

Chartered Professional Accountants of Canada

SUSTAINABILITY AND PERFORMANCE MANAGEMENT EDUCATION COMMITTEE

Terms of Reference for 2021

ROLE

The Sustainability and Performance Management Education Committee (hereafter referred to as “SPMC or the “Committee”) is an advisory committee intended to provide insight and advice to Chartered Professional Accountants of Canada (hereafter CPA Canada) on its strategy for Sustainability and Performance Management (SPM) education that addresses the evolving education needs of CPAs over the course of their careers and positions them for success in the future. CPA roles continue to evolve with a larger focus on organizational value creation which embraces innovation, a future focus, strategic decision-making, multi-stakeholder and global perspective, high social/emotional skills and leverages technology and advanced analytics to find patterns and meaning in complex and ambiguous data.

For CPAs, SPM topics will become a significant and/or growing component of their responsibilities. The Committee will provide feedback on the efficacy¹ of CPA Canada’s existing SPM education-related initiatives and recommend new initiatives as appropriate.

A definition of SPM according to CPA Canada is provided below:

Performance management encompasses technology, strategy, risk, financial and performance measurement. It is the “how”– the organizational activities that contribute to strategic decision making, support effective governance, and manage and mitigate risk, while considering the effects of the changing business landscape on the organization. Although financial sustainability will continue to be a key success factor for all organizations, sustainable organizations of today and into the future must integrate social and environmental (ESG) factors to continue to create long-term value (the “what”). CPAs play a key role in influencing and executing on an organization’s strategy and creating value in areas such as ESG issues, and in embracing new technologies and managing and governing data thereof.

RESPONSIBILITIES

Acting in an advisory capacity on behalf of CPA members who are professionals working in industry with respect to the efficacy of education programming within SPM and working within the framework of the CPA Canada’s established policies (e.g., code of conduct), the Sustainability and Performance Management Education Committee will assist the CPA Canada Member Development and Support, Sustainability and Performance Management group by providing insight and foresight on:

¹ The word “efficacy” is used in this context to embrace relevance, usefulness, effectiveness, and efficiency.

1. The assessment of the current and emerging **SPM education needs** of CPAs who working in an accounting, operational or other relevant management role in Industry^{2 3} assessment of SPM education program objectives and prioritization of content that meet the continuing and lifetime career needs of CPAs;
2. The design and delivery of high-quality, innovative, interdisciplinary, and flexible **SPM education programs** that address these needs;
3. Feedback on strategic issues such as competitive positioning and member readiness for content that affect CPA Canada’s ability to meet the identified needs of CPAs; and
4. Measures/targets for success in order to enable evaluation of progress in delivering the SPM education strategy in alignment with broader CPA Canada strategic objectives.

ACCOUNTABILITY

The Committee reports to and is accountable to the Vice President, Member Development and Support through the Director, Professional Programs. The Lead Principal – Member Development and Support, Performance Management and Sustainability Education (hereafter the “Lead Principal”) is the primary contact for the Committee.

COMPOSITION AND TERM

The Committee will consist of a minimum of 6 and maximum of 12 members, including the Chair. Due to the broad scope of education needs under **SPM education**, the committee may be divided into sub-committees to concentrate on key areas as of focus as needed, such as: Data and Technology, Sustainability and Environmental, Social and Governance (ESG).

Members of the Committee will have an interest in the current and future education of CPAs in industry who are in a variety of roles in seniority and responsibility. Roles will include early, mid-senior career, and C-suite level positions and include but not be limited to the areas of: academics, operations management, financial reporting, business and data analytics, financial planning and analysis, risk and internal controls and cross functional representation from CPA Canada, CPA provincial bodies as and if deemed appropriate by the Director, Professional Programs. Members will be selected to ensure that the Committee has an appropriate diversity of competencies and experience to meet its objectives. Membership of the Committee should, to the extent practicable, reflect the geographical and employment makeup of CPAs in industry.

² While the primary focus is on the needs of CPA members, there is value in discussing the appeal and needs to business professionals at large. The Committee may be asked to comment on the implications of any educational module for non-CPA professionals interested in the topic areas covered in addition to how the topics shift the perception of the CPA and how CPA Canada can shift the narrative on what it means to be a CPA through buy-in to our programs by CPAs and the business community.

