> <p>Basis: Analyze which set of criteria to apply to the subject matter being evaluated, or analyze which standards/guidelines to apply based on the nature and expectations of the assurance engagement/project; plus</p> <p>Risk assessment: Analyze issues related to the undertaking of the engagement or project, prepare and analyze materiality for the assurance engagement/project, or analyze the risks of the project (for audit engagements, analyze the risks of material misstatement at the financial statement level and at the assertion level for classes of transactions, account balances, and disclosures).</p>	<p>Evaluate an entity's assurance needs plus</p> <p>Basis: Evaluate which set of criteria to apply to the subject matter being evaluated, or evaluate which standards/guidelines to apply based on the nature and expectations of the assurance engagement/project; plus</p> <p>Risk assessment: Evaluate issues related to the undertaking of the engagement or project, or evaluate materiality for the assurance engagement/project, or evaluate the risks of the project (for audit engagements, evaluate the risks of material misstatement at the financial statement level and at the assertion level for classes of transactions, account balances, and disclosures).</p>

INTERNAL AUDIT PROJECTS OR EXTERNAL ASSURANCE ENGAGEMENTS (AA3)

GUIDING QUESTIONS

To obtain proficiency in AA3 you need to have experience working on the execution of an internal or external audit engagement. This is typically achieved in public accounting or in the role of an internal auditor as you would be executing an audit plan in accordance with the relevant standards (i.e. CAS).

Please provide at least 3 examples of internal or external assurance engagement testing plans you developed or executed. What type of testing procedures did you complete (i.e. Substantive/Combined/Internal/Data analytics)? What areas of the file did you work on (i.e. FSLIs, assertions, accounts, etc.)? How many engagements have you worked on? Data visualization can be achieved through Excel graphics, Power BI Dashboard or Tableau dashboard from the data tables loaded through power queries.

For Level 2, you must have worked on multiple audit engagements, including the complex (high risk) sections of the file which required you to apply your professional judgment in developing procedures in these areas.

Please evaluate your testing and provide the results (i.e. impact on audit plan or planned audit procedures, issues found, additional testing required), plus how you communicated these results to your stakeholders (i.e.: drafting sections of the audit committee report or memos to management).

RUBRIC

Level 0	Level 1	Level 2
<p>Compile planning documentation.</p> <p>Coordinate third party confirmations and identify outstanding items.</p>	<p>Work plan: Perform the work plan on less complex/riskier areas, analyze the evidence and results of analysis, documents the work performed and its results; plus</p> <p>Draw conclusions, communicate results, and contribute to a report for stakeholders, using data visualization where possible.</p>	<p>Work plan: Evaluate or develop appropriate procedures, considering the use of data analytics, based on the identified risk of material misstatement, evaluate the work plan, evaluate the evidence and results of analysis, documents the work performed and its results; plus</p> <p>Draw conclusions, communicate results, and contribute to a report for stakeholders, using data visualization where possible.</p>

Taxation

Are you involved with tax research, tax planning, or preparing tax returns either for your organization or for an external client? Please note that if you are working for a tax-exempt organization, you likely cannot support proficiency in this competency area. To support a depth in this competency area you must be working within Canadian tax legislation (i.e. the Income Tax Act). Complexity within this competency area can mean: large corporations, complex business transactions (i.e. consolidation, amendments, amalgamations), international transfer pricing, general anti-avoidance rule assessments, tax avoidance schemes, issues with business expenses, partnerships, more complex individual income tax issues, and small and medium corporation (T2) related issues.

Notice to Public Accounting Students/Candidates

If you are in public accounting in general at least 1,250 hours would be the benchmark to support a depth.

INCOME TAX LEGISLATION AND RESEARCH (TX1)

GUIDING QUESTIONS

Please provide clear and concise examples of research on tax issues. What sections of the Income Tax Act or other relevant resources did you consult with (i.e. Income Tax Folios, Interpretation Bulletins, Information Circulars, Case Law, Canadian Tax Foundation Articles)? What analysis did you perform and what was the outcome?

