

CA⁺ Prequalification Education

Preparing for the 2009 UFE

2009



Vision Statement for Canada's Chartered Accountants

"We are Canada's most valued, internationally recognized profession of leaders in senior management, advisory, financial, tax and assurance roles."

Value Statement for the CA Profession

"Chartered Accountants are valued for their integrity and expertise."

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Becoming a CA

The CA is Canada's best known and most widely respected professional accounting designation. It represents years of business studies, work experience, and the highest standards of professional ethics and objectivity. As a CA, you will be able to choose from many exciting professional careers in public practice, industry, government and education. You may also choose to pursue a specialty in an area such as finance, tax or information technology.

The CA designation is nationally recognized and internationally respected. CAs can practice anywhere in Canada and, through our agreements with other international accounting bodies, in many other countries.

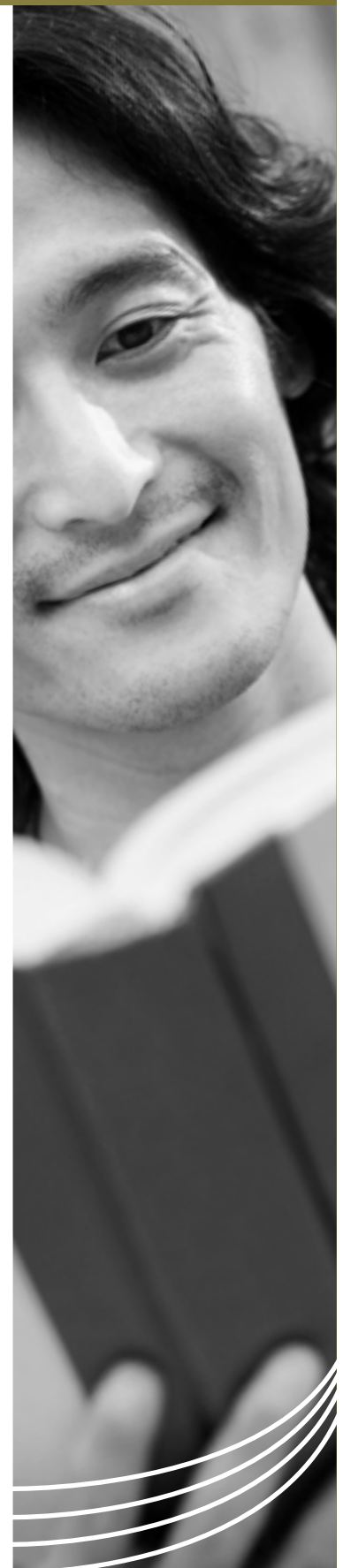
There are three crucial elements in the process of becoming a CA:

- **A rigorous education**, normally requiring both a university degree and profession-sponsored courses and/or a recognized graduate diploma/degree, which provides you with the underlying business and accounting knowledge and skills you will need as a CA; CA education is competency-based, focused on building competencies or skills—what you need to be able to do, which includes what you need to know.
- **A term of experience** with a training office, that provides you with the opportunity to apply your skills while working closely with and under the supervision of experienced CAs; practical experience is an integral part of competency development.
- **A uniform evaluation** that challenges all CA candidates in Canada to demonstrate their proficiency in the CA competencies by responding to business simulations.

CA professional education integrates formal education with on-the-job knowledge and skill development. It is delivered across Canada through four regional systems:

- **Western Canada**, its universities and its CA School of Business (CASB);
- **Ontario**, its universities and the Institute of Chartered Accountants of Ontario's School of Accountancy;
- **Quebec**, its universities and the Ordre's Professional Education Program (PEP) which is university-delivered; and
- **Atlantic Canada**, its universities, and the Atlantic School of Chartered Accountancy (ASCA).

*More information on all three elements of the CA qualification process is available through the **Provincial Institutes/Ordre/Regions** and on the CICA website at www.cica.ca/education.*



Objective of the UFE

The objective of the uniform evaluation—widely known as the profession’s UFE—is to make sure all newly qualified CAs are appropriately proficient in the CA competencies, especially those competencies essential to the practice of public accounting. We call it a uniform evaluation because each year all CA candidates write the same evaluation, allowing our profession to set one single, high standard that is nationally and internationally recognized. The CA profession has developed its formal evaluation process over many years. The UFE is based on the competencies presented in *The UFE Candidates’ Competency Map: Understanding the Professional Competencies Evaluated on the UFE*, which is reviewed and updated annually to ensure the UFE’s continued relevance to candidates, employers, the profession, and the protection of the public interest.

The role of the Board of Evaluators

The CA profession’s Board of Evaluators sets the uniform evaluation. This Board comprises 10 CAs from across Canada, all with a strong interest and experience in CA education. On behalf of the Provincial Institutes/Ordre/Regions, the Board is responsible for:

- Setting the content of the UFE;
- Submitting the content of the UFE and its evaluation guides to the Provincial Institutes/Ordre/Regions for review; and
- Marking candidates’ responses and recommending their pass or fail status to their Provincial Institutes/Ordre/Regions.

Each Board member is actively involved in preparing the UFE simulations (the business scenarios on which evaluation is based), setting profiles for passing candidates, preparing evaluation guides and supervising the evaluation process.

The UFE’s structure

The UFE consists of three papers written over three days, one each day. These papers will challenge you to demonstrate your competence by responding to simulations—business scenarios that represent the kinds of challenges you have faced during your work experience, or will soon be facing in your professional career as a recently qualified CA.

