



# Professional Engineers of Ontario

## Audit of Registration Practices

For the period July 16, 2007 to July 15, 2008

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# Executive summary

Deloitte was engaged by the Association of Professional Engineers of Ontario (“PEO”) to perform a compliance audit in accordance with section 5815 of the CICA handbook, with respect to the PEO’s compliance with Parts II, III, and VI clauses 19-20, 22-25 of the Fair Access to Regulated Professions Act (“FARPA”) for the period from July 16, 2007 to July 15, 2008.

The audit involved the following four distinct phases:

1. Document the specific legislative requirements to be audited;
2. Through discussion with PEO staff, identify the processes and procedures employed by PEO to meet the legislative requirements;
3. Assess the adequacy of PEO’s policies and procedures in consideration of the evaluation criteria established by the office of the Fairness Commissioner, as outlined in the Framework for Audits of Registration Practices & FARPA; and
4. Design and perform tests to determine if PEO is in compliance with the processes and procedures identified in step two.

In Appendix 1 of this report, we have included a table summarizing each legislative requirement of FARPA, PEO’s policies and procedures addressing the requirement, the audit procedure to test the policies and procedures and our observations and conclusions with respect to each step.

PEO will begin to process any application for license as long as the applicant meets the minimum criteria; being of age, and paying the fee for the application. Prior to being issued a licence, however, the applicant must fulfill a number of additional requirements. These additional requirements are summarized as follows:

- Hold an undergraduate engineering degree from a Canadian Engineering Accreditation Board (CEAB)- accredited program or possess equivalent qualifications (Academic Requirements);
- 48 months of acceptable engineering experience (including 12 months in a Canadian jurisdiction) (Experience Requirements);
- Be of good character;
- Successfully complete the professional practice exam: and,
- Be a citizen or permanent resident of Canada

The length of time from initial application to issuance of license can range from weeks (for an applicant who has all the requirements at the time of application) to years (for an applicant who has only the minimum requirements (18 years of age) and pays an administration fee). With the exception of successfully completing the exam, all post application legislative requirements may involve the application of judgement in accordance with established policies and guidelines as follows:

## **Academic**

An individual who has graduated from a Canadian CEAB program with a Bachelor of Engineering degree is automatically considered to have the required academic qualifications. There are 38 schools in Canada which offer accredited programs. Graduates of Canadian engineering programs from non-accredited programs and graduates from non-Canadian programs are not automatically considered to have met the academic requirements. These individuals are assessed by the Academic Requirement Committee (the “ARC”). The ARC will determine what, if any, examinations program the applicant must complete before being deemed to have satisfied the academic requirements.

## Experience

Prior to being licensed, the prospective applicant must have 48 months of engineering experience as defined in PEO's publication "Guide to the Required Experience for Licensing as a Professional Engineer in Ontario", at least 12 of which must have been in a Canadian jurisdiction. Generally anyone who has completed 48 months of acceptable engineering experience in a Canadian jurisdiction is considered to have met the experience requirement. Individuals with experience outside of Canada are normally interviewed by the Experience Requirement Committee (the "ERC"). The ERC will determine how much, if any, of the applicants non-Canadian experience will be counted towards the 48 month requirement.

## Character

An individual's character is assessed throughout the process through interactions with PEO staff and by verifying section 9 of the application completed by the applicant.

## Key Statistics for the period of July 16, 2007 to July 15, 2008

The table below summarizes the number of applications received during the period under review

From July 16, 2007 to July 15, 2008	Ontario	Other Canadian Provinces	USA	Other International	Missing Academic Documents	TOTAL
Number of new applications received by PEO	CEAB: 1,196 NON-CEAB: 79	CEAB: 341 NON-CEAB: 10	47	1,421	162	3,256
FCP (Financial Credit Program)	CEAB: 803 NON-CEAB: 21	CEAB: 33 NON-CEAB: 00	10	210	0	1,077
Non CEAB Immigrants Client Code 2008	CEAB: 01 NON-CEAB: 00	CEAB: 04 NON-CEAB: 00	7	39	7	58
Transfers	CEAB: 18 NON-CEAB: 00	CEAB: 144 NON-CEAB: 03	2	21	5	193

As the period of time in which an applicant can start his/her application with PEO to actually receiving his/her licence can be for an indefinite time period, our audit procedures were performed on applications that were "closed" during the audit period (July 16, 2007 to July 15, 2008). Files closed are defined as those where there was the actual issuing of a licence, or the Registrar formally refuses to issue a licence. During this period, there were 2,413 licenses issued; 2055 cases were sent to the ARC, of which 141 cases requested reconsideration by the ARC, and 8 cases requested a Hearing by the Registration Committee. During the period, 642 Notices of Proposal to Refuse to Issue a license ("NOP") were issued to applicants whose files were inactive. These proposals were initiated due to the length of time which had passed since the applicant had been requested to provide additional information and failed to do so. Of these 642 NOP's issued, 224 proposals were carried and these applications were withdrawn by the Registrar (110 related to academic issues, and 114 related to experience issues).

## Breakdown of Licenses Issued between July 16, 2007 and July 15, 2008

From July 16, 2007 to July 15, 2008	Ontario	Other Canadian Provinces	USA	Other International	TOTAL
Number of applicants who became members of the profession (PENG LIC)	CEAB: 1,037 NON-CEAB: 16	CEAB: 140 NON-CEAB: 06	35	1,154	2,388
Number of applicants to whom an alternative class of licence was issued (PRVS LIC)	CEAB: 01 NON-CEAB: 00	CEAB: 0 NON-CEAB: 0	0	24	25

Listing of top 5 countries where international applicants were initially educated.