For a Level 2, please ensure you have documented the frequency of such research, as well as several examples that demonstrate the complexities involved in your research as well as recommendations you made. Please provide at least 1-2 examples for a Level 1, and at least 3 complex examples for a Level 2.

RUBRIC

Level 0	Level 1	Level 2
Use Income Tax Act to assemble rates, filing deadlines and requirements.	Analyze the relevant section of the Income Tax Act, tax conventions and/or treaties, as it relates to specific transactions/ events.	Evaluate treatment for transactions/events, plus Draw conclusions and communicate results.

INCOME TAX COMPLIANCE CORPORATE OR PERSONAL (TX2)

GUIDING QUESTIONS

This sub-competency has two areas that must be addressed: general tax issues and completing a corporate and/or personal tax return.

How frequently are you preparing tax returns? What areas of the tax return have you prepared? Please identify which schedules you worked on in the return. Explain some of the relevant tax issues (i.e. notice of objections, filing deadlines) you encountered and how these items are treated in the tax return. Provide details on the work performed for an example of a complex return you completed. Working on Indirect and/or Excise tax returns and informational level returns (i.e. T4, T5) does not support proficiency in this area unless there are relevant factors of complexity to support this.

For example: Are you identifying adjustments to schedules within the tax returns (i.e. Schedule 1, Schedule 3, Schedule 6)? What different factors are you considering when preparing these returns (i.e. CDA, RDTOH, ACB, PUC)? Are you identifying opportunities for tax credits? Are you identifying additional compliance requirements based on the information provided (i.e. T106/T1134/T1135/T1141)?

For personal tax returns: Who were you preparing these returns for (i.e. owner-operator, high net worth individual)? What factors made these returns complex? Are you evaluating residency status? Are you preparing Schedule 3 additions and adjustments?

For Level 2, you must be working on complex returns (i.e. addressing many general tax issues, completing a significant number of schedules within the tax return), at a high level of autonomy, and applying judgment above and beyond rolling forward the prior year return for multiple periods. Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2.

RUBRIC

Level 0	Level 1	Level 2
Assemble information for a tax return and explains required information.	Analyze the relevant tax issues, plus	Evaluate the relevant tax issues, plus
Use tax software to process corporate tax returns.	Analyze or prepare information to support the preparation of the tax return.	Analyze or prepare a tax return.
Prepare schedule of due dates.		

TAX PLANNING: CORPORATE OR PERSONAL (TX3)

GUIDING QUESTIONS

Provide clear and concise examples of times you worked on assessing tax planning opportunities and/or any relevant Indirect Tax or Excise Tax planning considerations for your company/your clients. Did you prepare a memo?

This competency is typically achieved by students/candidates working within the tax department of their organization (doing corporate tax planning for the company) or in a public practice firm preparing tax planning for clients (personal or corporate).

In comparison to TX1, tax planning involves the consideration of alternatives to tax planning opportunities, and you must discuss the analysis performed. If you are not considering multiple alternatives and there is only one option to consider in accordance with the ITA, this would likely be a tax compliance issue and relevant for TX1 or TX2. Did you identify any special elections that could be made (i.e. s.85, s.93(1), PLOI election, S.83(2), 85.1 or for indirect tax, intercompany transactions election, JV elections, agency relationships)? Did you provide an estimate on the tax savings and your recommendation? How often have you worked on tasks like this?

Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2. To be eligible for Level 2, you must provide examples that demonstrate complexity (i.e. analyzing viable alternatives and considering multiple factors before making a recommendation), consider more than one alternative, ensure compliance with the ITA and make a recommendation.

