



**Professional Engineers
Ontario**

Council Meeting

525th Meeting of Council
of Professional Engineers Ontario

to be held on
Thursday, March 21, 2019
5:30 p.m. – reception
6:00 p.m. – dinner
7:00 p.m. plenary session

Friday, March 22, 2019
7:45 – 8:45 a.m. – breakfast
9:00 a.m. – 4:00 p.m.

PEO Council Chambers
8th Floor
40 Sheppard Avenue West
Toronto, Ontario

Thursday, March 21, 2019

1. Reception – 5:30 p.m. to 6:00 p.m.
Dinner – 6:00 p.m. to 7:00 p.m.
(8th Floor Dining Room)

2. Plenary Session – 7:00 p.m. to 9:00 p.m. (8th Floor Council Chambers)
 - Licensing and Registration Presentation
 - White Papers
 - Modernizing the Industrial Exception Clause in the Act
 - The Need for a Policy on Land Acknowledgement
 - 2 Year Experience Requirement
 - Adding Value and Relevancy to Briefing Notes

CURRENT PROTOCOL

PROPONENT (COUNCILLOR)



BRIEFING NOTE

Councillor prepared briefing note

- Peer review mandated but not always done
- Committee vetting not always done
- Inaccurate financials
- Staff impact not accounted for
- Often provides a solution to an ill-defined problem statement



AGENDA

- The President and Chair have less than 3 days to address any concerns or shortcomings of the proposed briefing note with the proponent
- This is an unrealistic timeline to meet



COUNCIL DECISION

PROPONENT (COUNCILLOR)



REGISTRAR
The proponent discusses the concern or issue with the Registrar as a first step in the process



RESOLVED
If the matter can be dealt with or addressed by the Registrar the issue can be considered resolved operationally

WHITE PAPER

- If the matter does in fact have merit the proponent will prepare a **one page** white paper outlining the issue or concern to be submitted to Council
- White papers must be received by the Secretariat **21** days prior to the Council meeting



COUNCIL
If Council determines that the issue has merit utilizing the **Council Action Log Filter** the item is then added to the Council Action Log, otherwise the issue is closed.



COUNCIL ACTION LOG FILTER

- Is the matter Regulatory?
- Does it support a strategic directive?
- Is the matter operational?



RESEARCH AND VETTING PROCESS

- Once an item is added to the Council Action Log it **MUST** be addressed in a timely fashion or within a reasonable schedule set by Council
- The vetting process will include, among other things, research, analysis, and peer review



BRIEFING NOTE

- If the issue requires a Council decision, a properly formulated briefing note shall be prepared by the Registrar not less than 21 calendar days prior to the meeting date.
- The briefing note sponsor and mover will be listed as the original proponent Councillor or a designate Councillor should the proponent no longer be a member of Council



REGISTRAR
If the issue can be resolved operationally, the Registrar will do so and report to Council



AGENDA AND MEETING PACKAGE

- The President and Chair shall set the initial agenda 18 calendar days prior to the Council meeting
- The Council meeting package shall be distributed to Council not less than 14 calendar days prior to the meeting date



COUNCIL DECISION

**PROPOSED
PROTOCOL**

Briefing Note – White Paper

MODERNIZING THE INDUSTRIAL-EXCEPTION CLAUSE IN THE ACT

Purpose: A proposal for modernizing the Industrial-Exception clause of the Professional Engineers Act, to narrow down its application, and exclude the nuclear industry from the current exemption.

No motion required

Prepared by: Councillors Torabi, Ph.D, P.Eng. and Wowchuk, P.Eng.

Widespread misuse of the Industrial-Exception clause by large corporations

Over the past thirty-five years, the Industrial-Exception clause has been exploited so broadly by virtually every engineering and manufacturing firm in Ontario, that only a small percentage of engineering work in industry still *requires* the P.Eng licence. (It is notable that this problem does not exist elsewhere in Canada, as other regulators' Acts do not have such an exemption.) The (ab)use of the Industrial Exception has spread so widely in Ontario that it arguably defeats the whole purpose of the PEA. This loophole in the Act is so large as to defy common sense, yet we live in a developed country—one of the top seven industrial nations in the world.

An extremely important example merits particular examination: **Nuclear power generation in Ontario is effectively immune from regulation under the Act.** Nuclear operators make use of the Industrial-Exception clause, claiming that, for power generation within the confines of their property, PEO has no jurisdiction and cannot force them to have professional engineers prepare, review and approve their process design, design modification, operation, maintenance, or even their nuclear-safety analysis! They also argue that they are federally regulated and that Ontario's PEA does not apply. In fact, they are internationally regulated by the International Atomic Energy Agency (IAEA); however that does not mean that *PEA* also does not apply to them! Regulation is fragmented and uncoordinated, because each of the regulators (Canadian Nuclear Safety Commission, International Atomic Energy Agency, Canadian Environment Assessment Act, and Technical Standards and Safety Authority) are involved in isolation.

It is ironic that the majority of nuclear facilities are owned and run by the government, but they invoke the Industrial-Exception clause to exempt themselves from government statutes such as the PEA. Interestingly, the one nuclear facility which is *privately* operated (Bruce Power) was supporting PEO's attempt to repeal the Industrial-Exception!

If Ontario's old fleet of nuclear stations does not fall within PEO's mandate to protect public safety and to ensure that licensed engineers are involved in the design, modification, operation, and maintenance of such plants, then what *does* fall within PEO's mandate? A plumber who calls himself an engineer? Or a small injection-moulding part manufacturer, whom the Industrial-Exception was initially intended to serve?

PEO's Role and the Public Interest

Let's ask a fairly simple question: What exactly is PEO's role in protecting the public interest? Does minimizing manufacturing processes' **hazards and risks to the public**, which could easily traverse their property fence, fall within the mandate of the PEO and the Professional Engineers Act?

This raises the question of which manufacturers should avail themselves of the Industrial-Exception clause, and which should not. **The Industrial-Exception simply should not be used as a blank cheque to cover all industries**, small and large, low-risk and high-risk. PEO should not be prevented from enforcing the essence of the Act. The Industrial Exception should be used only in the short term—not a half-century—to assist small manufacturers who have limited financial resources, and then, only those whose manufacturing-process hazards have absolutely no significant impact on *public safety*.

With modernization of the Industrial Exception, PEO must act to minimize the risk of its misuse, and to protect the public interest. Our mandate does not include convincing the industry to improve their engineering processes or changing their philosophy toward health and safety of their workers (inside their fence), however, PEO has a responsibility to ensure the *public* interest is protected by the safe operation of large engineering and manufacturing firms. **PEO must ensure the Industrial-Exception clause is not being misused by companies, without proper assessments to ensure large-scale industrial accidents remain within the boundary of those firms and have no impact on the public outside the plant's boundary.** This was one of the conclusions in British Columbia at the inquiry into the breach of a mining dam at Mount Polley.

The Urgency of the Matter

The current widespread misuse of the Industrial-Exception clause by manufacturing and engineering firms needs urgent attention, and the Industrial-Exception clause needs to be “**modernized**”, so that the high-risk industries, such as nuclear-power plants and refineries—with the potential risk of releasing radioactive and toxic chemicals into the public's lungs and contaminating the entire province's land for decades—**cannot be excluded from the Act.**

This requires PEO to develop a strategy—a convincing argument supporting the observation that the 35-year-old Industrial Exception has been misused. The Act needs to be updated, enhanced and modernized.

Our Proposal

The objective of this document is to propose a path forward toward the goal of **modernizing the Industrial-Exception** clause in the Act, by taking the following steps:

- Prepare a report to explain why certain industries, **nuclear in particular**, must not be allowed to take advantage of the Industrial-Exception clause, because they introduce major risks to the public and the province **beyond their plant's boundary fence**, and it is PEO's duty to protect the public's interest from such risks.
- PEO's Legislation Committee (LEC) should prepare updated clauses for the Act **limiting and clarifying the appropriate scope of the Industrial Exception**, and present a report to Council.

Appendices

- OPG Job Posting – Senior Technical Engineer Officer
- OPG Job Posting – Technical Engineer (all levels)

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Appendix A



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Senior Technical Engineer/Officer

Location: Bowmanville, ON, CA, L1C 3Z8

Req ID: 1427

Status: Contract (24 months)

Education Level: Bachelor's Degree in Computer Engineering, Computer Science, Mechatronics Engineering, or Electrical Engineering

Location(s): Bowmanville, ON

Travel: Yes- 10%

Deadline to Apply: February 13, 2019

BE THE GENERATION to challenge and change.

At Ontario Power Generation (OPG), our values are our strengths. They are fundamental truths about us that don't change. **Safety. Integrity. Excellence. People and Citizenship.** We operate a diverse portfolio of generation assets including nuclear, hydroelectric, biomass and solar, and offer challenging and unique work opportunities. **BE THE GENERATION to power tomorrow.**

JOB OVERVIEW

Ontario Power Generation (OPG) is looking for a dedicated and results driven professional to join our team in the role of **Senior Technical Engineer/Officer** in Bowmanville, Ontario. Working on the Computers and Control Design Team supporting our Darlington Nuclear Station and reporting to the Section Manager, Computer & Control design, Darlington DCCs & OH180s. In this position, you will have the opportunity to contribute to Ontario Power Generation by coordinating and collaborating with both internal and external stakeholders. You will be required to understand schedules, finances and required performance for the assigned projects.

The ideal candidate must have a Bachelor's Degree, experience and knowledge in systems engineering, **computer programming, cyber security, computer networking and computer architecture.**

This is an exciting opportunity to work in an environment where you will contribute to Ontario Power Generation's continued growth and success in generating safe, clean, reliable low-cost power in a sustainable manner.

KEY ACCOUNTABILITIES

- Working with a multi-disciplined team of engineering and technical specialists to support the operation of the various computer, digital, control, instrumentation and electrical systems;
- Developing and executing projects in compliance with the industry's demanding set of regulations and standards;
- Maintaining written documented processes and procedures to reflect improved operating methods and additions to all supported systems;
- Co-ordinate the clarification of specification requirements, and arrange for necessary changes and/or co-ordinate technical work as required in a number of major work areas;
- Maintain and/or update operating and other specified department/divisional procedures;
- Provide technical evaluations and advice, solve problems and coordinate technical work as required, in a number of major work areas, in support of the commissioning, operation and maintenance of the facilities.
- Day-to-day support of cyber security, networking and computer architecture;
- Review, monitor and stay informed of new security advisories, alerts, vulnerabilities and news;
- Support emergent issues as necessary;
- Investigate and disposition cyber threats from CIO/Canadian Cyber Threat Exchange;
- Firewall maintenance (FCRs, log checks upon request, and configuration specs);
- Review Modifications (i.e., DSC/NICR, Identification/Classification, design guidance) that may come in that requires Cyber SPOC approval/review;
- Provide annual updates on Cyber Security reports and lists;
- Participate in any Incident Response Drills as necessary;
- Participate in training, continuous training/additional learning, and new technology opportunities as necessary.

EDUCATION

- Bachelor's Degree in Computer Engineering, Computer Science, Mechatronics Engineering, or Electrical Engineering

QUALIFICATIONS

- Excellent verbal and written communication skills, including the ability to develop and deliver reports, briefings, project plans.
- Good organizational and leadership skills, and to be a self-starter who can work both independently and in a team environment that is dedicated to engineering excellence and best practices.
- Strong in understanding, executing and following governance and procedures with a questioning and analytical attitude/approach under minimum required supervision
- 2+ years' related computer experience (asset);
- Experience with scripting languages;
- Experience in any COG or other Cyber related meetings, conferences and training regarding cyber security pertaining to instrumentation and control (I&C);
- Previous experience and/or knowledge of cyber security, networking and computer architecture is required;
- Experience and/or knowledge of CSA N290.7;
- Experience working in a nuclear power plant and/or large utility organization (asset)

WHY OPG?

As Ontario's largest clean energy generator, OPG offers an exciting combination of challenging opportunities and career diversity in a work environment where safety is a fundamental value. Being an OPG employee means you can apply your knowledge, broaden your skills and make a valuable contribution to an organization that is vital to Ontario's success.

At OPG, our values are our strengths. They are fundamental truths about our organization that don't change. **Safety. Integrity. Excellence. People and Citizenship.**

Here's why OPG might just be the ideal workplace for you:

- Exceptional range of opportunities province-wide
- Long-term career growth and development opportunities
- Electricity is vital to the province

If you are looking to learn from others and be part of something important, and you are excited about the future of power generation, you will find the right fit at OPG.

Our promise to you:

- We care about the safety and the well-being of our employees. It is our utmost priority.
- A supportive work environment where you can be your best every day.
- Opportunities to stretch and develop in our diverse lines of business.
- Provide spaces for innovative thinking and solutions, such as Launchpad or X-Lab.
- Offer different ways for you to give back to communities where we operate.
- We support employment equity and diversity.

APPLICATION PROCESS

Please submit your application **online** at <https://jobs.opg.com/> by **11:59 PM E.S.T., February 13, 2019**. OPG thanks all those who apply; however, only candidates considered for an interview will be contacted.

ACCOMMODATIONS

OPG is committed to fostering an inclusive, equitable, and accessible environment where all employees feel valued, respected, and supported. If you require accommodation during the application or interview process, please advise us as soon as possible so appropriate arrangements can be made.

If you require information in a format that is accessible to you, please contact AODA@opg.com

...

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Appendix B



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Technical Engineer (ALL LEVELS)

Location: Bowmanville, ON, CA, L1C 3Z8

Req ID: 1411

Status: Contract

Education Level: Bachelor's Degree in Engineering or Applied Science

Location(s): Pickering or Darlington, ON

Shifts(s): Days

Travel: Yes- 10%

Deadline to Apply: February 24, 2019**BE THE GENERATION to challenge and change.**

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JOB OVERVIEW

OPG is looking for a dedicated, results driven and dynamic Engineers to join our team in the role of Technical Engineer at our Pickering or Darlington locations.

As a Technical Engineer you will have the opportunity to contribute to Ontario Power Generation by coordinating and collaborating with both internal and external stakeholders. You will be required to understand schedules, finances and required performance for the assigned projects.

We are looking for the following disciplines:

- Mechanical Engineer
- Electrical/I&C Engineer
- Civil/Structural Engineer
- Nuclear Engineer

This is an exciting opportunity to work in an environment where you will contribute to Ontario Power Generation's continued growth and success in generating safe, clean, reliable low-cost power in a sustainable manner.

KEY ACCOUNTABILITIES

- Working with a multi-disciplined team of engineering and technical specialists to support the operation of the various mechanical and electrical systems;
- Developing and executing projects in compliance with customer expectations and the industry's demanding set of regulations and standards;
- Maintaining written documented processes and procedures to reflect improved operating methods and additions to all supported systems;
- Co-ordinate the clarification of specification requirements, and arrange for necessary changes and/or co-ordinate technical work as required in a number of major work areas;
- Maintain and/or update operating and other specified department/divisional procedures;
- Solve problems, to provide advice and guidance, to initiate developmental studies and to make recommendations during the design, commissioning and operation of a nuclear facility; to evaluate components or materials, and to perform economic studies and evaluations associated with the design, commissioning and operation of a nuclear facility.

EDUCATION

- University Bachelor's Degree in Engineering or Applied Science
- P.Eng (asset)

QUALIFICATIONS

- Excellent verbal and written communication skills, including the ability to develop and deliver reports, briefings, project plans.
- Good organizational and leadership skills, and to be a self-starter who can work both independently and in a team environment that is dedicated to engineering excellence and best practices.

- Have a strong interest in fast-paced, challenging work environments where showing initiative and self motivation are assets;
- Strong in understanding, executing and following governance and procedures with a questioning and analytical attitude/approach under minimum required supervision;
- Experience managing projects;
- Proven track record on delivering results;
- Experience and familiarity with OPGN ECC processes and standards (asset).

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- Provide spaces for innovative thinking and solutions, such as Launchpad or X-Lab.
- Offer different ways for you to give back to communities where we operate.
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THE NEED FOR A POLICY ON LAND ACKNOWLEDGEMENT

Purpose: That PEO has a Policy on Land Acknowledgement that will define how and when we should start a meeting with a Land Acknowledgement.

No motion required

Prepared by: President-Elect Hill

Submitted by Nancy Hill, Marisa Sterling and Ramesh Ramesh Subramanian.

There is a need for an overarching PEO policy on land acknowledgement for all of PEO activities. This would include all Chapter, Committee and Head Office events where appropriate. It is our observation that many public event start with a land acknowledgement. We believe that this is something that is recommended in the Truth and Reconciliation Report and in our opinion this is something that as a Provincial Regulator we should support and acknowledge.

It is something that at least some Chapters are currently doing in their public events. It is also something that was done at the 2018 OPEA.

We need to define when this should be done; how we determine the appropriate acknowledgement and how to execute on the land acknowledgements.

This relates to Objective 3 – Enhance PEO’s public image and Objective 9 – Enhance corporate culture in the 2018-202 Stragic Plan.

We believe that this is something that as an organization we should support.

Return to 2-Year Experience Requirement

Purpose: Given no evidence of protection benefit for the public and no realized member benefit from the move to a 4-year experience requirement, and given a shorter experience requirement would in general speed up the member licensure process, PEO needs to return to a minimum 2-year experience requirement post-graduation.

No motion required

submitted March 4, 2019

Prepared by: Roydon Fraser

1. **Matter Identification:**

History and Observations (Based primarily on my knowledge being on Council when PEO moved to the 4-year experience requirement in the 1990s, and being on both Council and ARC since then.):

- PEO moved to the 4-year requirement in part to harmonize the experience requirement between provinces.
- The prime argument many used to try and convince resistant PEO Councillors to support the move to a 4-year experience requirement, from the 2-year experience requirement, was the anticipated promise of reciprocity agreements with U.S. States.
- Two U.S. States with whom efforts were made to negotiate reciprocity were Michigan and Texas. Neither state agreed to experience reciprocity.
- When I first came on Council my first motion was to stop the move to the 4-year experience requirement because none of the serious arguments put forward for the move pertained to the protection of the public, and there was *no evidence* that the move would do anything to enhance the protection of the public.
- When my motion to return to the 2-year experience requirement failed I introduced motion for enabling 1-year pre-graduation experience.
- The fact that 1-year pre-graduation experience was readily accepted by PEO and in other provinces reveals the discomfort that existed with moving to a 4-year requirement, but the hopes of reciprocity with the U.S., if realized, would be of major society economic and member benefit.
- There has been much evidence that the 4-year experience requirement significantly delays many from being licensed, thus forming an increased barrier to licensure compared to a 2-year experience requirement.

In conclusion, with no realized benefits from the move to a 4-year experience requirement, and with definite benefits moving to a minimum 2-year post-graduation experience requirement, PEO needs to identify clear and cogent evidence that there are benefits to a 4-year experience requirement that out way the benefits to society and members, otherwise it needs to return to a 2-year post-graduation experience requirement.

[Pre-graduation experience should only remain if there is clear evidence that it has tangible net benefit. If it remains the new experience requirement would be 3-years, not 2 or 4.]

2. **Peer Review** To be conducted as part of staff preparation of the motion in support of proposed policy change back to a 2-year post-graduation experience requirement.

3. **Value Added** Speedier admissions process, more accommodating of entrepreneurs, and potentially captures more of those who should be licensed.

Value Lost None known. No evidence public would be less protected.

Adding Value and Relevancy to Briefing Notes

Purpose: To require a "Value Added" statement be added to PEO Council briefing notes in order to better communicate to the public and members the value contribution PEO Council makes, to provide a metric for the relevancy of a PEO agenda item, and to preserve understanding into what Council valued at the time of a motion.

No motion required

submitted March 4, 2019

Prepared by: Roydon Fraser

1. Matter Identification:

- Few members understand what PEO Council actually does, and many of those who have some understanding believe PEO Council does not do enough or wastes its time on issues of lesser importance. Understanding the value proposition behind Council policies will assist in clarifying the value PEO Council provides the public and members. And by being explicit about the value proposition a permanent record is kept that will better inform future PEO Councils, future members, and future governments about the value PEO has to offer the people of Ontario.
- For PEO to move towards demonstrating "relevancy" to the public and members it is better to have a clear record that identifies the value PEO Council provides.
- Knowing the value proposition on motions that result in Act, Regulation, or By-Law changes will assist the Legislative Committee in ensuring the intent of such changes are more accurately captured.
- Historically, and using the past year as an example, virtually all of PEO Council's time (often entire Council agendas) has been spent on operations and governance issues instead of tackling issue of importance to the engineering profession and protection of the public. Refer to Appendix A: Yearly Plea for some examples of such important issues.

In conclusion, being explicit about Value Added is an important part of establishing "relevancy", and establishing PEO relevancy is important for PEO to address potential threats to self-regulation.

2. Peer Review

- The form and content of PEO Council Briefing Notes is at the sole discretion of PEO Council. PEO Council and staff are suggested stakeholders to provide peer review.

3. Value Added

- To better communicate through explicit statements the value PEO Council provides the public and members. To improve the ability to demonstrate to the public and members that PEO Council is doing good work.
- To provide a metric for judging **relevancy** and priority on PEO Council agendas.
- To preserve understanding as to Council's thinking concerning the importance, usefulness, and value of a Council motion. This can be very useful when trying to understand intent such as when LEC works to implement PEO Council motions into Act, Regulation, or By-Law changes.
- To hopefully, by being explicit about the Value Added in motions, it will encourage PEO Council to tackle more directly and in a more timely fashion some of the larger issues facing the profession.

Value Lost:

- None known.

4. Appendix A: My Yearly Plea, April 21, 2018 by Roydon Fraser

My Yearly Plea

by Roydon A. Fraser
April 21, 2018

**Please, please, please, can there be
no, nay, never, no, nay never, no more governance motions
on Council’s agendas this year.**

Corollary: Please, please, please use this year to develop governance ‘understanding.’

Major over-reaching problem for PEO:

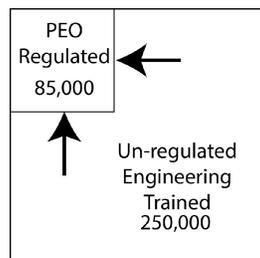
*We govern with a steam engine/electricity age culture (2nd Industrial Revolution)
when we are on the verge of entering the 5th Industrial Revolution (i.e., AI).*

BIG. BIGGER, and BIGGEST ISSUES

(this is a decade plus list that PEO has never addressed!)

1. **Relevancy**
[“I’m a lumber-jack and I’m OK”]
2. **Value-Added**
[(a) demonstration of, and (b) culture of value-added]
3. **Communication**
[e.g., self-promoting use of regulatory tools]
4. **Entrepreneurs**
5. **Globalization**
6. **Whistle Blowing / Doing your Duty**
7. **Natural Scientists**
8. **Privacy/Security**
[includes Data Mining - think Facebook]
9. **Artificial Intelligence/Internet of Things/Autonomous Vehicles**
[this is the only younger than decade issue, but reveals
society moves on even if PEO does not.]

Corollary: Big, Bigger, Biggest Issues require a major change of culture and thinking at PEO



Briefing Note - Decision

C-525-1.1

APPROVAL OF AGENDA

Purpose: To approve the agenda for the meeting.

Motion(s) to consider: (requires a simple majority of votes cast to carry)

That:

- a) the agenda, as presented to the meeting at C-525-1.1, Appendix A be approved; and*
- b) the Chair be authorized to suspend the regular order of business.*

Prepared by: Dale Power, Secretariat Administrator

Appendices:

- Appendix A – 525th Council meeting agenda



Agenda

525th Meeting of the Council
Professional Engineers Ontario

REVISED

Date: Friday, March 22, 2019
Time: Friday – 9:00 a.m. – 4:00 p.m.
Place: PEO Offices – 8th Floor Council Chambers OR Dial-in: 1-888-866-3653
 40 Sheppard Avenue West Participant Code: 9394319#
 Toronto, Ontario

Thursday, March 21 – 7:00 p.m. – 9:00 p.m.

	Spokesperson
<u>PLENARY SESSION</u>	
1. Licensing and Registration Presentation 2. White Papers	Moody/Pauline/Faris

Friday, March 22 – 9:00 a.m. – 4:00 p.m.

<i>CALL TO ORDER</i>			
1. <u>APPROVAL OF AGENDA</u>		Spokesperson/ Moved by	Type
1.1	APPROVAL OF AGENDA	Chair	Decision
2. <u>PRIORITY ITEMS</u>		Spokesperson/ Moved by	Type
2.1	2018 AUDITED FINANCIAL STATEMENTS	Councillor Bhatia	Decision
2.2	RECOMMENDATIONS OF AN AUDITOR FOR 2019	Councillor Bhatia	Decision
2.3	NEW EXPENSE REIMBURSEMENT POLICY	Councillor Bhatia	Decision
2.4	BY-LAW NO. 1 CHANGES – 2019 FEE INCREASES	Councillor Houghton	Decision
2.5	EQUITY & DIVERSITY COMMITTEE – CHAPTER EQUITY AND DIVERSITY AWARD	Councillor Subramanian	Decision
2.6	ENGINEERS CANADA FUNDING TASK FORCE REPORT FOR CONSULTATION – FUNDING RECOMMENDATIONS	President-Elect Hill	Decision
2.7	APPOINTMENT OF PEO DIRECTOR TO ENGINEERS CANADA BOARD	Past President Dony	Decision
2.8	PEO SYLLABUS – SOFTWARE ENGINEERING SYLLABUS	Councillor Dony	Decision
2.9	REQUEST FROM OACETT TO EXTEND DAVE BROWN'S TERM FOR ONE YEAR	Councillor Kirkby	Decision

2.10	HRC'S RECOMMENDATION REGARDING BOARD APPOINTMENTS CRITERIA DECISION MATRIX AND APPLICATION FORM	President-Elect Hill	Decision
2.11	CANADIAN ENGINEERING ACCREDITATION BOARD (CEAB) NOMINATING COMMITTEE REQUEST	Councillor Subramanian	Information
2.12	IMPLEMENTATION OF FINANCIAL CREDIT PROGRAM CHANGES	Jordan Max	Information
2.13	RECOMMENDATION FOR IMPROVING THE EFFECTIVENESS OF THE FINANCE COMMITTEE	Councillor Reid	Information
2.14	ENGINEER-IN-RESIDENCE (EIR) PROGRAM	Tracey Carauna	Information
3. <u>CONSENT AGENDA</u>		Spokesperson/ Moved by	Type
3.1	OPEN SESSION MINUTES – 524 th COUNCIL MEETING – FEBRUARY 8, 2019	Chair	Decision
3.2	APPROVAL OF CEDC APPLICATIONS	Councillor Bhatia	Decision
3.3	CHANGES TO THE 2019 PEO COMMITTEES AND TASK FORCES MEMBERSHIP ROSTER	Councillor Kirkby	Decision
3.4	APPOINTMENT OF INTERIM CORPORATE SECRETARY	Past President Dony	Decision
4. <u>IN-CAMERA</u>		Spokesperson/ Moved by	Type
4.1	IN-CAMERA MINUTES – 524 th COUNCIL MEETING – FEBRUARY 8, 2019	Chair	Decision
4.2	REGULATION CHANGE – PROVISIONAL LICENCE	Councillor Houghton	Decision
4.3	SCOTT JOHNSON CORONER'S INQUEST	President-elect Hill	Decision
4.4	2019 ONTARIO PROFESSIONAL ENGINEERS AWARD NOMINEES (OPEA)	Councillor Hidalgo	Decision
4.5	HRC UPDATE	President Brown	Information
4.6	DISCIPLINE COMMITTEE – DECISIONS AND REASONS	Linda Latham	Information
4.7	LEGAL UPDATE	Linda Latham	Information
4.8	COMPLAINTS REVIEW COUNCILLOR (CRC)	Councillor Kouakou	Information
4.9	PEO'S ANTI-WORKPLACE HARASSMENT AND VIOLENCE POLICIES – COUNCILLOR VIOLATIONS, IF ANY	Chair	Information
5. <u>INFORMATION ITEMS</u>		Spokesperson/ Moved by	Type
ONGOING ITEMS			
5.1	COUNCIL ACTION LOG	Chair	Information
5.2	REGULATORY RISK REGISTER	Chair	Information
5.3	COUNCILLOR ITEMS	Chair	Information

Please note that in order to streamline the agenda, Committee reports will no longer be included in the agenda package. Committee Chairs are asked to submit their written reports to the Secretariat for posting on the Council SharePoint site prior to each Council meeting. These reports will not be discussed at the meeting unless a Councillor or an EC Director asks to address a specific item contained within the written report. The reports submitted as of March 15, 2019 are:

- Engineers Canada
- Government Liaison Committee
- Joint Relations Committee
- Legislation Committee
- Regional Councillors Committee
- Stats

The link below will take you directly to the reports.

