

REPORT OF MOTIONS FROM THE BOARD MEETING
HELD IN GATINEAU, QUÉBEC
FEBRUARY 28, 2014

The following directors were in attendance:

W.J. Beckett, FEC, P.Eng.	President and member of the Executive Committee, and Director, APEGA
P. Amyotte, FEC, P.Eng.	President-elect and member of the Executive Committee, and Director, Engineers NS
Z. Ghavitian, FIC, ing., M.ing.	Member of the Executive Committee and Director, OIQ
D. Benson, FEC, P.Eng.	Member of the Executive Committee and Director, PEGNL
R. Kullman, FEC, P.Eng.	Member of the Executive Committee and Director, APEGS
E. Cheung, FEC, P.Eng.	Director, APEGBC
D. Fisher, FEC, P.Eng.	Director, Engineers PEI
D. Ford, FEC, P.Eng.	Director, Engineers and Geoscientists New Brunswick
D. Freeman, FEC, P.Eng.	Director, PEO
S. Gwozdz, FIC, ing.	Director, OIQ
C. Harwood, FEC, P.Eng.	Director, APEY
L. Henderson, FEC, P.Eng.	Director, NAPEG
D. Jayas, FEC, P.Eng.	Director, APEGM
R. Kinghorn, FEC, P.Eng.	Director, APEGBC
P. Maka, FEC, P.Eng.	Director, PEO
L. Quesnel, FIC, ing.	Director, OIQ
C. Roney, FEC, P.Eng.	Director, PEO
L. Staples, FEC, P.Eng.	Director, APEGA
D. Walters, FEC, P.Eng.	Director, APEGA

The following advisors to the Board were in attendance:

K. Allen, FEC, P.Eng.	Chief Executive Officer, and Advisor to Board & Executive Committee
D. Paddock, FEC, P.Eng.	Chair, Chief Executive Officers Group, and Advisor to Board & Executive Committee
M. Reeves, FEC, P.Eng.	Chair, Canadian Engineering Accreditation Board, Advisor to Board
C. Zinck, FEC, P.Eng.	Replacing S. Barrington, Chair, Canadian Engineering Qualifications Board and Advisor to Board
G. Naterer, P.Eng.	Replacing K. Woodhouse, Chair, National Council of Deans of Engineering and Applied Science and Advisor to Board

Regrets:

C. Karakatsanis, FEC, FCAE, P.Eng.	Past-President and member of the Executive Committee, and Director, PEO
S. Bilodeau, ing.	Director, OIQ
R. Shreewastav, FEC, P.Eng.	Director, PEO

Agenda Item	Motion #	Resolution
2.0 Adoption of Agenda	5380 Carried	RESOLVED THAT the Board adopt the agenda for the February 28, 2014, meeting of the Engineers Canada Board as amended to include an in-camera session of the Board under item 15.1, and authorize the president to modify the order of discussion as required.
4.0 Adoption of Minutes of October 3-4, 2013, Board Meeting	5381 Carried via unanimous consent	RESOLVED THAT the Board approve the minutes, and appended meeting monitor's self-evaluation report, of the October 3-4, 2013, Board meeting, as written.
5.2 Consent Agenda	5382 Carried via unanimous consent	RESOLVED THAT the Board approve the consent agenda removing Agenda Item #14 "Monitoring Chief Executive Officer Performance".
5.2.1 Appointments to Board Committees	5383 (a) Carried by unanimous consent	RESOLVED THAT the Board appoint the following members to the Canadian Engineering Accreditation Board effective July 1, 2014: Term to 2015-06-30: · G. Lachiver (Chair) · M. Reeves (Past-Chair) · W. MacQuarrie (Vice-Chair) Members Term to 2017-06-30: <u>First term</u> · B. Dony · L. Benedicenti · J.P. Cyrus · J. Pieper <u>Second term</u> · M. Isaacson · D. Candido · J. Paynter · G. Reader in accordance to section 3.8 of policy GP-9.5 "Accreditation Board Terms of Reference".