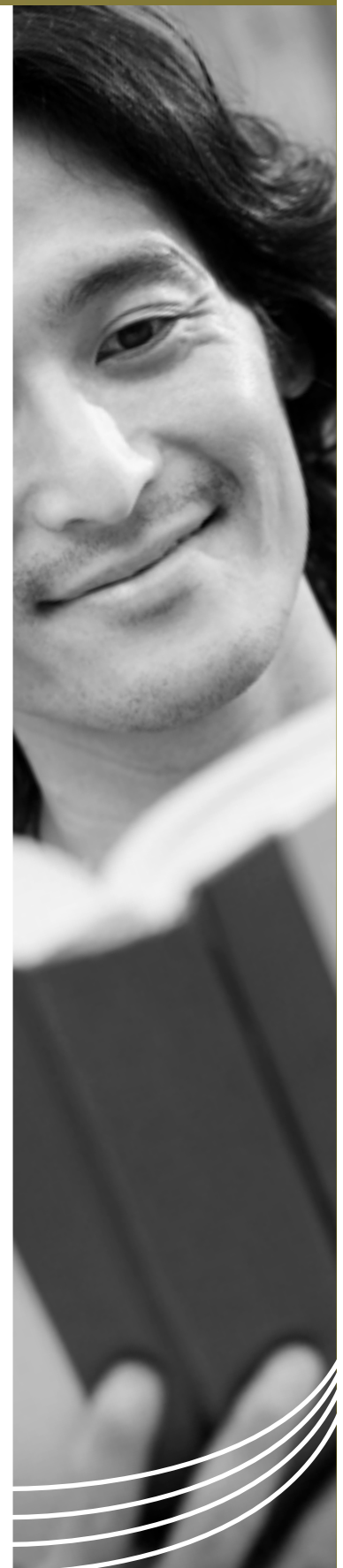
The first paper is a five-hour paper consisting of a single comprehensive business simulation.

The second and third papers are four-hour papers, each consisting of more than two multi-subject simulations.

The complexity of all papers is carefully considered to ensure you have sufficient time to present your responses.

The CA Qualification staff of the Education Services department of the CICA maintains a pool of simulations sufficiently large and broad in scope to provide a variety of alternative simulations embracing all sections of the *Map*. The Board provides guidance as to the content and nature of simulations to be included in the pool.

The Board staff work in conjunction with authors to ensure that simulations achieve the overall intent and design objectives while adhering to the competencies and the proficiency levels specified in the *Map*. The Board selects simulations from the pool maintained by the staff, and reviews and refines these simulations to make up the annual three-paper evaluation.



Objective of the UFE (continued)

The role of *The UFE Candidates' Competency Map*

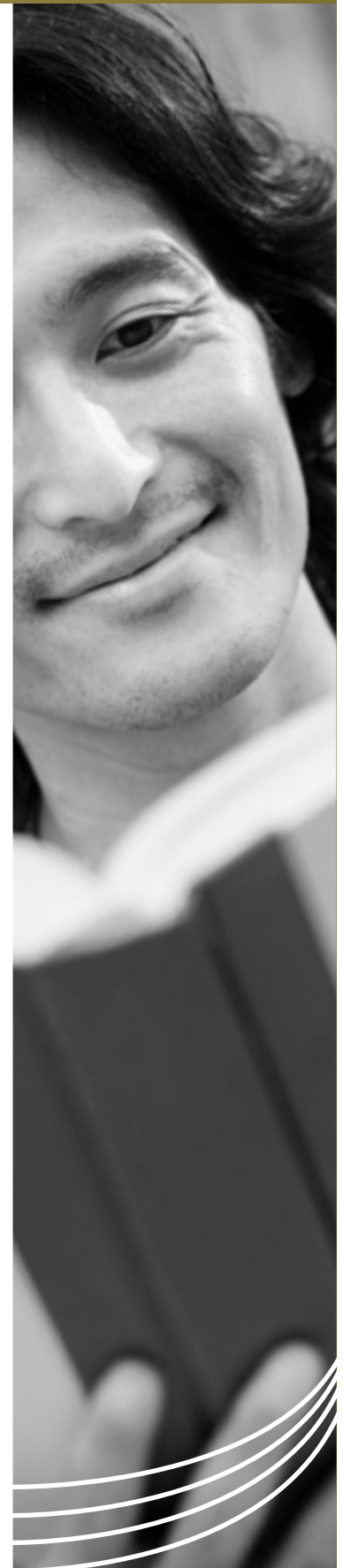
The UFE Candidates' Competency Map lays out the specific competencies expected of entry-level CAs. It is used by the Board of Evaluators to create the simulations that comprise the UFE. These simulations enable candidates to demonstrate that they have indeed acquired the necessary degree of *professional competency*: i.e. both the significant body of knowledge and the skills, values and attitudes needed to analyze, synthesize and apply that knowledge effectively.

The entry-level CA competencies

Entry-level CA competencies are the specific skills you are expected to demonstrate at a defined proficiency level in a manner that reflects the professional ethics, skills, knowledge and attitudes of a CA. *The UFE Candidates' Competency Map* lays out two groups of competencies:

1. **The pervasive qualities and skills**— the “hows” of being a CA— which all CAs are expected to bring to all their work:
 - Ethical behavior and professionalism;
 - Personal attributes such as accountability, adaptability to change and the ability to self-manage, take initiative and add value; and
 - Professional skills such as communication, problem solving and management skills.
2. **The specific competencies**, which are grouped into six categories:
 - Governance, Strategy and Risk Management;
 - Finance;
 - Taxation;
 - Assurance;
 - Performance Measurement & Reporting; and
 - Management Decision Making.

The UFE Candidates' Competency Map clearly defines the level of proficiency you are expected to demonstrate on the UFE in each of these competencies.



Scope of the 2009 UFE

The Board of Evaluators will evaluate candidates writing the 2009 UFE using the policy guidelines outlined below.

Relative weight of the CA competencies for 2009

The business simulations of the 2009 UFE will reflect the following weightings of the CA competency areas:

Pervasive qualities and skills	All simulations will require you to demonstrate proficiency in these qualities and skills
Specific competencies	Relative Weight
Governance, Strategy and Risk Management	5 – 10%
Finance	10 – 20%
Taxation	10 – 20%
Assurance	25 – 35%
Performance Measurement & Reporting	20 – 30%
Management Decision Making	10 – 20%
2 of the primary indicators on the UFE must relate to Information Technology (IT) competencies (as shown on the Information Technology Competency list in <i>The UFE Candidates' Competency Map</i>).	