[525 Council Reports](#)

Councillors Code of Conduct

Council expects of itself and its members ethical, business-like and lawful conduct. This includes fiduciary responsibility, proper use of authority and appropriate decorum when acting as Council members or as external representatives of the association. Council expects its members to treat one another and staff members with respect, cooperation and a willingness to deal openly on all matters.

PEO is committed that its operations and business will be conducted in an ethical and legal manner. Each participant (volunteer) is expected to be familiar with, and to adhere to, this code as a condition of their involvement in PEO business. Each participant shall conduct PEO business with honesty, integrity and fairness and in accordance with the applicable laws. The Code of Conduct is intended to provide the terms and/or spirit upon which acceptable/unacceptable conduct is determined and addressed.

At its September 2006 meeting, Council determined that PEO volunteers should meet the same obligations and standards regarding conduct when engaged in PEO activities as they are when engaged in business activities as professional engineers.

[s. 2.4 of the Council Manual]

2019 Council Committee Meeting/Mailing Schedule

2019 Council Mailing Schedule

2019

Meeting #		Meeting Date	Initial BN Due Date – Members at Large	Initial BN Due Date – Councillors/ Staff	Initial Agenda Mailing Date	Supp. Agenda ¹ Due Date	Supp. Agenda Mailing Date
525	Council	Mar. 21-22	March 1	March 5	March 8	March 12	March 15
526	Council	May 4 ²	April 12	April 16	April 19	April 23	April 26

¹ - requires the approval of the Chair or Registrar

² - new Councillors to be invited as soon as information is available.

Upcoming Events

Date	Event	Location
Friday, May 3, 2019	Volunteer Leaders Conference Order of Honour Gala	Toronto Hilton Hotel, Toronto, Ontario
Saturday, May 4, 2019	Annual General Meeting	Toronto Hilton Hotel, Toronto, Ontario
May 30 – June 1, 2019	Council Retreat	Deerhurst Resort, Huntsville, Ontario
November 16, 2019	Chapter Leaders Conference Ontario Professional Engineers Awards (OPEA)	Hilton Toronto Airport Hotel Toronto International Centre

2018 AUDITED FINANCIAL STATEMENTS

Purpose: To approve the Audited Financial Statements for the year ended December 31, 2018 and the Auditor's report thereon.

Motion to consider: (requires a simple majority of votes cast to carry)

That Council:

- a) approve the Audited Financial Statements for the year ended December 31, 2018, and the Auditor's report thereon, as presented to the meeting at C-525-2.1, Appendix A; and
- b) authorize the President and President-elect to sign the Audited Financial Statements on Council's behalf.

Prepared by: Chetan Mehta – Director, Finance

Motion Sponsor: Ishwar Bhatia, M.Eng., P.Eng., Eastern Region Councilor, Chair - Audit Committee

1. Need for PEO Action

PEO's governing legislation and its By-laws require that Council approve the audited financial statements of the Association for presentation to members at PEO's Annual General Meeting and that the statements be published on PEO's website for access to all members.

The Audit Committee's legislated mandate approved by Council is to:

- Oversee the auditing of the Association's financial statements by an external auditor; and
- Monitor the accounting and financial reporting processes and systems of internal control.

PEO By-Law No. 1, section 51 states:

The Council shall lay before each Annual Meeting of the members a financial statement prepared in accordance with generally accepted accounting principles for the previous fiscal year of the association (made up of a balance sheet as at the end of such fiscal year and statements of revenue and expenditure and members' equity for such fiscal year) together with the report of the association's auditors on the financial statement. The financial statements with (a summary of) the auditor's report shall be published in the official publication of the association after its approval by the Council.

2. Proposed Action / Recommendation

That Council approve the Audited Financial Statements and the Auditor's report thereon for the year ended December 31, 2018 for presentation to members at the 2019 Annual General Meeting, and that the statements be published on PEO's website and in the next edition of *Engineering Dimensions*, as required by legislation and PEO's by-laws.

3. Next Steps

Once the 2018 Financial Statements are approved and signed by the President and President-elect, the audited financial statements will be available to members at the 2019 Annual General Meeting and the statements will be published on PEO's website in April and in the next edition of *Engineering Dimensions*. A Financial Report and financial statement analysis will be prepared and published as well.

A Q&A on PEO's operations for 2018 will be developed for the 2019 Annual General Meeting based on anticipated questions.

4. Peer Review & Process Followed

Process Followed	The 2018 Audited Financial Statements and Auditor's report were presented to the Audit and Finance Committees for the joint meeting of these committees on Mar 12, 2019 for discussion and review. The Audit committee on Mar 13, 2019 recommended that the 2018 Audited Financial Statements and Auditor's report be approved.
Council Identified Review	
Actual Motion Review	On March 13, 2019, the Audit Committee approved the 2018 Audited Financial Statements and Auditor's report and recommended these be presented to Council for approval.

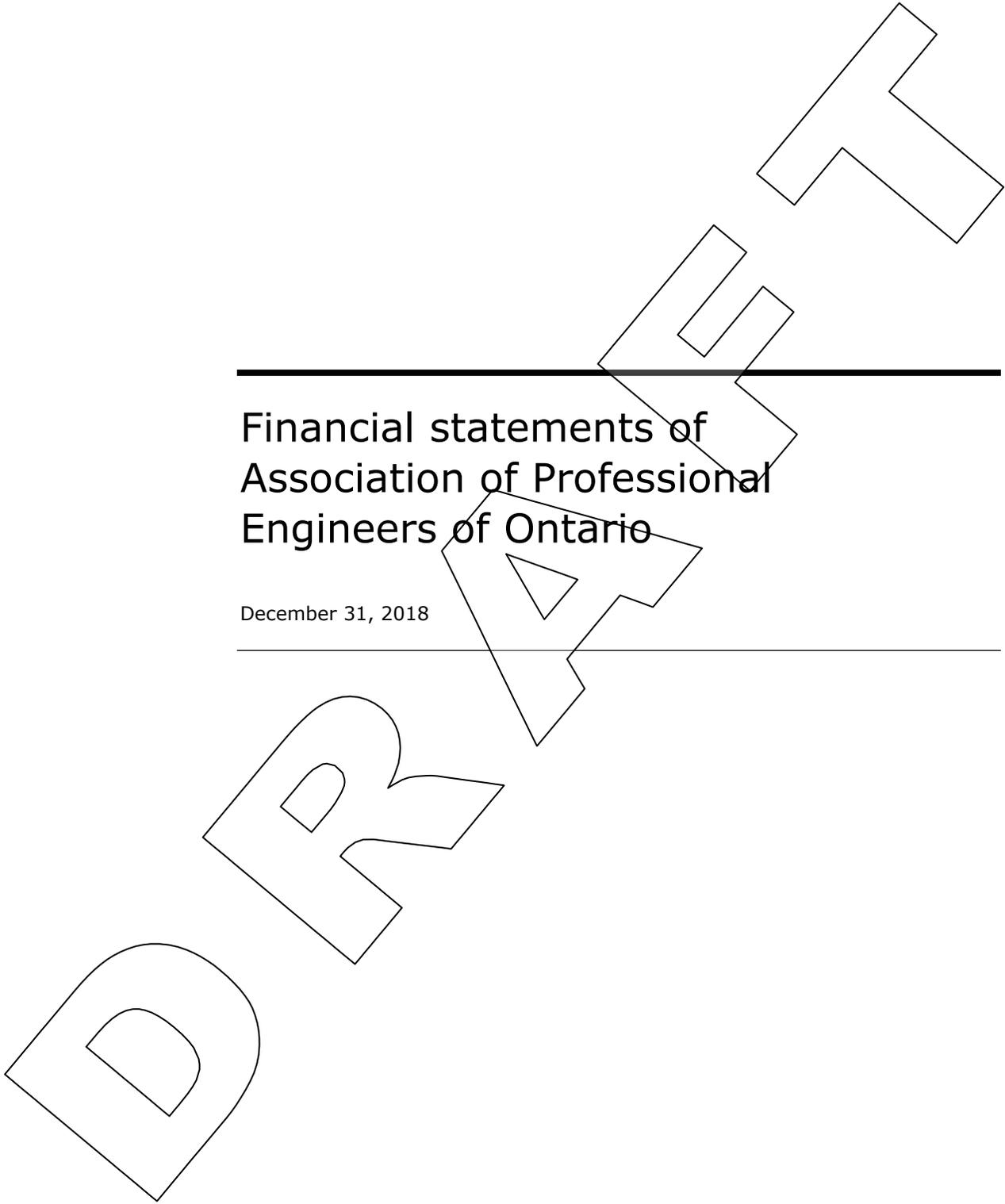
5. Appendices

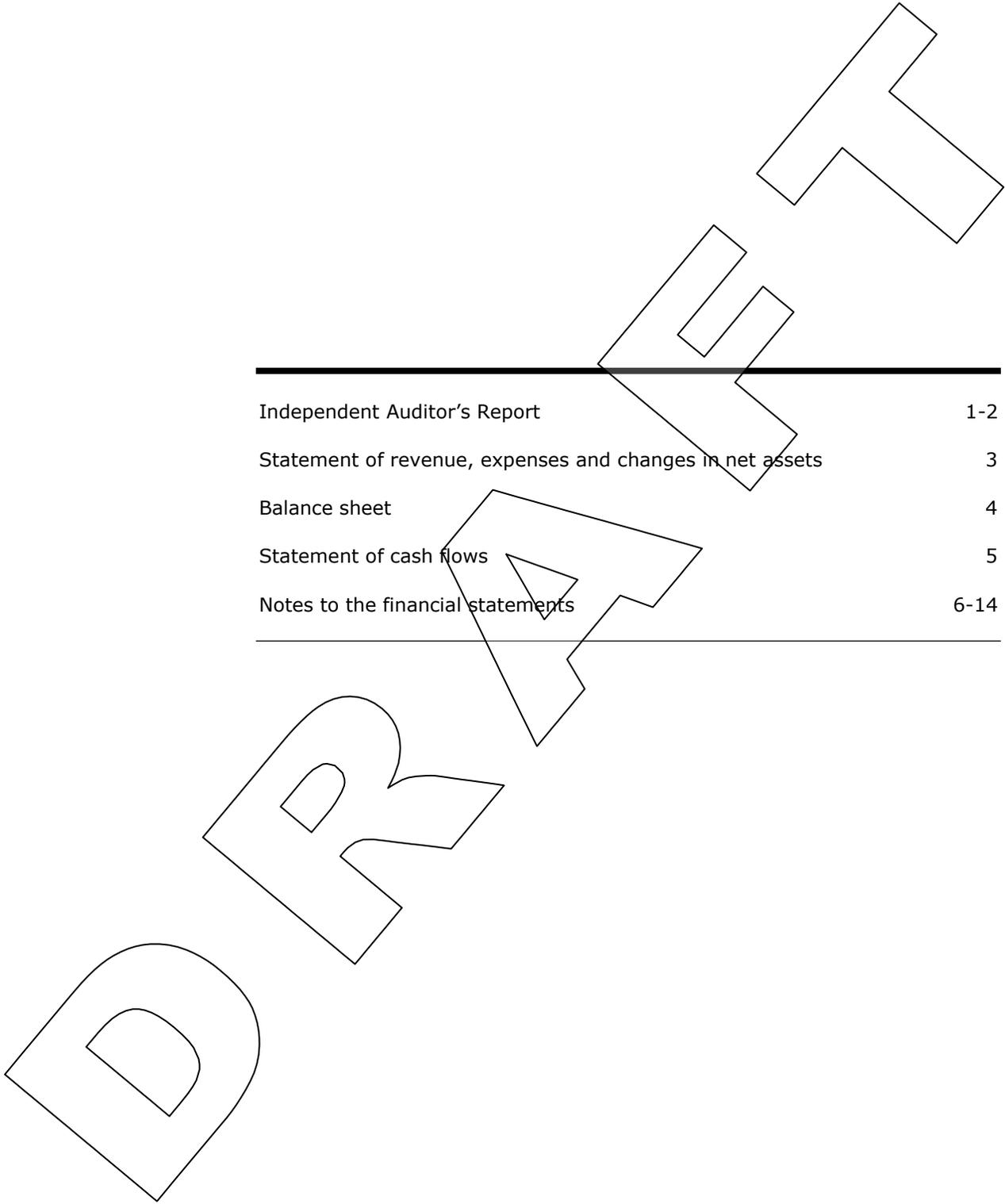
Appendix A – 2018 Audited Financial Statements and Auditor's report

Appendix B – Audit & Finance Committee Report – year ended December 31, 2018

Financial statements of
Association of Professional
Engineers of Ontario

December 31, 2018





Independent Auditor's Report	1-2
Statement of revenue, expenses and changes in net assets	3
Balance sheet	4
Statement of cash flows	5
Notes to the financial statements	6-14

Independent Auditor's Report

To the Members of
Association of Professional Engineers of Ontario

Opinion

We have audited the accompanying financial statements of the Association of Professional Engineers of Ontario which comprise the balance sheet at December 31, 2018, and the statements of revenue, expenses and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association of Professional Engineers of Ontario as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association of Professional Engineers of Ontario in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association of Professional Engineers of Ontario's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association of Professional Engineers of Ontario or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Association of Professional Engineers of Ontario's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association of Professional Engineers of Ontario's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association of Professional Engineers of Ontario's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association of Professional Engineers of Ontario to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants
Licensed Public Accountants
Date

Association of Professional Engineers of Ontario
Statement of revenue, expenses and changes in net assets
Year ended December 31, 2018

	Notes	2018 \$	2017 \$
Revenue			
P. Eng revenue		15,731,903	15,444,463
Application, registration, examination and other fees		6,966,526	6,450,742
Building operations	4	2,058,844	2,386,379
Advertising income		270,005	269,958
Investment income		64,460	287,341
		25,091,738	24,838,883
Expenses			
Staff salaries and benefits/retiree future benefits	9	11,778,442	11,742,284
Building operations	4	2,494,427	2,401,801
Purchased services		1,620,259	1,492,430
Amortization		1,210,440	1,280,598
Legal (corporate, prosecution and tribunal)		1,072,994	913,788
Engineers Canada		982,774	960,080
Computers and telephone		968,239	854,024
Occupancy costs	4	885,083	817,268
Chapters	13	817,850	887,498
Volunteer expenses		726,230	738,032
Transaction fees		544,817	536,201
Postage and courier		529,756	638,415
Contract staff		305,197	189,353
Consultants		235,196	459,679
Recognition, grants and awards		141,498	178,010
Office supplies		134,263	132,120
Insurance		127,030	116,481
Printing		102,310	113,406
Advertising		99,268	156,729
Staff expenses		88,055	100,522
Professional development		86,057	120,985
		24,950,185	24,829,704
Excess of revenue over expenses before the undernoted		141,553	9,179
Council discretionary reserve expenses	8	18,472	34,967
Excess (deficiency) of revenue over expenses		123,081	(25,788)
Remeasurement and other items		934,800	80,755
Net assets, beginning of year		16,094,555	16,039,588
Net assets, end of year		17,152,436	16,094,555

The accompanying notes are an integral part of the financial statements.

Association of Professional Engineers of Ontario

Balance sheet

As at December 31, 2018

	Notes	2018 \$	2017 \$
Assets			
Current assets			
Cash in interest bearing accounts		2,773,438	2,353,902
Marketable securities, at fair value		6,819,008	6,806,699
Accounts receivable		433,467	426,729
Prepaid expenses and deposits		404,162	389,089
Other assets		456,308	401,256
		10,886,383	10,377,675
Capital assets	3	34,615,613	35,078,815
		45,501,996	45,456,490
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	15	2,215,435	1,787,457
Fees in advance and deposits		9,250,525	9,048,378
Current portion of long-term debt	5	5,607,000	980,000
		17,072,960	11,815,835
Long-term			
Long-term debt	5	—	5,607,000
Employee future benefits	6	11,276,600	11,939,100
		28,349,560	29,361,935
Net assets	7	17,152,436	16,094,555
Total liabilities and net assets		45,501,996	45,456,490
Contingencies	16		

The accompanying notes are an integral part of the financial statements.

Approved by the Council

Director

Director

Association of Professional Engineers of Ontario

Statement of cash flows

Year ended December 31, 2018

	Notes	2018 \$	2017 \$
Operating activities			
Excess (deficiency) of revenue over expenses		123,081	(25,788)
Add (deduct) items not affecting cash			
Amortization		2,208,919	2,232,686
Amortization - other assets		77,339	68,852
Employee future benefits expensed		1,222,000	1,218,555
Change in unrealized losses (gains) on marketable securities		181,017	(190,013)
(Gains) Losses on disposal of marketable securities		(24,005)	71,931
		3,788,351	3,376,223
Change in non-cash working capital items	10	608,314	107,844
		4,396,665	3,484,067
Financing activities			
Repayment of mortgage		(980,000)	(952,000)
Contributions to employee future benefit plans		(949,700)	(1,173,200)
		(1,929,700)	(2,125,200)
Investing activities			
Net change in marketable securities		(169,321)	(135,971)
Additions to capital assets		(1,745,717)	(249,576)
Additions to other assets		(132,391)	(68,743)
		(2,047,429)	(454,290)
Increase in cash		419,536	904,577
Cash, beginning of year		2,353,902	1,449,325
Cash, end of year		2,773,438	2,353,902

The accompanying notes are an integral part of the financial statements.

Association of Professional Engineers of Ontario

Notes to the financial statements

December 31, 2018

1. Nature of operations

The Association of Professional Engineers of Ontario ("PEO") was incorporated by an Act of the Legislature of the Province of Ontario. Its principal activities include regulating the practice of professional engineering, and establishing and maintaining standards of knowledge, skill and ethics among its members in order to protect the public interest. As a not-for-profit professional membership organization, it is exempt from tax under section 149(1) of the Income Tax Act.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following accounting policies:

a) Financial instruments

PEO initially recognizes financial instruments at fair value and subsequently measures them at each reporting date, as follows:

<u>Asset/liability</u>	<u>Measurement</u>
Cash and marketable securities	Fair value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Long-term debt	Amortized cost

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists the financial asset shall be written down and the resulting impairment loss shall be recognized in the statement of revenue, expenses and changes in net assets for the period.

Transaction costs are expensed as incurred.

b) Hedge accounting

PEO entered into an interest rate swap in order to reduce the impact of fluctuating interest rates on its long-term debt. The policy of PEO is not to enter into interest rate swap agreements for trading or speculative purposes.

The interest rate swap held by PEO is eligible for hedge accounting. To be eligible for hedge accounting, an instrument must meet certain criteria with respect to identification, designation and documentation. In addition, the critical terms of the derivative financial instrument must match the specific terms and conditions of the hedged item. The fair value of derivative instruments eligible and qualifying for hedge accounting is generally not recognized on the balance sheet. Gains and losses on such instruments are recognized in the statement of revenue, expenses and changes in net assets in the same period as those of the hedged item.

Interest on the hedged item is recognized using the instrument's stated interest rate plus or minus amortization of any initial premium or discount and any financing fees and transaction costs. Net amounts receivable or payable on the interest rate swap are recorded on the accrual basis of accounting and are recognized as an adjustment to interest on the hedged item in the period in which they accrue.

PEO may only discontinue hedge accounting when one of the following situations arises:

- (i) The hedged item or the hedging item ceases to exist other than as designated and documented;
- (ii) The critical terms of the hedging item cease to match those of the hedged item, including, but not limited to, when it becomes probable that an interest-bearing asset or liability hedged with an interest rate swap will be prepaid.

2. Significant accounting policies (continued)

b) Hedge accounting (continued)

When a hedging item ceases to exist, any gain or loss incurred on the termination of the hedging item is recognized as an adjustment of the carrying amount of the hedged item.

When a hedged item ceases to exist, the critical terms of the hedging item cease to match those of the hedged item, or it is no longer probable that an anticipated transaction will occur in the amount designated or within 30 days of the maturity date of the hedging item, any gain or loss is recognized in net income.

c) Revenue recognition

License fee revenue, excluding the portion related to the Building Fund, is recognized as revenue on a monthly basis over the license period. Building Fund revenue is recognized as revenue at the commencement of the license period. Other revenues are recognized when the related services are provided.

d) Donated services

The Association receives substantial donated services from its membership through participation on council and committees and as chapter executives. Donations of services are not recorded in the accounts of the Association.

e) Employee future benefits

Pension plans

The cost of PEO's defined benefit pension plans is determined periodically by independent actuaries using the projected benefit method prorated on service. PEO uses the most recently completed actuarial valuation prepared for funding purposes (but not one prepared using a solvency, wind-up, or similar valuation basis) for measuring its defined benefit pension plan obligations. A funding valuation is prepared in accordance with pension legislation and regulations, generally to determine required cash contributions to the plan.

Other non-pension plan benefits

The cost of PEO's non-pension defined benefit plan is determined periodically by independent actuaries. PEO uses an accounting actuarial valuation performed once every year for measuring its non-pension defined benefit plan obligations. The valuation is based on the projected benefit method prorated on service.

For all defined benefit plans PEO recognizes:

- (i) The defined benefit obligation, net of the fair value of any plan assets, adjusted for any valuation in the statement of changes in net assets;
- (ii) The cost of the plan for the year.

2. Significant accounting policies (continued)

f) Capital assets

Capital assets are recorded at cost. Amortization is calculated on the straight-line basis at the following annual rates.

Building	2%
Building improvements - PEO	5%
Building improvements - common area	3.3% to 10%
Building improvements - non-recoverable	10% to 20%
Computer hardware and software	33%
Furniture, fixtures and telephone equipment	10%
Audio visual	20%

The Association's investment in capital assets is included as part of Net assets on the Balance sheet.

g) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Accounts requiring significant estimates and assumptions include capital assets, accrued liabilities, and employee future benefits.

3. Capital assets

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
	\$	\$	\$	\$
Building	19,414,668	3,807,780	15,606,888	15,995,181
Building improvements - PEO	8,939,501	3,342,895	5,596,606	6,030,579
Building improvements - common area	10,556,393	3,615,416	6,940,977	6,656,006
Building improvements - non recoverable	359,676	22,770	336,906	—
Land	4,366,303	—	4,366,303	4,366,303
Computer hardware and software	4,786,864	3,735,380	1,051,484	1,504,923
Furniture, fixtures and telephone equipment	1,438,058	1,138,884	299,174	411,827
Audio visual	1,008,316	935,591	72,725	112,913
Work-in-progress	344,550	—	344,550	1,083
	51,214,329	16,598,716	34,615,613	35,078,815

Association of Professional Engineers of Ontario

Notes to the financial statements

December 31, 2018

4. Building operations

PEO maintains accounting records for the property located at 40 Sheppard Avenue West, Toronto, ON as a stand-alone operation for internal purposes. The results of the operation of the building, prior to the elimination of recoveries and expenses related to PEO, are as follows:

	2018 \$	2017 \$
Revenue		
Rental	727,943	804,236
Operating cost recoverable - tenants	1,047,173	1,313,369
Parking	143,700	139,259
Miscellaneous	140,028	129,515
	2,058,844	2,386,379
Operating cost recoverable - PEO	812,793	729,089
	2,871,637	3,115,468
Recoverable expenses		
Utilities	574,521	534,901
Amortization	587,416	563,795
Property taxes	445,156	442,424
Payroll	253,104	253,104
Janitorial	214,395	190,665
Repairs and maintenance	193,615	159,577
Property management and advisory fees	59,244	86,977
Security	37,372	4,798
Administrative	25,034	23,119
Road and ground	24,227	20,693
Insurance	18,711	18,247
	2,432,795	2,298,300
Other expenses		
Interest expense on note and loan payable	301,269	348,006
Amortization of building	388,293	388,293
Amortization of deferred costs	77,339	68,852
Amortization of tenant inducements	22,770	—
Other non-recoverable expenses	84,754	27,439
	874,425	832,590
	3,307,220	3,130,890
(Deficiency) of revenue over expenses	(435,583)	(15,422)

For purposes of the statement of revenue, expenses and changes in net assets, the operating costs recoverable from PEO of \$812,793 (2017 - \$729,089) have been eliminated. The portion of costs allocated to PEO is reallocated from Building operations and is included in Occupancy costs on the statement of revenue, expenses and changes in net assets.

4. Building operations (continued)

	2018 \$	2017 \$
Building revenue per above	2,871,637	3,115,468
Eliminated PEO portion	(812,793)	(729,089)
	2,058,844	2,386,379
Building expenses per above	3,307,220	3,130,890
Eliminated PEO portion	(812,793)	(729,089)
	2,494,427	2,401,801

5. Building financing

In 2009, the Association financed \$14,100,000 of the cost of its building acquisition with a credit facility from the Bank of Montreal, Capital Markets Division. The facility is secured by a first mortgage on the property located at 40 Sheppard Avenue West, a general security agreement, and a general assignment of tenant leases. The facility is repayable in monthly installments of principal plus interest maturing on March 11, 2019 and bears a floating interest rate based on variable bankers' acceptances. The Association entered into a swap agreement related to this loan, whereby the floating rate debt is swapped for a fixed rate debt with an interest rate of 4.95% and settled on a net basis. The Notional value of the swap is \$14,100,000. The start date of the swap was March 11, 2009 with a maturity date of March 11, 2019.

Effective March 11, 2019 upon maturity, the facility converted to a floating rate loan at prime plus 1% (which is 4.95%). The Association is currently in negotiations with various financial institutions to refinance the debt in a long-term facility. The balance outstanding at December 31, 2018 is \$5,607,000.

6. Employee future benefits

The Association's pension plans and post-retirement benefits plan covering participating employees (full time and retirees) are defined benefit plans as defined in Section 3462 of the CPA Canada Handbook and accounted for as per Section 3463. The pension plans provide pension benefits based on length of service and final average earnings. The post-retirement benefits plan provides hospitalization, extended health care and dental benefits to active and retired employees. Participation in the pension plans and benefits plan (for post-retirement benefits) has been closed to all new employees as of May 1, 2006. All employees joining after this date have the option of participating in a self-directed RRSP (registered retirement savings plan). During the year, the Association recorded \$261,634 (2017 - \$254,900) in employer contributions to the self-directed RRSP.

6. Employee future benefits (continued)

The funded status of the Association's pension plans and post-retirement benefit plan using actuarial assumptions as of December 31, 2018 was as follows:

	Basic pension plan \$	Supplemental pension plan \$	Other non-pension benefit plan \$	Total \$
Accrued benefit obligation	(24,698,000)	(1,828,800)	(12,956,000)	(39,482,800)
Plan assets at fair value	26,335,600	1,870,600	-	28,206,200
Funded status - plan surplus (deficit)	1,637,600	41,800	(12,956,000)	(11,276,600)

The funded status of the Association's pension plans and post-retirement benefit plan using actuarial assumptions as of December 31, 2017 was as follows:

	Basic pension plan \$	Supplemental pension plan \$	Other non-pension benefit plan \$	Total \$
Accrued benefit obligation	(24,412,500)	(1,905,800)	(14,241,800)	(40,560,100)
Plan assets at fair value	26,726,400	1,894,600	-	28,621,000
Funded status - plan surplus (deficit)	2,313,900	(11,200)	(14,241,800)	(11,939,100)

PEO measures its defined benefit obligations and the fair value of plan assets related to the basic and supplemental pension plans for accounting purposes as at December 31 each year based on the most recently completed actuarial valuation for funding purposes. The most recently completed actuarial valuation of the pension plans for funding purposes, was as of January 1, 2018. PEO measures its obligations related to its other non-pension benefit plan using an actuarial valuation prepared for accounting purposes. The most recent actuarial valuation for accounting purposes was as of December 31, 2018.

7. Net assets

The net assets of the Association are restricted to be used at the discretion of Council and includes the Association's investment in capital assets of \$29,008,613 (2017 - \$28,491,815).

8. Council discretionary reserve

The Council discretionary reserve is an internal allocation from the operating reserve used at the discretion of Council to fund expenses related to special projects approved by Council. Expenses from the discretionary reserve were as follows. These figures include costs of \$12,445 for salaries and benefits for staff time spent on these projects.

