



## 1. Preamble

- 1.1 The Board of Directors of the Institute of Public Accountants issues Pronouncement 12 *Administration of Member Compliance* (“the Pronouncement”). The following Pronouncement is issued pursuant to sub-clause 53.2(a) of the Constitution of the Institute of Public Accountants. In accordance with By-law 2.1.3(e), Members of the Institute of Public Accountants are obligated to abide by this Pronouncement.
- 1.2 Pronouncement 12v1.5 is effective as at 11 February 2021.
- 1.3 This Pronouncement is promulgated to enhance the efficiency of the Board of Directors and/or a Disciplinary Tribunal by allowing the Institute to administratively manage member compliance rather than referring matter(s) to the Board of Directors and/or a Disciplinary Tribunal for consideration. This ensures the resources of the Board of Directors and/or a Disciplinary Tribunal are applied to more complex matters that cannot be dealt with administratively.

## 2. Scope and Application

- 2.1 This Pronouncement sets out administrative actions the Institute can apply in the event a Member has not complied with any reasonable request or directive made pursuant to a matter under clause 98 of the Constitution and/or Chapter 7 of the By-laws; or issued by the Board of Directors and/or a Committee of the Board of Directors; an Officer of the Institute; or has failed to comply with an order of the Disciplinary Tribunal or Appeals Tribunal; or has otherwise failed to comply with the Institute’s By-laws, Constitution, Pronouncements or other Regulations.
- 2.2 Once a Member has failed to comply with a request(s) as detailed in paragraph 2.1 above, then the matter(s) will be dealt with under Pronouncement 12 without referral to the Board of Directors or the Disciplinary Tribunal.
- 2.3 If the matter(s) cannot be dealt with under Pronouncement 12, then the matter(s) will be referred) to the Board of Directors or a Disciplinary Tribunal who will impose on that Member any one or more of the penalties and/or costs under sub-clause 98(3) of the Constitution.

### 3. Definitions

*Institute* and *IPA* mean the Institute of Public Accountants.

*CEO* is the Chief Executive Officer of the Institute of Public Accountants.

*Compliance Team* is a division within the Institute that oversees Member compliance with the Institute's Constitution, By-laws and Pronouncements and any other regulatory requirements.

*CPD* is Continuous Professional Development (refer to Pronouncement 7).

*Member* means a Member of the Institute who has paid all fees and subscriptions due or who has fees and subscription outstanding to the Institute.

*PPC* is a Professional Practice Certificate issued by the Institute of Public Accountants.

*QRP* is the Member Quality Review Program.

### 4. Quality Review Program

#### 4.1 Failure to complete the QRP or address non-compliance with the QRP

- a) Members who hold a PPC and Members who do not hold a PPC must comply with the Institute's quality assurance requirements in accordance with Chapter 9 of the By-laws, Membership Policy BMC2051 Professional Practice Certificate (PPC) and Pronouncement 4 Quality Review Program.
- b) Members are required to complete and/or submit an online QRP in the form of a questionnaire and/or attach mandatory document(s) to the questionnaire by a due date.
- c) Where applicable, Members may be requested to provide additional information or documents and/or undertake a required action(s) to address any non-compliance identified in the QRP review by a due date.
- d) If the Member fails to comply with any due date, the Compliance Team will notify the Member in writing of a revised due date for compliance. The revised due date will permit an additional 14 days for compliance.
- e) The Member may seek an extension of time in which to complete the QRP or provide additional information or documents and/or undertake a required action(s) on the basis of exceptional circumstances for which evidence in writing must be provided. An extension of time can only be granted on the approval of the CEO or delegated officer.
- f) If a Member fails to complete the QRP and/or attach mandatory document(s) or fails to address any non-compliance with the QRP by the revised due date, the Compliance Team will issue the Member with a written warning.

- g) The Compliance Team will extend the due date by an additional 28 days or longer with approval by the CEO or delegated officer. The Compliance Team will notify the Member in writing of the final due date for compliance.
- h) Failure to comply by the final due date will result in suspension of membership.
- i) If during the period of suspension, the Member completes the QRP or addresses any non-compliance to enable the QRP to be finalised, the membership will be reinstated. However, if the period of suspension exceeds 12 months, the Member must meet the reinstatement requirements of the IPA.
- j) If during the period of suspension, the Member fails to complete the QRP or fails to address any non-compliance, the CEO may forfeit the membership in accordance with sub-clause 98(3)(h) of the Constitution and the Member's name will be removed from the Register of Members in accordance with clause 101 of the Constitution.
- k) A forfeited membership does not permit a refund of any membership or PPC fees which have been paid by the Member.