In order of number of applications received	July 16, 2007 To July 15, 2008	
Largest number of applications	China	275
Second largest number of applications	India	250
Third largest number of applications	Iran, Islamic Republic	179
Fourth largest number of applications	Pakistan	119
Fifth largest number of applications	Egypt	85

## Conclusions

We have concluded that PEO has policies and procedures in place which adequately address the specific requirements of the FARPA noted above and that these policies and procedures were in place throughout the period under examination. We therefore have concluded that PEO is in compliance with Parts II, III, and VI steps 19-20, 22-25 of the Fair Access to Regulated Professions Act "FARPA" for the period from July 16, 2007 to July 15, 2008. We have provided our formal opinion in Appendix 2 of this report.

We have also concluded that, overall, the registration policies and procedures of PEO appear to be fair, transparent, objective and impartial. In arriving at our conclusion we considered the following evaluation criteria identified by the Office of the Fairness Commissioner:

- Information to applicants;
- Timely decisions and responses;
- Internal review or appeal;
- Information on appeal rights;
- Documentation of qualifications;
- Assessment of qualifications;
- Training; and
- Access to records.

We have noted where we believe these criteria are effectively addressed by policies and procedures of PEO in Appendix 1. In Appendix 3 of this report, we include general observations with respect to these evaluation criteria.

# Appendix 1

## Audit program

# Appendix 1 – Audit program

## Fair access to regulated professions program audit & findings

	Agreement clause	Step #	Procedure	Entity's procedure	Audit procedure	Audit findings
1	Part II	6	Does the regulated profession provide registration practices that are transparent, objective, impartial and fair?	<p>Professional Engineers Ontario (PEO) operates in accordance with the Professional Engineers Act (PEA), 1984 and Regulation 941, 1990.</p> <p>PEO grants licences to applicants who wish to practice professional engineering in Ontario</p> <p>Since 1984, several task forces have been established to review the registration practices and several recommendations have been made and adopted to ensure that these practices are transparent, objective, impartial and fair to the changing demography of applicants.</p>	Review the results of steps 2-44 of the audit program and based on the findings from these steps, conclude on overall transparency, objectiveness and fairness of PEO's Registration Practices.	Based on the audit findings of steps 2-44 we conclude that the PEO's Registration Practices are transparent, objective, impartial and fair.
2	Part III	7	Did the regulated profession provide information to individuals applying or intending to apply for registration? ( i.e. (a) information about its registration practices,	Information to applicants, prospective applicants and the general public is available at no cost on PEO's website. Registration information will also be mailed to prospective applicants upon their request, at no cost.	Review the Licensing Guide and the Required Experience Guide and determine whether these documents contain information on registration practices, timing, objectivity of	D&T reviewed the Licensing Guide and the Required Experience Guide and noted that sufficient information on registration practices, timing, objectivity of

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			(b) information about the amount of time that the registration process usually takes, (c) objective requirements for registration by the regulated profession together with a statement of which requirements may be satisfied through alternatives that are acceptable for the regulated profession and, (d) a fee scale related to registrations.)	<p>In addition, PEO provides seminars and information sessions at no cost to Ontario engineering students through their universities and to International Engineering Graduates through settlement agencies.</p> <p>Furthermore, PEO provides a licensing guide to outline the registration process.</p> <p>A fees schedule is available in the Licensing Guide and Application for Licence and on PEO's website.</p>	<p>requirement and possible alternatives, and fees.</p> <p>Also attempt to access these documents from various sources, such as in person, through the website, and over the phone to determine that these documents are available to the general public.</p>	<p>requirement and possible alternatives and fees are in place. D&amp;T also visited the website that contains all such information and noted that all such information is publicly available and free of charge.</p>
3	Part III	8	Did the regulated profession (a) ensure that it makes registration decisions within a reasonable time, (b) provide written responses to applicants within a reasonable time and, (c) provide written reasons to applicants within a reasonable time in respect of all registration decisions and internal review or appeal decisions?	<p><u>Registration Decision:</u> There are three Registration Decisions that may possibly be made by the Registrar and one Registration Decision that may be made by the Registration Committee:</p> <p>i. The Registrar shall issue a licence to an applicant who meets <b>all</b> the licence requirements of the PEA. The Registrar's Registration Decision here is an outcome that is based on several Assessment Decisions made to determine that the applicant has met each of the individual requirements.</p> <p>ii. The Registrar may refuse to issue a licence to an applicant in accordance with</p>	<p>Select sample of registration files. Examine the documentation in these files to ensure that the registration decisions were made within a reasonable time, and that the registration decisions were communicated in writing.</p>	<p>Of the 344 files examined by Deloitte, there were 17 files where registration decisions were not made within 6 weeks from the date of receipt of the final piece of information. Based on a review of unique circumstances, the 17 files that were not completed within 6 weeks were still completed within a reasonable period of</p>