	2018 \$	2017 \$
Emerging Discipline Task Force	1,110	1,376
Governance Working Group Phase 1	452	—
30 by 30 Task Force	16,910	—
Council Term Limits Task Force	—	10,506
Council Composition Task Force	—	23,085
	18,472	34,967

9. Full time salaries and benefits

During the year, the Association incurred a total of \$11,790,887 (2017 - \$11,763,548) for salary and benefits costs for its full-time staff of which \$12,445 (2017 - \$21,264) was directly attributable to special projects approved by Council and disclosed in Note 8.

10. Change in non-cash working capital items

	2018 \$	2017 \$
Accounts receivable	(6,738)	72,287
Prepaid expenses and deposits	(15,073)	(124,075)
Accounts payable and accrued liabilities	427,978	(26,328)
Fees in advance and deposits	202,147	185,960
	608,314	107,844

11. Custodial account

The Association maintains a separate bank account for the Council of Ontario Deans of Engineering. Cash held in the bank account totaling \$156,437 (2017 - \$142,264) is not reported on the Association's balance sheet, as it is held in trust for the Council of Ontario Deans of Engineering.

Association of Professional Engineers of Ontario

Notes to the financial statements

December 31, 2018

12. Commitments

The Association has obligations under non-cancelable operating leases and agreements for various service agreements. The payments to the expiry of the leases and agreements are as follows:

	\$
2019	1,449,493
2020	909,437
2021	69,297
	<u>2,428,227</u>

13. Chapters of the Association

The financial information of the 36 chapters of the Association are individually not material and, therefore, have not been consolidated in these financial statements. Furthermore, management believes that the effort and cost required to prepare financial statements for each chapter for consolidation purposes far exceed the benefits of doing so.

During the year, the Association paid chapter expenses totaling \$817,850 (2017 - \$887,498) including \$524,000 (2017 - \$596,775) in chapter allotments and \$293,850 (2017 - \$290,723) in other disbursements to individual chapters. During the year, the Association also incurred additional costs of \$485,698 (2017 - \$561,332) related to chapter operations including staff salaries and benefits, and for various support activities. These amounts have been included in the various operating expenses reported on the Statement of revenue and expenses and changes in net assets.

14. Financial instruments and risk management

Interest rate risk

PEO is exposed to interest rate risk, which is the risk that the fair values or future cash flows associated with its investments will fluctuate as a result of changes in market interest rates. Management addresses this risk through use of an investment manager to monitor and manage investments.

Liquidity risk

PEO's objective is to have sufficient liquidity to meet its liabilities when due. PEO monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2018, the most significant financial liabilities are: accounts payable and accrued liabilities, and long-term debt.

Currency risk

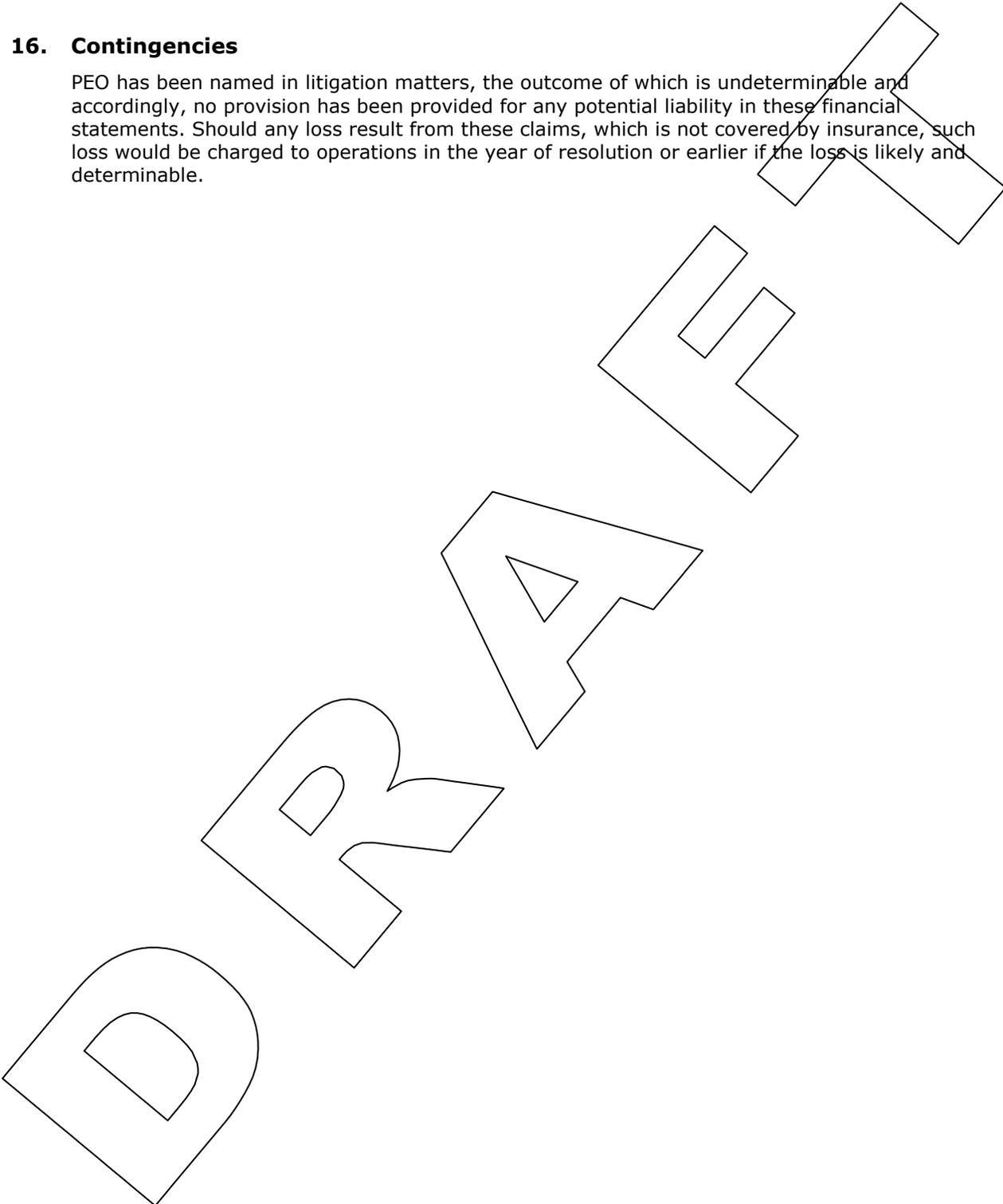
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. PEO's international and US equity pooled fund investments are denominated in foreign currencies the value of which could fluctuate in part due to changes in foreign exchange rates.

15. Government remittances

Accounts payables and accrued liabilities includes \$307,724 (2017 - \$318,916), with respect to government remittances payable at year end.

16. Contingencies

PEO has been named in litigation matters, the outcome of which is undeterminable and accordingly, no provision has been provided for any potential liability in these financial statements. Should any loss result from these claims, which is not covered by insurance, such loss would be charged to operations in the year of resolution or earlier if the loss is likely and determinable.



Professional Engineers Ontario

Financial highlights for the year ended December 31, 2018

Report to the Audit and Finance Committees – March 12, 2019

Highlights

For the year ended December 31, 2018, Professional Engineers Ontario (“PEO”) generated an excess of revenue over expenses of \$141.6k before Council discretionary reserve expenses as compared to \$9.2k in 2017. The surplus was reduced by Council discretionary reserve expenses of \$18.5k in 2018 as compared to \$35k in 2017 resulting in a net excess of revenues over expenses of \$123.1k as compared to a loss of \$25.8k in 2017.

The 2018 Council discretionary reserve expenses consist of spending on the 30 by 30 Task Force, Emerging Disciplines Task Force and the Governance Working Group Phase 1. During the course of the year, management undertook several measures to control and reduce operational costs. PEO fees remained frozen for the tenth consecutive year and continue to remain the lowest amongst engineering associations in Canada. All other fees remained unchanged as well.

Revenue

Total revenue in 2018 was \$25.1m vs \$24.8m in 2017 which is \$253k or 1 per cent higher than the prior year largely due to the following reasons:

- Higher Application, Registration, exam and other fees (\$7m in 2018 vs \$6.5m in 2017)
An increase of \$516k due to a growth in the number of registrations; increase in revenues from the professional practice exams; technical exams and the national exam program; higher Engineer Intern (EIT) revenues; increase in application and other revenues.
- Higher P.Eng. revenues (\$15.7m in 2018 vs \$15.4m in 2017)
An increase of \$287k in P.Eng. revenue representing a 2 per cent increase in membership revenues, which is consistent with the prior year trend.

The above increases were partially offset by:

- Lower Building operations revenue (\$2.1m in 2018 vs \$2.4m in 2017)
A decrease of \$328k in Building operations revenue is largely due to unleased space. As of Dec. 31, 2018 there was approx. 12% or 13,000 sq ft of unleased space.
- Lower Investment income (\$64k in 2018 vs \$287k in 2017)
The \$223k decrease in investment income in 2018 is largely due to unrealized capital losses on investments due to unfavourable market conditions.

Expenses

Total expenses in 2018 before Council discretionary spend were \$25.0m vs \$24.8m in 2017. This represents an increase of \$120.5k or 0.5 per cent than the prior year primarily due to the following:

- Higher Legal (corporate, prosecution and tribunal) expenses (\$1.1m in 2018 vs \$914k in 2017)
The \$159k increase is due to higher costs in 2018 for discipline prosecution, costs for legal counsel for ongoing litigation, costs for court reporter, tribunal fees, etc.
- Higher costs for Purchased services (\$1.6m in 2018 vs \$1.5m in 2017)
The \$128k increase in costs for Purchased services in 2018 is largely due to higher costs for Council elections in 2018 (the vendor who provided the voting services for the 2017 Council elections did not charge the full fee due to technical issues encountered during the elections); exam marking and invigilation costs; costs for the practice advisory review survey that was not conducted in 2017; higher costs for scanning licensing and other records; costs for audio visual services and catering at various events such as the AGM, etc.
- An increase in spend on Contract staff (\$305k in 2018 vs \$189k in 2017)
The increase of \$116k for spending on contractors in 2018 was necessitated due some staff in

the Corporate Services, the Licensing and Regulatory Compliance departments being away on long term leave.

- Higher spend on Computers and telephone (\$968k in 2018 vs \$854k in 2017).
The increase of \$114k is due to higher costs for software support contracts, server maintenance contracts and non-capital software licences.
- An increase in costs for Building operations (\$2.5m in 2018 vs \$2.4m in 2017)
The \$93k increase is largely due to higher expenses for utilities, repairs & maintenance, security, janitorial, amortization and other costs.

The above increases in expenses are partially offset by:

- Lower spend on Consultants (\$235k in 2018 vs \$460k in 2017)
A decrease in spend of approx. \$224k in 2018 largely due to no spend on IT consultant for the Aptify project and no spend on branding consultant for the Public Information Campaign (PIC) in 2018 as the consultants for these projects had completed their deliverables in 2017. There was also no spend on a consultant for an audit of Council elections in 2018 there were no technical issues encountered unlike during the 2017 elections.
- Lower spend on Postage and courier (\$530k in 2018 vs \$638k in 2017)
There was a decrease of \$109k in postage and courier costs largely due to reduced postage for mailing *Engineering Dimensions* because of an increase in the sign up for the digital edition of the magazine. In addition, there were and lower postage costs for Council elections.
- A decrease in Amortization expenses (\$1.2m in 2018 vs \$1.3m in 2017)
Lower Amortization costs due to full depreciation on audio visual equipment and deferred implementation of the Aptify project.
- Lower Chapter expenses (\$818k in 2018 vs \$887k)
The \$70k decrease in Chapters spend in 2018 is largely due to lower travel related expenses for attendance at various events and lower allotment payments in 2018.
- Lower Advertising expenses (\$99k in 2018 vs \$157k in 2017)
Advertising expenses were lower by \$57k due to a decrease in spend on staff recruitment and newspaper, magazine and other advertising costs.

Capital Assets

Total capital spending in 2018 was \$1.7m compared to \$250k in 2017. Building improvements both to PEO space and common space totaling \$1.3m were made to the building in 2018. The net book value of the building was \$32.8m at December 31, 2018. A breakdown of the spend are shown below:

In (000's)

TYPE	FY18-ACT Additions	FY17-ACT Additions	Variance [Fav/(Unfav)]
Building Improvements 2018 includes 4 th floor leasehold improvement for new tenant.	\$396	\$100	(\$296)
Building Improvements (recoverable) 2018 includes elevator upgrades, heat pump replacement, 4 th floor public corridor fit up, generator replacement work, and asset spending report.	\$872	\$36	(\$836)
Computer hardware and software 2018 includes desktop/laptop upgrades, NAS replacement and SQL upgrade. 2017 included WIFI upgrade, virtual server HW and SW.	\$127	\$109	(\$18)

Furniture, fixtures and telephone equipment.	\$6	\$4	(\$2)
Work in progress 2018 includes APTIFY upgrade, website upgrade, and 4 th floor common area project.	\$343	\$1	(\$342)
TOTAL	\$1,745	\$250	(\$1,495)

Building Operations

The operating statement for the building is included in Appendix A-2 and is also summarized in Note 4 of the 2018 Audited Financial Statements. The building generated \$2.9m in revenue including PEO's share of recoverable expenses but excluding base rent had PEO paid market rent for its space. Total recoverable expenses were \$2.4m and other expenses totaled \$874k thereby creating a deficit of \$436k as compared to a deficit of \$15k in the prior year. The increase in deficit over 2017 was due primarily to lower revenue due to unleased vacant space and higher operating costs.

Appendices:

Appendix A-1 - 2018 Draft Statement of Revenue and Expenses - variances

Appendix A-2 - 2018 Draft 40 Sheppard Statement of Revenue and Expenses - variances

Professional Engineers Ontario
Statement of Revenue and Expenses - Variance Analysis
Year Ended December 31, 2018

Appendix A-1
Mar 12, 2019

S.No	REVENUE	2018	2017	2018	2018 Vs 2017 [Fav/(Unfav)]		2018 [Fav/(Unfav)]		2018 [Fav/(Unfav)]		2018
		Actual	Actual	Forecast	Actual Vs Actual	%	Actual Vs Forecast	%	Actual Vs Budget	%	Budget
		A	B	C	D	E	F	G	H	I	J
		\$	\$	\$	\$	%	\$	%	\$	%	\$
1	P.Eng revenue	\$15,731,903	\$15,444,463	\$15,591,950	\$287,440	1.9%	\$139,953	0.9%	(\$223,597)	-1.4%	\$15,955,500
2	Application, registration, exam and other fees	6,966,526	6,450,742	6,944,713	\$515,784	8.0%	21,813	0.3%	176,554	2.6%	6,789,972
3	Building operations	2,058,844	2,386,379	2,025,894	(\$327,535)	-13.7%	32,950	1.6%	(487,564)	-19.1%	2,546,408
4	Advertising income	270,005	269,958	260,000	\$47	-	10,005	3.8%	(89,995)	-25.0%	360,000
5	Investment income	64,460	287,341	205,000	(\$222,881)	-77.6%	(140,540)	-68.6%	(149,540)	-69.9%	214,000
	TOTAL REVENUE	\$25,091,738	\$24,838,883	\$25,027,557	\$252,855	1.0%	\$64,181	0.3%	(\$774,142)	-3.0%	\$25,865,880
	EXPENSES										
6	Staff salaries and benefits/Retiree and future benefits	11,778,442	11,742,284	11,988,172	(36,158)	-0.3%	209,730	1.7%	890,284	7.0%	12,668,726
7	Building operations	2,494,427	2,401,801	2,489,140	(92,626)	-3.9%	(5,287)	-0.2%	(38,409)	-1.6%	2,456,018
8	Purchased Services	1,620,259	1,492,430	1,575,552	(127,829)	-8.6%	(44,707)	-2.8%	40,093	2.4%	1,660,352
9	Amortization	1,210,440	1,280,598	1,241,658	70,158	5.5%	31,218	2.5%	96,656	7.4%	1,307,096
10	Legal (corporate, prosecution and tribunal)	1,072,994	913,788	1,055,978	(159,206)	-17.4%	(17,016)	-1.6%	(579,439)	-117.4%	493,555
11	Engineers Canada	982,774	960,080	982,774	(22,694)	-2.4%	0	0.0%	(18,774)	-1.9%	964,000
12	Computers and telephone	968,239	854,024	1,081,396	(114,215)	-13.4%	113,157	10.5%	107,609	10.0%	1,075,848
13	Occupancy costs	885,083	817,268	870,165	(67,815)	-8.3%	(14,918)	-1.7%	18,756	2.1%	903,839
14	Chapters	817,850	887,498	822,673	69,648	7.8%	4,823	0.6%	39,950	4.7%	857,800
15	Volunteer expenses	726,230	738,032	720,176	11,802	1.6%	(6,054)	-0.8%	66,835	8.4%	793,065
16	Transaction fees	544,817	536,201	551,485	(8,616)	-1.6%	6,668	1.2%	(2,277)	-0.4%	542,540
17	Postage and courier	529,756	638,415	611,113	108,659	17.0%	81,357	13.3%	87,364	14.2%	617,120
18	Contract staff	305,197	189,353	340,666	(115,844)	-61.2%	35,469	10.4%	(101,216)	-49.6%	203,981
19	Consultants	235,196	459,679	285,820	224,483	48.8%	50,624	17.7%	312,304	57.0%	547,500
20	Recognition, grants and awards	141,498	178,010	174,812	36,512	20.5%	33,314	19.1%	32,102	18.5%	173,600
21	Office supplies	134,263	132,120	103,691	(2,143)	-1.6%	(30,572)	-29.5%	(30,983)	-30.0%	103,280
22	Insurance	127,030	116,481	129,912	(10,549)	-9.1%	2,882	2.2%	(2,793)	-2.2%	124,237
23	Printing	102,310	113,406	113,560	11,096	9.8%	11,250	9.9%	13,690	11.8%	116,000
24	Advertising	99,268	156,729	120,897	57,461	36.7%	21,629	17.9%	12,782	11.4%	112,050
25	Staff expenses	88,055	100,522	139,320	12,467	12.4%	51,265	36.8%	53,505	37.8%	141,560
26	Professional development	86,057	120,985	153,961	34,928	28.9%	67,904	44.1%	120,443	58.3%	206,500
27	TOTAL EXPENSES	\$24,950,185	\$24,829,704	\$25,552,921	(\$120,481)	-0.5%	\$602,736	2.4%	\$1,118,482	4.3%	\$26,068,667
28	EXCESS OF REVENUE OVER EXPENSES BEFORE THE UNDERNOTED	\$141,553	\$9,179	(\$525,364)	\$132,374	1442.1%	\$666,917	126.9%	\$344,340	-169.8%	(\$202,787)
29	COUNCIL DISCRETIONARY RESERVE EXPENSES	18,472	34,967	80,000	16,495	47.2%	61,528	-76.9%	(18,472)	-100.0%	0
30	EXCESS OF REVENUE OVER EXPENSES	\$123,081	(\$25,788)	(\$605,364)	\$148,869	-577.3%	\$728,445	120.3%	\$325,868	-160.7%	(\$202,787)

Professional Engineers Ontario
40 Sheppard Statement of Revenue and Expenses

Appendix A-2 Mar 12, 2019

Year Ended December 31, 2018

S.No	REVENUE	2018	2017	2018 Vs 2017 [Fav/(Unfav)]		2018	2018 [Fav/(Unfav)]	
		Actual	Actual	Actual Vs Actual		Forecast	Actual Vs Forecast	
		A	B	C	D	E	F	G
		\$	\$	\$	%	\$	\$	%
1	Rental	727,943	804,236	(76,293)	-9.5%	692,447	35,496	5.1%
2	Operating cost reimbursements	1,859,966	2,042,458	(182,492)	-8.9%	1,826,516	33,450	1.8%
3	Parking	143,700	139,259	4,442	3.2%	132,600	11,100	8.4%
4	Miscellaneous	140,028	129,515	10,513	8.1%	130,370	9,658	7.4%
5	Total REVENUE	2,871,637	3,115,468	(243,831)	-7.8%	2,781,933	89,704	3.2%
RECOVERABLE EXPENSES								
6	Utilities	574,521	534,901	(39,620)	-7.4%	569,012	(5,509)	-1.0%
7	Amortization	587,416	563,795	(23,621)	-4.2%	587,478	62	0.0%
8	Property taxes	445,156	442,424	(2,731)	-0.6%	443,793	(1,363)	-0.3%
9	Payroll	253,104	253,104	(0)	0.0%	253,104	-	0.0%
10	Janitorial	214,395	190,665	(23,730)	-12.4%	211,715	(2,680)	-1.3%
11	Repairs and maintenance	193,615	159,577	(34,038)	-21.3%	173,694	(19,921)	-11.5%
12	Property management and advisory fees	59,244	86,977	27,733	31.9%	59,244	(0)	0.0%
13	Security	37,372	4,798	(32,575)	-679.0%	20,449	(16,923)	-82.8%
14	Administration	25,034	23,119	(1,916)	-8.3%	25,182	148	0.6%
15	Road and ground	24,227	20,693	(3,534)	-17.1%	20,890	(3,337)	-16.0%
16	Insurance	18,711	18,247	(464)	-2.5%	18,731	20	0.1%
		2,432,795	2,298,300	(134,496)	-5.9%	2,383,292	(49,503)	-2.1%
OTHER EXPENSES								
17	Interest expense on note and loan payable	301,269	348,006	46,737	13.4%	301,269	(0)	0.0%
18	Amortization of building	388,293	388,293	-	0.0%	388,293	(0)	0.0%
19	Amortization of deferred costs	77,339	68,852	(8,486)	-12.3%	77,339	0	0.0%
20	Amortization of tenant inducements	22,770	-	(22,770)	0.0%	-	(22,770)	0.0%
21	Other non-recoverable expenses	84,754	27,439	(57,315)	-208.9%	94,986	10,232	10.8%
		874,425	832,590	(41,834)	-5.0%	861,887	(12,538)	-1.5%
22	Total EXPENSES	3,307,220	3,130,890	(176,330)	-5.6%	3,245,179	(62,042)	-1.9%
23	EXCESS OF REVENUE OVER EXPENSES	(435,583)	(15,422)	(420,161)	2724.4%	(463,246)	27,663	-6.0%
24	Gross Revenue	2,871,637	3,115,468			2,781,933		
25	Revenue Interco reclass	(812,793)	(729,089)			(756,039)		
26	PEO Reported Revenue	2,058,844	2,386,379			2,025,894		
27	Gross Expense	3,307,219	3,130,890			3,245,179		
28	Recoverable Exp Interco reclass	(812,793)	(729,089)			(756,039)		
29	PEO Reported Expense	2,494,427	2,401,801			2,489,140		

RECOMMENDATION OF THE APPOINTMENT OF AUDITOR FOR 2019

Purpose: To approve the recommendation of the appointment of an auditor for 2019 to members.

Motion to consider: (requires a simple majority of votes cast to carry)

That Council recommend to members at the May 2019 Annual General Meeting the appointment of Deloitte LLP as PEO's auditor for 2019 to hold office until the next annual meeting or until their successor is appointed.

Prepared by: Chetan Mehta – Director, Finance

Motion Sponsor: Ishwar Bhatia, M.Eng., P.Eng., Eastern Region Councilor, Chair - Audit Committee

1. Need for PEO Action

It is necessary for Council to recommend the appointment of an auditor for 2019 to members at the upcoming Annual General Meeting for their approval.

Section 52 of By-Law 1 states:

The members of each annual meeting shall appoint one or more auditors who shall be chartered accountants to hold office until the next annual meeting and if an appointment is not so made, the auditor in office shall continue in office until a successor is appointed.

2. Proposed Action / Recommendation

That Council approve the recommendation of the Audit Committee that Deloitte LLP be appointed as PEO's auditor for 2019.

3. Peer Review & Process Followed

Process Followed	As part of every five-year cycle, an RFP for audit services was issued to reputable firms in late July 2016. After a review of the proposals submitted, the AUC in 2016 unanimously decided to select Deloitte as PEO's auditor for the next five years with the requirement that the appointment be confirmed every year by Council and the membership.
Council Identified Review	Council is to recommend to members at the May 2019 Annual General Meeting the appointment of Deloitte LLP as PEO's auditor for 2019 to hold office until the next annual meeting or until their successor is appointed.
Actual Motion Review	On March 13, 2019, the Audit Committee approved the recommendation of the appointment of Deloitte LLP as PEO's auditor for 2019 be presented to Council for approval.

4. Next Steps

Members will be asked to approve the appointment of Deloitte LLP as PEO's auditor at the Annual General Meeting in May.

Briefing Note – Decision

C-525-2.3

EXPENSE REIMBURSEMENT POLICY

Purpose: To approve the revised Expense Reimbursement Policy.

Motion to consider: (requires a simple majority of votes cast to carry)

That Council approve the Expense Reimbursement Policy.

Prepared by: Chetan Mehta, Director - Finance

Motion Sponsor: Ishwar Bhatia, M.Eng., P.Eng., Eastern Region Councilor, Chair - Audit Committee

1. Need for PEO Action

PEO's expense reimbursement policy was due for review in 2016. Initial work on revising the policy commenced in 2016 to incorporate the feedback received from staff and volunteers when it was felt that further research should be conducted to consider the expense reimbursement policies of other organizations, including other provincial engineering associations.

Subsequently, after a review of the policies in other organizations and after inputs from the management team and other staff, a policy was drafted to seek additional feedback from other stakeholders in 2017. The peer review process followed has been outlined in Section 4.

2. Proposed Action / Recommendation

That the draft Expense Reimbursement Policy be approved by Council.

3. Next Steps (if motion approved)

The Expense Reimbursement Policy will be communicated to staff and volunteers once approved by Council. Adherence to the policy will be monitored by the approvers and Finance staff. An appeals process is outlined in the policy for any volunteer or staff whose claim has been denied.

4. Peer Review & Process Followed

Process Followed	PEO's expense reimbursement policy was due for review in 2016.
Council Identified Review	Peer review groups were: <ul style="list-style-type: none">• Finance staff, the Senior Management Team, the Chapters Office and other stakeholders• Audit Committee• Finance Committee• Advisory Committee on Volunteers (ACV)
Actual Motion Review	In 2017, research was conducted to review the expense reimbursement policies of other organizations including other provincial engineering associations. In addition, feedback was sought from the senior management team, the Chapters office and other stakeholders for improvements to the policy. The expense policy was revised to incorporate some of the practices in other organizations and the feedback received from the various stakeholders identified above.