## **5. Failure to Complete the Professional Practice Program**

- 5.1 A Member must complete the Professional Practice Program within six months of being issued with a PPC in accordance with Chapter 9 of the By-laws and Membership Policy BMC2051 Professional Practice Certificate (PPC).
- 5.2 If a Member fails to complete the Professional Practice Program within six months of being issued with a PPC, the Compliance Team will notify the Member in writing of a revised due date for compliance. The revised due date will permit an additional 14 days for the Member to enrol and pay to attend the next scheduled Professional Practice Program.
- 5.3 The Member may seek an extension of time in which to complete the Professional Practice Program on the basis of exceptional circumstances for which evidence in writing must be provided. An extension of time can only be granted on the approval of the CEO or delegated officer.
- 5.4 If the Member fails to comply by the revised due date, the Compliance Team will issue a written warning to the Member.
- 5.5 Unless an extension has been granted, the Compliance Team will extend the due date for compliance by 28 days and issue the Member with a final due date for compliance.
- 5.6 Failure to comply by the final due date will result in suspension of membership.
- 5.7 If during the period of suspension, the Member completes the Professional Practice Program, the membership will be reinstated. However, if the period of suspension exceeds 12 months, the Member must meet the reinstatement requirements of the IPA.
- 5.8 If during the period of suspension, the Member fails to complete the Professional Practice Program, the CEO may forfeit the membership in accordance with sub-clause 98(3)(h) of the Constitution and the Member's name will be removed from the Register of Members in accordance with clause 101 of the Constitution.

5.9 A forfeited membership does not permit a refund of any membership or PPC fees which have been paid by the Member.

## **6. Failure to Hold a Professional Practice Certificate**

6.1 A Member must hold a PPC in accordance with Chapter 9 of the By-laws and Membership Policy BMC2051 Professional Practice Certificate (PPC).

6.2 If a Member is required to hold a PPC, but does not hold a PPC, the Compliance Team will notify the Member in writing of a revised due date for compliance. The revised due date will permit an additional 14 days for compliance.

6.3 The Member may seek an extension of time in which to obtain a PPC on the basis of exceptional circumstances for which evidence in writing must be provided. An extension of time can only be granted on the approval of the CEO or delegated officer.

6.4 If the Member fails to comply by the revised due date, the Compliance Team will issue a written warning to the Member.

6.5 The Compliance Team will extend the due date for compliance by 28 days and issue the Member with a final due date for compliance.

6.6 Failure to comply by the final due date will result in suspension of membership.

6.7 If during the period of suspension, the Member obtains a PPC, the membership will be reinstated. However, if the period of suspension exceeds 12 months, the Member must meet the reinstatement requirements of the IPA.

6.8 If the Member fails to obtain a PPC during the period of suspension, the CEO may forfeit the membership in accordance with sub-clause 98(3)(h) of the Constitution and the Member's name will be removed from the Register of Members in accordance with clause 101 of the Constitution.

6.9 A forfeited membership does not permit a refund of any membership or PPC fees which have been paid by the Member.

## **7. Failure to Hold Appropriate Professional Indemnity Insurance**

7.1 Members in professional practice must hold Professional Indemnity insurance in accordance with Chapter 9 of the By-laws and Membership Policy BMC2051 Professional Practice Certificate (PPC).

7.2 If a Member is required to hold Professional Indemnity insurance, but does not hold Professional Indemnity insurance in accordance with IPA requirements, the Compliance Team will notify the Member in writing of a revised due date for compliance. The revised due date will permit an additional 14 days for the Member to obtain Professional Indemnity insurance compliant with IPA requirements.

- 7.3 The Member may seek an extension of time in which to obtain a compliant Professional Indemnity insurance policy on the basis of exceptional circumstances for which evidence in writing must be provided. An extension of time can only be granted on the approval of the CEO or delegated officer.
- 7.4 If the Member fails to comply by the revised due date, the Compliance Team will issue a written warning to the Member.
- 7.5 The Compliance Team will extend the due date for compliance by 28 days and issue the Member with a final due date for compliance.
- 7.6 Failure to comply by the final due date will result in suspension of membership.
- 7.7 If during the period of suspension, the Member secures a Professional Indemnity insurance policy in accordance with IPA requirements and supplies evidence to the Compliance Team, the membership will be reinstated. However, if the period of suspension exceeds 12 months, the Member must meet the reinstatement requirements of the IPA.
- 7.8 If the Member fails to secure a Professional Indemnity insurance policy in accordance with IPA requirements during the period of suspension, the CEO may forfeit the membership in accordance with sub-clause 98(3)(h) of the Constitution and the Member's name will be removed from the Register of Members in accordance with clause 101 of the Constitution.
- 7.9 A forfeited membership does not permit a refund of any membership or PPC fees which have been paid by the Member.