Appendix 1 Audit program

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				<p>the PEA, where the Registrar is of the opinion that the applicant is not of good character;</p> <p>iii. The Registrar may propose to refuse to issue a licence to an applicant who does not meet <b><i>all</i></b> the licence requirements of the PEA. Again, the Registrar's Registration Decision here is an outcome that is based on several Assessment Decisions made for each of the individual requirements</p> <p>In all the above cases, an official letter is sent within six weeks from the date of receipt of the notification is sent outlining the next steps for the applicant, alternatives and costs associated with each step depending on the option the applicant chooses.</p> <p>iv. In the latter case, where the Registrar proposes to refuse to issue a licence, the applicant may request a Registration Hearing with the Registration Committee. Registration Decisions made by the Registration Committee (which is an independent tribunal) is an order following a 'de novo' Registration Committee Hearing to issue a licence for an applicant who, in its opinion, has met (and/or is exempted from) <b><i>all</i></b> the licensing requirements or an order to refuse to issue a licence for an applicant who did not meet (and is not exempted) from any of the requirements to issue a licence.</p>		<p>time.</p> <p>All files examined had written correspondence documenting the registration decisions made. Of the 344 files examined, Deloitte noted 11 files where the correspondence regarding the decision made was greater than 6 weeks after a decision was made, but were made shortly after 6 weeks and therefore still reasonable.</p>

	Agreement clause	Step #	Procedure	Entity's procedure	Audit procedure	Audit findings
4	Part III	9	Did the regulated profession provide an internal review of, or an appeal from, its registration decisions within a reasonable time?	<p><b><u>Internal Review:</u></b> Internal reviews are usually conducted by the Academic Requirement Committee and the Experience Requirement Committee. Applicants who raise concerns will have their files reviewed by these Committees and a written response is provided generally within six weeks. Applicants are also encouraged to request a review whenever they have acquired new academic and/or engineering experience that was not reviewed before. There is no limit as to how many times a file may be reviewed and the applicant can request a review or reconsideration at any stage of the process.</p> <p><b><u>Registration Hearings (External Review):</u></b> In accordance with the PEA, if the Registrar refuses registration, he/she shall provide notice to the applicant. The notice shall state that the applicant is entitled to a Hearing by the Registration Committee if the applicant delivers, within 30 days after the notice is served on the applicant,</p>	<p>Select samples of Academic Review Committee ("ARC") reviewed files and examine the correspondence and timing of decisions. Determine if any referrals were made to the Experience Review Committee ("ERC"), and if so, examine the documentation to determine whether this was dealt with in a reasonable time.</p> <p>For Registration Hearings, select all files that were reviewed by the Registration Committee and examine the length of time between the Registrar's refusal and the hearing for the</p>	Deloitte examined 108 files, whereby applicants requested reconsideration by the Academic Requirement Committee and noted that 7 files were not concluded upon in the 6 week time frame. Of these 7 files, 3 were delayed due to the timing of the requests, 3 were delayed because the ARC members who are expert in the applicant's discipline were not available on the review day, and 1 was delayed due to it being a new emerging engineering discipline and thus it took longer to find volunteers.

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	Agreement clause	Step #	Procedure	Entity's procedure	Audit procedure	Audit findings
				<p>notice in writing requesting a Hearing by the Registration Committee.</p> <p>The Registration Committee is a tribunal that operates at arm's length from PEO's Licensing and Registration Department. Therefore, PEO has no control over how long it will take an applicant to go through the Registration Hearing process which is a formal legal process that is mostly administered by lawyers.</p>	<p>appeal. Review the "Decisions and Reasons" document provided to PEO by the Tribunal to confirm the timing of the meeting.</p>	<p>Deloitte examined 49 files that were referred to the ERC and noted that 4 files were not completed within the standard 6 weeks, but were still completed within a reasonable period of time.</p> <p>Deloitte reviewed all 8 registration hearing files and noted that the amount of time taken to hear a Registration committee case can range from 2 months to 1 year, depending on the complexity of the case. As this operates at an arm's length from PEO, PEO has no control over the amount of time for the tribunal to hear a case.</p>
5	Part III	9-Sub-section 2	<p>Did the regulated profession provide an applicant for registration an opportunity to make submissions with respect to any internal review or appeal?</p>	<p><b>Internal Review:</b> Applicants who request review or reconsideration are always encouraged to substantiate their requests by providing any additional information before a review is conducted. Please note, these requests include written and oral requests made by applicants via mail, email, and phone or in</p>	<p>For internal reviews, from the sample selected in step 4, examine the file documentation for evidence that submissions had been made by the applicant.</p>	<p>All ARC and ERC files reviewed included submissions or correspondence from the applicants regarding the reasons for their requests.</p>

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				<p>person.</p> <p><b>Registration Hearings:</b> The Registration Hearings legal proceeding allows both PEO and the applicant to make submissions to the Registration Committee as part of the legal proceeding.</p>	<p>For Registration Hearings, examine the "Decisions and Reasons" document provided by the Tribunal to determine whether submissions had been made.</p>	<p>All Registration files demonstrated evidence of Applicants submissions.</p>
6	Part III	9-Sub-section 3	<p>Did the regulated profession specify whether submissions in respect of an internal review or appeal are to be submitted orally, in writing or by electronic means?</p>	<p><b>Internal Review:</b> Applicants are encouraged to make submissions in writing or electronically via email. Depending on the nature of the request and the review conducted, applicants are advised if a personal discussion with peers (Experience Requirements Committee (ERC) Interview) is necessary.</p> <p><b>Registration Hearings:</b> A Registration Hearing may be conducted in writing, orally or electronically. The Registration Committee panel and the lawyers agree on the means of the Hearing.</p>	<p>Same as above</p>	<p>All ARC and ERC files reviewed included submissions or correspondence from the applicants regarding the reasons for their requests.</p> <p>All Registration files demonstrated evidence of Applicants submissions.</p>