	<p>The revised draft policy incorporating the proposed changes was reviewed by the Finance Committee at the meeting held on July 24, 2018 and the feedback provided by the committee members was incorporated in the draft.</p> <p>This draft was then reviewed by the ACV (Advisory Committee on Volunteers) on August 9, 2018 and the feedback provided has been incorporated in the policy.</p> <p>The revised draft policy incorporating feedback from the above mentioned and various other stakeholders then was then reviewed and approved by the Audit Committee in a meeting held on November 1, 2018.</p>
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5. Appendices

Appendix A – PEO Expense Reimbursement Policy

APPENDIX A



C-525-2.3
Appendix A
 101-40 Sheppard Ave. W.,
 Toronto, ON M2N 6K9
 T: 416 224-1100 - 800 339-3716
 www.peo.on.ca

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PEO POLICY NUMBER: *Policy numbers will be assigned after Policy and Procedures Manual is completed.*

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Expense Reimbursement Policy	Approval Date: June 9, 2014 <u>Mar 22, 2019</u>
	Approved by: Council (C- 494523-42.3)
	Review Date: June 30, 2016 <u>June 2021</u>

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POLICY STATEMENT	Professional Engineers Ontario (PEO) will reimburse PEO Councillors, PEO volunteers and PEO staff for all reasonable expenses on travel, accommodation, meal and other miscellaneous expenses incurred while conducting PEO business.
PURPOSE	To set out rules and principles for the reimbursement of expenses incurred while conducting PEO business to ensure fair and reasonable practices and to provide a framework of accountability to guide the effective use of PEO resources in the reimbursement of expenses.
APPLICATION AND SCOPE	<p>This policy sets out the rules for managing travel, accommodation, meals and other miscellaneous expenses for:</p> <ul style="list-style-type: none"> all current members of PEO Council; all current members of PEO committees and task forces; all current members of PEO chapter executives except as otherwise specified in Appendix F; all PEO staff; <p>The policy includes the following:</p> <ul style="list-style-type: none"> Appendix A: Travel Expense Reimbursement Appendix B: Accommodation Expense Reimbursement Appendix C: Meals Expense Reimbursement Appendix D: Other/Miscellaneous Expense Reimbursement Appendix E: Expense Claims Appeals Procedures Appendix F: Chapter Specific Policies <p>Payment of expenses is limited to covering out-of-pocket expenses actually incurred<u>incurred</u> and is subject to the limits outlined in this Expense Reimbursement Policy.</p>

	<p>Where the Ontario Government pays expenses for LGA Councillors, PEO will reimburse any incremental difference between the actual expense incurred subject to the limits in the Policy and the Ontario Government reimbursement rates.</p>
<p>DEFINITIONS</p>	<p>The following definitions apply for the purpose of this Expense Reimbursement Policy:</p> <p>Accommodation Expense - refers to hotel expenses incurred only for approved attendance at PEO meetings or events where overnight stays are necessary.</p> <p>Approver - refers to the person with the authority to approve expense claims submitted under this policy (refer to approval authority section).</p> <p>Authorized External Event - refers to any meeting or event not organized or hosted by PEO and for which prior approval for attendance on PEO's behalf has been provided, including but not limited to Engineers Canada meetings or events or those of Engineers Canada's constituent members; PEO approved political provincial fundraisers or other events for which prior approval to attend on PEO's behalf has been given.</p> <p>Chapter Executive - refers to any sitting member of the executive of any of PEO's chapters.</p> <p>Claimant - refers to any person making an expense claim under this policy.</p> <p>Councillor - refers to any elected or appointed current member of PEO Council.</p> <p>Meals - includes restaurant meals required only while travelling to and from or during approved attendance at PEO meetings or events where the meal is not already provided by the event host.</p> <p>PEO Meeting or Event - unless otherwise specified, refers to any event or meeting hosted or organized by PEO, including PEO Council, PEO committees/task forces meetings or PEO training sessions, conferences or workshops.</p> <p>Council, PEO committees/task forces meetings or PEO training sessions, conferences or workshops.</p>

	<p>Travel – refers to direct travel by car, train, bus or airplane to and from the home or work location of a PEO Councillor, PEO volunteer or PEO staff member for approved attendance at a PEO event</p> <p>Volunteer – refers to any volunteer, except for a Councillor who is currently a member of a PEO committee, task force or chapter executive who is duly elected or appointed and who is not an employee of PEO.</p> <p>Volunteer Expense Claim Appeal Subcommittee of the Audit Committee – refers to a sub-committee of the Audit Committee established by the Audit Committee to resolve expense claims appeals by volunteers.</p>
<p>ALLOWABLE EXPENSES</p>	<p>Expenses for attendance at defined PEO meetings or events shall be reimbursed as follows:</p> <p><u>Travel</u>: All reasonable expenses for travel shall be reimbursed in accordance with Appendix A.</p> <p><u>Accommodation</u>: All reasonable expenses for accommodation shall be reimbursed in accordance with Appendix B.</p> <p><u>Meals</u>: All reasonable expenses for meals that are not included in the transportation or provided by the event host shall be reimbursed in accordance with Appendix C.</p> <p><u>Other/Miscellaneous</u>: Other reasonable expenses for goods and services related to attendance at meetings or events shall be reimbursed in accordance with Appendix D.</p> <p><u>Expenses for Authorized External Meetings or Events</u>: Authorization for expenses for attendance at authorized external events must be obtained prior to attending the event.</p> <p>The President and the Registrar or their designated representative may on occasion, incur expenses which exceed prescribed spending limits due to the requirements of their positions and their roles as official representatives of PEO.</p>

<p>APPROVAL AUTHORITY</p>	<p>Approvers must provide approval only for expenses that were incurred in the performance of PEO business and only for claims that include all appropriate information and supporting documentation.</p> <p>Approvers will ensure that all charges/expenses are reasonable and within the guidelines of this policy.</p> <p>Approvers must can not approve their own expenses.</p> <p><u>Event approval:</u> Expenses will be reimbursed for attendance at PEO events provided attendance at such events is in accordance with the Attendance at PEO Meetings and Events Policy. Approval of expenses for attendance at Authorized External Events must be obtained from the appropriate approver (see below) <u>prior to attending the event and is subject to budgetary availability.</u></p> <p>Staff expense reports must be submitted include receipts and the appropriate general ledger number, and must be signed off by the staff person who incurred the expense and approved by the appropriate concerned PEO manager or designate for approval.</p> <p>Volunteer expense report/s must be submitted to the appropriate committee advisor for approval. must include receipts and must be approved by the appropriate committee advisor before submission to Financial Services Department for reimbursement. Claims must include the appropriate general ledger number. Committee advisors will assist volunteers to complete the expense report when necessary. necessary.</p> <p><u>LGA Councillors'</u> expense reports are to be approved by the Chief Administrative Officer (CAO). Expenses in excess of those to which LGA Councillors are entitled under Management Board of Cabinet directives on government appointees or as specifically approved by the Management Board of Cabinet, are to be approved by PEO's Manager - Secretariat or the Chief Administrative Officer CAO.</p> <p><u>Councillor</u> expenses, with the exception of the President's Expenses, shall be approved by the Manager - Secretariat or the Chief Administrative Officer CAO.</p> <p><u>The Registrar's</u> expenses are to be approved by the President.</p> <p><u>The President's</u> expenses are to be approved by the President Elect.</p>
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SUBMISSION OF EXPENSES

Supporting documentation:

- ~~All expense claims must be submitted using the approved PEO expense reimbursement claim form.~~
- All appropriate approvals must be obtained before incurring expenses; if no prior approval was obtained, a written explanation indicating why approval was not obtained prior to incurring the expense must be submitted with the claim;
- All original, itemized receipts must be submitted with all claims (credit card statements are not sufficient). When submitting an expense claim electronically, an electronic copy of receipts in Portable Document Format (PDF) is acceptable. It is recommended that original receipts be kept until reimbursement is received.
- If there is no itemized receipt accompanying an expense claim, a written explanation itemizing the expense along with the reason for the missing receipt/s must be submitted.

Submission Process:

- All expense claims by staff must be submitted using the web-based online travel and expense solution (i.e. Certify).
- ~~Volunteers have the option of submitting expenses via Certify or via the PEO Volunteer Expense claim form. When using this form, ALL volunteer expense claims must be filled out in the standard PEO Volunteer Expense claim form and along with~~ all relevant receipts and supporting documentation be either handed over to the concerned staff advisor or preferably, emailed to volunteerexpenses@peo.on.ca

Limitation Period:

- Expense claims shall be submitted within three (3) months of incurring the expense.
- All expenses incurred after October 15 must be submitted no later than January 15th of the following year to meet year-end deadlines.

An approver is not authorized to process claims for expenses submitted more than three (3) months after the expense was incurred; or, that are submitted after the 15th of January for any expense incurred in the previous year.

Exceptions: Claims for expenses that are submitted after the set deadlines or are exceptions to, or are outside of this policy, are to be submitted for review and final decision as follows:

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	<ul style="list-style-type: none"> • For volunteers <u>(including the President)</u>, claims shall be submitted to the Volunteer Expense Claim Appeal Subcommittee of the Audit Committee at VolunteerExpenseAppeals@peo.on.ca; • <u>For staff</u>, claims shall be submitted to the Registrar. • <u>For the Registrar, claims shall be submitted to the President-elect and Past President.</u>
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NON-REIMBURSABLE EXPENSES	<p>Non-reimbursable expenses include but are not limited to:</p> <ul style="list-style-type: none"> • Clothing and formal wear • Home internet and telephone service • Computer equipment or peripherals • Personal mobile telephone plans • Air travel insurance coverage <u>(except for AGM)</u> • Entertainment expenses • Hotel room mini-bar • Spa charges • Laundry services except as outlined in Appendix D. • In-room movies or games • Telephone, photocopy, paper and ink cartridge charges except as outlined in Appendix D. • Personal items (e.g. toothbrush, cosmetics, medication, mouthwash, etc.) • Personal provisions (e.g. <u>stationery/groceries</u>) • Alcohol <u>(except as outlined in Appendix C)</u> • Parking or traffic infractions • Pet care • Professional Services fees
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APPEAL PROCEDURES	<ul style="list-style-type: none"> • Claims over the maximum allowable limits will be adjusted to the maximum allowable levels unless excepted in the Appendices. • Adjustments that are questioned by the claimant will be referred to the <u>Director of Finance/Controller</u> for verification. • <u>Volunteer claims appeals</u> will be referred to the Volunteer Expense Claim Appeal Subcommittee of the Audit Committee for decision in accordance with Appendix E. • <u>For the Registrar, appeals shall be submitted to the President-elect and Past President for decision.</u> • Staff claims appeals will be referred to the Registrar for decision.
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	<ul style="list-style-type: none"> • Decisions resulting from the appeals process are final. •
	<ul style="list-style-type: none"> • Volunteer claims appeals will be referred to the Volunteer Expense Claim Appeal Subcommittee of the Audit Committee for decision in accordance with Appendix E. • Staff claims appeals will be referred to the Registrar for decision. • Decisions resulting from the appeals process are final.
RELATED PEO POLICIES	The Expense Reimbursement Policy is a component of PEO's Internal Control Policies and Procedures.
RESPONSIBILITY	The PEO Finance Department has responsibility for the administration, implementation and communication of all Internal Control Policies including the Expense Reimbursement Policy. All PEO Volunteers and PEO staff should be aware of the policy.

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Appendix A: Travel Expense Reimbursement

Travel arrangements shall be made well ahead of time, using the most ~~cost effective~~cost-effective mode of transportation.

Air travel

Air travel is permitted if it is the most practical and economical way to travel. Economy (coach) class is the standard option for airline ticket purchase. Travelers are encouraged to book 7- to 14- days in advance to minimize costs. Should an event be rescheduled or cancelled, ticket change or cancellation fees will be covered.

Travel by other than economy class must have the prior approval of the President in the case of the Registrar Councillors or volunteers, or the Registrar in the case of staff, and may be considered only for flights of a duration of more than six consecutive hours.

Train or Bus travel

Travel by train or bus is permitted when it is the most practical and economic way to travel. Economy (coach) class is the standard option for train or bus ticket purchase. Business class will be reimbursed up to the standard rate of economy (coach) class.

Automobile travel

PEO will reimburse expenses incurred through the use of a personal vehicle only by paying the kilometeric rate (see below) in effect at the time of the travel.

When road transportation is the most practical, economical way to travel, the order of preference is:

1. Personal vehicle

- It is the responsibility of the owner/user of the personal vehicle to carry relevant vehicular insurance and to comply with prevailing vehicle related laws.
- PEO will not reimburse any personal vehicle maintenance or repair costs.
- Gas usage for personal vehicles shall not be reimbursed.

2. Rental vehicle:

- A rental vehicle may be justified to travel to and from a PEO event only, and where it is more economical than other travel options.
- Use of Only mid-sized models or smaller are permitted is encouraged.
- Luxury and sports vehicles are prohibited.

Any exceptions to the above should be documented prior to the rental if possible; and guided by the principle that the rental vehicle chosen is the most economical and practical size, taking into account the business purpose, number of occupants and safety (including weather) conditions.

- Rental cars must be refueled before returning [the car to the rental company](#). PEO will reimburse such refueling charges.
- ~~to avoid extra charges. PEO will not reimburse~~ Penalties or extra charges incurred for returning an unrefueled car shall not be reimbursed.
- ~~refueling charges.~~
- All PEO volunteers and staff are covered for bodily injury under PEO's travel accident insurance. The purchase of motor vehicle liability insurance for rental vehicles may be authorized.

Vehicle Accident reporting

All accidents must be reported immediately to local law enforcement authorities and, in the case of staff, to the immediate supervisor. In addition:

In the case of a rental vehicle, advise the rental car agency and contact the motor vehicle liability insurance provider to initiate the claims process.

Kilometric rate

Kilometric rate will be reimbursed at the maximum rate allowable by the Government of Canada, Department of Finance policy as communicated by the Minister of Finance at the beginning of each year and as published by PEO.

PEO does not pay mileage rates for rental vehicles.

Expense claims must be submitted with distances indicated in kilometers.

PEO may, from time to time, request proof of mileage travelled. Printouts from Google Maps, MapQuest or the like are acceptable as proof of mileage. Certify mileage calculator will also be acceptable. Mileage above the norm will require explanation in order to be reimbursed. In the absence of an explanation, PEO will not reimburse mileage claims in excess of the norm.

Parking and Tolls

Reimbursement is provided for necessary and reasonable expenditures on parking, as well as tolls for bridges, ferries, and highways, when necessary.

Parking and toll claims will be reimbursed when accompanied by original receipts. Costs for leasing 407 transponders shall not be reimbursed.

There is no reimbursement for traffic or parking violations or related legal fees.

Taxis

Prior approval to use a taxi should be obtained whenever possible.

Taxis may be justified in cases where:

- group travel by cab is more economical than the total cost of having individuals travel separately by public transit, shuttle or personal vehicle; or
- taking a cab allows for the meeting of an unusually tight meeting schedule.

Taxis may not be used to commute between home and PEO, except under exceptional circumstances; for instance:

- health or safety considerations indicate it is the best, appropriate option; or  transport of work-related baggage or parcels is required.

Public Transit

Local public transportation including hotel/airport shuttles should be used whenever possible.

Appendix B: Accommodation Expense Reimbursement

Hotel Accommodation

PEO will reimburse expenses for hotel accommodations only up to the preferred rate at the hotel designated for the meeting or event. -Whenever possible room bookings at hotels where PEO has preferred rates is required.

Penalties incurred for non-cancellation of guaranteed hotel reservations are the claimant's responsibility and may be reimbursed only in exceptional circumstances.

Appendix C: Meals Expense Reimbursement

Meals

Only meals that are necessitated by travel schedule will be reimbursed. ~~within the following limits: When more than one meal is claimed for in a day, the maximum can be allocated between the all reimbursable meals regardless of what is spent on each meal.~~

~~For meal expenses that are submitted with original itemized receipts, the following daily maximum limits which include taxes and gratuities apply:~~

- Breakfast ~~\$20~~25.00 per person
- Lunch ~~\$30~~35.00 per person
- Dinner ~~\$50~~55.00 per person

~~Limits include taxes and gratuities.~~ Expenses exceeding these limits will not be reimbursed.

~~Cost for alcohol will not be reimbursed as part of any meal expense. However, alcohol may be served at events hosted by PEO such as Council meetings, AGMs, Council retreat, OPEA Gala, etc. OR if it is necessary and desirable for a PEO President or Registrar to host and entertain others in connection with PEO business.~~

~~Costs for alcohol as part of a meal for official PEO business by staff and volunteers will be reimbursed only with prior approval of the Registrar.~~

~~Alcohol will be reimbursed only as part of a meal expense and that falls within the meal limit.~~

~~Original itemized receipts for meals must be submitted for reimbursement. Grocery receipts are not acceptable as a legitimate meal expense.~~

Reimbursement will not be provided for meals consumed at home or when included in the cost of transportation, accommodation, seminars or conferences.

~~Meal expenses that are missing itemized receipts may be reimbursed and will be subject to the following daily maximum limits which include taxes and gratuity:~~

- Breakfast \$10.00 per person
- Lunch \$15.00 per person
- Dinner \$20 per person

En-route meals will only be reimbursed as is necessitated by the travel schedule where an individual resides beyond a 100 km radius from the destination/event.

Meals eaten in lieu of event group meals are not eligible for reimbursement.

Exceptions may be made for reasonable meal expenses incurred for approved attendance at Authorized External Events.

Appendix D: Other/Miscellaneous Expense Reimbursement

Reasonable incidental expenses for goods and services related to attendance at approved meetings or events on behalf of PEO, and which are required in order to conduct PEO business, shall be reimbursed up to a maximum of \$1,000 per year per person.

Incidentals

Itemized receipts are required for all incidentals while travelling on PEO business.

Exceptions to the requirement for itemized receipts are:

TTC/

Bus fare between hotel and airport, train station, etc.

- One long distance call within Canada of reasonable length per day.
- Reasonable gratuities for porter, hotel room services, and taxis. Keep a record of gratuities paid.

The following incidentals will be covered with itemized receipts in the following circumstances:

- If traveling on business for four consecutive nights or more, reimbursement is allowed within reasonable limits for laundry, dry cleaning, and other hotel services such as pressing, steaming, and shoe polishing.
- Internet connections, hotel business center access charges, computer access charges, facsimile transmissions, word processing or photocopy services required to conduct urgent PEO business that cannot wait.

Child care or care giver expenses

Child care or care giver expenses for volunteers participating on committees shall be reimbursed up to a limit of \$1500 per annum.

Entertainment

In the event that it is necessary and desirable for a PEO President or Registrar to host and entertain others in connection with PEO business, PEO will reimburse expenses directly

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incurred, provided all items are appropriately claimed with an accompanying itemized receipt and the expenses are made with reasonable discretion.

In all instances of hosting, it must be clearly indicated on the expenses claim the names and affiliations of the individuals hosted and the purpose of the hosting activity. ~~Prior approval for such meetings or events must be approved by the President for the Registrar and by the President Elect for the President.~~

Partner Expenses

Where partners have been invited by the PEO President or Registrar to attend a PEO meeting or event or authorized external event, PEO will pay reasonable travel and other expenses, in accordance with this policy, for partners of Councillors, volunteers and staff, and invited guests of the President or of the Registrar.

In-hotel child care services will be reimbursed for events where partners have been invited excluding the AGM events and Chapter Leaders Conference.

PEO will not reimburse travel, meal or accommodation expenses for any additional guests.

Appendix E: Expense Claim Appeals Procedures

- Any volunteer denied a claim for reimbursement for expenses, may ~~make a email~~ written a submission to the Volunteer Expense Claim Appeal Subcommittee of the Audit Committee at volunteerexpenseappeals@peo.on.ca within 20 days of the notification of denial of the claim, outlining the grounds for appeal. A copy of the denied expense report must be attached.

The Volunteer Expense Claim Appeal Subcommittee of the Audit Committee will review the appeal and provide a written decision. All subcommittee decisions are final and binding.

- Staff expense claims that are denied may be submitted to the Registrar for decision.

The Registrar will review the expense claim and provide a decision within ~~30-5~~ -7 days of receiving the appeal. The decision of the Registrar is final and binding.

- The Registrar's claims that are denied may be submitted to the President-elect and Past President for decision.
- The foregoing shall not prevent a partial payment upon request for items that are in compliance with the policy.

Appendix F: Chapter Specific Policies

Definitions:

Chapter and Chapter related meetings – this includes Regional Congresses, RCC meetings and any working group meeting as authorized by RCC.

Partner/Spouse – refers to any person accompanying the delegate other than another Chapter delegate, unless they are living at the same address.

Approval Authority:

Chapter Volunteer Expenses that are to be reimbursed by PEO (rather than the Chapter) are to be approved by the Chief Administrative Officer or Chapter Manager or their designate.

REGIONAL COUNCILLORS

Regional Councillor's expenses for travel to/meals/attendance at events hosted by Regional Councillor's home chapters will not be reimbursed if travelling less than 30 km one way.

Air, train or bus travel

Air, train or bus travel expenses for a partner/guest travelling with a delegate to a chapter or chapter related event including RCC meetings shall be reimbursed up to a maximum of twice a year for each chapter.

Kilometric rate will be reimbursed for a partner/spouse that must travel separately from the delegate on PEO Business once per year.

Hotel Accommodation

Regional Congress delegates hotel accommodations policy

- ~~• Hotel room blocks for Regional Congresses are centrally handled by the Chapter Office for best rates.~~
- It is important that all delegates inform the Chapter Office Administrative Assistant if accommodation is NOT required to avoid no show penalties.
- East Central and West Central Regional Congresses are usually held locally where local delegates can travel to the meeting location, meet, and go home on the same day. Prior approval should be obtained from the Chapter Office in special circumstances where overnight accommodation is required.
- For Eastern, Western and Northern Regional Congresses, hotel accommodations for out-of-town congress delegates will be provided for one night.

- Hotel accommodation is not provided for delegates from the local hosting chapter unless approved by the Chapter Office.
- Second night accommodation is not offered as it is assumed that all delegates leave after the congress. Additional night of accommodation may be provided by PEO in special cases and with prior approval from the Chapter Office.

Meal Expenses

Partner expenses of en-route meals that are necessitated by separate travel, partner/spouse group meals and meals in lieu of non-group meals are not reimbursable.

Where partners are authorized to attend an event within the scope of this policy, all meal expenses are subject to the same limitations as registered delegates.

Partner Expenses

For Regional Congresses and RCC meetings, it is customary for spouse/partner to accompany the delegate, volunteer or staff. Spouse/partner travel by air or train is restricted to once per year per delegate per chapter (as per above) for RCC meetings.

Briefing Note – By-Law Change Decision

C-525-2.4

BY-LAW NO. 1 CHANGES – 2019 FEE INCREASES

Purpose: To approve changes to PEO fees in By-Law No.1, in accordance with prior Council decisions on November 16, 2018 and February 8, 2019 to catch up with inflation since 2008.

Motion(s) to consider: (requires a 2/3 majority of votes cast to carry)

1. That Council includes in By-Law No. 1 fees currently collected for requesting remarking of examinations and for examinations held outside of Canada.

2. That article 39 of By-Law No. 1 be repealed and replaced with Appendix A. It is understood that, under the wording of article 39(1), the fees in place as of March 21, 2019 will continue to be payable until May 1, 2019.

[Section 8(2) of the Professional Engineers Act, By-Law No. 1 - Article 39]

Prepared by: Jordan Max, Manager, Policy, Tribunals & Regulatory Affairs Department

Moved by: Gary Houghton, P.Eng., Chair, Legislation Committee

1. Need for PEO Action

- At the November 2018 Council meeting, Council reduced its projected operating budget deficit in part by increasing application and examinations fee by 20%. At the February 8, 2019 Council meeting, Council repealed section 59 of By-Law No. 1, which had been determined to be invalid, and approved a complementary increase to all other fees in By-Law No. 1., without requiring Council to seek member confirmation. The projected increase in revenues in 2019 is \$1.5M. This is a one-time increase to catch up with inflation since 2008, the last time the P.Eng. licence fee was increased. Legal counsel has now drafted the relevant changes to Article 39 of By-Law No. 1. for Council's approval, effective May 1, 2019, which need to be passed before that date.

2. Proposed Action / Recommendation

- As per Council's expressed policy intent at the November 2018 and February 2019 Council meetings, all PEO fees related to all types of licenses, examinations, certificate of authorization, consulting engineer designation, reinstatement, fee remission, and seals will be increased by 20% to the nearest \$5, effective May 1, 2019.
- In addition, two current fees that are not listed in By-Law No. 1 are now being included with a 20% increase: Requesting a re-marking of an Exam (\$330), and Requesting an examination outside of Canada (\$180).
- To meet the May 1st deadline to maximize 2019 revenue, this by-law package excludes for the time being two new fees approved by Council in November 2018; interviews to waive technical examinations, and the Credit Card Convenience fee.

- As Council also expressed at its February 8, 2019 meeting, once these by-law changes are passed by Council, they are effective immediately, without member confirmation required.

3. Next Steps (if motion approved)

- Staff will prepare for implementation of the fee increases through information technology, fees payment, and communications, in time for the May 1, 2019 P.Eng. licence renewal cycle.

4. Policy or Program contribution to the Strategic Plan

- This initiative will provide the financial capacity to fulfill the 2018-2020 Strategic Plan “Protecting the Public Interest” Focus Area: “PEO will focus its resources on regulatory functions that help protect the public interest. We will strive for excellence by rigorously and objectively reviewing the effectiveness and efficiency of all our regulatory instruments and operations in the public interest.”

5. Financial Impact on PEO Budgets (for five years)

	Operating	Capital	Explanation
Current to Year End	\$1.5M	\$0	Incremental P.Eng. revenue with CPI (range determined by implementation timing during 2019)
2 nd	\$1.75M	\$0	Incremental revenue based on P.Eng. licence forecast with 1.5% CPI and completed first year’s cycle
3 rd	\$258K	\$0	Incremental revenue based on P.Eng. licence forecast with 1.5% CPI
4 th	\$261K	\$0	Incremental revenue based on P.Eng. licence forecast with 1.5% CPI
5 th	\$265K	\$0	Incremental revenue based on P.Eng. licence forecast with 1.5% CPI

6. Peer Review & Process Followed

Process Followed	<ul style="list-style-type: none"> • Previous history on this proposal can be found in the February 8, 2019 Council meeting briefing note C-524-4.1 • At the February 8, 2019 Council meeting, Council passed the following motions: <ol style="list-style-type: none"> 1. That Council repeals section 59 of By-Law No. 1; this amendment is effective immediately when passed without confirmation by the members. 2. That Council approves the policy intent to equally increase all PEO fees in By-Law No. 1 to catch up with inflation since 2004 that were not increased by Council at its November 16, 2018 meeting, as listed in Appendix B, using section 8(2) of the Act and effective immediately; • Accordingly, legal counsel was instructed to draft amendments to By-Law No. 1, as attached at Appendix A
Council Identified Review	<ul style="list-style-type: none"> • Council has not directed any review.
Actual Motion Review	<ul style="list-style-type: none"> • The motion, along with the By-Law changes and this briefing note, was reviewed and approved by the Legislation Committee at its March 8, 2019 meeting

7. Appendices

- Appendix A – Proposed By-Law No. 1 Changes-Fee Increases

BY-LAW NO. 1 AMENDMENTS

Fees General (Amended March 22, 2019)

39. (1) As of May 1, 2019, unless otherwise stated, fees including applicable taxes shall be paid on the date specified by the Council. Between March 22, 2019 and May 1, 2019, the fees payable shall remain as set out in this by-law as it read on March 21, 2019.

Licence Fees

(2) An applicant for a licence shall pay an application fee of \$360.

(3) A person whose application for a licence has been accepted shall pay a registration fee of \$300.

(4) Subject to Section 39(5), a holder of a licence shall pay an annual fee of \$265 payable upon registration and on or before each anniversary of registration.

(5) Every Member who has been a President of the association shall be designated as a "Life Member" and is exempt from the requirement to pay the annual fee referred to in Section 39(4). (Amended as of June 22, 2018)

Limited Licence Fees

(6) An applicant for a limited licence shall pay an application fee of \$360.

(7) A person whose application for a limited licence has been accepted shall pay a registration fee of \$300.

(8) A holder of a limited licence shall pay an annual fee of \$265 payable upon registration and on or before each anniversary of registration. However, a former holder of the engineering technology class of limited licence class is not required to pay an additional fee for reissuing the engineering technology class of limited licence.

Provisional Licence Fees

(9) An applicant for a licence who is issued a provisional licence shall pay a registration fee of \$300.

Temporary Licence Fees

(10) An applicant for a temporary licence shall pay an application fee of \$780.

Engineering Intern Fees

(11) An applicant for a licence shall pay a fee of \$90 upon becoming an engineering intern and shall pay an annual fee of \$90 on or before each anniversary of becoming an engineering intern.

Reinstatement Fees

(12) A member who resigned from the association shall pay the following fees before their licence may be reinstated:

- a. a reinstatement fee of \$280;
- b. the fees owing by the person to the association at the time the member resigned, if any; and
- c. the fees payable for the current year and, if at the time of resignation the member's annual fee was reduced in accordance with Section 39(14) (Fee Remission), the member shall pay a reduced annual fee of \$70.

(13) A person whose licence or limited licence was cancelled for non-payment of fees shall pay the following fees before their licence or limited licence may be reinstated:

- a. the fees owing by the person to the association at the time the licence or limited licence was cancelled;
- b. the annual fee payable for the current year and, if at the time of cancellation the person's annual fee was reduced in accordance with Section 39(14) (Fee Remission), the person shall pay a reduced annual fee of \$70; and
- c. subject to Section d, a reinstatement fee of,
 - i. \$60, if the payments referred to in paragraphs (a) and (b) are made in full within 90 days after the cancellation,
 - ii. \$280, if the payments referred to in paragraphs (a) and (b) are made in full more than 90 days and within two years after the cancellation, and
 - iii. \$555, if the payments referred to in paragraphs (a) and (b) are made in full more than two years after the cancellation;
- d. If the person's fees were reduced in accordance with Section 39(14) (Fee Remission) at the time the licence or limited licence was cancelled, the reinstatement fee referred to in paragraph (c) is as follows:
 - i. \$60, if the payments referred to in paragraphs (a) and (b) are made in full within two years after the cancellation, and
 - ii. \$555, if the payments referred to in paragraphs (a) and (b) are made in full more than two years after the cancellation.