All simulations are designed to fit within the “normal circumstances” in which all entry-level CAs are expected to demonstrate the required competencies.

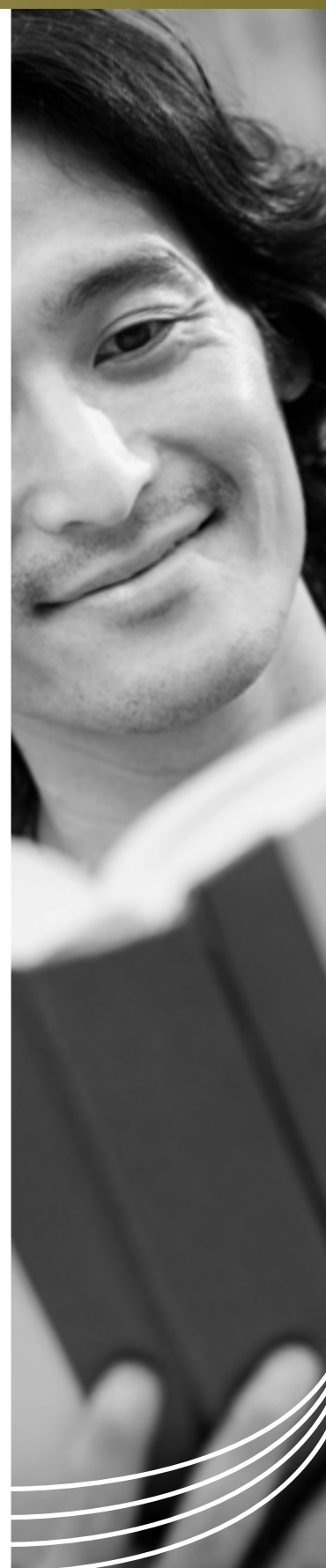
Normal circumstances are circumstances where:

The entity, situation, event or transaction is of a size or degree of complexity likely to be encountered by an entry-level CA, and

- The entity is a business in the private sector, formed as a proprietorship, as a partnership, as a private corporation; or
- The entity is a small public corporation, or as a division of a large public corporation; or

- The entity is in the public sector or is a not-for-profit organization or a division of either; or
- The entity is an individual.

You will be challenged to demonstrate the appropriate level of proficiency in each competency area as defined in *The UFE Candidates' Competency Map*.



Scope of the 2009 UFE (continued)

Because the CA competencies are interrelated and multi-dimensional, each simulation will challenge you to demonstrate your skills and abilities in a number of areas. There are, as noted previously, two categories of CA competencies. In every simulation, you will be required to demonstrate your proficiency in the pervasive qualities and skills, as well as in the specific competencies. You will be asked to respond in the manner expected of an entry-level CA.

Pervasive qualities and skills

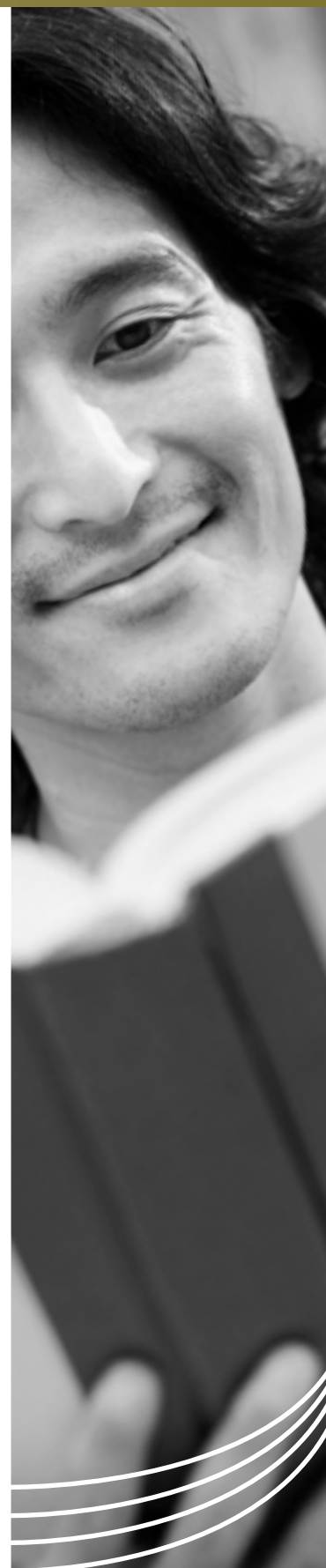
There is no prescribed weighting of the pervasive qualities and skills; you must demonstrate them at all times and in a manner relevant to each simulation. You will be required to demonstrate a number of professional skills. Consider skills such as “Develops solutions”, “analyzes information and ideas” and “communicates effectively and efficiently.” These skills all contain a number of subsets that will be essential in composing successful responses to UFE simulations.

In addition, you will be required to demonstrate the skill “combines or synthesizes and/or integrates ideas and information from various sources” in developing successful, professional responses to UFE simulations. Integration is also an inherent component of many other professional skills (e.g., “decides/recommends/provides advice”). Each simulation will contain a number of issues that you must examine in relation to one another and as a whole.

A professional response to simulations will also require you to exercise professional judgement—an inherent component of many of the skills described in *The UFE Candidates’ Competency Map*. “Judgement” is the process of making a choice or decision leading to action. “Professional judgement” is judgement exercised within a framework provided by applicable professional standards. You are expected to exercise professional judgement to the extent appropriate in responding to UFE simulations. Because there is often no single irrefutable answer to a business problem, the exercise of professional judgement is critical in identifying the “best” answer given the particulars of the specific simulation.

Competency restrictions in the UFE scope

Some CA competencies—such as oral communications and team participation skills—cannot be tested with a written evaluation. They tend to be developed on a preliminary basis during your education program and honed during work experience, where they are assessed on an ongoing basis by your on-the-job managers and mentors.