RUBRIC

Level 0	Level 1	Level 2
<p>Use information prepared internally/externally to explain changes arising from Federal or Provincial budgets.</p> <p>Use tax software to calculate pro-forma taxes payable under various tax planning opportunities.</p>	<p>Analyze specific tax-planning opportunities for individuals or corporations, and applicable GST implications, such as:</p> <p>(a) income tax implications of death of an individual</p> <p>(b) compensation planning between shareholders and a corporation, or (c) purchase and sale of a corporation.</p>	<p>Evaluate specific tax-planning opportunities for individuals or corporations, and applicable GST implications, such as: (a) income tax implications of death of an individual (b) compensation planning between shareholders and a corporation, or (c) purchase and sale of a corporation.</p>

Finance

This competency encompasses the management of company finances including cash flow and working capital, investing, borrowing and funding related decisions. Do you assess any risks and ratios that could impact the overall health of the organization? Do you evaluate or review financial risk management policies and/or recovery plan(s)? Do you assess the financial viability of business proposals? Do you analyze financial models and evaluate the feasibility of capital projects? Do you analyze cash flows and make recommendations?

FINANCIAL ANALYSIS AND PLANNING (FN1)

GUIDING QUESTIONS

There are two areas in which you can demonstrate proficiency in this sub-competency area. Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2.

- 1) **Assessing the financial health of the organization:** This area relates to the overall financial position of the organization as a whole (i.e. assessing going concern, liquidity issues, operating issues) and not day-to-day transactions. Document the tasks you performed to analyze the financial health (i.e. liquidity, solvency, profitability and operating efficiency) of the organization using examples, including any recommendations you made and to whom. What type of analysis did you perform and why? Please note that while FS analysis (i.e. FR4) can be a component of the analysis performed for this sub-competency area, other types of analysis must be considered. Analysis for FN1 pertains to decisions that are more capital in nature or focused on investing opportunities. Analysis can include ratio analysis, industry benchmarking, trend analysis, multi-year cash flow analysis, income tax considerations, or a capital structure assessment. How did you draw a conclusion as to the impact on the entity's financial state? Complexity would consider your level of autonomy, the scope (i.e. entity wide) and how you determined the appropriate analysis to perform including recommendations made. How are you considering the integrity of data used in this analysis?

OR

- 2) **Evaluating financial proposals and financing plans:** Please document any analysis you performed on financial proposals and financing plans (i.e. ex, how much financing is needed for large M&A proposals, debt factoring, AR securitization), including any recommendations made and to whom those recommendations were made. Include the frequency of this analysis or how many proposals you have analyzed. You must include any examples of underlying assumptions, any alternative actions or identify any risks/opportunities which may affect financing, including any recommendations you made. Complexity would consider your level of autonomy, the scope of the proposal or plan analyzed, and the judgment applied in performing the analysis and analyzing alternatives. How are you considering the integrity of data used in this analysis?

For Level 2 in this area, you must provide at least 3 examples that demonstrate how the work and analysis was complex and how you drew a conclusion to provide meaningful recommendations.

RUBRIC

Level 0	Level 1	Level 2
Perform calculations to support analysis (ratios and/or per cent changes in account balances).	<p>Analyze the entity's financial state, or</p> <p>Analyze or prepare financial proposals and financing plans.</p>	<p>Evaluate the entity's financial state, considering an assessment of reporting systems, data quality and the analytical models used to support financial analysis and decision-making; or</p> <p>Evaluate financial proposals and financing plans considering an assessment of reporting systems, data quality and the analytical models used to support financial analysis and decision-making.</p>

TREASURY MANAGEMENT (FN2)

GUIDING QUESTIONS

There are three requirements to demonstrate proficiency at any level in this sub-competency area: (1) working capital management, (2) cash flow management and (3) one additional from the list. All three requirements must be met in order to gain proficiency.

1) and 2) Please clearly document your role in the calculation/analysis of the entity's working capital and cash flow analysis. How often do you complete this task? This sub-competency is related to managing the cash flow of an organization. It involves more than assessing the cash flow/cash levels at the organization. You must also document how you make recommendations about what to do with any excess cash or cash shortfall. For example, are you recommending how excess cash should be invested, engage in profit distribution, update the capital structure of the organization, or financing? Who are you making recommendations to?