³ The committee members will be educated on the current status of the Foresight Initiative, along with the work of the Competency Map 2.0 Task Force, Data Governance and Value Creation Working Groups. The new competency map will not be released for at least another 2 to 3 years, at which point, the member level learning will be aligned to the new competency map. The goal will be to adjust the member level learning to an advanced level (i.e., beyond the scope of a what a new CPA would be required to understand.)

Members will be appointed for a three-year term and will be eligible for reappointment for a second term of up to two years to a maximum aggregate term of five years. Committee members will be appointed and will retire in such a way that generally not more than half of the members retire in any one year.

Candidates for consideration as Committee members may be recommended by the existing Committee Chair and members, as well as others who have significant knowledge and involvement in the field of financial accounting, operations and business management, sustainability and environmental, social and governance issues, data governance, analytics and information technology, including management information systems. The Vice President, Research Guidance and Support may also recommend candidates for consideration. Appointments to the Committee will be made by the Director, Professional Programs in consultation with the Vice President, Member Development and Support and the existing Committee Chair and members.

The Chair shall be appointed by the Director, Professional Programs. The Chair shall serve a two-year term and, whenever practicable, would have already served a term on the Committee. The maximum aggregate term for the Chair, including time served as a non-Chair Committee member, may not exceed seven years.

It is recognized that the Committee members' firms and/or organizations may be awarded development and delivery contracts related to CPA Canada SPM education programs. In the interest of good governance, Committee members should carefully consider conflicts of interest and ethical considerations should they participate directly in the development or instruction of CPA Canada SPM in-depth education programs.

CONSULTATION AND COMMUNICATION

Committee members may consult with such organizations and individuals on the direction, design and effectiveness of sustainability and performance management programs as deemed appropriate, in consultation with the Lead Principal.

In addition to regular members, Committee meetings will be attended by the Lead Principal and may be attended by the Vice-Presidents, Directors and Principals in Member Development and Support and the sustainability and performance management group. Others may attend meetings as requested by the Chair or the Lead Principal.

MEETINGS

The Committee will meet a minimum of **two times** a year and more often if needed to properly fulfill its duties. Schedules of members will be accommodated as much as possible, within reason, when setting meeting dates. Any member who fails to participate in three consecutive meetings may be removed from membership at the discretion of the staff liaisons.

In the absence of the Chair, the Committee will agree on a member to chair a meeting.

DECISION MAKING

A quorum consists of two-thirds of the members of the Committee.

The Committee seeks to make decisions by consensus where possible. In the event that consensus on a particular matter cannot be obtained, a majority vote of those present will decide.

METHOD OF OPERATION

In carrying out its role, the Committee must act in the best interests of the CPA profession as a whole. The focus of discussions and decision making should be to ensure that the broad perspectives of the profession's

total membership are taken into account, and that decisions are not based on the views of any firm, organization or constituency with which its members are associated.

Committee members will provide input as necessary to any sub-committees it establishes to carry out its responsibilities.

Staff support and other resources necessary to support the work of the Committee will be provided through CPA Canada.

ATTENDANCE AT CPA CANADA SPM EDUCATION COURSES

Each Committee member may take one CPA Canada course or conference related to SPM per year on a complimentary basis for the member's own benefit or professional development. The course should be put on directly through CPA Canada as CPA Canada, and should not provide access to a course offered through partnership or affiliation due to the terms of any agreement that may be in place with that partner or affiliate. The Committee member is responsible for any associated travel and accommodation costs.

As part of the work of the Committee, Committee members are also expected to audit a CPA Canada **SPM education** course during their term in order to bring formal feedback to the Committee and CPA Canada. A list of potential courses to audit, whether in existence or new content in development, will be provided annually and as applicable to the committee. Tuition, travel and hotel accommodation costs will be reimbursed by CPA Canada when the Committee has determined attendance by a Committee member is necessary.

TERMS OF REFERENCE

The Committee will review its terms of reference at least once every three years and recommend any changes felt appropriate, for consideration by the CPA Canada Management Committee.

BILINGUALISM

The Committee is designated as an English/French Committee with accommodations available in both official languages.

FUNDING

Reasonable and necessary meeting and other costs for the Committee's activities are funded through the budget of CPA Canada.