What to expect when you write the UFE

Writing centres

You will write the UFE in an official writing centre in your home province or territory. These writing centres are arranged and managed by your Provincial Institute/Ordre/Region. To ensure fairness, all CA candidates across Canada and in Bermuda (which is a member of the Canadian Institute of Chartered Accountants) write the same examination papers at the same time.

You will be provided with writing centre rules and expectations when you register to write the UFE.

Reference materials

The uniform evaluation challenges you to demonstrate your skills and abilities as a professional. Accordingly, you are not expected to memorize all the material that, as a professional, you would consult routinely. However, you are expected to have worked with such materials frequently during your work and studies.

You will be permitted to access the following reference materials when you write the UFE:

- The CICA Standards and Guidance Collection (UFE Version), being *The CICA Handbook—Accounting*, and *The CICA Handbook—Assurance*;
- IFRS supplementary reference material;
- An approved version of the Federal Income Tax Act (UFE Version), which includes *Income Tax Act*, *Income Tax Regulations*, and *Income Tax Application Rules*.

You will be able to access these reference materials electronically.

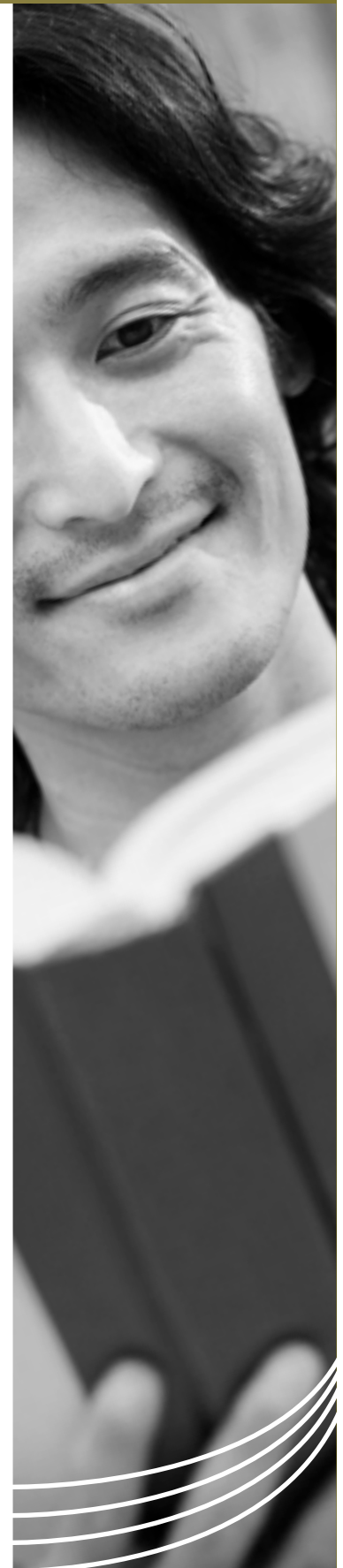
When you write the UFE, you will use a laptop computer to input your responses, for calculation, and for reference purposes.

You will also have the option of bringing any or all of the following into the writing centre with you:

- Approved printed versions, free of annotations, of prescribed reference material;
- A silent calculator with a one-line or two-line display, incapable of alpha storage or wireless communication;
- A wristwatch or small, noiseless clock.

You are not permitted to bring any of the following into the UFE writing centre:

- Computers, other than those permitted with the use of the “*Securexam (CA)*” software described below;
- Calculators, other than those meeting the standards described previously;
- Electronic data storage devices; or
- Communications devices such as cell phones or electronic diaries.



What to expect when you write the UFE (continued)

Computers in the UFE

Your laptop computer must meet specific hardware and software requirements and be preloaded with software called *Securexam (CA)*. Details concerning *Securexam (CA)* software and how to get a copy is available from your Provincial Institute/Ordre/Region.

About the “Lockdown” Software

Securexam (CA) is a special “lockdown” software program that disables most of your computer’s functionality and file access. It was developed for the profession by Software Secure Inc. It will ensure that, during the UFE, you will be able to use your computer for the following purposes only:

- **Reference:** you will be able to search the prescribed reference material.
- **Calculation:** you will be able to prepare spreadsheets and perform calculations. You will be able to submit these spreadsheets electronically for marking purposes.
- **Inputting your response:** you will be able to input your responses, and submit them electronically for marking purposes.

You will not be able to access any other files, programs or peripheral devices.

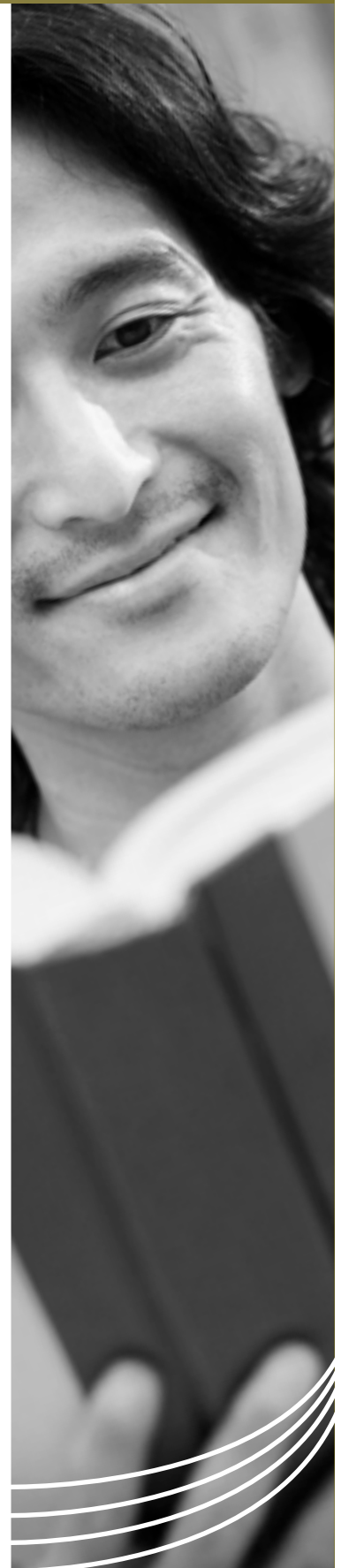
Practice Software

Securexam (CA) contains a practice version of the software. You can use this practice version to practice in the *Securexam (CA)* environment.