## **8. Failure to Comply with CPD Requirements**

- 8.1 IPA Members must complete CPD in accordance with Chapters 2 and 9 of the By-laws and Pronouncement 7.
- 8.2 If a Member is subject to a CPD review and has been asked to supply information on their CPD activity and has not provided this information by the due date, the Compliance Team will notify the Member in writing of a revised due date for compliance. The revised due date will permit an additional 14 days for compliance.
- 8.3 If a Member has been asked to complete additional CPD, whether subject to a CPD review or otherwise, and has not completed the additional CPD by the due date, the Compliance Team will notify the Member in writing of a revised due date for compliance. The revised due date will permit an additional 14 days for compliance.
- 8.3 The Member may seek an extension of time in which to complete the CPD review or any additional CPD on the basis of exceptional circumstances for which evidence in writing must be provided. An extension of time can only be granted on the approval of the CEO or delegated officer.
- 8.4 If the Member fails to comply by the revised due date, the Compliance Team will issue a written warning to the Member.
- 8.5 The Compliance Team will extend the due date for compliance by 28 days and issue the Member with a final due date for compliance.
- 8.6 Failure to comply by the final due date will result in suspension of membership.

- 8.7 If during the period of suspension, the Member complies with the CPD requirements, the membership will be reinstated. However, if the period of suspension exceeds 12 months, the Member must meet the reinstatement requirements of the IPA.
- 8.8 If the Member fails to comply with the CPD requirements during the period of suspension, the CEO may forfeit the membership in accordance with sub-clause 98(3)(h) of the Constitution and the Member's name will be removed from the Register of Members in accordance with clause 101 of the Constitution.
- 8.9 A forfeited membership does not permit a refund of any membership or PPC fees which have been paid by the Member.

## **9. Failure to Comply with a Request from the Institute**

- 9.1 IPA Members must comply with a request or directive made in accordance with clause 98 of the Constitution and Chapter 7 of the By-laws.
- 9.2 If a Member has failed to comply with a request or directive made pursuant to clause 98 of the Constitution or Chapter 7 of the By-laws, by the Board of Directors, a Committee of the Board of Directors, an Officer of the Institute or has failed to comply with an order of the Disciplinary Tribunal or Appeals Tribunal by the due date, then the Member will receive written notification from the Compliance Team to comply with the request or directive by a revised due date. The revised due date will permit an additional 14 days for compliance.
- 9.3 The Member may seek an extension of time in which to comply with any request or directive on the basis of exceptional circumstances for which evidence in writing must be provided. An extension of time can only be granted on the approval of the CEO or delegated officer.
- 9.4 If the Member fails to comply by the revised due date, the Compliance Team will issue a written warning to the Member.
- 9.5 The Compliance Team will extend the due date for compliance by 28 days and issue the Member with a final due date for compliance.
- 9.6 Failure to comply by the final due date will result in suspension of membership.
- 9.7 If during the period of suspension, the Member complies with the request or directive, the membership will be reinstated. However, if the period of suspension exceeds 12 months, the Member must meet the reinstatement requirements of the IPA.
- 9.8 If the Member fails to comply with the request or directive during the period of suspension, the CEO may forfeit the membership in accordance with sub-clause 98(3)(h) of the Constitution and the Member's name will be removed from the Register of Members in accordance with clause 101 of the Constitution.
- 9.9 A forfeited membership does not permit a refund of any membership or PPC fees which have been paid by the Member.

## **10 Dispute Resolution Process**

- 10.1 If a Member is in dispute with the IPA over an identified non-compliance, the Member has the right to escalate the matter to the IPA Board Membership Committee on behalf of the Board of Directors for a determination.

## **11 Publicising Details of a Non-compliance**

- 11.1 Members found to be non-compliant with any of the Institute's requirements may have their name and other details publicised by the Institute by the following means:
- (a) press release in such terms and manner as the IPA directs;
  - (b) publication in the IPA journal in such terms and manner it directs; and/or
  - (c) publication on the IPA's website in such terms and manner it directs.
- 11.2 Any such publication may contain details of the Member's suspension or forfeiture of membership, including the name of the Members, the breach(es) that the Member was found to have made and the finding(s) of the IPA and any other matters the IPA determines is necessary.
- 11.3 For Members subject to a written warning or other order, the Institute shall determine, what, if any information is publicised and by what means.

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