	5384 (b) Carried by unanimous consent	RESOLVED THAT the Board appoint the following members to the Canadian Engineering Qualifications Board effective July 1, 2014: Term to 2016-06-30 · M. Symonds (Chair) · S. Barrington (Past-Chair) · P. Blanchard (Vice-Chair) Members Term to 2017-06-30 · G. Faulkner · D. Peters · R. Fraser · M. Mahmoud Members Term to 2015-06-30 · F. Collins in accordance to section 3.8 of policy GP-9.6 "Qualifications Board Terms of Reference".
5.2.2 Governance Coach Report from October 2013 Board Meeting	5385 Carried by unanimous consent	RESOLVED THAT the Board receive the Governance Coach report with respect to the application of Policy Governance at the October 2013 Board meeting.
5.2.3 General advice from the Governance Coach Board Meeting	5386 (a) Carried by unanimous consent	RESOLVED THAT the Board approve the modification of the definition of "committee" in the Governance Manual to read: "A group of people appointed to provide the Board with options and implications on a specific matter for Board decision".
5.2.3 General advice from the Governance Coach Board Meeting	5387 (b) Carried by unanimous consent	RESOLVED THAT the chief executive officer include the "Big Picture Thinking" document as a cover page to introduce the topic in future agendas.
	5388 (c) Carried by unanimous consent	RESOLVED THAT the chief executive officer provide a form at each "Big Picture Thinking" session to capture comments for future Board discussions regarding Ends policies.
	5389 (d) Carried by unanimous consent	RESOLVED THAT the agenda separate policy decisions from monitoring of the same policies.

	<p>5390 (e) Carried by unanimous consent</p>	<p>RESOLVED THAT the revised policies be appended to the minutes.</p>
	<p>5391 (f) Carried by unanimous consent</p>	<p>RESOLVED THAT the arrows be removed from the diagram on the cover page of the governance manual.</p>
<p>8.1 Governance Coach Report from October 2013 Board Meeting re Ends</p>	<p>5392 (a) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the modification of policy E-1.1 to: “The constituent associations have a nationally consistent framework for regulation based upon best practices”.</p>
	<p>5393 (b) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the modification of policy E “Engineers Canada’s Purpose” to: “Engineers Canada exists so that constituent associations have support for an advancing engineering profession and its self-regulation in the public interest at a cost that is justified by the results”.</p>
	<p>5394 (c) Carried by unanimous consent</p>	<p>b) RESOLVED THAT the Board approve the modification to policy E-1 to:</p> <ul style="list-style-type: none"> E-1.1 The constituent associations have a nationally consistent framework for regulation based upon best practices. E-1.2 Accreditation of Canadian engineering programs is to a level that meets the requirements for licensure as a professional engineer in Canada and the standards of the Washington Accord. E-1.3 Full mobility with jurisdictions exists where public accountability of engineering practice is required. E-1.4 Foreign credential recognition is done in a consistent and timely manner to meet the requirements for immigration and licensure in Canada. E-1.5 National and international information and trends on self-regulation are available to constituent associations.

<p>9.1 GP "Global Governance Process"</p>	<p>5395 Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the review of policy GP "Global Governance Process" as prepared by L. Staples.</p>
<p>9.2 GP-1 "Governing Style"</p>	<p>5396 Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the review of policy GP-1 "Governing Style" as prepared by D. Walters.</p>
<p>9.3 GP-9.3 "Governance Committee Terms of Reference"</p>	<p>5397 Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the review of policy GP-9.3 "Governance Committee Terms of Reference" as prepared by D. Benson.</p>
<p>9.4 GP-9.6 "Qualifications Board Terms of Reference"</p>	<p>5398 Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the review of policy GP-9.6 "Qualifications Board Terms of Reference" as prepared by P. Maka.</p>
<p>10.1 Governance Coach Report from October 2013 Board Meeting re Governance Process</p>	<p>5399 (a) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the modifications to policy GP-4 "Investment in Governance":</p> <ol style="list-style-type: none"> 2. Board skills, methods, and supports will be sufficient to ensure governing with excellence. <ol style="list-style-type: none"> 2.1 New Board members shall receive a complete orientation to ensure familiarity with the organization's issues and structure, and the Board's process of governance. 2.2 Board members shall receive Introduction to Policy Governance® training to enable an understanding of Policy Governance®. 2.3 Board members interested in serving on either the Governance Committee or the Executive Committee shall receive Advanced Policy Governance®. 2.4 Outside monitoring assistance shall be arranged so that the Board can exercise appropriate control over organizational performance. This includes, but is not limited to fiscal audit. 2.5. For their future roles as president and as chair of the Governance Committee, the president-elect shall receive governance training to enable