Fee Remission

(14) The Registrar shall reduce part of the annual fee, to the amount set out in Section 39(15) of a holder of a licence or a limited licence who meets the conditions of Section 41.1 of Regulation 941

(15) The reduced annual fee referred to in Section 39(14) is \$70 for licence holders and limited licence holders.

(16) If a person no longer meets the requirements of Section 41.1 of Regulation 941, the person shall immediately pay the following fees:

- a. any fees owed to the association;
- b. the difference, if any, between the amount required to be paid by the licence or limited licence holder as an annual fee for the current year and the amount required to be paid as an annual fee for a person who pays a reduced fee in accordance with Section 39(15) for that year; and
- c. a fee of \$60.

Consulting Engineer Fees

(17) A person who applies for designation or re-designation as a consulting engineer shall pay an application fee of \$265.

(18) A person who applies for permission to use the term "consulting engineers" shall pay an application fee of \$55.

(19) A consulting engineer shall pay a registration fee of \$265 for each five year period of designation.

Certificate of Authorization Fee

(20) A person who applies for a certificate of authorization shall pay an application fee of \$400.

(21) A holder of a certificate of authorization shall pay:

- a. an annual fee of \$400 payable upon acceptance of the application and on or before each anniversary of the acceptance; and
- b. for each replaced certificate of authorization, a fee of \$60.

Examination Fees

(22) A person shall pay the following fees in relation to examinations, which are non-refundable except for the fee set out in Section e.:

- a. For each writing of the Professional Practice Examination, \$200;
- b. To write the first Technical Examination, \$700;
- c. To write any subsequent Technical Examination, \$200;

- d. Upon submission of a thesis, \$360;
- e. For each writing of an examination required in support of an application for designation as a consulting engineer, \$200;
- f. An additional fee to write any examination outside of Canada, \$180; and
- g. To request remarking of any examination, \$330.

Seal Fees, Replacement

(23) A person shall pay the following fees for the issuance of a seal:

- a. \$30 for a rubber seal; and
- b. \$85 for a metal seal.

Briefing Note – Decision

C-525-2.5

EQUITY & DIVERSITY COMMITTEE - CHAPTER EQUITY & DIVERSITY AWARD

Purpose: To approve the Proposal to introduce the Chapter Equity & Diversity Award.

Motion(s) to consider: (requires a simple majority of votes cast to carry)

That Council approve the Proposal to introduce Chapter Equity & Diversity Award as presented to the meeting at C-525-2.5, Appendices A, B, C, D.

Prepared by: Rob Dmochewicz, MPR, Recognition Coordinator

Moved by: Ramesh Subramanian, EDC Council Liaison

1. Need for PEO Action

The mandate of the Equity and Diversity Committee (EDC) is to recommend an action plan to integrate equity and diversity values and principles into the general policy and business operations of PEO. To recognize significant equity and diversity contributions to the membership of the chapter and/or the engineering community in their region, EDC recommends to introduce a Chapter Equity & Diversity Award. After an extensive peer review, EDC submits the final version of the proposal, for Council consideration and approval.

2. Proposed Action / Recommendation

That Council approve the Proposal to introduce Chapter Equity & Diversity Award.

3. Next Steps (if motion approved)

If approved by Council, the Award will be communicated to Chapters.

4. Policy or Program contribution to the Strategic Plan

The proposed Award is related to the following 2018-2020 Strategic Plan Objectives: #3 – Enhance PEO’s public image, #7 – Redefine the volunteer leadership frame-work, and #9 – Enhance corporate culture.

5. Financial Impact on PEO Budgets (for five years)

There is no direct financial impact on PEO budget. The Chapter E&D Award will be sponsored by and administered by the Chapter Executive. The award shall consist of a certificate to be presented to the winner(s) by the Chapter Executive during the Chapter AGM.

	Operating	Capital	Explanation
Current to Year End	\$	\$	Funded from Surplus Fund (Council discretionary funds)
2 nd	\$	\$	
3 rd	\$	\$	
4 th	\$	\$	
5 th	\$	\$	

If program is not designated as ending in less than five years (such as creating a Task Force), subsequent years will be assumed to be similar to the fifth year of funding.

6. Peer Review & Process Followed

<p>Process Followed</p>	<p>Outline the Policy Development Process followed.</p> <ul style="list-style-type: none"> • The Proposal to introduce Chapter E&D Award was submitted to RCC, for their meeting in November 2016. • RCC has requested the PEO Awards Committee (AWC) to peer review the proposal. • In September 2017, the AWC agreed that the proposal is a good initiative and some of their comments included: <ul style="list-style-type: none"> - The proposed award would be chapter-driven, administered and monitored by Chapter Awards Committee (and not AWC); - Evaluation criteria should be developed to ensure that the award selection process is consistent amongst all chapters; and - Developing a nomination form was suggested. • In July 2018, Scott Clark, Chief Administrative Officer, reviewed and accepted the updated proposal (including feedback from AWC). • In July 2018, RCC motioned that the information on the Chapter E&D Award will be distributed to Chapters and discussed at the September congresses. A summary of collected feedback will be given to the Equity and Diversity Committee for consideration. Moved by T. Chong and seconded by L. MacCumber; motion carried. • In September 2018, the proposal was presented and discussed at the Chapter Regional Congresses. EDC received a compiled feedback and questions (Appendix D). • EDC discussed all questions and suggestions received from the Chapter Regional Congresses. The final version of the proposal is presented in Appendices A, B, C.
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7. Appendices

- Appendix A – Chapter E&D Award – Nomination Procedures & Criteria
- Appendix B – Chapter E&D Award – Nomination Form
- Appendix C – Chapter E&D Award – Selection Criteria
- Appendix D – Chapter E&D Award – Feedback from the Chapter Regional Congresses
- Appendix E – Chapter E&D Award – Equity and Diversity Committee Terms of Reference

Ontario Professional Engineers Chapter Equity and Diversity Award

NOMINATION PROCEDURES

1. Purpose of the Award

- 1.1. The purpose of this award is to recognize an individual's equity and diversity contributions at the Chapter level. It is given for significant contributions to the membership of the Chapter and/or the engineering community in their region, that promote equity and diversity.

2. Format of the Award

- 2.1. The award shall consist of a certificate to be presented to the winner(s) by the Chapter Executive during the Chapter AGM.

3. Eligibility

- 3.1. Chapter members who are not part of the Selection Committee; and have been active members of the Chapter for the previous two years are eligible to receive this award. More than one awardee may be chosen in a given year but the award need not be given if no suitable nominations are received. The same person shall not receive the award in two consecutive years.

4. Administration

- 4.1. The Chapter Equity and Diversity Award is sponsored by and administered by the Chapter Executive.

5. Nominations

- 5.1. Nominations shall be solicited electronically via Chapter email or by mail.
- 5.2. Nominations can be made to any Chapter by any PEO member but are to be associated with the nominee's activities in that Chapter.
- 5.3. Nominations shall be submitted annually to the Chapter Awards Committee by a process and date to be chosen by the Chapter. They should address the quality and quantity of the nominee's service to the Chapter, with supporting documentation, when possible.
- 5.4. Each nomination for the Chapter Equity and Diversity Award shall consist of:
 - (a) The completed Chapter Equity and Diversity Award Nomination Form;
 - (b) At least two letters of support, from each nominator; and
 - (c) Supporting documents (optional) such as newspaper or journal clippings, newsletters, photographs, etc.

6. Selection Committee

- 6.1. The Chapter Awards Committee or Chapter Executive shall form a Selection Committee for this award.

7. Selection of the Awardee

- 7.1. The nominee's activities that shall be considered for this award include:
- (a) Promoting or supporting equity and diversity within the Chapter (e.g., organizing an event which would promote or influence the creation of a diverse and inclusive environment that increases diverse professional engineers' participation in the profession – a discussion or case study or others, or promoting PEO's Equity and Diversity Module completion);
 - (b) Promoting equity, diversity and inclusion in the recruitment of Chapter's committee members;
 - (c) Promoting or supporting equity and diversity within the profession through involvement in the engineering community (e.g. work on the diversity at the workplace or profession or community at large).
- 7.2. The Selection Committee shall make its decision based upon the documentation submitted. Each member of the Committee shall have one vote.
- 7.3. If there are no appropriate candidates, the award need not be given in a particular year.
- 7.4. The Selection Committee Chair shall communicate the Committee's decision to the Chapter Chair and the Chair of the Chapter Awards Committee. The Chair of the Chapter Awards Committee notifies the recipient(s).

8. Presentation of the Award

- 8.1. The award shall be presented to the winner(s) by the Chapter Awards Committee during the Chapter's AGM. This will serve to promote the award to the largest audience possible.

9. Publicity

- 9.1. The award shall be publicized through the Chapter and PEO's Equity and Diversity Committee will prepare the communication for publication on the PEO websites and in Engineering Dimensions.

10. Deadlines (to be established by Chapters)

- 10.1. Solicit nominations by ##-##.
- 10.2. Nominations are due by ##-##.
- 10.3. Jurors shall submit their evaluation by ##-##.
- 10.4. Awardee selected by ##-## *[some time before the Chapter AGM]*.

NOMINATION CRITERIA

1. Nominee must be an actively contributing Chapter member for a minimum of two years.
2. To be eligible, a nominee must be either a P.Eng. or EIT, in good standing with PEO.
3. The same person cannot be awarded in two consecutive years.
4. Amongst other involvement in the life of the Chapter, the nominee must demonstrate an activity /ies in one of the following areas:
 - (a) Promoting or supporting equity and diversity within the Chapter (e.g., organizing an event which would promote or influence the creation of a diverse and inclusive environment that increases diverse professional engineers' participation in the profession – a discussion or case study or others, or promoting PEO's Equity and Diversity Module completion)
 - (b) Promoting equity, diversity and inclusion in the recruitment of Chapter's committee members
 - (c) Promoting or supporting equity and diversity within the profession through involvement in the engineering community (e.g., work on the diversity at the workplace or profession or community at large).
5. Nomination must be supported by at least two Chapter members or at least one Chapter member and one member of the community at large. It must include the description of nominee's Chapter activities and his/ her contribution to the equity and diversity goals in the engineering profession.

Ontario Professional Engineers Chapter Equity and Diversity Award

NOMINATION FORM

The purpose of this award is to recognize an individual’s contributions to the promotion or support of equity and diversity within their Chapter, or in the professional community at large.

Please attach one completed Nomination Form or photocopy to your nomination materials. Please print or type on Nomination Form (except for signature requirements). Nominations are considered to be made by the actual signers, even if representing a group of members. The first signed nominator will be considered the sponsor and will be the contact with the Chapter Executive or Chapter Awards Committee (where applicable).

Nominee’s Personal Information

Name (in full)	P.Eng. <input type="checkbox"/> EIT <input type="checkbox"/>
PEO Licence Number	
PEO Chapter	
Years Active in Chapter	
Contact Information (e-mail and/or address)	

Nomination

We, the undersigned, hereby nominate _____
for a Chapter Equity and Diversity Award.

We confirm that our nominee is an EIT or a member of Professional Engineers Ontario (PEO) in good standing, and we testify to the nominee’s contributions towards promoting equity and diversity within their PEO Chapter, or within the engineering community at large. We, the undersigned, have read and

understand the selection criteria for this award, and have read and do verify all supporting documents attached to this nomination.

Nominators

1. Name (in full)	P.Eng. <input type="checkbox"/> EIT <input type="checkbox"/>
PEO Licence Number	
Contact Information (e-mail and/or address)	
Date	
Signature	

2. Name (in full)	P.Eng. <input type="checkbox"/> EIT <input type="checkbox"/>
PEO Licence Number	
Contact Information (e-mail and/or address)	
Date	
Signature	

3. Name (in full)	P.Eng. <input type="checkbox"/> EIT <input type="checkbox"/>
PEO Licence Number	
Contact Information (e-mail and/or address)	

Date	
Signature	

Nominee's Contributions

Please describe your Nominee's significant contributions promoting equity and diversity

Attachments

Nomination Package should include:

- Completed and signed Nomination Form (at least two nominators)
- At least two letters of support (one from each nominator)
- Supporting documents (optional)

Ontario Professional Engineers Chapter Equity and Diversity Award

SELECTION CRITERIA

- **Eligibility**
An active Chapter member for a minimum of two years and must be either a P.Eng. or EIT
Yes / No

- **Achievements** (described in a Nomination Form)
Nominee must be involved in activities in one of the following areas:
 - (a) Promoting or supporting equity and diversity within the Chapter (e.g., organizing an event which would promote or influence the creation of a diverse and inclusive environment that increases diverse professional engineers' participation in the profession – a discussion or case study or others, or promoting PEO's Equity and Diversity Module completion)
 - (b) Promoting equity, diversity and inclusion in the recruitment of Chapter's committee members
 - (c) Promoting or supporting equity and diversity within the profession through involvement in the engineering community (e.g., work on the diversity at the workplace or profession or community at large).**70 points**

- **Supporting Letters and Documents**
Completeness and diversity of references (i.e., the Chapter members, co-workers, community)
30 points

Ontario Professional Engineers Chapter Equity and Diversity Award

FEEDBACK FROM CHAPTER REGIONAL CONGRESSES – SEPTEMBER 2018

The Proposal for Chapter E&D Award was presented and discussed at the September round of the Chapter Regional Congresses. The compiled feedback and questions that came out of this process include:

Questions

1. What is the criteria for nominator eligibility?
2. Would the committee consider adjusting candidate eligibility to include non-members? (i.e. the spouse of a member who is a dedicated volunteer).
3. Current eligibility states candidate cannot be part of a chapter's "executive". Some chapters use "executive" to refer to just the 5 officers, instead of the entire Board. So just to clarify, no board members are eligible for this award, is that right? (See Feedback #1).

Feedback

1. Board members should be eligible, provided they aren't on the awards-decision-making committee. In particular, the Northern region felt this requirement put them at a disadvantage because they rarely have active volunteers who aren't on the Board.
2. The majority of chapters feel the required number of volunteer service years (3) is an appropriate number (the minority said it should be lower).
3. The nomination requirements are not clear.
4. Three support letters is too much. One or two letters (perhaps from the Chair) would be more reasonable.

After discussion, the Equity & Diversity Committee agreed for the following amendments to the Proposal:

- Nominations can be made to any chapter, by any PEO member;
- Chapter Executives can be nominated as long as they are not members of the Chapter Awards Committee that selects the awardees;
- The number of nominators was reduced to two Chapter members or at least one Chapter member and one member of the community at large;
- Accordingly, the minimum number of supporting letters was reduced to two;
- The scoring system (selection criteria) was updated to include a maximum of 70 points for nominee's achievements and a maximum of 30 points for supporting letters and documents.

Terms of Reference

Equity and Diversity Committee (EDC)

Issue Date: October 10, 2007

Review Date: March 29, 2017

Approved by:

Review by:

<p>Legislated and other Mandate approved by Council</p>	<p>Recommend action plan to integrate equity and diversity values and principles into the general policy and business operations of PEO.</p> <p>[DATE APPROVED BY COUNCIL – February 27, 2004]</p>
<p>Key Duties and Responsibilities</p>	<ol style="list-style-type: none"> 1. Develop an Equity and Diversity policy. 2. Recommend mechanisms to ensure: <ol style="list-style-type: none"> a) there are no groups excluded from the structural life of PEO and communicate PEO's clear commitment to the values and principles of equity and diversity. b) that regulatory procedures for licensing, complaints, discipline and enforcement, and all PEO meetings and communications with members and the public, reflect the values set out in PEO's Equity and Diversity policy. c) there is equity and diversity training for committee members, PEO staff, Councillors, Chapter executives and other volunteers. 3. Recommend mechanisms to monitor compliance and effectiveness of the PEO's Equity and Diversity policy 4. Through PEO publications and materials, inform engineers in the diverse groups about services available and their rights and obligations, and inform engineers about the contributions of the diverse groups to the building of the profession. 5. Be a catalyst for new initiatives that will help develop an understanding of and commitment to equity and diversity. 6. Provide a forum for the diverse groups to raise concerns 7. Encourage members of the diverse groups to consider engineering as a career profession. 8. Prepare an annual report on <i>PEO's Equity and Diversity Initiatives</i>.
<p>Constituency, Number & Qualifications of Committee/Task Force Members</p>	<p>There shall be no more than 9 members, reflecting the diversity and demographics of the profession, but having a balance so that the views of the diverse groups and the membership at large are adequately represented. Representation of minority and under-represented groups will draw upon the fullest possible range of skills and support from members and staff to meet the needs of a diverse group of stakeholders.</p>
<p>Qualifications and election of the Chair</p>	<p>The Chair is elected by majority vote of the Committee. The candidate for the Chair shall have been a member of the Committee for a minimum of two years. Elections shall be held at last meeting of the year or at the first meeting after Council approves the slate of committee members for the next year.</p> <p>Candidates for Chair shall be nominated by members of the Committee at the meeting before the last meeting of the year.</p>

Qualifications and election of the Vice Chair(s)	The Vice Chair is elected by majority vote of the Committee.
Duties of Vice Chair(s)	Other than chairing meetings in the absence of the chair there are no specific duties for the Vice Chair.
Term Limits for Committee Chair and Vice Chair	The Chair and Vice Chair are elected annually for a one-year term, from January to December. The Chair and Vice Chair may be re-elected to their positions to serve a maximum of three (3) consecutive years. To ensure continuity, it is desirable that the Vice Chair moves to the Chair's position, once the Chair's term of service is expired. Once the Chair and/or Vice Chair have served for the maximum term for their respective positions, they are not eligible for reappointment to those positions. The Chair, once having served as Chair, may only serve as a general committee member thereafter to the maximum ten (10) years of cumulative committee service.
Term Limits for Committee Members	Committee members are appointed for a one-year term, from January to December. Committee members may be re-appointed, but shall retire from the committee for at least six (6) years after ten (10) years of cumulative committee service.
Succession Planning	Note: All committees must have a succession plan, approved by Council, to ensure the orderly transition of the position of chair and vice chair as well as provide for the renewal of the committee's membership and on-boarding of new committee members.
Quorum	In accordance with Wainberg's Society meetings, quorum is 50 percent + one of the committee membership, including the Chair.
Meeting Frequency & Time Commitment	The committee normally meets up to six (6) times during the year. Members are expected to attend at least four (4) of these meetings. Some sub-committee work is expected outside of formal committee meetings to prepare and review committee-related documents.
Operational year time frame	Calendar year (January to December)
Committee Advisor	Fern Gonçalves, Director, People Development

Briefing Note – Decision

ENGINEERS CANADA FUNDING TASK FORCE REPORT FOR CONSULTATION – FUNDING RECOMMENDATIONS

Purpose: PEO Council endorse one of the two Funding Recommendations contained in the *Funding Task Force Report for Consultation* report.

Motion to consider: (requires a simple majority of votes cast to carry)

That Council endorse Funding Recommendation 1 (Status Quo) where the TD affinity program revenue distribution and the annual assessment remain unchanged.

OR

That Council endorse Funding Recommendation 2 which includes increased assessment fees with a redistribution of excess unrestricted reserves.

Prepared by: Ralph Martin, Manager Secretariat

Moved by: President-elect Hill, P.Eng.

1. Need for PEO Action

At the January 12, 2018 meeting of the Engineers Canada Board, a motion was passed creating the Funding Task Force (FTF). The motion stated;

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 current and alternative models on the engineering regulators and Engineers Canada. The task force will be lead 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 analysis of the impacts of the current and alternative models, and a recommended funding model by December 3, 2018. Carried.

The Funding Task Force report presented two funding models.

Recommendation 1: Status Quo, proposed that the TD affinity program revenue distribution and the annual assessment fee remain unchanged.

Recommendation 2: proposed increased assessment fees with a redistribution of excess unrestricted reserves. Under this option, the assessment fee will be increased by 2% annually starting in 2022. The TD affinity revenue will continue to be shared 51/49. Any excess funds above a predetermined balance in Engineers Canada unrestricted reserves will be distributed back to eligible regulators in accordance with the terms of the TD affinity agreement and based on the same proportions used for the distribution of the 51% initially distributed to eligible regulators.

2. Proposed Action / Recommendation

That Council endorse one of the two recommendations presented by the Funding Task Force (FTF)

3. Next Steps (if motion approved)

Provide Engineers Canada with the response from PEO Council to their consultation.

4. Policy or Program contribution to the Strategic Plan

Council endorsing one of the recommendations from the *Funding Task Force Consultation Report* is related to Objective 9 in the 2018-2020 Strategic Plan.

5. Financial Impact on PEO Budgets (for five years)

	Operating	Capital	Explanation
Current to Year End	\$0	\$0	
2 nd	\$0	\$0	
3 rd	\$0	\$0	
4 th	\$0	\$0	
5 th (2023)	\$23K incremental	\$	Increase in assessment fee payable to Engineers Canada if Option 2 is accepted

6. Peer Review & Process Followed

Process Followed	The <i>Funding Task Force Report for Consultation</i> was presented to PEO Council at the March 21-22 meeting in order for PEO to provide feedback to Engineers Canada on the two recommendations contained in the report.
Council Identified Review	N/A
Actual Motion Review	N/A

Briefing Note – Decision

C-525-2.7

APPOINTMENT OF PEO DIRECTORS TO ENGINEERS CANADA BOARD

Purpose: To appoint two PEO representatives to serve on the Board of Directors of Engineers Canada in accordance with Council's procedures.

Motion(s) to approve: (requires a simple majority of votes cast to carry)

That _____, P.Eng. and _____, P.Eng. be appointed as PEO Directors to the Engineers Canada Board of Directors, for a three-year term effective as of the 2019 Engineers Canada Annual General Meeting.

Prepared by: Ralph Martin, Manager, Secretariat

Moved by: Bob Dony, P.Eng.

1. Need for PEO Action

The term of the following PEO Director appointed to the Engineers Canada Board of Directors expires at its 2019 Engineers Canada Annual General Meeting on May 25, 2019 when the new Board of Directors will be sworn in:

Engineers Canada Director	Term Start ¹	Term End
David Brown, P.Eng	May 2016	May 2019
Rakesh Shreewastav, P.Eng.	June 2013	May 2019

¹ Engineers Canada appointments become effective at its Annual General Meeting, which is typically held in May each year

Therefore, Council is being asked to appoint two PEO representatives to the Board of Directors of Engineers Canada. The names of members who expressed their interest in serving as a PEO Engineers Canada Director are detailed in Appendix A.

2. Proposed Action / Recommendation

It is recommended that Council elect two PEO representatives to the Engineers Canada Board of Directors for a three-year term to replace the Directors whose terms are expiring.

3. Next Steps (if motion approved)

Engineers Canada would be advised of PEO's approved appointees.

4. Policy or Program contribution to the Strategic Plan

The election of a PEO representative to the Engineers Canada Board of Directors is related to Objective 7 in the 2018-2020 Strategic Plan

5. Financial Impact on PEO Budgets (for five years)

	Operating	Capital	Explanation
Current to Year End	\$0	\$0	Funded from Surplus Fund (Council discretionary funds)
2 nd	\$0	\$0	

3 rd	\$0	\$0	
4 th	\$0	\$0	
5 th	\$0	\$0	

6. Peer Review Process Followed

No peer review was required.

In accordance with the appointment process approved by PEO Council in November 2016, a memorandum was emailed to all eligible candidates, along with the terms of reference and expectations for directors, requesting members to submit their names by March 1, 2019.

7. Appendices

- Appendix A – Nominees for Appointment to Engineers Canada Board of Directors
- Appendix B – Terms of Reference, Expectations and Appointment Process for PEO Directors on Engineers Canada Board of Directors

Nominees for Appointment to Engineers Canada Board of Directors

PEO's Process to Appoint an Engineers Canada Director, which was approved by Council on November 18, 2016, is detailed on pages 6 and 7 of Appendix B – *Terms of Reference, Expectations and Appointment Process for PEO Directors on Engineers Canada Board of Directors*.

The eligibility criteria requires that:

- A nominee must be a current Councillor, recent past Councillor (no more than 2 years since last on Council), or a current Engineers Canada Director; and
- Nominees must also be PEO and OSPE members.

The following is a list of nominees who have expressed interest in serving on the Engineers Canada Board as of March 1, 2019. All seven nominees are confirmed as members of PEO and OPSE.

Guy Boone

Dave Brown

Thomas Chong

Tim Kirkby

Kelly Reid

Changiz Sadr

Marilyn Spink



Terms of Reference, Expectations and Appointment Process for PEO Directors on Engineers Canada Board of Directors¹

Background:

Engineers Canada is governed by a Board of Directors, consisting of one or more representatives from each Constituent Association. PEO appoints five representatives to this Board of Directors.

Engineers Canada is a federation of the provincial/territorial associations whose mandate is to coordinate the work of the Constituent Associations and to represent the profession nationally and internationally within the mandate provided by its Letters Patent and By-laws.

Specifically, section 6 of the Engineers Canada Articles of Continuance under the *Canada Not-for-profit Corporations Act* states:

6. Statement of the purpose of the corporation

The purposes of the Corporation are to provide national support and national leadership to the engineering profession on behalf of its members, so as to promote and maintain the interests, honour and integrity of the engineering profession in Canada, and to do all such lawful things as are incidental to or conducive with the attainment of the foregoing purposes including, without limitation:

1) to establish and foster relationships with and among the provincial and territorial associations of professional engineers in Canada and to assist them in, among other things:

A. coordinating activities and policies, particularly in the areas of registration of engineers, mobility registered engineers and interprovincial practice;

B. promoting and maintaining high standards in the engineering profession;

C. supporting and encouraging high standards in engineering education;

D. developing effective human resources policies and promoting the professional, social and economic welfare of the members of the engineering profession;

E. promoting a knowledge and appreciation of engineering and of the engineering profession, and enhancing the relationship of the profession to the public; and

F. generally carrying out their various objectives and functions.

¹ Approved by resolution at the November 2016 meeting of Council.



2) to act on behalf of and to promote the views of its members concerning the engineering profession in matters that are national or international in scope, including without limitation, international registration or certification. of engineers, and reciprocal practice;

3) to apply for or acquire and deal with or dispose of any trademark or copyright in any word(s), mark, design, slogan, or logo, or any literary, or other work, as the case may be, pertaining to the engineering profession **or** to its objects, and

4) to affiliate with, join or enter into arrangements or agreements to carry on any undertaking with or for the benefit the members of any society, association or other body having objectives similar or comparable to those of the Corporation.

Role of Engineers Canada Director:

The role and responsibilities of the Engineers Canada Board and its Directors are outlined in the *Engineers Canada Board Policy Manual* under the *Global Governance Process (GP)* section.

GP – 3.1 *Director Terms of Reference* outlines the duties of an Engineers Canada Board of Director as follows:

The Board is comprised of Directors and Advisors collectively referred to as Board members. The terms of reference for Advisors are set out in GP-3.2.

1. Purpose

- 1.1 Provide a key linkage between the Board and the regulators.
- 1.2 Explore, debate, define and understand Engineers Canada's policies.
- 1.3 Ensure that the Board focuses on policy issues related to the engineering profession.
- 1.4 Set and monitor performance and expectations within the governance structure.

2. In order to fulfill their purposes, Directors shall:

- 2.1 Know the business of Engineers Canada.
- 2.2 Be informed of issues affecting, or likely to affect Engineers Canada and the regulators.
- 2.3 Contribute to the Board's decision-making process by: Discussing all matters freely and openly at Board meetings.
 - Working towards achieving a consensus which respects divergent points of view and is in the collective interest of Engineers Canada and the regulators.
 - Respecting the rights, responsibilities and decisions of the regulators.



2.4 Participate actively in the work of the Board including by serving on committees or task forces to achieve the Ends.

2.5 Directors shall review all monitoring reports and make suggestions to strengthen policy governance by considering the following questions:

- Is this policy necessary?
- Does this policy clearly reflect the Board's intent?
- Does this policy adequately set expectations for the CEO to enable me to monitor performance within the governance structure?
- Are the expectations set out in this policy reasonably achievable by the CEO?

2.6 When assigned the director shall,

- Complete form *Director Review of GP Policies*, a template for discussion of Governance Process policies,
- Act as the meeting monitor, to prepare the meeting evaluation report on the Board's governance process and complete form *Meeting Monitor*, or
- Act as the lead presenter of monitoring reports submitted by the CEO and complete form *Monitoring Report Assessment Tool*.

3. Ownership Linkage

Directors shall provide a linkage with the regulators by communicating the views of the regulators to the Board and communicating the Board's views to the regulators. In order to do so, Directors shall:

3.1 Be knowledgeable of the rules, regulations, policies and procedures governing the regulator that nominated/elected them.