- 3) Next, describe how you meet one of the additional four items, using examples and including any recommendations made.
- **Investment portfolio:** Discuss the work you have done to evaluate and assess the entity's investments in assets and securities and identify/mitigate any associated risks and/or opportunities for decision making. Level 2 would consider more complex financial instruments (i.e. derivatives, real estate) and how you are making recommendations in the investment portfolio.
 - **Financing availability and/or decisions affecting capital structure:** Discuss what tasks you have performed to assess sources of financing needs based on the strategic and operational business plans. Describe what alternatives you identified and how you evaluated the consequences, cost/benefit and operational impacts (including cash flow or tax implications) to make a recommendation. Complexity would consider comparing new or alternative sources of financing, analyzing of pros and cons of each option and implications for future financing decisions, and include both qualitative and quantitative analysis (i.e. optimal capital structure, ownership/control considerations, financial leverage). Solely discussing existing methods of financing would not support Level 2 in this area.
 - **Cost of capital:** Document why you're performing this analysis, what your process is for determining the entities cost of capital and what methodology you're using. For Level 2, describe what work you have

done to evaluate changes within the market (i.e. sensitivity analysis) and/or operations and how you have assessed the risk factors that would have an impact on capital structure.

- **Profit distribution:** Describe your process for evaluating risks and opportunities, and how you identified the appropriate method of allocating the entity's profits. For Level 2 consider: have you analyzed and recommended an appropriate method to distribute profits (i.e. creating a dividend policy, alternatives to cash dividends, tax considerations)? Please note that following an existing distribution plan (i.e. calculation and allocation of dividend payments) would not support proficiency in this area.

For Level 2, you must demonstrate autonomy and show how you are adding value to decision making. Please provide at least 1- 2 examples for a Level 1, and at least 3 complex examples for a Level 2.

Please reference rubric on the next page.

RUBRIC

Level 0	Level 1	Level 2
<p>Record investment/FX transactions based on confirmations and update market values from third-party sources, if applicable.</p> <p>Reconcile differences between records and third-party statements.</p>	<p>Analyze the entity's cash flow and working capital, plus</p> <p>Analyze or research the entity's investment portfolio (less complex), or</p> <p>Analyze or research sources of financing and decisions affecting capital structure, or</p> <p>Analyze or research the entity's cost of capital, or</p> <p>Analyze or research decisions related to distribution of profits.</p>	<p>Evaluate the entity's cash flow and working capital, plus</p> <p>Evaluate the entity's investment portfolio, or</p> <p>Evaluate sources of financing and decisions affecting capital structure, or</p> <p>Evaluate the entity's cost of capital, or</p> <p>Evaluate decisions related to distribution of profits.</p>

CAPITAL BUDGETING/VALUATION/ CORPORATE FINANCE (FN3)

GUIDING QUESTIONS

For this sub-competency area, you must describe how you are analyzing or preparing a financial model or business plan to support one of the 7 requirements from the list. Please indicate which area you are targeting.

For Level 2, include how you are evaluating the financial models used to conduct the analysis, providing judgment in analyzing inputs and assumptions and to whom you are making recommendations. Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2.

Capital budgeting process and decision: This area considers the evaluation of major projects or investments that are capital in nature (i.e. in capital heavy companies this focuses on the capital not operating budget, and/or the budget to analyze the feasibility of capital investments). Please document how you are involved with evaluating and reviewing the entity's capital budgeting processes and decisions. What financial models are you using (i.e. DCF, hurdle rate, payback period, NPV, IRR)? Is this project worth the investment? What alternatives did you consider? What are the expected returns of the options considered? Discuss what you have done to evaluate and review the feasibility of capital projects and make recommendations for the best investment based on the model.

Valuation of a tangible/intangible asset: Do you identify the values of a tangible or intangible asset or strategies, risks and impacts on decision-making on a purchase, expansion or sale of the entity? Describe what methods you have used to determine, explain and identify the value of a tangible and/or intangible asset (i.e. DCF, enterprise value), and identify the pros and cons of any alternatives. Ensure you explain what work you did to determine the value of the asset(s) through analysis.