Candidates using their employer’s computers

You must have administrator rights to install this software. User-level rights will allow you to use the software once it has been installed.

If your employer owns your computer, you must secure employer approval and/or assistance to install *Securexam (CA)*, in accordance with your employer’s policies.



How the UFE is evaluated

The CA profession's Board of Evaluators is responsible for assessing candidate responses, and goes to extraordinary lengths to ensure consistent, fair and confidential assessment. Markers, all carefully chosen Canadian CAs with appropriate experience, use evaluation guides to assess each simulation. These evaluation guides clearly delineate the competencies and proficiency levels your responses are expected to demonstrate. Markers work together, for days in advance, assessing sample responses to make sure their evaluations are consistent.

What happens to your papers

Once your papers are submitted at the writing centre, they are sent by your Provincial Institute/Ordre/Region to the Board of Evaluators. All papers are identified only by candidate number; no Board of Evaluators member or marker is aware of the identity of any candidate.

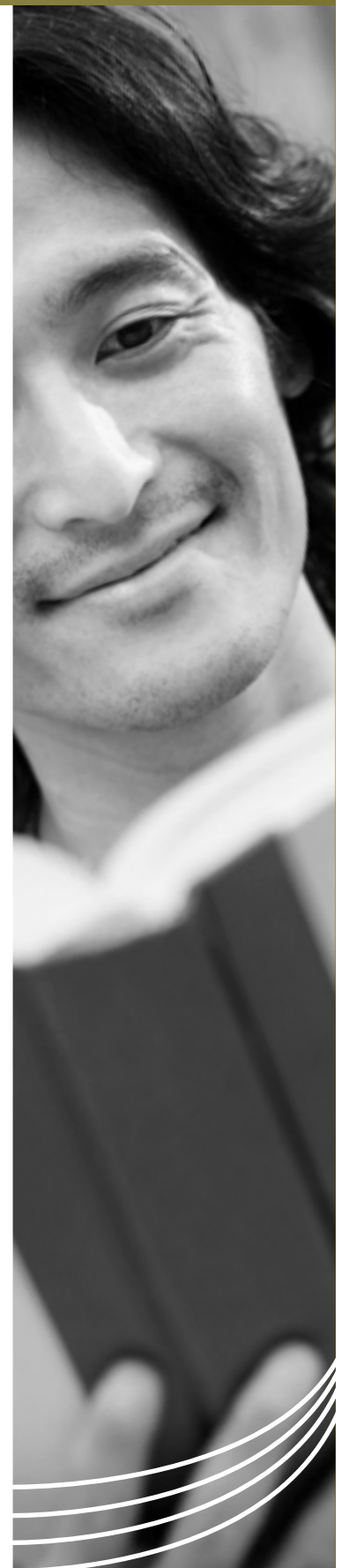
Papers are evaluated by teams of markers. Each team comprises a leader and an assistant leader, both experienced markers who have demonstrated exceptional ability and judgement, working closely with a team of colleagues.

The evaluation process

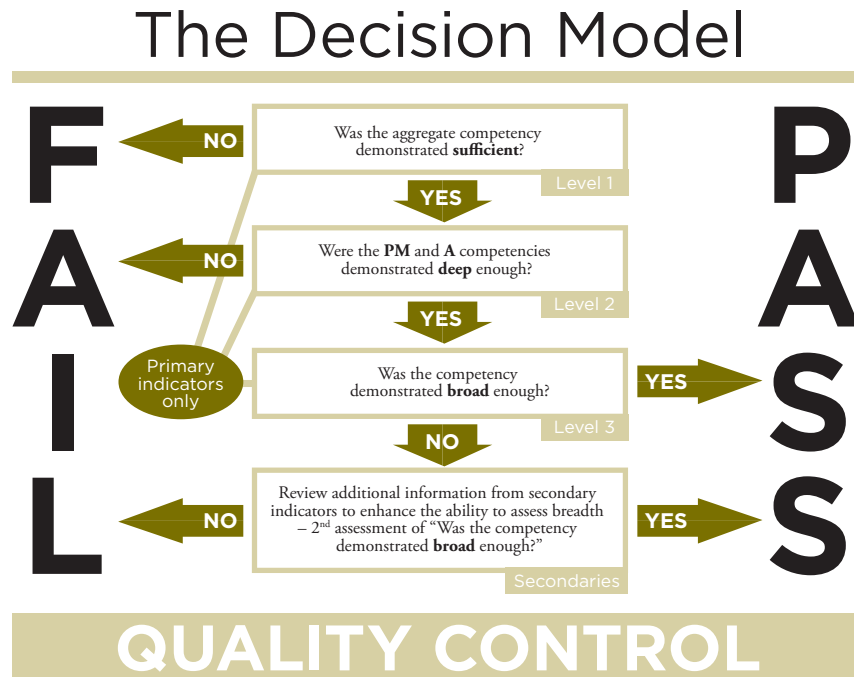
The Board of Evaluators is responsible for setting the passing standard and determining which candidates meet the profession's entry-level competency requirements. The Board is looking for professional responses that address the relevant issues in a simulation, demonstrate an understanding of the relationships of issues, and integrate and rank them to provide a useful response to a client or to make overall recommendations.

