

**APPROVED MINUTES OF THE
186th ENGINEERS CANADA BOARD MEETING
January 12, 2018
Ottawa, ON**

The following directors were in attendance		
R. Kinghorn, President	C. Roney, Past-President	
K. Baig	J. Boudreau	T. Brookes
D. Brown	D. Chui	S. Devereaux
L. Doig	J. Dunn	G. Faulkner
D. Gelowitz	Z. Ghavitian	S. Gwozdz
J. Holm	W. Hunt	D. Jayas
D. Lynch	C. Parenteau	R. Shreewastav (by phone)
The following directors sent regrets		
A. Bergeron, President-Elect	R. Trimble	

The following advisors were in attendance		
A. English (CEOG)	W. MacQuarrie (AB)	D. Peters (QB) (by phone)
S. Price (Engineers Canada)		
The following advisor sent regrets		
I. Puri (NCDEAS)		

The following observers were in attendance		
J. Landrigan	G. McDonald	L. White
R. Hanlon		

The following staff were in attendance		
H. Anderson	C. Brown	J. Monterrosa
M. Ouellette	D. Smith	J. Southwood
L. Villeneuve		

1. OPENING

CALL TO ORDER AND APPROVAL OF AGENDA

The President called the meeting to order at 10:00 and welcomed members, including those participating by webinar/teleconference.

- 5673 **On a motion by D. Gelowitz, seconded by D. Jayas, it was resolved THAT the agenda be approved and the President be authorized to modify the order of discussion.**
Carried

2. APPROVAL OF MINUTES

- 5674 **On a motion by T. Brookes, seconded by C. Parenteau, it was resolved THAT the minutes of the December 19, 2017 meeting be approved.**
Carried

3. PRESIDENT'S REPORT

President R. Kinghorn presented his report highlighting several of his activities from the fall of 2017.

4. APPROVAL OF 2018 BUDGET

The President and S. Price entertained questions regarding the overall budget with regards to all four of the proposed budget motions.

The Board was reminded that a motion was passed in September requiring the CEO to report on the organization's finances at each major meeting.

Directors inquired if there is a contingency in place should a Regulator withdraw from the Affinity program. It was noted that this would not have an immediate impact; the change would only be felt as individuals moved to different programs.

UPADI does not have a budget line for 2018. We did not pay membership fees in 2017; the \$5,000 budgeted was to send someone to assist the organization. As all UPADI participants are also members of the World Federation of Engineering Organizations, it was decided that we would participate only in the latter. We both learn and share information from WFEO, whereas at UPADI our role is more to support other organizations.

The potential change in Board size will save some money, however the overall meeting costs would remain much the same as the participant number would only decline slightly.

Costs for Federal government relations are largely imbedded in staff costs, however as we are engaging consultants in 2018 to get more impact around Hill Day, the budget item is higher than in previous years.

Investment expectations are lower in 2018 than in 2017 due to the latter year exceeding expectations. This is not anticipated to be the case in 2018.

The increase in both revenue and expenditure of the PIEVC number comes from two main components, the first being a major international development project led by the German International Development Agency. We were asked to participate as our leadership in this area is highly regarded. The project is cost neutral and will allow for additional learnings. The second part relates to the Infrastructure Resilience Program (IRP) through which we have developed courses in climate law, climate data and asset management. These courses are very popular and are also cost neutral.

The organization does not currently have a plan to do an IT security penetration test. This was recommended during last year's audit and should be a budgeted item. It was further noted that we did fend off a recent attack without any harm.

5675

a) Moved D. Chui, seconded W. Hunt:

THAT the 2018 Operational Budget of \$10.8 million in revenue and \$10.8 million in expenses be approved.

Carried by two-thirds

Several Directors raised concerns about the impending drain on our reserve funds and inquired if we could prioritize the major projects. The projects have not been prioritized by the Board. It was noted that once the projects are complete, the draw on our operational budget would be reduced due to improved efficiencies. We should determine what amount is needed to carry on operations for a minimum of three months.

It was suggested that Table 4, reflecting reserves, be expanded to 2021 and reflect what has been committed in 2018 along with what is planned but not committed for future years.

