

MINUTES OF THE 207th ENGINEERS CANADA BOARD MEETING

April 7, 2021 11:00am-2:00pm (ET) via webinar

The following Directors were in attendance	
J. Boudreau, President (Chair), APEGNB D. Lynch, Past President, APEGA D. Chui, President-Elect, PEO K. Baig, OIQ M. Belletête, OIQ C. Bellini, PEO V. Benz, APEGA J. Dunn, Engineers PEI D. Gelowitz, APEGS N. Hill, PEO	J. Holm, Engineers & Geoscientists BC S. Jha, NAPEG T. Joseph, APEGA D. Nedohin-Macek, Engineers Geoscientists MB K. Reid, PEO J. Tink, APEGA R. Trimble, Engineers Yukon N. Turgeon, OIQ M. Wrinch, Engineers & Geoscientists BC C. Zinck, Engineers Nova Scotia
The following Directors sent regrets	
J. Card, PEGNL	
The following CEO Group Advisor was in attendance	
K. King, Chair, CEO Group	
The following Direct Reports to the Board were in attendance	
B. Dony, Chair, CEAB G. McDonald, CEO	E. Spence, Legal Counsel and Corporate Secretary
The following observers were in attendance	
L. Daborn, CEO, APEGNB S. Holmes, Incoming Director, APEGS J. Landrigan, Executive Director & Registrar, Engineers PEI A. Lockwood, President, APEGS P. Mann, CEO Engineers Nova Scotia J. Nicell, Chair, EDC	B. Pearse, President-Elect, APEGA L. Spence, President, Engineers & Geoscientists BC M. Sterling, President, PEO M. Stothart, President, APEGNB J. Van der Put, President, APEGA Y. Yang, CFES VP, External
The following staff were in attendance	
J. Christou, Planning, Event, and Change Practitioner E. David, Planning, Event, and Change Practitioner R. Gauthier, Executive Assistant B. Gibson, Manager, Communications C. Mash, Governance Administrator R. Melsom, CEQB Secretary	D. Menard, Director, Finance M. Ouellette, Manager, Strategic & Operational Planning S. Price, Executive Vice President, Regulatory Affairs L. Scott, Manager, Member Services J. Southwood, VP, Corporate Affairs & Strategic Partnerships M. Warken, CEAB Secretary

1. Opening
1.1 Call to order and approval of agenda

J. Boudreau called the meeting to order at 10:05am (ET). Participants were welcomed and the land was acknowledged.

Motion 2021-04-1D
Moved by S. Jha, seconded by J. Holm
THAT the agenda be approved and the President be authorized to modify the order of discussion.
Carried

Participants were reminded of the meeting rules:

- Raise hand to be added to the list of speakers.
- Speak for only two minutes (timer is projected on the screen).
- Speak a second time only if everyone else has had a chance to speak.
- Only new information is brought forward should individuals speak again.

1.2 Declaration of conflict of interest

No conflicts were declared.

2. Board business/required decisions

2.1 2020 audited financial statements

D. Gelowitz presented the pre-circulated statements, noting that the auditors (KPMG) were complimentary of the work done by the finance team and that no corrections were required. Due to COVID-19, KPMG took special care to ensure that proper procedures are in place and reported that Engineers Canada is managing the situation well, in comparison to similar organizations in Canada. Additionally, a surplus was realized due to COVID-19 cancellations and PEO's decision to not participate in the 2020 affinity funds. The following discussion was captured:

- The significant growth in investments for 2020 is due to the realized surplus, in addition to more cash being transferred to the investment portfolio.
- The audit findings report requires an update, that the audit concluded in February 2021 and not 2020.
- Pension plan contributions consist of 5 per cent of each employee's income, to match employee contributions.
- KPMG considered the remote work environment in their special focus on controls present to manage COVID-19.
- The auditing standards as discussed in the audit findings report are industry standards, and not specific to KPMG.
- The auditors review the budget to determine an appropriate level of materiality as it relates to the overall financial statements.

D. Menard and the finance team were congratulated for their efforts.

Motion 2021-04-2D

Moved by D. Gelowitz, seconded by C. Bellini

THAT the Board recommend to the Members, for approval at the 2021 Annual Meeting of Members, the 2020 audited financial statements, on recommendation of the FAR Committee.

Carried

ACTION: Ensure that the audit findings report is amended to demonstrate that the 2020 audit was concluded in February 2021.

2.2 Corporate risk profile

D. Gelowitz introduced the corporate risk profile and recognized S. Price and M. Ouellette for their efforts in analyzing Board feedback and developing a process to meet the identified needs. S. Price provided an in-depth presentation of the proposed process, and the Board discussed modifications to enhance the pre-circulated materials. The following discussion was captured:

- Although the Board will receive the risk register on an annual basis, FAR will ensure that the Board is aware of any major changes in the environment as they arise.