The pass/fail decision model used by the Board is presented below. Three key decision points, or levels, are applied in reaching the pass/fail decision, as follows:

1. The response must be **sufficient**, i.e., the candidate must demonstrate competence on the primary indicators (Level 1). In assessing sufficiency, the BOE considers the number of times that a candidate achieved "Competent" and/or "Reaching Competence" across all primary indicators (both specific competencies and pervasive qualities and skills).
2. The response must demonstrate **depth** in the areas of Performance Measurement and Assurance (Level 2). In assessing depth the BOE considers the number of times that a candidate achieved "Competent" in each of the Assurance and Performance Measurement primary indicators.
3. The response must demonstrate **breadth** across all areas of the Map, by not having avoided a particular competency area (Level 3). In assessing breadth the BOE considers the number of times that a candidate achieved "Reaching Competence" across primary indicators in each of the specific competency areas. If a candidate fails to demonstrate breadth on the basis of the primary indicators, the BOE considers the information provided by the secondary indicators for the deficient competency area.



How the UFE is evaluated (continued)



Evaluation guides

The BOE applies evaluation that enables it to decide which candidates demonstrate readiness to practise public accounting. An evaluation guide is prepared for each simulation included in the Uniform Evaluation. Besides identifying the primary and secondary indicators of competence, each evaluation guide includes carefully defined performance levels to assist markers in evaluating a candidate's competence relative to the indicators. Five categories of performance are given for each **primary** indicator. The candidate's performance must be ranked in one of the five categories, namely:

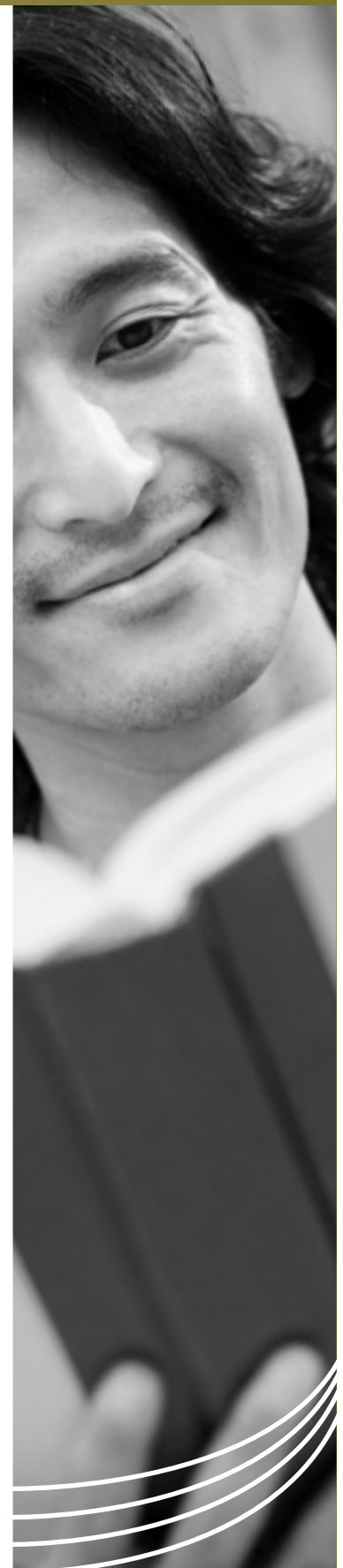
- Not addressed
- Nominal competence
- Reaching competence
- Competent
- Highly competent

For each **secondary** indicator, the candidate's performance is ranked in one of three categories:

- Not addressed
- Nominal competence
- Competent

To attain a "pass" standing, candidates must address the issues in the simulations that are considered mission critical. The Board distinguishes between the mission critical issues and other relevant issues by classifying them as primary indicators and secondary indicators of competence respectively.

Primary indicators of competence answer the question: "What would a competent CA do in these circumstances?" If the issues identified in primary indicators are not adequately addressed, the CA could, in real life, be placed in professional jeopardy or could place the client in jeopardy.



How the UFE is evaluated (continued)

Secondary indicators of competence answer the question: “What other issues could a CA raise?” Although such issues are relevant, it is not essential for a competent CA to address them.

Board members devote a great deal of time to reviewing and refining evaluation guides to ensure the expectations for achieving competence are fair and reasonable for an entry-level CA.

Marking-centre leaders and assistant leaders provide valuable input to the evaluation guides before live marking begins. Board members hold regular meetings with the leaders and their assistants during both the guide-setting and the marking process.

Evaluation centre

From the marker applications received, the BOE carefully selects chartered accountants to participate in the evaluation centre. The criteria for selection includes marking experience, motivation, work experience, personal references, and regional representation.

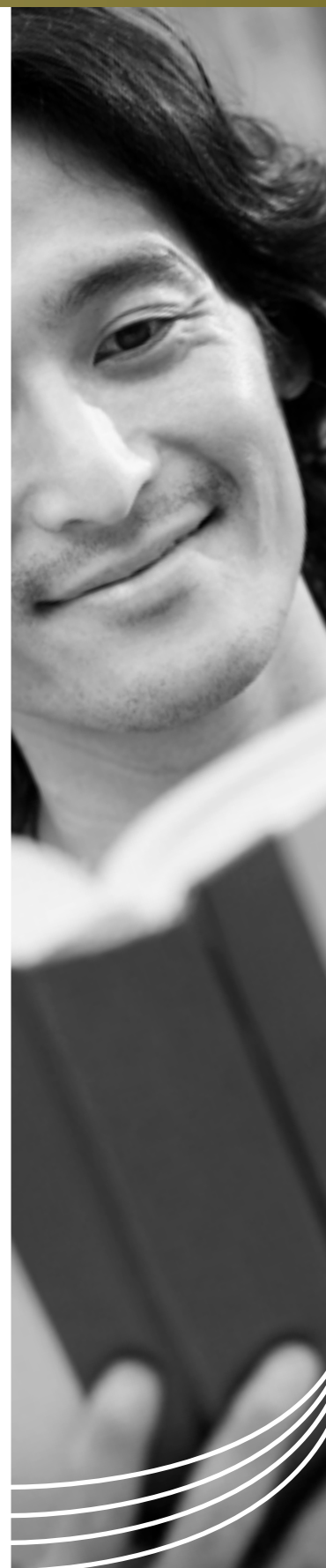
Before the opening of the evaluation centre, BOE members, leaders, and assistant leaders attend a five-day meeting, the preliminary evaluation centre (PEC). Participants review the evaluation guides, apply them to randomly selected candidate responses, and make appropriate revisions. The written comments on the evaluation guides received from provincial reviewers are carefully considered at this meeting, with the BOE approving necessary changes.