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	Agreement clause	Step #	Procedure	Entity's procedure	Audit procedure	Audit findings
7	Part III	9-Sub-section 4	Did the regulated profession inform an applicant of any rights the applicant may have to request a further review of, or appeal from, the decision?	<p><b><u>Internal Review:</u></b> Applicants are informed of the outcome of the review and are advised of the different options available to them.</p> <p><b><u>Registration Hearings:</u></b> The Registration Committee Panel that sits on a Hearing advises all parties of their rights and obligations as part of the legal procedure.</p>	From the samples selected in step 6, examine the files for evidence of communication of the decision reached and the next steps available to them.	From the ERC and ARC files reviewed, all files contained notice of decisions and next steps.
8		9-Sub-section 5	Did the individual who acted as the decision maker with respect to the registration decision also act as the decision maker in an internal review or appeal regarding the same registration decision?	<p><b><u>Internal Review:</u></b> An oral review is conducted by two peers (peer review) from PEO's ERC who were not part of the initial review. Furthermore, the new panel is not informed that this is a review to ensure that the applicant has a new and impartial opportunity to present his/her case; such oral reviews are known as an "ERC second interviews." Paper reviews are usually conducted by at least two peers from PEO's Academic Requirements Committee (ARC), to ensure impartiality in the assessment. In the current licensing process, this is known as "ARC double vetting".</p> <p><b><u>Registration Hearings:</u></b> The Registration Committee is a tribunal at arm's length from PEO's Licensing and Registration Department, and members of</p>	<p>For internal reviews, from the sample selected in Step 6, examine the file documentation and determine that the reviewer did not make the original registration decision. (i.e. Registrar or his staff involved in assessing the application.)</p> <p>Examine all "Reasons and Decisions" document from the Tribunal and ensure that the Committee Panel did not have PEO staff presiding</p>	<p>PEO has ARC and ERC committees. ARC committee members are not the same as ERC committee members.</p> <p>All registration hearings were heard by independent third parties.</p>

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	<b>Agreement clause</b>	<b>Step #</b>	<b>Procedure</b>	<b>Entity's procedure</b>	<b>Audit procedure</b>	<b>Audit findings</b>
				the tribunal are not part of the initial decision-makers. For example, a decision in a small claims case may be appealed to a local trial court, which may try the case again, de novo.)	over the hearing.	
9	Part III	10	Did the regulated profession make information publicly available on what documentation of qualifications must accompany an application and what alternatives to the documentation may be acceptable to the regulated profession if an applicant cannot obtain the required documentation for reasons beyond his or her control?	All required academic documents, experience documents and identification documents are publicly available in the Licensing Guide and Application for Licence. All alternative forms of documentation are highlighted in this document.	Examine the Licensing Guide and the Licensing and Registration Department Form Letters and determine whether it states what documentation is acceptable for an application and acceptable alternatives. Determine that this information is available through the website, over the phone, or by requesting this information in person.	All required documents are publicly available through the website and are available in the Licensing Guide and Application for Licence. Alternative pieces of documentation are also suggested.
10	Part III	10-Sub-section 2	If the regulated profession conducted their own assessment of qualifications, did they do so in a way that was transparent, objective, impartial and fair? If the	PEO conducts its own "peer review assessment of qualifications." For this purpose, it depends on two legislated committees, namely, the Academic Requirements Committee (ARC) and the Experience Requirements Committee (ERC). Both committees are composed of	Review files referred to the ARC and ERC committees and determine whether the reviews conducted were fair, transparent, objective, and impartial.	From the 108 ARC files reviewed and the 49 ERC files reviewed, all assessments appeared to be conducted in a manner that was

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			regulated profession relies on a third party to assess qualifications, did they take reasonable measures to ensure that the third party makes the assessment in a way that is transparent, objective, impartial and fair?	<p>professional engineers who volunteer their time for peer reviewing applicants' credentials. Assessments' criteria, tools and procedures are published in the two documents mentioned above, namely:</p> <ol style="list-style-type: none"> <li>1. Licensing Guide and Application for Licence ; and</li> <li>2. Guide to the Required Experience for Licensing as a Professional Engineer in Ontario.</li> </ol> <p>As far as the assessment of engineering experience is concerned, PEO has published in its website and always refers applicants to the publication called, "Guide to the Required Experience for Licensing as a Professional Engineer in Ontario".</p>		transparent, objective, impartial and fair.
11	Part III	11	Did the regulated profession ensure that individuals assessing qualifications and making registration decisions or internal review or appeal decisions have received training that includes, where appropriate, (a) training on how to hold hearings and, (b) training in any special considerations that may apply in the assessment of applications and the process for applying those	<p>Staff is trained in dealing with applicant's questions. The process is designed so that registration staff does not deal with decisions where a significant amount of judgment is required.</p> <p>ARC and ERC members who assess the academic and experience of applicants have received appropriate training concerning how to make the determinations, how to evaluate the information collected and how to be sensitive to all of the principles of fairness, impartiality and transparency with special emphasis on the fact that approximately 50% of the applicants are individuals</p>	<p>Examine the Procedures Manual of the Academic Requirement Committee and determine whether this manual was given to all committee members and addresses how assessments should be held and special considerations. (Red Book)</p> <p>As Registration</p>	D&T reviewed the "Red Book" and determined that it addressed how assessments and special considerations are held.