- The risk register is a living document that will be updated when needed. All Directors are encouraged to bring forward considerations for risks at any time.
- *Accreditation* - Discussion was had on other controls that could be added to accelerate the current target to reduce the risk by 2024. The Board was reminded that changes to accreditation take considerable time to implement due to the reliance on volunteers to perform work, in addition to the length of the accreditation cycle. J. Nicell of Engineering Deans Canada noted that the description of this risk as well stated, and that the most critical aspect in managing this risk will be to continue forward momentum with no delays. Conversations will be key and need to continue to mitigate this risk. The CEAB has made significant changes in the past two-years that are beginning to demonstrate results; these efforts will continue, in addition to the new priority proposed in the 2022-2024 Strategic Plan to investigate and validate the purpose and scope of accreditation. In response to whether this risk should be reviewed more often, due to it being the only risk scoring red on the heatmap, it was stated that since the CEAB chair provides updates to the Board, this risk will be discussed quarterly at Board meetings.
- *Accreditation* - The target requires a minor adjustment, to change from “reduce the likelihood to improbable” to “reduce the likelihood to unlikely”, to accurately reflect the scoring matrix.
- *Human resources* - It was agreed to add “CEO 360 assessment” as an additional control for this risk.
- *Governance functions* - It was noted that further controls could be included to mitigate the residual risk of “difficulty in holding volunteers accountable,” to reflect best practices used by the Regulators that manage significant numbers of volunteers. Directors were encouraged to provide any additional controls to be considered, should they arise.
- *Long-term financial viability* - A question was raised about whether long-term analysis of the effects from the change in percentage of affinity revenue going to the participating Regulators for new customers (from 51 per cent to 90 per cent) has been done. In response, it was noted that the Board has requested, as part of the CEO objectives, that an assessment on the long-term financial and operational viability of Engineers Canada be provided, and this analysis would be considered as part of the scope of the assessment. This objective is presently on hold, given the current economic instability and its unpredictable long-term effects on the Regulators and the insurance industry, and the FAR Committee has recommended that this item be considered for inclusion in the 2022 CEO objectives. It was agreed to add the long-term financial and operational viability assessment to the controls for this risk. Additionally, it was noted that the affinity report delivered to the Board in May provides an outline of the affinity programs and their performance.
- *Women in Engineering* – A comment was received that it is likely that the 30 by 30 goal will not be achieved, based on the lack of control and influence with the K-12 and international recruitment pipelines. In support of this comment, S. Price clarified that the target for this risk includes a reduction to the impact and not the likelihood, to ensure Engineers Canada focuses on reducing the potential that Regulators will withdraw support or interest towards increasing diversity and inclusion in the engineering profession, regardless of whether the 30 by 30 goal outcome is met.

Motion 2021-04-3D

Moved by D. Gelowitz, seconded by S. Jha

THAT the Board approve the corporate risk profile, on recommendation of the FAR Committee.

Carried

ACTION: Staff to make the noted adjustments to the Corporate Risk Profile.

3. Other business

No other business was brought forward.

4. Next meetings

The next meetings are scheduled as follows:

- May 28-29, 2021 (Virtual)
- June 14-15, 2021 (Virtual)
- October 1, 2021 (Ottawa, ON)
- December 13, 2021 (Ottawa, ON)
- February 25, 2022 (Ottawa, ON)

5. In-camera sessions

5.1 Board Directors, direct reports, CEO Group advisor and staff

Motion 2021-04-4D

Moved by T. Joseph, seconded by M. Wrinch

THAT the meeting move in-camera and be closed to the public at the recommendation of the Board.

The attendees at the in-camera session shall include Board Directors, the Engineers Canada CEO, the chairs of the CEAB and CEQB, the CEO Group Advisor to the Board, the Secretary, and the Governance Administrator.

Carried

The Board agreed by consensus to host the 2021 Board workshop on June 14 and 15, in a virtual format only.

5.2 Board Directors and CEO

Motion 2021-04-5D

Moved by K. Reid, seconded by T. Joseph

THAT the meeting move in-camera and be closed to the public at the recommendation of the Board.

The attendees at the in-camera session shall include Board Directors, and the Engineers Canada CEO.

Carried

5.3 Board Directors only

Motion 2021-04-6D

Moved by D. Lynch, seconded by D. Gelowitz

THAT the meeting move in-camera and be closed to the public at the recommendation of the Board.

The attendees at the in-camera session shall include Board Directors.

Carried

Motion 2021-04-7D

Moved by D. Gelowitz, seconded by T. Joseph

THAT the meeting move out of in-camera.

Carried

6. Closing

With no further business to address, the meeting closed at 2:00 pm ET.

Minutes prepared by C. Mash for:

Jean Boudreau, FEC, P.Eng. President

Evelyn Spence, LL.B., CIC.C, Corporate Secretary