Valuation of the business: Describe what methods you have used to determine, explain and identify the value of a business (i.e. DCF, ABV, multiples, etc.) and identify the pros and cons of any alternatives. Ensure you explain what work you did to determine the value of the business through analysis.

Financial risk management: Describe how you developed/reviewed policies that would help monitor and manage financial risks. Ensure to explain how you evaluated changes in the economy and the business model in order to assess any impacts that indicated the need for changes in any policies and how you came to a recommendation.

Evaluating and analyzing the use of derivatives as a form of financial risk management: Describe what tasks you have done to evaluate and analyze the use of derivatives as a form of financial risk management. Explain how you evaluated changes in the economy and the business model in order to assess any impacts that indicated the need for changes in any policies and how you came to a recommendation.

Purchasing, expansion, or sale of a business: Describe how you have evaluated risks, opportunities and financial implications of a specific purchase, expansion or sale. Ensure you explain how you analyzed and assessed the alternatives in order to recommend an appropriate course of action.

Aid a financially troubled entity: While this sub-competency references ‘assisting a financially troubled entity’, the scope refers to bankruptcy/ preparing business recovery plans and/or calculating net realizable value on assets for disposition/liquidation. Describe the work you have done to develop or provide recommendations on a business recovery plan and identify financial difficulty through analysis.

RUBRIC

Level 0	Level 1	Level 2
Coordinate the capital budgeting process.	Analyze or prepare information to aid in the capital budgeting processes and related decisions, or	Evaluate financial models or business plans as part of or in addition to:
Calculate market value of publicly traded security.	Analyze or estimate the value of a tangible asset, or	Evaluate capital budgeting processes and decisions, or
Calculate/collect multiples for market-based valuations.	Analyze value of a business, or	Evaluate the value of a tangible asset or analyze or estimate the value of an intangible asset, or
	Analyze financial risk management policies, or	Evaluate the value of a business, or
	Analyze the use of derivatives as a form of financial risk management, or	Evaluate financial risk management policies, or
	Analyze the purchase, expansion or sale of a business, or	Evaluate the use of derivatives as a form of financial risk management, or
	Analyze possible solutions to aid a financially troubled entity.	Evaluate the purchase, expansion or sale of a business, or
		Evaluate or advise a financially troubled entity.

Strategy and Governance

Is your role and responsibilities focused on governance or organization wide strategic advisory for long term planning? Does your role include analyzing and assessing the entity's risk management process and/or strategies? Do you provide recommendations to the strategic plan, considering internal/external factors? Do you prepare information to ensure your organization remains compliant with external regulatory requirements?

To support a depth in this area you likely need to be in a senior role where you are making strategic decisions for your organization.

GOVERNANCE, MISSION, VISION, VALUES AND MANDATE (SG1)

GUIDING QUESTIONS

There are two areas you can achieve proficiency in for this sub-competency area. Please indicate which area you are targeting:

- 1) Please describe how you are responsible for analyzing the entity's governance policies/processes/code **AND** how you evaluate information and analysis to ensure that the entity remains compliant with these external regulatory/compliance requirements. You must discuss which regulatory requirements/bodies are part of your entity's governance structure and how you ensure compliance with these policies.
- 2) Alternatively, you can describe how you are responsible for analyzing the alignment of management decisions with the entity's mission, vision and values. Are you evaluating the computability of recommendations made that impact the entire organization? Solely understanding your organizations vision/mission/values does not contribute to proficiency in this area.

For both alternatives, you must describe how you perform these functions as part of your regular job duties. Include how often you perform this task and for whom you are preparing this for. Please include who your stakeholders are for these scenarios. If you are working within policy, what are the policies mandating? Who are the regulators involved, if any?

For Level 2, you must discuss how you have analyzed alternatives and made recommendations on governance, policies, processes or code to help ensure the organization is in compliance. Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2.