	Agreement clause	Step #	Procedure	Entity's procedure	Audit procedure	Audit findings
			considerations?	<p>educated in countries other than Canada. Furthermore, close to 80% of the members of the ARC and ERC are themselves International Engineering Graduates who went through the same process and met the very same requirements.</p> <p>Furthermore, both Committees follow guidelines that were developed specifically for that purpose and all outcomes undergo stringent control procedures administered by staff.</p>	<p>Hearings are heard by an independent Tribunal, PEO staff does not provide training to these individuals, however, the Registration</p> <p>Committee relies on its own independent legal counsel for advice and training.</p>	
12	Part III	12	Did the regulated profession provide the applicant (upon written request for registration) with access to records held by it that are related to the application? (see limitations in Subsection 2)	Yes, with the exception of the evaluations provided directly to PEO by the selected references. However, if the applicant requests a Hearing in front of the Registration Committee the reference's evaluation content is disclosed.	Select a sample of Registration Hearing files and examine the file documentation to determine whether requests for access to the records from the applicant were made and whether those documents were provided to the applicant.	All information is provided to the applicant before a registration hearing, and, as such, no requests were received from applicants, as this information was already provided.
13	Part III	12-Sub-section 2	Did the regulated industry refuse access to a record because (a) the record or any information in the record is subject to a legal privilege that restricts	Outcomes are always disclosed to applicants; however, identities of individuals making the decisions are not disclosed in accordance with the Personal Information Protection and Electronic Documents Act (PIPEDA) and PEO's	From the sample selected in step 12, determine whether any request for records were refused and if so, whether it was due to	No request for records noted.

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			<p>disclosure of the record or the information, (b) another Act, an Act of Canada or a court order prohibits disclosure of the record or any information in the circumstances,</p> <p>(c) granting the access could reasonably be expected to lead to the identification of a person who provided information in the record to the regulated profession explicitly or implicitly in confidence, and the regulated profession considers it appropriate in the circumstances that the identity of the person be kept confidential, and (d) granting the access could negatively affect public safety or could undermine the integrity of the registration process?</p>	<p>Privacy Policy which is published on PEO's website.</p>	<p>an exemptible requirement of 12(2) of the act.</p>	
14	Part III	12-sub-section 3	<p>Despite the limitations in subsection 2, did the regulated profession provide the applicant with the right to access that part of the record that can</p>	<p>Names of evaluators are provided at Registration Hearings.</p>	<p>From the sample selected in step 13, determine whether any other information was withheld and whether this information could</p>	<p>No information withheld.</p>

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	<b>Agreement clause</b>	<b>Step #</b>	<b>Procedure</b>	<b>Entity's procedure</b>	<b>Audit procedure</b>	<b>Audit findings</b>
			reasonably be severed from the part to which the applicant does not have a right of access by the reason of that subsection?		have been severed from the restricted documents.	
15	Part III	12-Sub-section 4	Did the regulated profession establish a process under which requests for access to records will be considered?	Disclosures are sent to applicants by PEO's legal counsel prior to any Registration Hearing. Requests for Registration hearings go through the legal department.	Discuss with PEO's legal department the procedures for disclosing records. From the files selected in step 12, confirm with legal counsel whether these requests were provided to them.	All information is provided to the applicant unless the information is expected to harm another person or business. No instances of refusal were noted during the review of registration hearing files.
16	Part III	12-Sub-section 5	Did the regulated profession charge the applicant a fee for making records available if it first gives the applicant an estimate of the fee?	Disclosures are sent to applicants at no cost to them.	As no charge is levied, no audit procedure will be performed. This practice is consistent with our understanding obtained through the Financial Statement audit of PEO.	N/A
17	Part III	12-Sub-section 6	Did the amount of the fee exceed the amount prescribed by the regulations or the amount of reasonable cost	Not Applicable.	N/A	N/A

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			recovery, if no amount is prescribed?			
18	Part III	12-Sub-section 7	Did the regulated profession waive the payment of all (or part of) the fee that an applicant is required to pay under subsection 5 if, in its opinion, it is fair and equitable to do so?	Not Applicable.	N/A	N/A
19	Part VI	19	Did the regulated profession undertake a review of its registration practices at times specified by the Fairness Commissioner to ensure that the registration practices are transparent, objective, impartial and fair and shall file a report on the results with the Fairness Commissioner by the date specified by the Fairness Commissioner?	To date, PEO did not receive such a request.	N/A	N/A
20	Part VI	19-Sub-section 2	Did the review include an analysis of (a) the extent to which the requirements	Not Applicable	N/A	N/A

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			<p>for registration are necessary for, or relevant to, the practice of that profession, (b) the efficiency and timeliness of decision making,</p> <p>(c) the reasonableness of the fees charged by the regulated profession in respect of registrations?</p>			
21	Part VI	20	Did the regulated profession prepare a fair registration practices report annually or at such other times as the Fairness Commissioner may specify or at such times as may be specified in the regulations?	Yes. A statistical Report was requested and submitted on January 31, 2008; the report covers three years: 2005, 2006 and 2007.	Examine the reports submitted and correspondence to indicate the submission.	D&T examined the reports submitted on the PEO's website.
37	Part VI	22	Did the regulated profession prepare and file the reports with, or provide information to, the Fairness Commissioner, if it is required to evaluate the compliance with this Act and/or regulations?	Yes, report posted on PEO's website.	Examine the reports to determine if they are in compliance with the Act and/or regulations.	D&T reviewed the report from PEO's website and noted that it is in compliance with the Act and/or regulations.
38	Part VI	22-Sub-	Are the reports and	The reports and information in subsection	Examine the report on	Report on PEO's