3.2 Be informed and knowledgeable about issues at their regulator by reviewing their regulator's council/board briefing books and the minutes of all council/board meetings, and attending council/board meetings.

3.3 Advise their regulator of issues to be discussed by the Board and seek input so as to be able to communicate their regulator's position to the Board.

3.4 Present and explain the views and positions of their regulation to the Board on issues which impact on the activities of their regulator or the policies that guide the operation of their regulator.

3.5 When requested by their regulator, request that an agenda item be added and specific time be allocated at a regular meeting of the Board for the Director to present reports and, where required, present resolutions for action by the Board.

3.6 Inform their regulator of the activities, decisions and plans of Engineers Canada by requesting that an agenda item be added and a specific time be allocated at each regular meeting of the regulator's council/board for the Director to present reports or to receive guidance and direction.



3.7 Keep confidential all information in respect of which the Director is required to sign a confidentiality agreement.

4. Additional Duties and Obligations

4.1 Directors shall comply with GP-3 Code of Conduct.

4.2 Directors shall comply with the duties and obligations of Directors as set out in Part 9 of the *Canada Not-for-profit Corporations Act*.

5. Authority

5.1 As specifically set out in this policy or delegated by the Board.

The role and responsibilities of Engineers Canada Directors are further defined by the *Code of Conduct* outlined in GP-3 as follows:

The Board shall conduct itself in an ethical, professional and lawful manner. This includes proper use of authority and appropriate decorum. Board members shall treat one another and staff members with respect, co-operation and a willingness to deal openly on all matters.

1. Board members and members of Board committees must have loyalty to the entire ownership, unconflicted by loyalties to the chief executive officer, staff, other organizations or personal interests.
2. Directors shall discharge their duties honestly and in good faith and in accordance with s. 148 of the *Canada Not-for-profit Corporations Act*.
3. Directors have an ongoing obligation to disclose conflicts of interest in accordance with s. 141 of the *Canada Not-for-profit Corporations Act*.
 - 3.1. Board members and members of Board committees shall not use their Board position to obtain employment at Engineers Canada for themselves, family members, or close associates. Board members must resign from the Board before applying for employment with Engineers Canada.
4. Board members and members of Board committees shall maintain confidentiality with respect to all matters that come into their knowledge or possession in the course of performing their duties in accordance with GP-3.0.1 Confidentiality Policy.
5. Board members and members of Board committees shall not attempt to exercise individual authority over the chief executive officer or staff unless authorized by the Board.
6. Board members and members of Board committees shall not attempt to interact with the public, press or other entities or speak on behalf of the Board except to repeat explicitly stated Board decisions unless authorized by the Board.
7. Board members and members of Board committees, except the chief executive officer, will not express individual judgments of performance of the chief executive officer or staff other than during participation in Board deliberations.



8. Board members and members of Board committees shall be familiar with the incorporating documents, by-law, policies and legislation governing Engineers Canada as well as the rules of procedure and proper conduct meetings so that decisions of the Board may be made in an efficient, knowledgeable and expeditious fashion.
9. Board members and members of Board committees will support the legitimacy and authority of Board decisions regardless of their personal position on the issue.
10. Board members and members of Board committees shall participate in Board educational activities that will assist them in carrying out their responsibilities.
11. Board members shall attend meetings on a regular and punctual basis and be properly prepared to participate in Board deliberations.
12. Board members and members of Board committees shall ensure that unethical activities not covered or specifically prohibited by the foregoing or any other legislation are neither encouraged nor condoned and are reported.
13. A Board member or a member of a Board committee who is alleged to have violated this Code of Conduct shall be informed in writing and shall be allowed to present his or her views of such alleged breach at the next Board meeting. The complaining party must be identified. If the complaining party is a Board member, he or she and the respondent Board member shall recuse themselves from any vote upon resolution or censure or other action by the Board. Board members that are found to have violated the Code of Conduct may be subject to the following sanctions and/or discipline:
 - requirement to discontinue or modify his or her conduct giving rise to the complaint;
 - resign his or her position as a Board or committee member;
 - a report to the Board member's regulatory body;
 - termination of position on the Board or the committee with or without notice; or
 - such other reasonable and prudent sanction as appropriate in the circumstances.
14. Upon appointment, Board members and members of Board committees shall sign an acknowledgment of GP-3.0.1 Confidentiality Policy.
15. Upon appointment, Directors shall sign GP-3.1.1 Director Consent and Declaration.

Expectations Regarding Principal Activities as They Relate to PEO:

- Attend Engineers Canada meetings and report significant activities or decisions to PEO following each meeting, including a report on any special Engineers Canada projects.
- Attend PEO Council meetings. The Directors are expected to attend to the same standard to which a regular member of PEO Council is held.
- Provide a written report to Council through the Registrar in a timeframe acceptable so that it may be included in the Council meeting agenda package.



- Notify PEO's President and Registrar of any specific items for which he/she requires a decision of or guidance by, PEO Council, so that they may be included in the agenda for the next PEO Council meeting.

Eligibility:

To be eligible, a nominee for the position of Engineers Canada Director must be a current Councillor, recent past Councillor (no more than 2 years since last on Council), or a current Engineers Canada Director. Nominees must also be PEO and OSPE members.

Term of Appointment for Directors:

Appointment to the Engineers Canada Board is at the sole discretion of PEO Council. The term of appointment normally commences and ends at an annual meeting of Engineers Canada and shall normally be of three (3) years duration. However, PEO may determine a different term according to the circumstances of a particular appointment. Terms less than two years are discouraged as they may not allow for effective representation.

The maximum length of service as an Engineers Canada Director regardless of term length is 6 years which may be extended if the nominee secures the Engineers Canada presidency.

The Council of PEO may rescind the appointment of an Engineers Canada Director if it determines that the Director is not acting in accordance with these terms of reference.

Likewise, the Council, as it deems reasonable, may extend the term of appointment of any Director. Should a Director wish to extend his/her term, either to continue as a member of the Board of Directors or to serve on the Executive Committee, or seek the Office of President-Elect, a request shall be made at least three months prior to the expiration of the term, or in advance of such election, to the Council of PEO for such extension.

Performance Review:

Council shall conduct an annual review of a Director's performance prior to the Annual General Meeting of Engineers Canada.

Process to Appoint an Engineers Canada Director

The following process is to be used when making Engineers Canada Director appointments:

1. A call for nominations for appointment by PEO Council to the Engineers Canada Board of Directors will be sent to all eligible nominees.
2. The call for nominations will specify the closing date for nominations and require nominees to indicate his/her willingness to serve for up to a three-year term in accordance with the terms of reference, role and expectations of PEO's Directors on Engineers Canada Board of Directors as noted above.
3. A nomination does not require a seconder.

4. No nominations will be accepted after the deadline for submission of nominations or from the floor at the meeting at which such appointments are to be made.
5. At the meeting at which such appointments are to be made, the Chair shall read out the names of those members who have submitted nominations.
6. Each nominee will be afforded an opportunity to make a brief (2 minute) personal introduction should they so wish. Absent nominees may submit a written personal introduction. The Chair will read any comments received from absent nominees.
7. Councillors will vote for each available position separately and in succession until all positions have been filled. Voting will be by secret ballot in accordance with By-Law No. 1, s.25(4).
8. Prior to each round of voting, the Chair shall ask all nominees whether they wish to have their name stand for appointment.
9. Where there is only one nominee for a position, the Chair shall declare the nominee appointed to the Engineers Canada Board.
10. Where the number of nominees exceeds the number of positions available, the nominee receiving at least 50% plus 1 of the votes cast shall be declared appointed by the Chair.
11. Where no nominee receives at least 50% plus 1 of the votes cast in the first round of voting, the top four nominees receiving the most votes cast shall advance to a second round of voting. If there are only four nominees, the nominee receiving the lowest number of votes cast will be eliminated and not advance to the second round of voting.
12. In the event there is a tie in the last nominee position, the number of nominees advancing to the second round will be expanded to include those nominees that have tied for the last nominee position.
13. After each voting round following the first voting round, the nominee receiving the lowest number of votes cast will be eliminated and not advance to the next round of voting. Voting rounds will continue in accordance with steps 7 to 13 until one nominee receives at least 50% plus 1 of the votes cast.
14. In the event of a tie vote, the nomination as an Engineers Canada Director shall be decided by coin toss conducted by the Registrar.
15. Sitting members of Council who put their names forward to be considered for nomination to the Engineers Canada Board of Directors shall abstain from voting. However, should a Councillor's name be removed from the ballot, either through election or elimination, they may vote in any subsequent ballots.
16. If applicable, ballots cast will remain with the Secretariat until a motion to destroy the ballots has been passed by Council.

PEO SYLLABUS – Software Engineering Syllabus

Purpose: To approve the revised Software Engineering Syllabus

Motion to consider: (requires a simple majority of votes cast to carry)

That the PEO-revised Software Engineering Syllabus be approved for use as of the December 2019 technical examinations sitting.

Prepared by: Moody S. Farag, MEng, P.Eng., Manager, Admissions

Moved by: Bob Dony, PhD, P.Eng., Past President

1. Need for PEO Action

The Academic Requirements Committee (ARC) is mandated to assess non-CEAB applicants' academic preparation to determine if they meet PEO's academic requirements for licensure. It does so by comparing the applicant's transcripts and courses studied to a syllabus of a particular academic discipline. Most syllabi are developed and maintained by Engineers Canada Canadian Engineering Qualifications Board (CEQB), which PEO then adopts for its own examinations. The CEQB recently revised the Software Engineering syllabus to 2019, which is included under Appendix A. This syllabus was reviewed and approved by the ARC at its February 2019 meeting and, if approved by Council, the syllabus will be effective as of the December 2019 technical examinations sitting.

2. Proposed Action / Recommendation

That Council approve the revised Software Engineering Syllabus for technical examinations, effective December 2019.

3. Next Steps (if motion approved)

If approved by Council:

- PEO would advise the other provincial engineering associations of the implementation of the new syllabus.
- The ARC can use the syllabus to assess non-CEAB applicants' academic qualifications.
- PEO can offer examinations with the new syllabus in December 2019.

4. Policy or Program contribution to the Strategic Plan

The academic requirements for licensure under Section 33. (1) 1 of Regulation 941 are:

- i. A bachelor's degree in an engineering program from a Canadian university that is accredited to the Council's satisfaction, or
- ii. Equivalent engineering educational qualifications recognized by the Council.

The ARC evaluates the education of applicants who did not graduate from a program accredited by the CEAB by comparing it to the approved PEO syllabi for the applicant’s discipline to determine if they meet section (ii) of the Regulation.

PEO also sets the National Technical Examinations for all provincial engineering associations except Quebec.

Having Council approve the syllabus is in keeping with the recommendations of the Licensing Process Task Force. It will assist in providing applicants with further clarity as to the requirements they must meet for licensure.

5. Financial Impact on PEO Budgets (for five years)

	Operating	Capital	Explanation
Current to Year End	\$ N/A	\$ N/A	
2 nd	\$ N/A	\$ N/A	
3 rd	\$ N/A	\$ N/A	
4 th	\$ N/A	\$ N/A	
5 th	\$ N/A	\$ N/A	

6. Peer Review & Process Followed

Yes. Staff of the Licensing and Registration Department, as well as the Academic Requirements Committee Chair were consulted during development of the motion.

Process Followed	Outline the Policy Development Process followed. The CEQB provided the revised Software Engineering syllabus to PEO and the syllabus was forwarded to the ARC Software Engineering members for review and feedback, and the syllabus was approved by the ARC at its February 15, 2019 meeting.
Council Identified Review	Identify who is to be consulted; how they will be consulted and what kind of response is expected. N/A
Actual Motion Review	Detail peer review and relevant stakeholder review undertaken Once reviewed by the ARC Chair and Past President, the document will be sent to the Director, Policy and Professional Affairs for his review and feedback.

7. Appendices

Appendix A – Revised PEO Software Engineering Syllabus

SOFTWARE ENGINEERING EXAMINATIONS

INTRODUCTION

Each discipline examination syllabus is divided into two examination categories: compulsory and elective. A full set of Software Engineering examinations consists of eighteen, three-hour examination papers. Candidates will be assigned examinations based on an assessment of their academic background. Examinations from discipline syllabi other than those specific to the candidates' discipline may be assigned at the discretion of PEO's Academic Requirement Committee.

Information on examination scheduling, textbooks, materials provided or required, and whether the examinations are open or closed book, will be provided by PEO's examinations Centre.

BASIC STUDIES

COMPULSORY EXAMINATIONS

04-BS-2 Probability and Statistics

Concepts of probability, events and populations, probability theorems, concept of a random variable, continuous and discrete random variables, probability distributions, distributions of functions of a random variable, sampling and statistical estimation theory, hypothesis testing, simple regression analysis.

04-BS-5 Advanced Mathematics

Series Solutions of Differential Equations: Series solutions of ordinary differential equations, boundary value problems and orthogonal functions, Fourier series.

Numerical Methods: Use of computers for numerical solution of engineering problems, including techniques involving library subroutines and spreadsheets. Approximations and errors, interpolation, systems of linear and non-linear algebraic equations, curve fitting, numerical integration and differentiation, and ordinary differential equations.

04-BS-8 Digital Logic Circuits

Boolean algebra, encoders, decoders, shift registers, and asynchronous and synchronous counters together with timing considerations. Design of asynchronous circuits, synchronous sequential circuits, and finite state machines. Karnaugh mapping techniques, and state tables and diagrams. Introduction to programmable logic.

04-BS-16 Discrete Mathematics

Logic: propositional equivalences, predicates and quantifiers, sets, set operations, functions, sequences and summations, the growth of functions. Algorithms: complexity of algorithms, the integers and division, matrices. Methods of proof: mathematical induction, recursive definition. Basics of counting: pigeonhole principle, permutations and combinations, discrete probability. Recurrence relations: inclusion-exclusion. Relations and their properties: representing relations, equivalence relations. Introduction to graphs: graph terminology,

representing graphs and graph isomorphism, connectivity, Euler and Hamilton paths.
Introduction to sorting.

OPTIONAL EXAMINATIONS

04-BS-1 Mathematics

Calculus, Vector, and Linear Algebra: Applications involving matrix algebra, determinants, eigenvalues; first and second order linear ordinary differential equations, Laplace transforms. Vector algebra; vector functions and operations; orthogonal curvilinear coordinates; applications of partial derivatives, Lagrange multipliers, multiple integrals, line and surface integrals; integral theorems (Gauss, Green, Stokes). Power series.

04-BS-4 Electric Circuits and Power

Basic laws, current, voltage, power; DC circuits, network theorems, network analysis; simple transients, AC circuits. Impedance concept, resonance; use and application of phasors and complex algebra in steady-state response; simple magnetic circuits; basic concepts and performance characteristics of transformers; an introduction to diodes and transistors; rectification and filtering; simple logic circuits.

04-BS-6 Mechanics of Materials

Definitions of normal stress, shearing stress, normal strain, shearing strain; shear force and bending moment diagrams; members subjected to axial loading; members subjected to torsional loading; compound stresses, Mohr's circle; deformation of flexural and torsional members; failure theories; elastic and inelastic strength criteria; columns.

04-BS-7 Mechanics of Fluids

Fluid characteristics, dimensions and units, flow properties, and fluid properties; the fundamentals of fluid statics, engineering applications of fluid statics; the one-dimensional equations of continuity, momentum, and energy; laminar and turbulent flow, flow separation, drag and lift on immersed objects; wall friction and minor losses in closed conduit flow; flow of incompressible and compressible fluids in pipes; dimensional analysis and similitude; flow measurement methods.

04-BS-10 Thermodynamics

Thermodynamic states of simple systems; the laws of thermodynamics; equilibrium, PVT and other thermodynamic diagrams; equation of state; compressibility charts and steam tables; calculation of property changes; enthalpy; applications of thermodynamics, cycles, reversibility; thermodynamics of phase changes, Gibbs phase rule, gas-vapour mixtures.

04-BS-11 Properties of Materials

Properties of materials for mechanical, thermal and electrical applications. Atomic bonding, solid solutions, crystallisation. Equilibrium phase diagrams, applications to steel and aluminium alloys, heat treatments. Structure and special properties of polymers and ceramic materials. General characteristics of metallic composites, polymeric composites and concrete. Introduction to materials in hostile environments: corrosion, creep at high temperature, refractory materials, subnormal temperature brittle fracture.

04-BS-12 Organic Chemistry

Principles of organic chemistry developed around the concepts of structure and functional groups. The main classes of organic compounds. Properties of pure substances. Introduction to molecular structure, bond types, properties, synthesis and reactions, reaction mechanisms, as a means of systematizing organic reactions.

04-BS-13 Biology

Cellular reproduction, growth, and differentiation; metabolism and bioenergetics of living cells; cell structure and function related to the material properties of plant and animal tissues; introductory microbiology — characteristics and classification of microorganisms; interactions of microorganisms with man in the natural world; kinetics and mathematical models of microbial growth; engineered biological systems such as bio-reactors, bio-instrumentation, and waste treatment systems.

04-BS-14 Geology

The structure of the earth, plate tectonics, earthquakes and igneous activity. Minerals and rocks including their formation, identification, basic properties, and classification. Processes of weathering, erosion, transport, and deposition of geological materials and their results of significance to engineering. Occurrence, flow, and quality of groundwater. Introductory aspects of structural geology including faulting, folding, and the overall formation of discontinuities and their effect on the engineering properties of rock masses. Aerial photography and geological maps.

GROUP A

COMPULSORY EXAMINATIONS

19-Soft-A1 Algorithms & Data Structures

Fundamental data structures and their associated algorithms. Stacks and queues, trees, tables, lists, arrays, strings, sets; files and access methods. B-trees, multi-key organizations. Searching. Sorting. Algorithm design techniques, such as divide and conquer, the greedy method, balancing, dynamic programming. Algorithms related to set operations, Graphs, graph algorithms: depth-first and breadth-first search, minimum spanning tree, shortest path. Empirical and theoretical measures of the efficiency of algorithms. Complexity analysis. Hard problems, NP-completeness, and intractable problems.

19-Soft-A2 Computer Architecture and Operating Systems

Computer Architecture basics, including Boolean algebra, gates, combinational and sequential logic, machine-level representation of data; machine organization, assembly/machine language programming; memory organization, caches, heaps, stacks; serial and parallel I/O, interrupts, bus protocols, and direct-memory access (DMA). Operating System basics, including concurrency, process scheduling, memory management; protection, access, and authentication; linking and loading; virtual machines.

19-Soft-A3 Software Design

Role of software design activity. Software design quality attributes: correctness, reliability, maintainability, portability, robustness. Software design principles: separation of concerns, abstraction, information hiding. Static and dynamic typing. Mutable and immutable types. Modularity and decomposition. Function-oriented design. Object-oriented design. Subtyping. Components. Interface design. Module level design. Notations: UML and other notations. Basic concepts of design patterns. Introduction to testing: unit tests, blackbox vs. grey box testing, test coverage.

19-Soft-A4 Real-Time Systems

Definition and characteristics of real-time systems. Hard and soft real-time systems. Dynamic responses of simple physical processes. Designing real-time systems (requirements, design methods, implementation, testing, human-computer interaction). Reliability and fault tolerance. Exceptions and exception handling. Concurrency, synchronization, communication and resource control. Scheduling (cyclic executive, rate monotonic and deadline priority, priority ceiling protocols). Real-time operating systems. Simple embedded systems.

19-Soft-A5 Requirements and Specifications

Elicitation sources and techniques. Modelling paradigms, including information modelling, behavioural modelling, domain modelling, functional modelling, constraint modelling. Quality requirements (e.g., performance, usability, reliability, maintainability); expressing quality requirements so that they are testable. Prioritization, trade-off analysis, negotiation, risk analysis, and impact analysis. Requirements management, consistency management, interaction analysis, traceability. Requirements documentation (e.g., use cases) and specification languages. Validation, reviews and inspections, prototyping, validating non-functional requirements. Acceptance test design.

19-Soft-A6 Software Quality Assurance

Validation and verification concepts, software lifecycle and application of validation and verification, software quality assurance processes. Definitions of software product quality, quality characteristics, engineering quality definitions, specifications. Definition and classifications of software defects, fitness for use and customer quality definitions. Software costs, quality costs and economics. Reviews, walkthroughs and inspections. Unit (Module/Package) level testing, subsystem/integration testing, regression testing, state based

testing, traditional functional testing, logical testing/analysis, OO testing considerations (polymorphism and inheritance). Safety/failure analysis and testing.

19-Soft-A7 Software Development Process

Software life cycles. Software process models. Control and life-cycle management of correct, reliable, maintainable and cost-effective software. Software documentation. Project management tools. Risk management. Communication and collaboration. Cause and effects of project failure. Cost estimation and scheduling. Factors influencing productivity and success. Productivity metrics. Configuration management. Defect management.

GROUP B

ELECTIVE EXAMINATIONS

19-Soft-B1 Advanced Software Design

Software design paradigms: object-oriented, service-oriented, component-based, agent-based, functional programming, client-server (including protocols such as REST), virtualization. Distributed component-based frameworks and systems. Design patterns. Model-driven design of software. Software architecture. Architecture representation.

19-Soft-B2 User interface

Psychological principles of human-computer interaction. Evaluation of user interfaces. Usability engineering. Task analysis, user-centered design and prototyping. Conceptual models and metaphors. Software design rationale. Design of windows, menus and commands. Voice and natural language I/O. Response time and feedback. Colour, icons and sound. Internationalization and localization. User interface architectures and APIs. Case studies and project.

19-Soft-B3 Security

Security risks, threats, and vulnerabilities. Confidentiality, integrity, and privacy. Cryptography, access control, assurance, accountability. Engineering of secure systems, architectural approaches (e.g., confinement, virtual machines, trusted computing). Analysis techniques (e.g., static analysis and testing, model checking). Implications on human interface design and usability.

19-Soft-B4 Dependable systems

Software and hardware faults. Faults, latent faults and failures. Characterization of failure functions, probability distribution of failures, failure intensity function. Software reliability definition and measures. MTTF, MTBF, MTTR, availability, maintainability. Hardware reliability

and software reliability. Techniques for prediction of remaining faults, including fault injection, classification tree analysis, code coverage. General lifecycle techniques for producing reliable software, including defect prevention, early defect detection and removal; design for robustness; use of process measurements; stabilization of requirements, design, code and test artifacts. Active and Passive fault detection. N-version programming, forward and backward check-pointing, recovery blocks, and arbitration techniques. Fault handling and correction, exceptions, fault tolerance. Survivability, critical functions and degraded modes of operation. Data integrity protection.

19-Soft-B5 Software Modeling & Verification (Formal Methods)

Mathematical modelling of software, including topics such as programming logics, process algebras, model based specification, object constraint languages, and algebraic specification. Mathematical reasoning using such models, including proofs of program correctness. Tools for static checking of the correctness of software relative to its specification.

19-Soft-B6 Software Project Management

Software development lifecycles (sequential, iterative, spiral, agile). Managing software costs: size and effort estimation. Managing risks. Managing software quality. Managing software assets (configuration management, open source software and related IP issues). Software development governance, in particular in regulated environments. Software production and deployment.

19-Soft-B7 Reverse Engineering, Maintenance & Evolution

Software maintenance: corrective, perfective, and adaptive. Techniques for reverse engineering software architecture and design, for the purpose of program comprehension. System and process re-engineering (technical and business). Refactoring. Migration (technical and business). Impact analysis. Release and configuration management. Models of software evolution (theories, laws). Relationship among evolving entities (e.g., assumptions, requirements, architecture, design, code, test suites). Legacy systems. Technical debt.

19-Soft-B8 Distributed Systems

Characteristics of distributed systems. Networked vs. centralized systems. Fundamental concepts and mechanisms. Architectural concepts of distributing an application over several platforms. Overview of network configurations and topologies. Client-server systems. Process synchronization and inter-process communications. Principles of fault tolerance. Transaction processing techniques. Distributed file systems. Operating systems for distributed architectures. Cloud computing. Security.

19-Soft-B9 Parallel Computing

Models of parallel computation. Superscalar architecture. Shared memory parallel machines. Interconnection networks and their topological properties. Massively parallel computers. Hypercube architectures. Performance measurement for parallel algorithms. Parallel

evaluation of expressions. Parallel searching and data structures. Parallel algebraic and geometric processing.

19-Soft-B10 Networking and Communications

Data communications, including signals, modulation, and reception. Channel models and channel capacity. Error detecting and correcting codes. Bit error rate. Data transmission protocols, including half/full duplex, asynchronous/synchronous, point-to-point/multidrop. Character sets, switching alternatives, including circuit and packet. Layered network architecture. Data link and network layer protocols. Transport protocols. Local and wide area networks. Elements of queuing theory. Network performance measures (queue length, delay and throughput). Standards and the standardization process.

19-Soft-B11 Process Control Systems

Discrete time models of continuous physical phenomena. Z-transform and transfer functions. Time domain and frequency domain response of first, second and higher order systems. Stability and feedback compensation. Steady state error and proportional, integral and derivative (PID) control. Compensator design using Nyquist criterion and frequency domain design. Sampling theorem, aliasing, anti-aliasing filtering. Design of digital controllers. Software implementation of digital controllers. Computer control interfacing.

19-Soft-B12 Engineering Computation: Numerics

Representation of numbers and floating-point round-off. Caveats of computations with floating point. Linear systems: direct and iterative methods, conditioning, structured systems. Zeros of functions. Quadrature. Data-fitting methods. Ordinary differential equations: initial value problems, predictor-corrector, boundary value problems, systems of ODEs. Simple partial differential equations. Continuous optimization.

19-Soft-B13 Performance Analysis & Simulation

Basic techniques of system performance evaluation. Specific topics include: measurement methods and tools, experimental design and analysis, modeling (including queuing and network of queuing systems), discrete event simulation, verification and validation of simulation models, analysis of simulation output, statistical methods (comparing systems using sample data, hypothesis testing and confidence measures).

19-Soft-B14 Safety Critical Systems

Safety and hazard analysis. Use of software in safety related systems. Legal and ethical considerations. Risk analysis techniques: FMEA, HAZOP, FTA, ETA. Safety integrity levels and safety cases, use of GSN (Goal Structuring Notation). Software reliability. Distinction between safety and reliability of systems. Achievement of software reliability by fault prevention and fault tolerance. Software design aspects for safety and fault tolerance. Human factors in design for safety. Choice of programming language, safe subsets. Formal methods, algebraic, model and process based specification, formal specification languages, refinement proofs, verification proofs, STAMP/STPA techniques. Fault tolerance, redundancy and common mode failures, N-version programming and recovery blocks. Safety related standards. Certification.

19-Soft-B15 Artificial Intelligence

Artificial intelligence; definition and applications. Problem solving: search, adversarial search and constraint solving. Knowledge and Reasoning: agents, logic, planning, knowledge representation. Uncertainty: probabilistic computation and reasoning, decision problems. Learning: from examples, learning models, reinforcement learning, neural networks, deep learning. Communication: natural language processing, perception, robotics.

19-Soft-B17 Programming Languages, semantics and implementation

Programming paradigms (procedural, object-oriented, logic and functional). Structuring features (modules, objects, inheritance, polymorphism). Explicit examples from a variety of languages. Abstract syntax. Type systems. Interpretation, compilation, code generation, code transformation, code analysis. Structure and components of compilers. Run-time support. Code optimization.

19-Soft-B18 Data Visualization

Data abstractions. Task abstractions. Data analysis and data mining. Pattern discovery. Human visual system, perception. Visual presentations, visual design. Chart types. Maps and networks. Data visualization tools.

COMPLEMENTARY STUDIES

11-CS-1 Engineering Economics

Basic concepts of engineering economics through understanding of the theoretical and conceptual financial project analysis. Types and applications of engineering economic decisions. Capital, cash flow, and the time value of money concepts. Nominal and effective interest rates when considering loans, mortgages, and bonds. The application of present worth analysis, annual equivalent analysis and rate of return analysis in evaluating

independent projects, comparing mutually exclusive projects, analyzing lease vs. buy alternatives and making decisions. After-tax financial analysis requiring an understanding of capital cost allowance (depreciation) and corporate income tax. Understanding methods of financing and capital budgeting. Break-even, sensitivity and risk analyses.