		<p>the full understanding of Policy Governance® including:</p> <ul style="list-style-type: none"> · Introduction to Policy Governance® · Advanced Policy Governance® · Board chair on Policy Governance®
	<p>5400 (b) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the addition of the following overarching statement to policy GP-9.1.1 “Executive Committee Nomination and Election Process”: “The Board has a fair and transparent process to nominate and elect its members to the Executive Committee in keeping with the regional representation requirements set out in the bylaws”.</p>
	<p>5401 (c) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the modification to the “Purpose/Products” section of policy GP-9.4 “Compensation Committee Terms of Reference” to:</p> <ol style="list-style-type: none"> 1. The purpose of the Compensation Committee is to provide information needed by the Board to determine the chief executive officer compensation in accordance with BMD-5 “Chief Executive Officer Compensation”, including <ol style="list-style-type: none"> 1.1 The cumulative summary of regular monitoring data provided during the year and the Board’s recorded acceptance or non-acceptance of the reports. 1.2 A comparison of year-to-year performance regarding achievement of Ends and compliance with Executive Limitations policies. 1.3 The executive market conditions.
	<p>5402 (d) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board strike a task force to develop a plan to strengthen Board linkage with ownership (policy GP-11 “Board Linkage with Ownership”).</p>
<p>10.2 Proposed New Governance Process Policies</p>	<p>5403 (a) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve Policy GP-3.1 “Engineers Canada Director Terms of Reference” as provided by the Governance Committee.</p>
	<p>5404 (b) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve Policy GP-3.2 “Engineers Canada Advisor Terms of Reference” as provided by the Governance Committee.</p>

<p style="text-align: center;">10.3 Proposed Amendments to Governance Process Policies</p>	<p style="text-align: center;">5405 (a) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the following addition to policy GP-9 “Board Committee and Task Force Structure”: <u>“Process to Appoint Representatives to Standing Committees</u> Although there is no formal policy on the appointment of representatives to Engineers Canada standing committees, accepted procedures exist and are in use. These procedures were presented to the Board in May 2002. Specifically:</p> <ul style="list-style-type: none"> • When an opening exists for an individual to represent a region or province on a standing committee, the association/ordre affected will be informed of the qualifications required of that committee member. It will then be asked to put forward the name of a candidate to serve on the committee. Unless the nominating committee of the standing committee has justifiable objections, the candidate put forward by the association/ordre will be recommended to the Board for appointment to the committee. The nominating committee may suggest candidates to the association/ordre for their consideration. • When an opening exists for an individual to represent the “members-at-large” on a standing committee, a candidate will be selected by the committee’s nominating committee from a list of names that have been submitted by the associations/ordre and other groups. The name of that candidate will be submitted to his or her home association/ordre. Unless the association/ordre has justifiable objections, the candidate will be recommended to the Board for appointment to the committee”.
	<p style="text-align: center;">5406 (b) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the modification to policy GP-9.2 “Audit Committee Terms of Reference” as follows: 3.1.2 Committee members who are also Board Directors may serve a maximum of three one-year terms.</p>