The comprehensive simulation, Paper II and Paper III are marked by English-speaking and French-speaking markers in Montreal during the month of October.

At the beginning of the comprehensive and non-comprehensive centres, the leaders and the assistant leaders present the evaluation guides to their teams. The team undertakes a two-phase test-marking procedure prior to actual marking. Phase one consists of two steps: guide familiarization, during which markers apply the guide for the primary indicators to copies of candidates’ responses, and joint review, when markers collectively review their results. Phase one thus ensures that all markers understand the issues in the evaluation guide and the basis on which to apply each proficiency level. Phase two is an expanded test marking of another set of responses to establish marker congruence. When marker congruence is achieved for a simulation, live marking of that simulation begins. The start-up period varies between two and three days for the various simulations.

After the training and test-marking phases, live marking commences. The simulations are marked by English-speaking and French-speaking markers.

The BOE strives for the highest possible marking consistency and quality control. This means that leaders and assistant leaders devote much of their time to cross-marking and other monitoring activities. Markers’ statistics are reviewed to ensure that marking is consistent. Based on analysis of the statistics, leaders review papers marked by their team members to ensure that the indicators are assessed fairly. Bilingual markers mark papers in both languages, and their results are compared to ensure that the marking is consistent in both languages. Leaders also discuss, on a selective basis, the results of arbitration with their markers once the second marking begins.

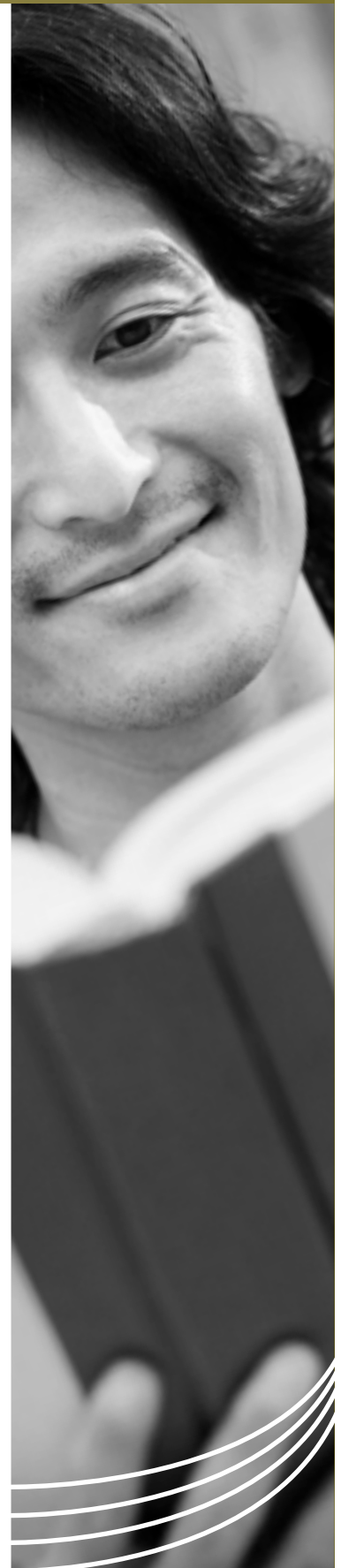


How the UFE is evaluated (continued)

Double marking

Each candidate's paper is marked independently for the primary indicators by two markers. If the two initial markings differ on any indicator, an arbitrator (the leader, assistant leader, or a senior marker) compares the two initial markings and determine the final result for that indicator. Based on the results of this marking, borderline responses that meet Level 1 and 2, but not Level 3, for the primary indicators are identified and are marked for secondary indicators. Only the leaders and the assistant leaders mark responses for secondary indicators.

As an added measure to ensure that markers are consistently applying the marking guide, a two-day rule is put in place. This means that the second round of marking does not begin until two days have elapsed since the first marking. This rule ensures that any movement of the guides due to marker interpretations being established during the first two days of live marking are stabilized before the second marking and arbitration procedures begin.



Receiving your results

You will receive your results through your Provincial Institute/Ordre/Region. The Board assigns a pass or fail standing to candidates for the three-paper set of evaluations.

The Board reports the following information by candidate number:

- Overall pass/fail standing and pass/fail standing for each of Levels 1, 2 and 3.
- For failing candidates at Level 1, a sufficiency grouping for Level 1 and a decile ranking for both the comprehensive simulation and the non-comprehensive simulations.
- For failing candidates, a colour code (red, yellow, green) reflecting their performance for each of the competency areas.

Reviews of evaluation results are allowed by all provincial institutes. In addition, failing candidates may apply for a performance analysis review to assist them in assessing their performance on the UFE.

How to apply for a review of results

Applications for a review of a candidate's evaluation results must be forwarded to the BOE through the provincial institutes. If candidates wish to apply for such a review, they should notify their respective institutes within the specified time limit.

Candidates may only apply for review of their examination results as a whole.

Review approach

Team leaders and assistant team leaders who did the original marking read the answers and compare them to the evaluation guides used at the original marking centre. In reviewing candidates' results, two aspects are considered by the BOE. First, it must be determined that the basis of marking the papers has been consistent with that accorded other candidates who wrote the

evaluation. Second, all papers reviewed are subjected to a careful check to ensure that the markers have indicated that consideration has been given to all material submitted by the candidate.