RUBRIC

Level 0	Level 1	Level 2
<p>Describe the entity’s governance policies, processes, and/or code.</p>	<p>Analyze the entity’s governance policies, processes, and/or code, and prepare information to aid in the analysis to ensure entity remains compliant with regulatory/compliance requirements; or</p> <p>Analyze management decisions to the entity’s mission, vision and values.</p>	<p>Evaluate or prepare the entity’s governance policies, processes, and/or code, and evaluate information and analysis to ensure entity remains compliant with regulatory/compliance requirements; or</p> <p>Evaluate whether management decisions align with the entity’s mission, vision and values.</p>

STRATEGY DEVELOPMENT/IMPLEMENTATION (SG2)

Guiding Questions

There are 3 options to this sub-competency area, please identify which one you are addressing.

- 1) Evaluate the entity's strategic objectives and related performance measures. This section of the sub-competency area would focus on developing the performance measures to track strategic initiatives developed. Executing operational initiatives in relation to strategy with no input on the development of the strategy itself would belong in MA.
- 2) Evaluate the entity's internal and external environment and analyze its impact on strategic development or analyze strategic alternatives. Please provide examples of tasks and analyses you have performed that impact the overall organizational strategy. For example how do you consider: internal and external factors and the impacts on strategy development, market analysis, economic, cultural, and demographic, and/or key success factors driving forces of competition. Please also explain why you are completing this analysis and why this was requested of you in your role.
- 3) Analyze key operational issues including the use of information assets (i.e. data mining and business intelligence tools) and analyze alignment with strategy. How are you analyzing the entity's control systems (i.e. policies, directives, guidelines, codes) in alignment with strategy? Are you analyzing operational decisions (i.e. employee recruitment, training & retention, performance measurement) and strategic implications?

Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2. For these examples, please identify who your internal stakeholders were and how analysis impacted the overall organizational strategy. For Level 2, your examples must be complex (i.e. significant project for your organization, consideration of multiple stakeholders and perform multiple forms of analysis) and involved. You must demonstrate how you drew conclusions or made recommendations to management.

Please reference rubric on the next page.

RUBRIC

Level 0	Level 1	Level 2
<p>Explain the entity's strategic objectives.</p> <p>Collect information on the entity's internal and external environment.</p>	<p>Analyze the entity's strategic objectives and related performance measures, or</p> <p>Analyze the entity's internal and external environment and its impact on strategy development and analyze strategic alternatives, or</p> <p>Analyze the key operational issues including the use of information assets and explains the alignment with strategy.</p>	<p>Evaluate the entity's strategic objectives and related performance measures, or</p> <p>Evaluate the entity's internal and external environment and its impact on strategy development and evaluate strategic alternatives, or</p> <p>Evaluate the key operational issues including the use of information assets and analyzes alignment with strategy.</p>

ENTERPRISE RISK MANAGEMENT (SG3)

GUIDING QUESTIONS

There are two options to this sub-competency area. Please identify which area you are addressing.

- 1) Evaluate components of an effective risk management program and evaluate the impact on shareholder value. This should address enterprise-wide risk as a whole (i.e. IT/IS, regulatory/compliance, financial, operational, strategic).
- 2) Evaluate the impact of IT/IS risks on enterprise risks and recommend appropriate risk management strategies. Please describe the analysis.

Please note that risk management in this area is broader than control or financial risk. Please consider the nature of your role when addressing this area. Please describe how you research/analyze/review components of a risk management program. What is the risk, what analyses did you perform, what processes or strategies have you recommended to mitigate this risk, and what is the impact on shareholder value?

For Level 2, your examples must demonstrate how you were able to draw a recommendation/decision and reflect on how this made an impact on shareholder value. Please provide at least 1-2 examples for Level 1, and at least 3 complex examples for Level 2.

RUBRIC

Level 0	Level 1	Level 2
Record risk responses.	<p>Analyze or research components of a risk management program and analyze its impact on shareholder value, or</p> <p>Analyze the impact of IT/IS risks on enterprise risk and identify appropriate risk management strategies.</p>	<p>Evaluate components of an effective risk management program and evaluate its impact on shareholder value, or</p> <p>Evaluate the impact of IT/IS risks on enterprise risk and recommend appropriate risk management strategies.</p>