	5407 (c) Carried by unanimous consent	RESOLVED THAT the Board approve the modification to policy GP-9.3 “Governance Committee Terms of Reference” as follows: Authority 2. The Committee has the following authority: 2.1 To make non-material changes to Board policies, such as the correction of typographical and grammatical errors, to ensure the consistent use of terminology and plain language, and to update references. All such changes shall be reported to the Board at its next meeting. 2.2 To request information from Engineers Canada staff persons as required for the efficient conduct of its purposes. 2.3 To use staff resource time as required for administrative support of the Committee.
11.1 Proposed Amendments to Executive Limitations Policies	5408 Carried by unanimous consent	RESOLVED THAT the Board approve the addition to policy EL-3 “Financial Condition” as follows: 7.4 The total of all Reserve Funds must not become so large as to threaten the not-for-profit status of Engineers Canada, nor to give the Constituent Associations reason to question whether member assessments are excessive. <u>Note:</u> Now included in section 2 of GP-15 per motion #5411.
11.2 Request to Transfer Funds	5409 Carried by unanimous consent	RESOLVED THAT the Board approve the transfer of an amount not to exceed \$800,000 from the Unrestricted Reserve in furtherance of the information management strategy approved by the Board on April 17, 2013, and in accordance with policy EL-3 “Financial Condition”.
11.3 Governance Coach Report from October 2013 Board Meeting re Executive Limitations	5410 (a) Carried by unanimous consent	RESOLVED THAT the Board approve that the Governance Committee provide clarity regarding the term “timely information” through the next review of policy EL-2 “Treatment of Constituent Associations” due in the spring of 2014.

	<p>5411 (b) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the removal of section 7 from EL-3 “Financial Condition” and create a new policy entitled GP-15 “Reserve Funds” stating:</p> <ol style="list-style-type: none"> 1. Use reserve funds without prior approval of the Board. <ol style="list-style-type: none"> 1.1 The Four-Year Rolling Operational Reserve target level is set at \$4,000,000. Fluctuations above and below are acceptable, based on approval by the Board. 1.2 The Capital Reserve for the purchase of assets target level is set at \$250,000. 1.3 The General Contingency Reserve target level is set at \$1,325,000. It is maintained to ensure that funds are available in various situations: <ul style="list-style-type: none"> · to cover the cost of any legal challenge Engineers Canada is asked to undertake on behalf of the profession. · to cover expenses associated with occurrences that may arise for which no budget has been established. Engineers Canada faces potential liabilities from a number of sources (i.e. employees, insurance programs, foreign academic credential assessment program). · to cover expenses which will be incurred by the constituent associations where it is demonstrated that they do not have the financial resources to defend an enforcement action and/or statutory obligation that have a clear and significant impact on the other constituent associations. · to assist constituent associations and Engineers Canada in paying the deductibles for directors and officers insurance, and for errors and omissions insurance.
	<p>5412 (c) Carried by unanimous consent</p>	<p>RESOLVED THAT the Board approve the removal of policy EL-10 “Information Management” and the restoration of sections 11 and 11.1 of the EL-4 “Asset Protection” policy.</p>

	5413 (d) Carried by unanimous consent	RESOLVED THAT the Board approve the removal of policy EL-11 “Operational Committee Principles”.
	5414 (e) Carried by unanimous consent	RESOLVED THAT the Board approve the modification to section 11 of policy EL-7 “Communication and Support to the Board” to: 11. Change accreditation criteria or qualifications criteria.
	5415 (f) Carried by unanimous consent	RESOLVED THAT the Board approve the removal of policy EL-9 “Executive Succession” and the restoration of section 6 to policy EL-5 “Planning”.
	5416 (i) Carried by unanimous consent	RESOLVED THAT the chief executive officer strengthen monitoring reports by providing “clear” and “objective” expectations and assessments.
	5417 (j) Carried by unanimous consent	RESOLVED THAT the chief executive officer strengthen monitoring reports by reviewing his interpretation and related evidence to demonstrate that the prohibited condition has been avoided.
	5418 (k) Carried by unanimous consent	RESOLVED THAT each line of every policy of the Executive Limitations monitoring reports contain interpretations and evidence.
	5419 (l) Carried by unanimous consent	RESOLVED THAT sufficient information be presented to the Board to enable it to make an assessment of the chief executive officer’s compliance with a reasonable interpretation of EL-9 “Executive Succession”.
12.1 BMD-1 “Unity of Control”	5420 Carried by unanimous consent	RESOLVED THAT the Board approve the review of policy BMD-1 “Unity of Control” as prepared by R. Kullman.
12.2 BMD-2 “Accountability of the CEO” (Review was deferred in October 2013)	5421 Carried by unanimous consent	RESOLVED THAT the Board approve the review of policy BMD-2 “Accountability of the Chief Executive Officer” as prepared by D. Freeman for the October 2013 Board meeting.