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		section 2	information in subsection 1 in addition to the reports required in sections 19, 20 and 21?	1 are not in addition to the reports required in sections 19, 20 and 21.	PEO's website.	website examined. No additional information noted.
39	Part VI	23	Did the regulated profession file all reports required to be filed by it under this Act or the regulations with the Fairness Commissioner by the dates specified by the Fairness Commissioner?	Yes, report posted on PEO's website.	Examine the submission date online to see if it's submitted by the specified date.	Report submitted on 27-Feb-09
40	Part VI	23-Sub-section 2	Did the regulated profession make reports filed under subsection 1 available to the public?	Yes, report posted on PEO's website	Examine the report on PEO's website.	Report is posted on PEO's website and available to the public.
41	Part VI	24	Do the reports and certificates contain the information specified by the Fairness Commissioner or as may be specified in the regulations?	Yes	Examine the report to ensure completeness of information required by Fairness Commissioner.	Report contains information specified by the Fairness Commissioner.
42	Part VI	24-Sub-section 2	Does the report or any other document prepared by any persons for the	No personal information disclosed in the report.	Examine the report to ensure no personal information disclosed.	No personal information noted.

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			purposes of this Act or regulations contain personal information (despite subsection 1)?			
43	Part VI	25	Does the report required under section 19, 20, 22 include a statement certifying that all the information required to be provided in the report has been provided and that the information is accurate?	Yes.	Examine the report to note the certifying statement.	Deloitte noted this statement was included in the report.
44	Part VI	25-Sub-section 2	Did the person with authority to sign on behalf of the regulated profession sign the statement required in subsection 1?	Yes.	Examine the signature on the report.	Deloitte noted Mr. Michael R. Price, P.Eng, Deputy Registrar signed the report.

# Appendix 2

## Audit report

## Auditors' Report

To the Members of the Association Professional Engineer's of Ontario

We have audited the Association of Professional Engineers of Ontario's (the "Association") compliance for the 12 month period from July 16, 2007 to July 15, 2008 with the provisions described in Parts II, III, and VI, steps 19-20, 22-25 of the Fair Access to Regulated Professions Act ("FARPA"). Compliance with the provisions established by the act is the responsibility of the Association. Our responsibility is to express an opinion on this compliance based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether PEO complied with the provisions established in the Act referred to above. Such an audit includes examining, on a test basis, evidence supporting compliance, and evaluating the overall compliance with the Act.

In our opinion, for the 12 month period from July 16, 2007 to July 15, 2008, the Association was in compliance, in all material respects, with the provisions described in Parts II, III, and VI, steps 19-20, 22-25 of the Fair Access to Regulated Professions Act ("FARPA") referred to above.

*Deloitte & Touche LLP*

Chartered Accountants  
Licensed Public Accountants  
April 28, 2009

# Appendix 3

## General observations

# General observations in respect of evaluation of registration practices

Based on procedures performed during the course of our audit, we have concluded that overall, the registration policies and procedures of PEO appear to be transparent, objective, impartial and fair. We noted during the course of our audit that both domestic and internationally trained applicants were granted a licence by PEO. We provide the following general commentary under the various evaluation criteria identified by the Office of the Fairness Commissioner.

## Information for applicants

This criteria was specifically addressed in step 2 of the Audit program (Appendix I)

PEO provides information about its registration practices to persons applying, or intending to apply, for registration through its website, and through enquiries in person or by telephone.

Information on registration, which outlines the requirements for registration, the procedures for applying and the amount of time that the registration process takes, is readily available to all applicants through PEO's website.

The Licensing Guide and Application for Licence document found on PEO's website clearly lays out the steps required to complete a PEO application, giving applicants the various scenarios on how to obtain a license and the various requirements for each step along the licensing path. This document is very informative for prospective applicants and is an accurate description of the process involved.

Another useful document for prospective applicants is a document entitled, "Your Rights and Obligations as an Applicant". This is an attempt to provide the information in a nutshell to the applicants and clearly lays out their rights and PEO's obligations through the application process.

A fees schedule is also available in the Licensing Guide and Application for Licence and on PEO's website. Applicants can also obtain a Licensing Guide and the Required Experience Guide (depending on the type of license they seek) and this also lays out the registration process and requirements for applicants in a step by step fashion. These forms are available on the website, or at PEO for pick-up.

Staff appears to be well-trained and proficient in providing verbal answers to phone or in person enquiries regarding the registration process and requirements.

Overall, we believe there is an abundance of information for prospective applicants, which in combination with well trained staff, creates a relatively smooth application process for applicants.

## Timely decisions, responses and reasons

This criteria was specifically addressed through steps 3 and 4 of the Audit program (Appendix I).

The length of the registration process is dependent on the number of requirements met by the applicant prior to applying to PEO. If applicants meet the academic and the experience requirements at the time of their application, they may write the Professional Practice Examination (“PPE”) and they can be registered within six weeks from the time they pass the PPE. However, if applicants do not have the academic or experience requirements prior to their application, PEO allows the applicant up to eight years to fulfill the academic requirements.

Given the potential length of the process, Deloitte assessed timeliness in relation to various milestones along the process. It is our assessment that generally, PEO makes decisions within a reasonable time. We believe that a reasonable amount of time to be approximately 6 weeks, as this is how long, on average, it takes PEO to process an application.

The following is a summary of the approximate times in which decisions, responses and reasons are given by PEO.