11-CS-2 Engineering in Society – Health and Safety

The duties and legal responsibilities for which engineers are accountable; safety laws and regulations; and a basic knowledge of potential hazards and their control: biological hazards – bacteria, viruses; chemical hazards - gases, liquids and dusts; fire and explosion hazards; physical hazards – noise, radiation, temperature extremes; safety hazards – equipment operation; workplace conditions - equity standards, human behaviour, capabilities, and limitations; managing safety and health through risk management, safety analyses, and

safety plans and programs; practices and procedures to improve safety. The roles and social responsibilities of an engineer from a professional ethics point of view, as applied in the context of Canadian values. The integration of ethics into engineering practice, and its effect on public safety and trust.

11-CS-3 Sustainability, Engineering and the Environment

Basic knowledge of soil, water and air quality engineering: soil and water interaction, water supply issues, human activities and their interaction on soil, air and water resources.

Fundamentals of: soil erosion, water quality, atmospheric pollution (carbon and nitrogen cycle), climate change, risk assessment. Basic knowledge of renewable energy sources: solar, photovoltaic, wireless electricity, thermal, wind, geothermal, and biofuels.

Introduction to renewable materials engineering; nano materials, new material cycles. Eco-product development, and product life cycle assessment; recycling technologies; reuse of products; design for disassembly, recycling, e-waste, and reverse manufacturing. Consumption patterns; transportation; environmental communication; consumer awareness. Optimized energy and resources management. Sustainable methods: sustainability indicators; life cycle assessment; regulatory aspects of environmental management, ecological planning.

11-CS-4 Engineering Management

Introduction to management principles and their impact upon social and economic aspects of engineering practice. Engineering management knowledge topics including: market research, assessment and forecasting; strategic planning; risk and change management; product, service and process development; engineering projects and process management; financial resource management; marketing, sales and communications management; leadership and organizational management; professional responsibility. New paradigms and innovative business models, including: sustainable production, products, service systems and consumption; best practices and practical examples of successful implementations of sustainable scientific and engineering solutions.

3.2 ENGINEERING REPORT

Upon passing the examination(s) assigned by PEO's Academic Requirements Committee, a candidate may be required to write an Engineering Report. The report must demonstrate the candidate's ability to present an engineering problem, observation, or idea, and to analyze it

logically and accurately using engineering principles, and to draw conclusions or make recommendations. The work must include acceptable technical content involving engineering analysis, design, development, or research. The report must also demonstrate a satisfactory level of writing and graphical skills, thus the quality of the presentation will be a factor in determining the acceptability of the report.

The report itself need not prove originality of ideas, but the candidate should demonstrate his/her ability to appreciate, present, differentiate between and draw conclusions from observations and ideas. The definition of a "report" is flexible and could also include discussion and judgement of opposed theories or methods, or a description of a novel technique or process and a discussion of the practicality of its application. The key

consideration is that the report address a new issue, and not repeat the coverage of the particular subject available in textbooks. It is the current state of the art, the novel or the contentious that is expected to be explored in the report.

While no rigid rules of format are specified, it is recommended that the report be suitably subdivided and include:

- a) A title page and date
- b) A signed declaration of authorship
- c) A table of contents
- d) A summary of the report and its conclusions
- e) Technical content including analysis, design, development or research
- f) Conclusions and/or recommendations
- g) A list of the technical literature cited
- h) A list of acknowledgements, contributors, reviewers and sources of information

The report should be about 5,000 words long, not including tables and graphs. Diagrams, illustrations, etc. should be clearly and properly identified. It is preferable to locate graphs, diagrams, etc. necessary for the understanding of the text at the place where reference to them is made.

Briefing Note – Decision

C-525-2.9

REQUEST FROM THE ONTARIO ASSOCIATION OF CERTIFIED ENGINEERING TECHNICIANS AND TECHNOLOGISTS (OACETT)

Purpose: To approve that the term of appointment of David Brown, C.E.T., P.Eng. as a PEO representative on the Council of the Ontario Association of Certified Engineering Technicians and Technologists (OACETT) be extended for one year, until the OACETT June 2020 AGM.

Motion to consider: (requires a simple majority of votes cast to carry)

That Council approve that the term of appointment of David Brown, C.E.T., P.Eng. as a PEO representative on the Council of the Ontario Association of Certified Engineering Technicians and Technologists (OACETT) be extended for one year, until the OACETT June 2020 AGM.

Prepared by: Margaret Braun MEd, CHRE - (Acting) Director, People and Development

Moved by: LGA Councillor Kirkby, P.Eng.

1. Need for PEO Action

At C-512 in April 2017, Council approved the HRC recommendation that David Brown, C.E.T., P.Eng. be appointed as a PEO representative on the Council of the Ontario Association of Certified Engineering Technicians and Technologists for a two-year term, from the OACETT June 2017 AGM to the OACETT June 2019 AGM.

In February 2019, PEO received a request from the OACETT to extend the term of appointment of David Brown, C.E.T., P.Eng. as a PEO representative on the OACETT Council for one year, until the OACETT June 2020 AGM. The OACETT noted that Mr. Brown has shown an interest in extending his term and that he has been a great asset to the OACETT Board.

2. Proposed Action / Recommendation

That Council approve that the term of appointment of David Brown, C.E.T., P.Eng. as a PEO representative on the Council of the Ontario Association of Certified Engineering Technicians and Technologists (OACETT) be extended for one year, until the OACETT June 2020 AGM.

3. Next Steps (if motion approved)

OACETT will be advised of Council's decision.

4. Policy or Program contribution to the Strategic Plan

This item is related to Objective 9 in the 2018-2020 Strategic Plan.

5. Peer Review & Process Followed

Process Followed	<p>At C-512 in April 2017, Council approved the appointment of David Brown, C.E.T., P.Eng. as a PEO representative on the Council of the Ontario Association of Certified Engineering Technicians and Technologists, from the OACETT June 2017 AGM to the OACETT June 2019 AGM.</p> <p>In February 2019, the OACETT requested to extend the above appointment for one year. The request was submitted to PEO Council for approval.</p>
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6. Appendix A – Email from OACETT dated February 19, 2019

Viktorija Aleksandrova

From: Debbie Marrocco <dmarrocco@oacett.org>
Sent: Tuesday, February 19, 2019 12:15 PM
To: Johnny Zuccon
Cc: David Brown
Subject: PEO Rep on OACETT's Council

Good afternoon Mr. Zuccon,

I am writing to you to request that David Brown remain on OACETT's Board of Directors for an additional year until our 2020 Annual General Meeting in June of 2020. Mr. Brown has shown an interest in extending his term and has been a great asset to our Board and we would like the opportunity to extend his term.

Could you please confirm that Mr. Brown's role as PEO rep be extended for another year? Thanks very much.

Debbie

Debbie Marrocco
Manager of Board Affairs
OACETT

10 Four Seasons Place, Suite
404 Etobicoke, Ontario M9B
6H7
T 416-621-9621 ext 231
www.oacett.org



*This e-mail message may contain confidential and/or privileged information and is for the sole use of the intended recipient. Any unauthorized review, use, disclosure or distribution is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return e-mail and delete the original message.
Thank you for your co-operation.*

Briefing Note – Decision

BOARD COMMITTEE APPOINTMENTS – DECISION CRITERIA MATRIX

Purpose: To approve the *Board Committee Appointments – Decision Criteria Matrix* as presented to the meeting at C-525-2.10, Appendix A.

Motion(s) to consider: (requires a simple majority of votes cast to carry)

That Council approve the *Board Committee Appointments – Decision Criteria Matrix* as presented to the meeting at C-525-2.10, Appendix A.

Prepared by: Human Resources Committee (HRC)

Moved by: President-elect Hill, P.Eng.

1. Need for PEO Action

At the September 2016 meeting, Council approved a process for the appointment of Councillors to Board Committees. The process tasks the Human Resources Committee (HRC) with reviewing the Board Committee participation preferences submitted by Councillors and making a recommendation to Council.

At the September 2017 meeting, Council directed the HRC to develop a Decision Criteria Matrix related to the evaluation of recommendations for membership on the Board Committees for presentation to Council. The *Decision Criteria Matrix* developed by the HRC in 2018 is presented in Appendix B, for information only.

On February 7, 2019, the Human Resources Committee (HRC) reviewed and updated the *Board Committee Appointments – Decision Criteria Matrix* as presented in Appendix A.

2. Proposed Action / Recommendation

Approve the *Board Committee Appointments – Decision Criteria Matrix* as presented to the meeting at C-525-2.10, Appendix A.

3. Next Steps (if motion approved)

The approved *Board Committee Appointments – Decision Criteria Matrix* to be used by the Human Resources Committee (HRC) when reviewing the Board Committee participation preferences submitted by Councillors and making a recommendation to Council.

4. Policy or Program contribution to the Strategic Plan

The motion is related to Objective 9 in the 2018-2020 Strategic Plan.

5. Financial Impact on PEO Budgets (for five years)

Not applicable

6. Peer Review & Process Followed

Process Followed	<ul style="list-style-type: none"> At the September 2017 meeting, Council directed the HRC to develop a Decision Criteria Matrix related to the evaluation of recommendations for membership on the Board Committees for presentation to Council. On February 7, 2019, the HRC reviewed and updated the <i>Board Committee Appointments - Criteria Decision Matrix</i> document previously used and prepared by HRC.
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7. Appendices

- Appendix A – *Board Committee Appointments - Decision Criteria Matrix*
- Appendix B – Original version of the *Board Committee Appointments - Criteria Decision Matrix* document (for information only)

Board Committee Appointments – Decision Criteria Matrix

Priority ranking	Decision Criteria
1.	Councillor preferences.
2.	All Councillors on at least one board committee.
3.	At least one Councillor with a previous experience on the board committee to ensure continuity.
4.	Best efforts to have a Regional Councillor on certain board committees (EXE, AUC, FIC, HRC, LEC, JRC).
5.	Best efforts to ensure that Councillor background and experience are related to board committee.
6.	Best efforts to ensure that each board committee has at least one woman.
7.	Councillor workload/ participation across all committees and other appointments is balanced.

**Appendix B
(for information only)
(used in 2018)**

Board Committee Appointments – Criteria Decision Matrix

	Councillor preferences
	New Councillors on at least one board committee
	Regional Councillor on certain board committees (EXE, AUC, FIC, HRC, LEC, JRC)
	Each board committee has at least one woman
	Councillor workload across all committees and other appointments is balanced
	Councillor participation on all committees and other appointments is balanced
	Councillor's previous experience on the board committee
	Committee term limits / committee terms of reference requirements
	Councillor provides continuity for board committee
	Councillor potentially brings fresh perspective to board committee
	Councillor provides senior experience and understanding of specific board committee issues
	Councillor background and experience related to board committee

Briefing Note – Information

CANADIAN ENGINEERING ACCREDITATION BOARD (CEAB) NOMINATING COMMITTEE REQUEST

Purpose: To confirm that that PEO has no objection to CEAB's Nominating Committee recommendation that Dr. Robert Dony, P.Eng. be appointed as Chair of the Canadian Engineering Accreditation Board (CEAB) for a one-year term, effective July 1, 2020 until June 30, 2021.

No motion required

Prepared by: Ralph Martin, Manager Secretariat

1. Status Update

At the request of the Canadian Engineering Accreditation Board (CEAB) Nominating Committee, PEO confirms that:

Professional Engineers Ontario (PEO) has no objection to the appointment of Dr. Robert Dony, P.Eng. as Chair of the Canadian Engineering Accreditation Board (CEAB) for a one-year term, effective July 1, 2020 until June 30, 2021, in accordance with the *CEAB Terms of Reference*, Section 5.10:

The Board, based on recommendations from the AB Nominating Committee, appoints the chair and the vice-chair, both for a period of one year. The chair automatically becomes past-chair following the completion of their term. The terms of office may be extended to a maximum of two years. Appointments are effective July 1 of the year of appointment. The vice-chair is normally appointed chair following his or her term as vice-chair.

2. Background

Dr. Robert Dony was appointed as CEAB Vice Chair from July 1, 2018 to June 30, 2019. On December 10, 2018, the Engineers Canada Board, by motion 5723, approved the extension of Dr. Robert Dony's term as CEAB Vice Chair until June 30, 2020.

The CEAB's Nominating Committee met on February 1, 2019 and agreed that Dr. Dony should proceed to the CEAB Chair position effective July 1, 2020, for a one-year term ending June 30, 2021.

The recommendation from the CEAB's Nominating Committee includes confirmation that the regulator has no objection to the appointment. Therefore, the Nominating Committee has requested a response from PEO confirming no objections to Dr. Robert Dony, P.Eng. being appointed as CEAB Chair.

IMPLEMENTATION OF THE ENGINEERING INTERN FINANCIAL CREDIT PROGRAM CHANGES

Purpose: To update Council on the implementation of the changes to the Engineering Intern Financial Credit Program approved by Council at its November 16, 2018 meeting

No motion required

Prepared by: J. Max, Manager, Policy, Tribunals & Regulatory Affairs

1. Status Update

- Council decided last November to convert the Engineering Intern Financial Credit Program (FCP) from a licence application and Engineering Intern (EIT) program fee waiver to a credit against the applicant’s first year of licensure once they have been approved for P.Eng. licensure.
- The Licensing & Registration, Corporate Services, Information Technology, Communications and Finance departments are preparing the necessary systems changes and communications for implementation of a modified FCP on May 1, 2019. Modification of the FCP (by charging P.Eng. licence application and EIT membership fees) is projected to increase revenue by \$48,750 in 2019.
- If the applicant chooses to pay the first-year enrollment fee for the EIT program, they will also have that amount credited against the first year of licensure (registration and annual licence fee). If the applicant pays the licence application fee but declines to pay the first-year enrollment fee for the EIT program, they will only have the application fee amount credited against their first year of licensure fees (registration and annual licence fee). These scenarios are illustrated in the following chart, based on the May 1, 2019 revised fees:

Initial Fees Paid	Amount	First Year Licence Fee	Amount Owed	Net invoice
Application Only	\$360	Registration Fee + Annual Licence Fee	\$300+\$265= \$565	\$565-\$360 = \$205
Application + 1st Year in EIT program	\$360+\$90 = \$450	Registration Fee + Annual Licence Fee	\$300+\$265= \$565	\$565-\$450 = \$115

- Requiring applicants to pay the licence application fees and first-year fee for the EIT program is projected to reduce the number of licence applications by 25 per cent and may result in a lower volume of new EIT program memberships being purchased.

2. Background

- At its November 16, 2018 meeting, one of the decisions Council made to reduce the 2019 operating budget was to modify the Engineering Intern Financial Credit Program (FCP), The FCP is a licensure uptake incentive authorized by Council in January 2007

(see Appendix B) that involved PEO waiving the P.Eng. licence application fee and first year membership fee in the EIT program for both CEAB graduates and international engineering graduates should they apply within six months of graduating or landing in Canada, respectively. There have been 20,000 FCP applications since 2007. However, PEO currently experiences a considerable drop-off rate on EIT memberships after the first year, once the free membership via the FCP expires.

- In preparing to implement recent Council decisions on fee increases, staff reviewed the Council motion passed in November on this subject referred to Appendix A. The Financial Credit Program was not specified in the motion (Appendix A included “Additional application and EIT revenues by eliminating FCP”). Council’s discussion on this item resulted in a straw vote decision to convert the waived application fee and first year enrollment in the EIT program to a credit against the first year of an approved applicant’s initial licence fee.
- The EIT program, which is voluntary, provides guidance and assistance to engineering graduates as they acquire the 48 months of acceptable engineering work experience, including annual reviews of experience to ensure that an applicant is “on the right track” for licensing. Benefits of the EIT program include:
 - the opportunity to receive detailed, confidential, annual work experience reviews;
 - eligibility to participate in PEO’s Licensure Assistance Program;
 - access to *Engineering Dimensions*, the association’s official journal;
 - opportunities to attend EIT seminars at PEO’s office or through sponsoring chapters;
 - the opportunity to join a PEO chapter, attend meetings and network with professional colleagues;
 - email notices of events or items of interest pertaining to one’s development into a licensed engineer;
 - access to the Licence Holders’ Only section of PEO’s website; and
 - the opportunity to join the Ontario Society of Professional Engineers and participate in their member-only services, such as insurance and investment plans, and online Career Centre.

As well, becoming an EIT demonstrates to employers that an applicant is serious about being licensed as a professional engineer.

- To enroll in the EIT program, one must be an applicant for licensure – meaning they have met the academic requirements of licensure (e.g. graduated from a CEAB-accredited program). One can apply for licensure and enroll in the program as soon as they graduate by filling out the Application for Licence (pages 11-14) and checking the appropriate box in Section 1 of the form.
- The EIT program is heavily marketed to Ontario university engineering graduating students by PEO staff and volunteers.

Detailed Analysis of Proposed Recommendations to Address Projected 2019 Budget Deficit

Reviewed by FIC- Oct 16, 2018

Options to generate revenue

C-525-2.12
Appendix A

Item	Description	Current unit fee	New unit fee after increase	Incremental revenue after fee increase	Staff Notes	Additional Comments by Councillors
1	Introduce a \$10 convenience fee for all transactions paid by credit card	-	10	320,000		
2	Increase Application, EIT and Exam fees by 20% and start charging fees for ARC interviews					
2.1	P.Eng & Limited Licence appln fees	300	360	262,080		
2.11	Registration Fees	250	300	194,400		
2.12	Temporary Licence application fee	650	780	12,191		1. What percentage increase would be necessary to meet financial obligations?
2.13	Provisional Licence application fee	250	300	800		
2.14	CofA application fee	330	400	39,522		2. Review modified Financial Credit Program (FCP) - maybe pay for up front and once registered, get a credit.
2.15	Consulting Engineering Designation application fee	220	265	19,555		
2.16	EIT renewal fee	75	90	193,179		3. Pursue Affinity revenue from TD - explore how much is available to PEO.
2.17	Additional application and EIT revenues by eliminating FCP	375	450	48,750	Estimate based on the assumption that about 25% of applicants pay after eliminating FCP	
2.18	Professional Practice Exam	165	200	173,869	Expected revenues from candidates for the PPE exam	4. Automatic annual cost of living re fee increases.
2.19	First technical examination fee	580	700	30,000	Expected revenues based on the assumptions that 250 applicants will be required to write the technical exams but will not be referred for the academic interview. This figure excludes about 100 applicants expected to be interviewed and still required to write technical exams but will not be required to pay the exam fee again.	5. Double or triple annual fees.
2.20	ARC (Academic Review Interviews)	-	700	280,000	Number. of interviews in 2019 is expected to decrease to 400 once the fee is introduced.	6. Foreign engineering graduates - make sure no human rights issues.
2.21	Subsequent Technical Exams (after interview and / or first exam)	165	200	63,000	Number of examinees expected to be consistent with prior years	
2.22	National Exam	175	210	31,256		
2.23	Engineering Report	300	360	900		
2.24	Replacement of Certificate and stamp fees	50	60	2,400		
			Total Potential Revenues	\$1,671,902		

Briefing Note – Information

C-525-2.12
Appendix B

C-437 Council Minute extract – January 19, 2007

10355
POLICY DIRECTION -
b) Inclusiveness in the
Profession

The Chair asked if “class of P.Eng. licence” meant a class of association licence. Mr. Allen responded that this is correct. The Chair suggested that the motion be changed to “a class of licence,” rather than “a class of P.Eng. licence.”

Discussion followed where some councillors expressed concern that this issue falls partially under the mandate of the LPTF and under the mandate of the Seamless Transition Task Force.

Other councillors said that if this decision serves the public interest purpose by identifying individuals who have satisfied certain academic requirements are held to a standard of ethics, and are accountable through our discipline process but who have not met the experience requirements, it is within PEO’s mandate. Some felt the title “Eng.” would create confusion for the public, who don’t necessarily know the difference between “Eng.” and “P.Eng.” Others disagreed.

Councillor Knox observed that this was a policy direction for PEO and it was for Council to set policy direction. Moved by Councillor Knox, seconded by Councillor Euler;

1. a) **That Council create a class of P.Eng. licence, where the requirements to obtain it would be the current PEO criteria for academics, character and age. The holder would be permitted to use the title “engineer” and the designation “Eng.”, but not hold a CofA or engage in the practice of professional engineering independently.**

MOTION DEFEATED
RECORDED VOTE

For
N.P. Colucci
D.W. Euler
C.L. Knox
V. Kossta

Against
W.J. Bilanski
T.T. Chong
D. Dixon
M.J. Ecsedi

Abstention
S.H.L. Tsang

K.G. Lopez	D.L. Freeman
C.C. Redden	R.A. Goodings
C.D. Roney	N.E. Hill
T.L. Sharma	R. Hilton
J.O.G. Vieth	J.K.W. Lee
D.L. Wilson	E.P. Maka
	J.M. Mark
	C.T. Moore
	G. Nawaz
	R.H. Weldon

Councillor Dixon asked what the items in the remainder of the motion would add to what PEO already does. Vice President Freeman clarified that they strengthen the current Engineering Intern Training program.

Councillor Maka asked if “internationally trained engineering graduate” meant from an accredited international university or any international university. Mr. Allen replied that applicants would have to meet PEO’s academic requirements.

Meeting adjourned for lunch at 12:30 p.m.
Meeting resumed at 1:30 p.m.

Vice President Freeman proposed that motions 1b) through d) be approved without reference to a new class of licence. This would result in a waiver of the P.Eng. application fee and the first year of the EIT membership to encourage engineering graduates to apply for their P.Eng. licence within the first six months of graduation.

Ms. Calderbank, staff advisor to the Seamless Transition Task Force was asked whether the proposed direction to strengthen the EIT program was consistent with the STTF’s approach, She answered affirmatively, noting there is a limit on how PEO can govern EITs without specific reference in the Regulations. .

Moved by Vice President Freeman, seconded by Past President Goodings;

1. b) **The fee for the new class of P.Eng. licence would be the same as the fees for the EIT Program for the first four years and then increase to be the same as the fees for P.Eng. licence.**
1. c) **Permit qualified applicants to register for the Engineering Licence at no cost and provide membership for the first year of this licence at no cost to the applicant. Where qualified applicants means:**

- **CEAB graduates for up to six months after graduation**
- **Internationally trained engineering graduates for up to six months after landing in Ontario.**

1. d) Provide resources to support a seamless transition to a full licence. Activities would include:

- i. increasing awareness of the Student Membership Program;**
- ii. providing free seminars and informing applicants of the licensing process, the requirements for licensure, preparing them to write the Professional Practice Exam and involving them in chapters;**
- iii. assessing experience of Engineering Licence holders annually;**
- iv. not requiring holders of an Engineering Licence to pay an application fee to have their qualifications assessed for a P.Eng. licence; however the registration fee would still apply once they have met all the requirements.**

Amendment:

Delete the phrase “class of P.Eng. licence” from motions 1b), and 1c).

Amendment Carried
AMENDED MOTION CARRIED

2. That the CEO/Registrar prepare the draft regulation changes, document the supporting operational rules and procedures and work with the Canadian Engineering Accreditation Board to implement Council’s policy direction.

MOTION WITHDRAWN

Moved by Councillor Colucci, seconded by Councillor Knox;

Refer the question of EIT to the Seamless Transition Task Force for further study and come back to Council at a future date.

MOTION CARRIED

[Note: Clarifying wording of motions for this minute, as approved by Council at its 438th meeting held March 2, 2006, is attached as Appendix A, which forms part of these minutes.]

**CLARIFYING WORDING OF MOTIONS FROM MINUTE 10355
 (POLICY DIRECTION - *INCLUSIVENESS IN THE PROFESSION*)
 FROM THE 437TH MEETING OF COUNCIL HELD JANUARY 19,
 2007**

ORIGINALLY PROPOSED MOTION	MOTION AS PASSED
1a) That Council create a class of P.Eng. licence, where the requirements to obtain it would be the current PEO criteria for academics, character and age. The holder would be permitted to use the title “engineer” and the designation “Eng.”, but not hold a CofA or engage in the practice of professional engineering independently.	Motion defeated
1b) The fee for the new class of P.Eng. licence would be the same as the fees for EIT program for the first four years and then increase to be the same as the fees for P.Eng. licence.	1a) That the fee for the Engineer-in-Training program after the first four years’ membership be increased to be the same as the fees for the P.Eng. licence.
1c) Permit qualified applicant to register for the Engineering Licence at no cost and provide membership for the first year of this licence at no cost to the applicant. Where qualified applicants means: <ul style="list-style-type: none"> ▪ CEAB graduates for up to 6 months after graduation ▪ Internationally trained engineering graduate for up to 6 months after landing in Ontario 	1b) That qualified applicants be permitted to apply for a P.Eng. licence at no cost and and that they be provided membership for the first year of the Engineer-in-Training program at no cost to the applicant. In this context, “qualified applicant” means: <ul style="list-style-type: none"> • CEAB graduates for up to six months after graduation; or • Internationally trained engineering graduates for up to six months after landing in Ontario.
1d) Provide resources to support a seamless transition to a full licence. Activities would include: <ul style="list-style-type: none"> v. increasing awareness of the Student Membership Program; vi. providing free seminars and informing applicants of the licensing process, the requirements for licensure, 	1c) That resources be provided to support a seamless transition to a full licence. Activities would include: <ul style="list-style-type: none"> i. increasing awareness of the Student Membership Program; ii. providing free seminars and informing applicants of the licensing process, the requirements for licensure,

ORIGINALLY PROPOSED MOTION	MOTION AS PASSED
<p>vii. preparing them to write the Professional Practice Exam and involving them in chapters; assessing experience of Engineering Licence holders annually;</p> <p>viii. not requiring holders of an Engineering Licence to pay an application fee to have their qualifications assessed for a P.Eng. licence; however the registration fee would still apply once they have met all the requirements.</p>	<p>iii. preparing them to write the Professional Practice Exam and involving them in chapters; assessing experience of Engineers-in-Training annually.</p>

RECOMMENDATIONS REGARDING IMPROVING EFFECTIVENESS OF FIC

Purpose: To document how the FIC can become more effective as requested by PEO Registrar. This will include items implemented in 2018 and further recommendations.

No motion required

Prepared by: Kelly Reid, P.Eng. – FIC Vice Chair (on behalf of all the FIC members)

1. Recommendations

- a. Require at least one member of the prior FIC/staff be on the incoming committee to ensure the prior FIC history is available for consideration.
- b. For timeliness hold 1st FIC meeting during April session or shortly thereafter. 1st FIC meeting in 2018 was not scheduled until June 5, 2018. This allows time to acquire FIC knowledge and decide on the FIC non-council members. Recruitment process for non-council FIC members can be time consuming and they can not vote until the council approves the FIC selection.
- c. Recommendations should be prepared by FIC council members/staff for non-council FIC members as part of turn over to incoming FIC council members. Without this is it nearly impossible for incoming FIC members to determine if they should be maintained or replaced for the upcoming term.
- d. The 2018 job posting that was required to be developed from scratch led to high caliber candidates. It included several specific requirements that should be considered in future job postings. Recommend saving this job posting and any future ones for non-council FIC members for FIC council member perusal. Depending on future need for non-councillor members it is easier to select/ revise the job posting versus creating it from scratch each time its required.
- e. In selection of the FIC non-council members each FIC council member independently reviewed and selected their preferred candidates based on experience. The list of preferred candidates was then compiled by the team. This significantly short listed the candidates and led to a streamlined selection process. It was also determined that without resumes it was not possible to assess experience hence these individuals were not considered. It is recommended that resumes be required by all candidates applying and if they are not provided that these candidates be removed from consideration. The hard requirement for resumes should be specified in the job posting.

f. It was encouraged at FIC meetings for members to feel free to share any improvement/cost saving ideas. These were discussed and actions put in place. Even though the agendas were already full it was felt by the current FIC members that this was invaluable to improving the financial situation at the PEO. It is recommended that this practice be continued in future years.

g. FIC adopted an action list early on to request information required to make informed decisions and to track any actions (including recommended initiatives) of the staff or FIC members. This worked extremely well and should be a continued practice with turnover to the incoming FIC Members.

h. It is recommended that the budget assumptions be presented to council earlier than the June Session. This would allow more time for the overall budgeting process. It is recommend that a Council session be held in May. This could be a short session perfomed during an evening to obtain approval.

i. Sufficient time was allotted in August to review the first draft of the 2019 operating and capital budgets. However, no time was allotted to discuss options on how to proceed. It was expected that FIC simply approve this for council citing tight timelines to bring the budget to council for approval. Going forward it is recommended that this be a full day session or that a second session be set up to discuss strategy around what to bring to council.

j. FIC recommended that a visual automatic tally be shown at the 2nd Council session on the budget. As items were removed this would show the live impact on the defecit/effects on operating reserves. Staff set this up in MS Excel and it was extremely impactful during the session. Recommend that this practice be continued in future council sessions when approving budget.

k. 2018/2019 FIC continues to work on various other initiatives to improve PEO cash flow including producing a 5 year strategic plan based on projections. It is recommended that this practice continue in future years.

l. Voting on individual revenue generating and cost saving measures (versus an entire package) proved beneficial. It allowed the councilors to identify items they wanted to proceed with while leaving the remainder within budget. It is recommended that this practice continue in future budget approvals.