12.3 BMD-5 "Chief Executive Officer Compensation and Expenses"	5422 Carried by unanimous consent	RESOLVED THAT the Board approve the review of policy BMD-5 "Chief Executive Officer Compensation and Expenses" as prepared by C. Harwood.
13.1 Governance Coach Report from October 2013 Board Meeting re Board-Management Delegation	5423 (a) Carried by unanimous consent	RESOLVED THAT the Board approve the modification of BDM-3 "Delegation to the Chief Executive Officer" to include, as a new section, that changes to the accreditation criteria and qualifications criteria require Board approval.
	5424 (b) Carried by unanimous consent	RESOLVED THAT the Board approve that the mandate to consider the chairs' roles as advisors to the Board be tasked to the task force struck under agenda item 7.4. Note: This motion is moot as Agenda item 7.4 was defeated.
13.2 Proposed Amendments to Board-Management Delegation Policies	5425 Carried by unanimous consent	RESOLVED THAT the Board approve the proposed amendment to policy BMD-5 "Chief Executive Officer Compensation and Expenses" as proposed by the Governance Committee.
6.2 Presidents Group	5326 Carried	RESOLVED THAT the Board commit the issue of the ongoing Human Rights Tribunal to the chief executive officer to determine the best manner to confirm its support for APEGA.
8.1 Governance Coach Report from October 2013 Board Meeting Re Ends	5427 Carried by unanimous consent	RESOLVED THAT the title section for E1 be amended to read "E1 - Consistency in Regulatory Standards and Practices".
15.1 Information Requested by the Board	5428 Carried by unanimous consent	RESOLVED THAT the Board move in-camera to receive the confidential report and recommendations of the compensation committee.
	5429 Carried by unanimous consent	RESOLVED THAT the Board come out of in-camera session.

	5430 Carried by unanimous consent	RESOLVED THAT the Board accept the recommendations of the Compensation Committee regarding the terms of employment and salary adjustment for the chief executive officer, and authorize President Beckett to provide this information to the chief executive officer.
14.0 Monitoring Chief Executive Officer Performance	5431 Carried	RESOLVED THAT the monitoring report for policy EL-3 "Financial Condition" is deemed as demonstrating compliance with a reasonable interpretation of policy.
	5432 Carried	RESOLVED THAT the monitoring report for policy EL-4 "Asset Protection" is deemed as demonstrating compliance with a reasonable interpretation of policy.
	5433 Carried	RESOLVED THAT the monitoring report for policy EL-7 "Communication and Support to the Board" is deemed as demonstrating compliance with a reasonable interpretation of policy.
	5434 Carried	RESOLVED THAT the monitoring report for policy EL-8 "Position Statements Terms of Reference" is deemed as demonstrating compliance with a reasonable interpretation of policy.
7.4 Governance Coach recommendation with respect to converting the Accreditation Board and Qualifications Board to operational committees.	5435 Carried by unanimous consent	RESOLVED THAT Agenda Item #7.4 "Governance Coach recommendation with respect to converting the Accreditation Board and Qualifications Board to operational committees" be reconsidered.
	5436 Defeated	RESOLVED THAT the Board: a) Strike a task force to consider the Governance Coach recommendation that the Accreditation Board and the Qualifications Board should become operational committees and provide the Board with Executive Limitations to be considered should the Board decide to convert the Accreditation Board and Qualifications Board to operational committees. b) Approve the Terms of Reference for the task force as set out in Appendix A. c) Appoint Director R. Kullman as the chair of the task force.