Registration step	Approximate time
Initial assessment of file (send to ARC committee for review or next steps towards completion)	6 weeks
ARC review of file	6 weeks
Notification to schedule an interview for ERC interview (only for applicants that got referred to ERC from ARC)	6 weeks
Decision made on ERC interview from the interview date	6 weeks
Applicant is notified that application has been registered by Registrar or refused by the Registrar	6 weeks
Registration Committee Hearing (Independent Tribunal)	Dependent on Tribunal availability
Within the entire process, applicant can request for re-consideration through ARC and ERC at any time the time the decision is made subsequent to the initial decisions is 6 weeks	6 weeks

Applicants are informed that the standard processing time for an application is six weeks. The processing time starts at the point when all required documentation has been received by PEO and the application is complete.

### Initial assessment of files

Deloitte examined 344 files where licensing decisions had been made within the period under examination (July 16, 2007 to July 15, 2008) and examined the documentation in the file to determine how quickly the initial application was assessed and how long it took PEO to communicate the next steps. Of the 344 files examined, Deloitte noted 11 files where the correspondence regarding the decision made was slightly greater than 6 weeks.

## Timely decisions, responses and reasons (continued)

### Licensing decisions

Of the 344 files examined where licenses were issued, there were 17 files where registration decisions were not made within 6 weeks from the date of receipt of final required information. Deloitte noted that 14 of these 17 files were due to cut-off of processing licenses and thus these licenses were processed shortly after the 6 week time period and therefore still reasonable. The remaining three files were not completed within the standard time frame as their references were not complete, and thus, the application was not considered complete. Therefore, based on these results, decisions are made on a timely basis.

### ARC or ERC Committee Meetings (Internal Reviews)

These Committees are comprised of volunteers of PEO members who meet on their own time to review cases.

Deloitte examined 108 files that went to the Academic Requirement Committee and noted that 7 files were not decided upon in the 6 week time frame. Of these 7 files, 3 were just over 6 weeks due to administrative timing (i.e. holiday season), 3 were delayed because the ARC members who are expert in the applicants' discipline were not available on the review day, and 1 was delayed due to it being a new emerging engineering discipline and thus it took longer to find volunteers.

Deloitte examined 49 files that were referred to the ERC and noted that 4 files were not completed within the standard 6 weeks, but were still completed within a reasonable amount of time (shortly after the 6 week standard period).

The timing of the reviews of the ARC and ERC is dependent on the volunteer's ability to hear and review the cases, and thus, as this is a voluntary role, minor delays will occur from time to time.

### Registration Hearings (External Reviews)

The Registration Committee is a tribunal that operates at arm's length from PEO's Licensing and Registration Department and is governed by the Statutory Powers Procedure Act of Ontario R.S.O. 1990, Chapter S.22. Therefore, PEO has no control over how long it will take an applicant to go through the Registration Hearing process which is a formal legal process that is mostly administered by lawyers.

It is important to note that Registration Hearings are first instance hearings, and the onus is on the applicant to demonstrate that he/she meets all the licensure requirements or why he/she should be exempted from any or all of the requirements. The Powers of the Registration Committee are limited. It can uphold the Registrar's Notice of Proposal to refuse to issue a licence or direct the Registrar to issue a licence.

Either the applicant or PEO may appeal the Registration Hearing decision to the Divisional Court. No appeals to the Divisional Court were initiated during the period in question.

During the period under review, 8 files were heard by the Registration Committee. Of these files, 6 were heard within 4 months of the request for a hearing, while the other 2 files were heard within one year of the request.

## Internal review or appeal

This criteria was specifically addressed through steps 5-10 of the Audit program (Appendix I).

Applicants who do not hold a Bachelors degree in engineering from a Canadian engineering program that is accredited by the Canadian Engineering Accreditation Board automatically have their application referred to the ARC to have an assessment of their academic background completed. The ARC will review the individual's academic background and in case where an applicant has extensive engineering experience, may refer the applicant to the ERC to determine how the applicant's experiential knowledge should be taken in consideration. The ARC may waive or exempt an applicant from completing the technical examination program.

Should an applicant disagree with the conclusions of either the ARC or ERC, an applicant may request a new review be performed or a reconsideration. An applicant can have their application reviewed by the ARC or ERC as many times as they like, as long as there are changes in the application from the original review (i.e. new experiences received, updated academic requirements, etc.)

All decisions made regarding the process aforementioned are delivered in writing within six weeks. During the process of internal review (ARC, ERC), an applicant may request to be re-assessed upon receipt of additional information and/or be re-considered under a different engineering discipline.

The final level of appeal within the process is the Registration Committee hearing. An applicant can only make such an appeal once the Registrar issues a Notice of Proposal to Refuse to Issue a licence. The applicant must request a hearing within 30 days to the Tribunal Office. The Tribunal Office operates independently of the Licensing and Registration department, and informs PEO upon the decisions made during the registration hearings. The hearing is considered a "de novo" or first instance hearing, thus the decision made by this Tribunal is to determine whether the individual should be granted a license, and does not consider any previous decision made by PEO.

## Information on appeal rights

This criteria was addressed through step 7 of the Audit program (Appendix I).

For individuals who did not receive their education through an accredited CEAB program, the registration process includes a step to confirm academic equivalency. Throughout the assessment process, PEO staff stays in constant communication with applicants and informs them of the next steps and the options available to them.

Formal communication is given to applicants when the Registrar refuses to issue a license. This formal communication also clearly outlines the applicant's right for a Registration Hearing in front of the Registration Committee and the relevant sections of the Act that prevented the Registrar from issuing a license.

## Documentation of qualifications

This criteria is addressed through step 9 of the audit program.

All required academic documents, experience documents and identification documents are publicly available in the Licensing Guide and Application for Licence. This guide clearly lays out what other forms of acceptable documentation can be submitted if the standard documentation is not available.