The long-term costs of the special projects were discussed. As these projects will change how we do things (i.e. governance, accreditation), they will become operational, therefore impacting annual budgets. They are currently part of a step change. None of the projects are being run because we have reserves to spend. Every one of these projects is fixing a significant problem at Engineers Canada: governance, accreditation, a weakness with the EC IT infrastructure security and with the competency project we are moving to a much better way of assessing licensure for the regulators.

5676

b) Moved C. Parenteau, seconded S. Devereaux:

THAT the CEO be directed to use an additional \$170,490 from reserve funds for the Governance, Strategic Planning and Consultation project.

Carried by two-thirds

The bulk of the GSPC budget involves the consultant fees and travel. The long term plan is to be able to do this work by ourselves, without the aid of consultants. The consultants will provide training and develop a process for ongoing strategic planning.

5677

c) Moved D. Jayas, seconded L. Doig:

***THAT the CEO be directed to use \$318,000 from reserve funds for the Accreditation Improvements Program.
Carried by two-thirds***

A note to map the budget to the work planned under the AIP would be useful. If we agree to this item in 2018, are we agreeing to further expenses in future years? We will be exploring the options as part of this project, being careful and prudent rather than fast in our choice of software.

5678 ***d) Moved D. Brown, seconded S. Devereaux:
THAT the CEO be directed to use \$200,200 from reserve funds for the Space Program.
Carried by two-thirds***

5. NOMINATIONS TASK FORCE

C. Roney provided background on the Task Force's work along with a summary of the Briefing Note and findings. Both the CEAB and CEQB Chairs expressed concerns and would like C. Roney or the Task Force to meet with their respective Boards to discuss the report. Consultation with stakeholders was anticipated to take place in February and March. As we cannot finalize the report to meet the deadline for 2018 nominations, it was agreed that we extend the consultation time to allow for face-to-face discussions and present the report at the September Board meeting. This will ensure we provide ample opportunity for the CEAB and CEQB voices to be heard and have their concerns addressed. It is more important to get this done right rather than fast.

6. DISCLOSURE OF AFFINITY PROGRAM CONTRACTS

The concern with risk was discussed and it was discussed that should regulators wish to leave the program, the change to revenues would be slow.

The need to disclose financial transparency in addition to the contractual transparency on an annual basis was raised. To this end, an amendment to the original motion was proposed. This had not been considered in preparation of the original motion. Providing the information in aggregate form protects privacy and would address some of the transparency issues. The two largest providers are happy to have the information shared in confidence. It was noted that if changes to revenues from Affinity occur as a result of the information sharing, there may be a need to increase the assessment fees from each regulator.

5679 ***Moved C. Roney, seconded S. Devereaux:
THAT Engineers Canada release, in confidence, copies of all agreements signed with affinity providers, or equivalent documentation, so that all regulators know how the revenue from these programs is split between regulators and Engineers Canada.***

***Moved D. Lynch, seconded D. Brown:
THAT the above motion be amended to read: "Engineers Canada release, in confidence, copies of all agreements signed with affinity providers, or equivalent documentation, and also an annual summary of total affinity revenues aggregated across all affinity programs received by***

each regulator and by Engineers Canada, so that all regulators know how the revenue from these programs is split between regulators and Engineers Canada”
Carried

The amended motion was carried

7. ENGINEERS CANADA FUNDING MODEL

The proposed Task Force will examine several funding options, including the status quo. It will allow for consultation with the regulators and ensure full engagement. Terms of Reference for the Task Force will be drafted for approval by April. The timelines presented in the motion may need to be flexible to ensure adequate time for the work.

5680

Moved D. Brown, seconded D. Lynch:

THAT a Task Force be struck to undertake a review of the Engineers Canada funding model, including consultation with the engineering regulators, development of alternative models, and analysis of the impacts of the current and alternative models on the engineering regulators and Engineers Canada. The Task Force will be led by Dwayne Gelowitz and include up to five other directors, to be appointed by the Executive Committee. The Task Force will propose alternatives by May 2018, and provide an analysis of the impacts of the current and alternative models, and a recommended funding model by December 3, 2018.

Carried

8. CLOSING

Given that items on the agenda were completed, the Chair declared the meeting adjourned at 12:16.

Minutes prepared by H. Anderson for:

Russ Kinghorn, FEC, P.Eng.
President

Stephanie Price, CAE, P.Eng.
Interim Chief Executive Officer