The following review procedures are applied to all three papers constituting the Uniform Evaluation:

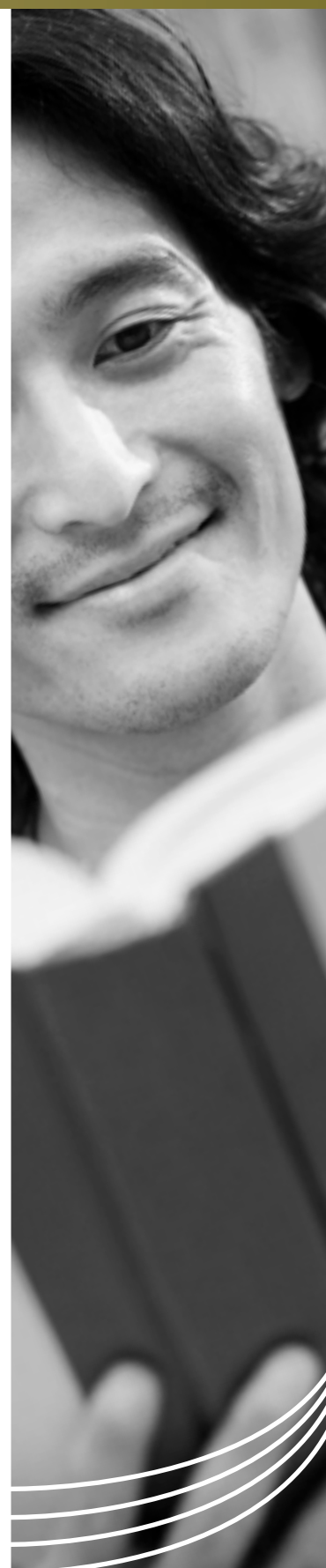
Under the supervision of the Chair of the BOE, and the Principals CA Qualification, the papers are reviewed by the leaders and assistant leaders who did the original marking.

The results are then tabulated and the decision made whether any candidates have been treated unfairly and should be granted a pass in the examination. The relatively insignificant number of changes made to reviewed papers over the years is attributable to the care exercised in the original marking and tabulating of the papers and results and to the consideration given to individual papers in the review procedure.

The results of the review are forwarded to the provincial institutes for approval and notification to the candidates.

How to apply for a performance analysis review

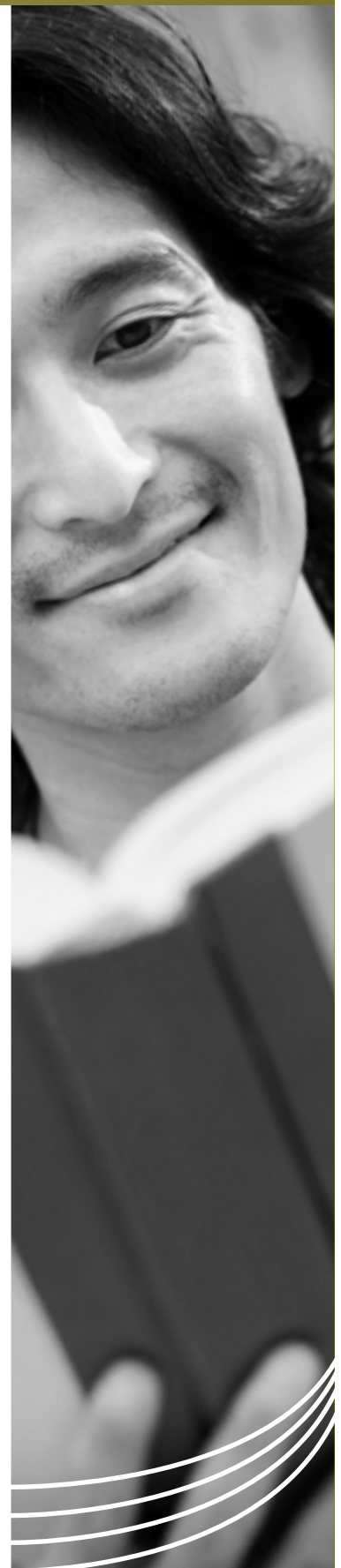
Applications for a performance analysis review must be forwarded to the BOE through the provincial institutes. If candidates wish to apply for both a review of their examination results and a performance analysis review, they can do so. Should the review of a candidate's paper result in his or her standing being changed to a pass, the performance analysis review will not be performed and any associated fees will be refunded.



Information for candidates with special needs

The UFE's objective is to ensure that all newly qualified CAs have met or exceeded a predetermined level of proficiency in the CA competencies to prepare them for successful careers in professional accounting and, in particular, the competencies deemed essential to the practice of public accounting. The profession's uniform evaluation process focuses on ensuring candidates have developed the required competencies for certification as a CA. Anonymity is guaranteed; disability should not be a factor in the evaluative process. Accordingly, the profession will consider, on an individual case-by-case basis, requests for reasonable UFE writing process accommodations relating to the disability of a candidate. The specifics of accommodation granted are determined by a Special Considerations Advisory Group with multi-Region representation that consults with a registered psychologist knowledgeable in both physical and learning disabilities to ensure Canada-wide consistency. Generally, requests for special consideration should be made to your Provincial Institute/Ordre/Region at least six weeks before the UFE writing dates.

For more information on the documentation required and the possible special considerations that might be granted, please contact your Provincial Institute/Ordre/Region.



Sources of information to help you prepare for the 2009 UFE

The UFE Information and Reference Series include these other sources of information (click for access):

The UFE Candidates' Competency Map

This is the document used by the Board of Evaluators to develop the simulations you will be asked to respond to on the UFE. We have provided two versions: a print-friendly version, and a version that is fully searchable in *Folio Views*.

Other Titles of Relevance to 2009 UFE Candidates

Uniform Evaluation Report

You can purchase a copy of the Board of Evaluator's Report on the previous years UFE www.knotia.ca.

Upcoming UFE Dates

2009	Tuesday, September 15 to Thursday, September 17
2010	Tuesday, September 14 to Thursday, September 16
2011	Tuesday, September 13 to Thursday, September 15