## Assessing qualifications

This criteria was addressed through step 10 of the audit program.

PEO has the responsibility of registering (licensing) and regulating Engineers in the Province of Ontario. The academic and experience requirements have been put in place for the purpose of ensuring public safety. In order to be licensed, an applicant must meet certain academic, and experience requirements and then pass a Professional Practice Exam.

### Academic Requirements

Engineering is a science. In order to practice that science an individual must have a certain core level of knowledge (core competency). These core competencies are generally accepted throughout the world and have evolved over time. In Canada, the Canadian Engineering Accreditation Board (CEAB) is charged with the task of ensuring that the curriculum and teaching at universities are at a standard which ensures that, upon graduation, a recipient of a Bachelor of Engineering Degree possesses these core competencies.

PEO has permanent representatives on the board of CEAB and also participates regularly in accreditation visits, thereby ensuring the fairness and transparency of the process.

In fulfilling its duty to ensure public safety, PEO must ensure that all licensed engineers possess a core competency level. The rigorous accreditation program in Canada provides them with such assurance for those who have graduated from a CEAB accredited program. For those who have not graduated from such a program, additional procedures are required to ensure the applicant possesses the core technical knowledge necessary. These procedures are considered necessary since PEO has no control or assurance as to the quality of the education the individual has attained. While this is the case, PEO also acknowledges that an individual educated in a non-accredited institution may already possess all or some of the core level knowledge. Each applicant is therefore assessed by the Academic Requirements Committee, a committee made up of licensed engineers. The members of the committee are skilled and trained and able to provide an assessment of the qualifications. Often this committee will require the applicants to write a confirmatory exam program in their engineering discipline in order to “confirm” that they have the necessary depth and breadth of knowledge in the engineering discipline of their education. In addition, if the individual has five years or more of engineering experience, they may refer them to the Experience Requirements Committee who will interview the individual and determine if, based on his/her experience, the individual has met the academic requirements.

### Experience Requirements

Experience Requirements are deemed necessary in order to ensure that an individual has been trained in how to apply the core competencies that have been attained in achieving their academic requirements. Four years of practical experience under the supervision of a licensed engineer is the standard which has been set (minimum of 1 year in Canada). This standard has evolved over time based on experience. It is within the range of practice throughout the world where 3 to 5 years is generally accepted. The one year of Canadian experience is considered necessary to protect the public by ensuring adequate experience in working in the Canadian environment which has cultural, technical and business characteristics that are different from many parts of the world.

### Professional Practice Exam (PPE)

The PPE is an examination which tests an individual's knowledge of Canadian law and ethics. As licenced engineers will be working in Canada, it is necessary that the individual has an understanding of Canadian law and ethics. Canadian law and ethics may vary significantly from law and ethics in other parts of the world. This exam is set by professional exam writers; The exam is written by all applicants after they demonstrate that they have met the academic requirements, and it has a high pass rate. For those few applicants who have difficulties in passing this exam, PEO meets with them to review their weaknesses and offers advice to overcome them.

### **Professional Practice Exam (PPE) (continued)**

During the period under review, PEO received 4,584 applications for licence. Of these 2,018 were graduates of an accredited Canadian Engineering program, meaning no assessment of their academic credentials by the ARC were necessary. The remaining 2,566 applicants (60%) had varying academic backgrounds, and experience and therefore will require judgement of qualifications. The Committees which make these assessments are made up of experienced engineers and engineering professors who are considered knowledgeable in their fields. The process allows candidates to be interviewed in person in order to demonstrate their qualifications. Because of the diversity of applicants' academic and experience background, each applicant is assessed on a case by case basis within PEO's established policies and guidelines. For example, because an applicant graduated from a particular school in a particular country does not automatically mean they are deemed either to meet the academic requirements or not. While such factors may enter into the evaluation, they would only be part of the process.

The staff at PEO who process the applications are also trained in working with the applicants and advising them on their next steps. Generally, if issues start to arise with an application the staff will guide the applicant to the appropriate committee for internal review. In discussions with PEO staff it became evident that they work closely with applicants to guide them through the process.

As far as the assessment of engineering experience is concerned, PEO has published in its website and always refers applicants to the publication called, "Guide to the Required Experience for Licensing as a Professional Engineer in Ontario".

### **Training**

This criteria was specifically addressed through steps 11 of the Audit Program (Appendix I).

Training is provided to staff for handling standard applications. PEO ensures that persons assessing qualifications and making registration decisions are trained.

ARC and ERC members who assess the academic and experience of applicants have received appropriate training concerning how to make the determinations, how to evaluate the information collected and how to be sensitive to all of the principles of fairness, impartiality and transparency with special emphasis on the fact that approximately 50% of the applicants are individuals educated in countries other than Canada. Furthermore, close to 80% of the members of the ARC and ERC are themselves International Engineering Graduates who went through the same process and met the very same requirements.

Furthermore, both Committees follow guidelines that were developed specifically for that purpose and all outcomes undergo stringent control procedures administered by staff

There is formalized training that is provided to these volunteers. As well, these individuals are in many cases considered to be industry experts and engineering professors, and thus possess the skills to determine whether an individual possesses the academic and experience requirements required.

### **Access to records**

This criteria was specifically addressed through step 12-15 of the Audit Program (Appendix I)

PEO discloses applicant's information upon request with the exception of the identities of the evaluators as well as the evaluations provided directly to PEO by references that are selected by the applicant. However, if the applicant requests a Registration Hearing, it's a legal obligation to disclose all information to the applicants prior to the hearings. We noted no instances where accesses to records were refused.

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