2. Background

FIC held its first meeting on June 5, 2018 where it reviewed and approved the 2019 Budget Assumptions be presented to Council.

Council approved the following motions in the June 22, 2018 meeting:

- a) That the 2019 Budget Assumptions presented to Council as C- 519-2.1, Appendix A and as recommended by the Finance Committee, be approved.
- b) That the Interim Registrar be directed to initiate the budgeting process, per PEO's Budgeting Cycle, to present the 2019 operating budget and capital budgets at the September 2018 Council meeting based on the approved assumptions.

Per Council direction, the senior management team and staff began work on the 2019 operating budget and 2018 forecast in July. FIC met on July 24, 2018 to select the non-councillor members, review the FIC (and the Investment Sub-committee) annual work plan/terms of reference, and to review the PEO financial statements for the last 6 months.

A draft copy of the 2019 operating budget and the 2018 forecast was completed in August and distributed to the Finance Committee prior to its meeting on August 28, 2018.

During this meeting on August 28, 2018, the Finance Committee met with members of the senior management team to review the first draft of the 2019 operating and capital budgets. Key highlights of operating budget were reviewed, and questions put forward by the Finance Committee members to the senior management team were answered.

After discussion and inputs from staff, the Finance Committee requested an additional meeting be held on Sept. 6, 2018 at which staff provided a list of potential options to address the 2019 budget shortfall. During the meeting on Sept. 6, the FIC concurred that the draft version of the 2019 operating/capital budgets along with the list revenue and savings options be presented to Council for approval. This list, after incorporating feedback from the FIC, was provided in C-521-2.3 Appendix A for Council's approval.

At the meeting on Sept 21, 2018, Council provided additional suggestions and directed the FIC to provide additional details on the revenue and savings options such that they could assess the recommendation that were presented at the meeting. Subsequently, staff worked out the details and presented the revenue and savings data along with the revised 2019 draft operating/ capital budgets to the FIC at its meeting on Oct 16, 2018.

Despite best efforts by management to reduce/ control costs wherever possible, the 2019 operating budget was expected to have a deficit of \$2.5m before Council discretionary spend items and deficit of \$5.1m after Council discretionary expenses. These deficits were to be funded from the operating reserve which is expected to fall to \$3.3m in 2019.

The FIC completed its 2nd review of the draft 2019 operating/ capital budgets ("2019 budgets") on October 16, 2018. During the meeting, the FIC agreed that revised draft 2019 operating/capital budgets along with the revenue and savings ideas be presented to Council for direction and approval. FIC recommended that a live feed be provided to show effects of revenue and savings options as they were incorporated by the council.

Council approved the draft 2019 operating budget after incorporating the revenue generating and cost saving measures which were presented/amended at the meeting C-521-2.3 Appendices A and B. This was based on council input and voting on each item.

Engineer-in-Residence (EIR) Program

Purpose: To update Council on the closing out of the EIR Program and funds.

No motion required

Prepared by: Tracey Caruana, P.Eng., Manager, Engineering Intern Programs

1. Status Update

The EIR program matches Professional Engineers and EITs with Ontario high schools and elementary schools to assist teachers with curriculum through hands-on engineering presentations. There are currently 206 EIRs paired with 197 schools.

In September 2018, PEO council approved the decision to transfer ownership of the EIR program to Engineers of Tomorrow (EoT). The motion as a result of the September Council meeting include:

1. *That Council transfer the Engineer-in-Residence (EIR) program to Engineers of Tomorrow as of July 31, 2018.*
2. *That PEO transfer the remaining \$22,000 that was approved in the 2018 budget for the EIR program to Engineers of Tomorrow in support of their EIR program that they are taking over from Engineers Without Borders.*
3. *That PEO be willing to consider future requests for sponsorship by Engineers of Tomorrow.*

Financials:

As a result of the September 2018 Council meeting, a total of \$22,000 was transferred to EoT from the PEO budget as per the signed Sponsorship Agreement between EoT and PEO (October 2018).

The Council approved 2019 budget does not include any funds to support EoT further. However, a sponsor provided fund remains. This fund managed by PEO exists for any out of budget expenses that may have been incurred during the time that PEO was involved with the EIR program. This earmarked fund has \$35,035.56 that should be transferred to EoT in the form of a one-time transfer. Once this action is complete it will close out PEO's direct involvement with the EIR program with no further financial obligations.

The money can be transferred over to EoT by an invoice to be issued by EoT to PEO for a total of \$35,035.56. The money will be provided directly from Finance with no effect on current PEO budget as the money was always earmarked for the EIR program.

2. Background on the EIR Program

- On September 27, 2013, the Education Committee completed a report with recommendations for the continuation of the EIR Program.
- At the September 2013 Council meeting, the Education Committee was directed to issue an RFP for a new service provider.
- At the June 9, 2014 Council meeting, the EIR Program was awarded to EWB for a three-year contract.
- On July 19, 2018, EWB advised PEO that it will no longer act as the service provider for the EIR Program.
- PEO began to work on options knowing that the contract was ending.
- On July 31, 2018, the EIR Program contract ended and was up for renewal.
- On September 21, 2018, an EIR BN was presented at the Council meeting with multiple motions for Council to consider regarding the future of the program.
- At the September 21, 2018 Council meeting, it was decided that the EIR program be transferred to Engineers of Tomorrow (EoT) with remaining PEO budget of \$22,000 and that PEO will consider future sponsorship requests by EoT.
- In October 2018, a sponsorship agreement was drafted and signed by PEO and EoT and PEO was invoiced by EoT for \$22,000.

Appendices – N/A

CONSENT AGENDA

Purpose: To approve the items contained in the consent agenda

Motion(s) to consider: (requires a simple majority of votes cast to carry)

That the consent agenda be approved.

Prepared by: Dale Power, Secretariat Administrator

Routine agenda items that may be approved without debate are included in a consent agenda and may be moved in a single motion. However, the minutes of the meeting will reflect each item as if it was dealt with separately. Including routine items on a consent agenda expedites the meeting.

Items included on the consent agenda may be removed and dealt with separately if they contain issues or matters that require review.

Please review the minutes ahead of time for errors or omissions and advise Dale Power (416-224-1100, extension 1130 or dpower@peo.on.ca) if there are any required revisions prior to the meeting so that the minutes, when presented, may be considered within the consent agenda.

The following items are contained in the consent agenda:

- 3.1 Minutes – 524th Council Meeting – February 8, 2019
- 3.2 Approval of CEDC Applications
- 3.3 Changes to the 2019 PEO Committees and Task Forces Membership Roster
- 3.4 Appointment of Interim Corporate Secretary

OPEN SESSION MINUTES – 524th Council Meeting – February 8, 2019

Purpose: To record that the minutes of the open session of the 524th meeting of Council accurately reflect the business transacted at that meeting.

Motion to consider: (requires a simple majority of votes cast to carry)

That the minutes of the 524th meeting of Council, held February 8, 2019, as presented to the meeting at C-525-3.1, Appendix A, accurately reflect the business transacted at that meeting.

Prepared by: Dale Power, Secretariat Administrator

1. Need for PEO Action

In accordance with best business practices, Council should record that minutes of an open session of a meeting of Council accurately reflect the business transacted at a meeting.

2. Current Policy

Section 25(1) of By-Law No. 1 states that meetings of PEO are to be governed by *Wainberg's Society Meetings*. Rule 27.5 of *Wainberg's* states that "There is no legal requirement to have minutes verified, but it is considered good practice. The motion does not by itself ratify or adopt the business transacted; it merely verifies the minutes as being correct [a correct record of the discussions held and decisions made at the meeting]."

3. Appendices

- Appendix A - Minutes – 525th Council open session meeting – February 8, 2019



Minutes

C-525-3.1
Appendix A

The 524th MEETING of the COUNCIL of PROFESSIONAL ENGINEERS ONTARIO (PEO) was held at PEO Offices, 40 Sheppard Avenue West, Toronto, Ontario on Friday, February 8, 2019 at 9:00 a.m.

- Present:
- D. Brown, P.Eng., President and Council Chair
 - B. Dony, P.Eng., Past President
 - N. Hill, P.Eng., President-Elect
 - M. Sterling, P.Eng., Vice-President (Elected) – [minutes 12070 to 12082 only]
 - K. Reid, P.Eng., Vice-President (Appointed)
 - I. Bhatia, P.Eng., Eastern Regional Councillor
 - G. Boone, P.Eng., Eastern Regional Councillor
 - M. Chan, P.Eng., Lieutenant Governor-In-Council Appointee
 - T. Chong, P.Eng., East Central Regional Councillor
 - L. Cutler, P.Eng., Lieutenant Governor-In-Council Appointee [via teleconference]
 - R.A. Fraser, P.Eng., Councillor at Large
 - L. Hidalgo, P.Eng., Western Regional Councillor
 - G. Houghton, P.Eng., Western Regional Councillor
 - Q. C. Jackson, Barrister & Solicitor, Lieutenant Governor-In-Council Appointee
 - T. Kirkby, P.Eng., Lieutenant Governor-In-Council Appointee
 - L. Lederman, Q.C., Lieutenant Governor-In-Council Appointee
 - L. MacCumber, P.Eng., West Central Regional Councillor
 - N. Rush, C.E.T., Lieutenant Governor-In-Council Appointee [via teleconference]
 - T. Olukiyesi, P.Eng., Lieutenant Governor-In-Council Appointee
 - S. Robert, P.Eng., Northern Regional Councillor
 - M. Spink, P.Eng., Lieutenant Governor-In-Council Appointee
 - R. Subramanian, P.Eng., Northern Regional Councillor
 - K. Torabi, P.Eng., East Central Regional Councillor
 - W. Turnbull, P.Eng., Western Regional Councillor [via teleconference]
 - G. P. Wowchuk, P.Eng., Councillor at Large
- Staff:
- J. Zuccon, P.Eng., Registrar
 - S. Clark, LL.B., Chief Administrative Officer and Corporate Secretary
 - L. Latham, P.Eng., Deputy Registrar, Regulatory Compliance
 - D. Smith, Director, Communications
 - M. Wehrle, Director, Information Technology
 - R. Martin, Manager, Secretariat
 - D. Power, Secretariat Administrator
 - N. Axworthy, Editor, Engineering Dimensions [minutes 12070 to 12082 excluding 12079]
 - J. Max, Manager, Policy [minutes 12070 to 12082, excluding 12079]
 - E. Chor, Research Analyst

- Guests:
- A. Bergeron, P.Eng., PEO Director, Engineers Canada [minutes 12070 to 12082 only, excluding 12079]
 - C. Bellini, P.Eng., PEO Director, Engineers Canada [minutes 12070 to 12084 only, excluding 12079]
 - H. Brown, Brown & Cohen [minutes 12070 to 12084 only, excluding 12079]
 - D. Chui, P.Eng., PEO Director, Engineers Canada [minutes 12070 to 12082 only, excluding 12079]
 - J. Hack, P.Eng., President and Chair, Ontario Society of Professional Engineers (OSPE) [minutes 12070 to 12074 only, excluding 12079]
 - C. Hill, Board Chair, Consulting Engineers of Ontario [minutes 12070 to 12074 only, excluding 12079]
 - B. Matthews, P.Eng., CEO, Consulting Engineers of Ontario [minutes 12070 to 123074 only, excluding 12079]
 - S. Perruzza, P.Eng., CEO, Ontario Society of Professional Engineers (OSPE) [minutes 12070 to 12084, excluding 12079]
 - R. Shreewastav, P.Eng., PEO Director, Engineers Canada (via teleconference) [minutes 12070 to 12082 only, excluding 12079]
 - R. Steineke, PEO Legal Counsel [minute 12079 h to j only and minutes 12083 to 12084]
 - D. Williams, External Consultant [minutes 12070 to 12084 only, excluding 12079]

On Thursday evening, Council held a plenary session receiving an update on the 30 by 30 Task Force.

Council convened at 9:00 a.m. Friday, February 8, 2019.

CALL TO ORDER

Notice having been given and a quorum being present, the Chair called the meeting to order.

12070 APPROVAL OF AGENDA

Moved by Councillor Chong, seconded by Councillor Subramanian:

That:

- a. the agenda, as presented to the meeting at C-524-1.1, Appendix A be approved as presented and**
- b. the Chair be authorized to suspend the regular order of business.**

CARRIED

Johnny Zuccon, newly appointed Registrar, thanked Council for selecting him as PEO's next Registrar and that he was honoured and excited for the challenges and opportunities that lie ahead as PEO moves forward to usher in unprecedented change. He also thanked staff who give and continue to give to the organization.

12071 GOVERNANCE AND MANDATE CONCERNS FROM CEO AND OSPE

Representatives from Consulting Engineers of Ontario and the Ontario Society of Professional Engineers were invited to address the issues and concerns they raised in their respective letters to the Attorney General of Ontario regarding governance issues, lack of focus and the extent of non-regulatory activity at PEO.

J. Hack, President and Chair of the Ontario Society of Professional Engineers and B. Matthews, CEO of Consulting Engineers of Ontario discussed their concerns and proposed actions/recommendations. J. Hack noted that the briefing note was an attempt to point to the fundamental structural issues that, once resolved, could help to ensure

that PEO is better aligned to support its important regulatory mandate. B. Matthews stated that while CEO and OSPLE applauded PEO for engaging in an independent regulatory performance review, it was felt that the root cause of the problems that exist at the regulatory performance level are ultimately founded in issues of governance and that is why expanding the review to include a review of governance and a review of all PEO activities through that lens of regulatory governance was so important.

Council expressed concerns regarding some of the recommendations which included incomplete financial information regarding the cost of a second phase of the governance review as well as a lack of information related to the scope, the need for an RFP, the absence of examples of where the public interest was not being served and abdicating PEO's regulatory authority to a consultant. While Council was supportive of continued discussions on governance issues, the outcome of the governance review in progress was an integral part of this.

Moved by Councillor MacCumber, seconded by Councillor Chong:

That:

- 1. Council extend the scope of the independent Regulatory Performance Review currently being undertaken by Harry Cayton, CBE, et al, to include a second phase looking specifically at governance issues and a review of all PEO activities through the lens of regulatory governance and the principal and secondary objects under the Professional Engineers Act;**
- 2. Council stand down the Governance Working Group – Phase I and apply its \$40,000 budget towards the cost of the second phase work noted in item (1);**
- 3. Council make the reports from all phases of the independent Regulatory Performance Review public on the date received by PEO;**
- 4. Council adopt the recommendations contained in the reports from both phases of the independent Regulatory Performance Review and, within three months of receipt of any report, works with staff to establish and begin execution of an implementation plan to address the policy, by-law, regulation and statutory changes necessary to fulfill the recommendations.**

Moved by President-elect Hill, seconded by Past President Dony:

That the motion brought before Council regarding governance and mandate concerns from Consulting Engineers of Ontario (CEO) and Ontario Society of Professional Engineers (OSPE) be withdrawn.

**CARRIED
Unanimously**

Moved by Councillor Spink, seconded by Councillor Hidalgo:

That Council instruct the Registrar to prepare an RFP to conduct an external governance review of PEO with oversight from the chair of the Governance Working Group - Phase 1, and the mover and/or seconder of the 2017 PEO AGM members motion and to bring the completed RFP back to Council for approval at the March Council meeting complete with any supporting documentation.

Required a 2/3 majority votes cast to carry.

Moved by Councillor Fraser, seconded by Councillor Chan:

That the motion to instruct the Registrar to prepare an RFP to conduct an external governance review of PEO with oversight from the chair of the Governance Working Group – Phase 1 be tabled until after the report of the current governance review is received by Council.

CARRIED

**12072
GOVERNANCE WORKING GROUP PHASE 1
UPDATE**

At the November 2018 meeting, Council approved the 2019 PEO Operating budget. The budget included a number of cost saving initiatives including withholding funds for the operation of the Governance Working Group Phase 1 (GWGP1) for 2019.

With the GWGP1 unable to continue their work due to a lack of funding, the Working Group will be unable to deliver a report to Council prior to the 2019 Annual General Meeting as was set out in the Terms of Reference approved by Council when the GWGP1 was established in March, 2018.

At the March, 2018 meeting, Council approved Terms of Reference for the GWGP1 that directed the GWGP1 “To deliver a report for Council approval prior to the 2019 AGM to confirm if a governance review is warranted.

Council also approved a budget of \$40,000 for the Working Group to be used to engage a governance expert; however, since this money was eliminated by Council at its November 2018 meeting, there is no money for the Working Group to continue its work.

The GWGP1 has to date incurred \$462.46 in expenses related to one in-person meeting and one teleconference.

**12073
CEDC REQUEST FOR TEMPORARY
EXEMPTION FROM TERM LIMITS**

At its September 2017 meeting, Council approved amendments to the Committees Terms of Reference Template as contained in the Committees and Task Forces Policy – Reference Guide establishing term limits for committees.

As part of the template, Council granted exemption to certain

committees (Academic Requirements Committee (ARC), Complaints Committee (COC), Discipline Committee (DIC), Experience Requirements Committee (ERC), Fees Mediation Committee (FMC) and Registration Committee (REC) as they have statutory mandates.

The following note was also approved by Council, as part of the revised template:

- *Under exceptional circumstances, the committee may request the Advisory Committee on Volunteers (ACV) to consider a temporary exemption of the term limits provision. If deemed appropriate, the ACV may make a recommendation to Council on behalf of the committee for temporary relief from this provision. Such relief to be not more than one (1) term in duration.*

In November 2017, the then-CEDC Chair submitted a request to the Advisory Committee on Volunteers (ACV) for exemption of the CEDC members from the “term limits” provision ‘similar to other committees, like ARC, COC, DIC, ERC and REC’.

The ACV reviewed and discussed the CEDC request at its December 2017 meeting the request and responded to the then-Chair, recommending that the request for exemption of the CEDC members from the ‘term limits’ provision be submitted by CEDC directly to Council for review and consideration.

In November 2018, the CEDC Chair submitted a second request to the ACV for a one-year temporary exemption of the CEDC members from the “term limits” provision.

The ACV reviewed the second request at its December 6, 2018 meeting and passed the following motion:

Moved by Vic Pakalnis, seconded by Nick Colucci:

That the ACV accept the reasoning for the CEDC’s request to Council regarding a one-year temporary exemption from the ‘term limits’ requirement. MOTION CARRIED.

In addition, the ACV made the following recommendations to the CEDC Chair:

1. *To include in the Briefing Note to Council a Succession Plan, outlining steps for recruitment of new members, moving subcommittee members to the main committee, and retirement of members with 10+ years of service.*
2. *To keep members retired from the main committee on subcommittees to allow for a smooth transition.*

It was noted that term limits were requested of committees in March

2017. It was further noted that there were a number of long term CEDC members who could take on the role of Chair and Vice-Chair.

Moved by Councillor Chan, seconded by Councillor Chong:

That Council approve the CEDC request for a one-year temporary exemption from the “term limits” provision for the Chair, Vice Chair and committee members.

DEFEATED

**12074
COMMITTEES AND TASK FORCES
HUMAN RESOURCES AND WORK PLANS**

Under the Committees and Task Forces Policy (Committees/Task Forces Operations, Item 3), each committee/ task force is to prepare an annual work plan and human resources plan for the following year by September 30 each year.

One of the roles of Council, as identified in the Committees and Task Forces Policy (Role of Council, Item 3), is to approve committee/task force mandates, Terms of Reference, annual work plans, and annual human resources plans. A 2019 Work and HR Plans Submission Log was provided in the agenda package.

Councillor Spink noted that the Governance Working Group Phase 1 did not finalize their work plan as the Working Group is on hold.

The Licensing Committee will be asked to review their Human Resources and Work Plans to include equity and diversity and to review and consider the recommendations from the Office of the Fairness Commissioner regarding non-compliance.

Moved by Councillor Chan, seconded by Councillor Olukiyesi:

That Council approve the committee / task force work plans and human resources plans as presented to the meeting at C-524-2.4, Appendices A to B and D to F.

CARRIED

**12075
CONSENT AGENDA**

Moved by Councillor Chong, seconded by Councillor Turnbull:

That the Consent Agenda be approved as presented.

CARRIED

Included on the consent agenda:

- 3.1 Minutes – 52st Council meeting – November 16, 2018
- 3.2 Minutes – 522nd Council meeting – December 18, 2018
- 3.3 Changes to the 2019 PEO Committees and Task Forces Membership Roster

[Note: minutes 12076 to 12078 reflect the motions provided in the briefing notes presented to the meeting.]

12076
MINUTES – 521ST COUNCIL MEETING –
NOVEMBER 16, 2018

That the minutes of the 521ST meeting of Council, held November 16, 2018, as presented to the meeting at C-524-3.1, Appendix A, and amended, accurately reflect the business transacted at that meeting.
CARRIED

12077
MINUTES – 522ND COUNCIL MEETING –
DECEMBER 18, 2018

That the minutes of the 522ND meeting of Council, held December 18, 2018, as presented to the meeting at C-524-3.2, Appendix A, accurately reflect the business transacted at that meeting.
CARRIED

12078
CHANGES TO THE 2019 PEO COMMITTEES
AND TASK FORCES MEMBERSHIP ROSTER

That Council approve changes to the 2019 PEO Committees and Task Forces Membership Roster as presented to the meeting at C-524-3.3, Appendix A.
CARRIED

Moved by Councillor Hidalgo, seconded by Councillor Olukiyesi:

That Council move in-camera

CARRIED

12079
IN-CAMERA SESSION

While in-camera, Council:

- a) verified the in-camera minutes from the 521st meeting of Council held November 16, 2018 and the in-camera minutes from the 522nd meeting of Council held December 18, 2018 as presented;
- b) approved the 2018 Wolfe-Smith Awardees;
- c) made a decision regarding the Scott Johnson Coroner's Inquest;
- d) received decisions and reasons of the Discipline Committee;
- e) noted there were no issues reports regarding PEO's Anti-Workplace and Violence Policy;
- f) discussed the governance and mandate concerns from CEO and OSPE;
- g) received a legal opinion regarding a December 28, 2018 letter from the Ontario Fairness Commission;
- h) received a legal opinion regarding bylaw change – additional fee increases;
- i) received a legal update on legal actions in which PEO is involved and discussed the Appeals of Discipline Committee Decisions policy;
- j) received an HRC Update (staff, with the exception of the Registrar), were recused from this portion of the in-camera meeting)

12080
COUNCIL ACTION LOG

In June, 2018 Council tasked staff with developing a Council Action Log. The log is designed to capture action items as well as identify the lead responsibility and the status.

The Council Action Log, updated as of January 23, 2019, was provided in the Council agenda package.

It was requested that staff follow up with Councillors who are named as leads for any action item(s) contained in the Council Action Log in a timely manner.

**12081
REGULATORY RISK REGISTER**

The Regulatory Risk Register was provided in the Council agenda package and in the future will also include a heat map as a regular attachment.

President Brown noted that the risk impact of each item on the risk register should be monitored and reviewed at each Council meeting and revised as necessary.

It was suggested that item 6. Backlog in experience requirements assessments be altered/expanded to include how to assess certain disciplines of engineering from the experience side, including the way applicants are being evaluated and that the risk impact be increased.

Additional Items suggested for the Regulatory Risk Register included:

- Certificate of Authorization – cumbersome process - risk impact to be determined
- Office of the Fairness Commissioner – high risk

**12082
COUNCILLOR ITEMS**

a. Wainberg's Rules of Order

Action: The Secretariat will prepare a summary of motions in order of precedence and their characteristics according to Wainberg's Society of Meetings including Rules of Order for distribution to all Councillors.

b. Enhanced Recognition Program

Councillor Boone advised that he would like to see a mechanism to recognize deceased members of staff who contributed significantly to the engineering profession. Registrar Zuccon advised that criteria is currently in place and being deployed but that this would be looked at on a broader scale which might include an environmental scan to see what other organizations do and bringing recommendations to Council. Councillor Boone advised that there was a particular former member of PEO staff that he would like to see be the first honoured under the enhanced recognition program if approved by Council.

Enhanced Recognition Program will be added to the Action Log.

c. Annual Budget Cycle

Councillor Chong suggested that PEO look at a multi year budget cycle aligned to the strategic plan.

d. Chapter Financial Statements

Councillor Chong noted that some Chapters are unable to reconcile financial figures from one year to the next and asked that this be reviewed by the Audit Committee.

e. Equity and Diversity

A number of opinions were expressed around the importance of equity, diversity and inclusion.

f. Councillor Access to Information on SharePoint

Councillor Wowchuk advised that although the minutes and agendas for committees and task forces are on the PEO website, documents should be on the Council Sharepoint site and should be timely. He noted that all Directors of the corporation with fiduciary duty are responsible for the affairs of the organization and thus require access to all relevant documents and proceedings.

President Brown will work with staff to establish a clear objective in providing Councillor access to information on Sharepoint.

g. Innovation and Entrepreneurship

Councillor Boone referred to a letter that was written to the President from the Ottawa Chapter regarding innovation and entrepreneurship. President Brown advised that a response from him was forthcoming.

Council recessed for lunch.

Upon reconvening, President Brown presented the following Councillors with service pins and certificates in appreciation of their volunteer services to Professional Engineers Ontario:

Councillor Spink – 5 years
Councillor Bhatia – 10 years FEC
Councillor MacCumber – 10 years FEC
Councillor Robert – 10 years FEC
President-elect Hill – 25 years

**12083
EXTERNAL REGULATORY PERFORMANCE
REVIEW**

Harry Cayton, provided an update on the progress of the external regulatory performance review. He stated that through an interactive process he, along with Deanna Williams, have received many ideas and advice from members of Council. He stated that his team looks at all policies, procedures, legislation, etc. to form an understanding of the way PEO operates. He advised that he would be returning to the U.K. shortly and that Deanna Williams would continue to meet with Councillors and senior members of staff to discuss how PEO's regulatory functions are carried out.

A report will be drafted with preliminary findings and that he would return to Canada at the end of March/early April to go through a quality assurance process and to give PEO the opportunity to make any corrections. The final report will then be submitted to the PEO President.

In response to a query regarding a regulatory review vs. a governance

review H. Cayton advised that a governance review looks not only at legal structures but also a whole range of how Council and all committees manage themselves and how they conduct their business. He added that the current review being conducted is focussed on PEO's regulatory tasks of protecting the public interest which includes functions such as the setting of standards, issuing of guidance on engineering practice, the licensing of professional engineers, the range of different licenses that are issued and the approaches that PEO takes to assessing applicants for licenses as well as complaints, discipline and enforcement. He stated that if the areas of complaints, discipline and enforcement are done very well there isn't likely a governance issue. He noted that the regulatory and governance reviews are interlinked but separate.

Further to the matter of public safety, H. Cayton advised that PEO has published an open web address on PEO's website for the public to submit emails and that he has already received quite a few.

H. Cayton advised that he has met with the Attorney General to discuss deficiencies in the Professional Engineers Act and the need for improvements. His team will also be looking any disparity between legislation and what PEO is doing.

President Brown thanked H. Cayton for his time.

Moved by Councillor Boone, seconded by Past President Dony:

That Council move in-camera.

CARRIED

**12084
BYLAW CHANGE – ADDITIONAL FEE
INCREASES**

Council was provided with a legal opinion regarding bylaw change – additional fee increases “in camera.” Following this there was a consensus to vote on this item in open session.

Required a 2/3 majority votes cast to carry.

Moved by Councillor Lederman, seconded by Councillor Olukiyesi:

That Council repeals section 59 of By-Law No. 1; this amendment is effective immediately when passed without confirmation by the members.

CARRIED

Required a 2/3 majority votes cast to carry.

Moved by Councillor Lederman, seconded by President-elect Hill:

That Council approves the policy intent to equally increase all PEO fees in By-Law No. 1 to catch up with inflation since 2004 that were not increased by Council at its November 16, 2018 meeting, as listed in

Appendix B, using section 8(2) of the Act and effective immediately.

**CARRIED
Recorded Vote**

<u>For</u>	<u>Against</u>	<u>Abstain</u>
I. Bhatia	R. Fraser	T. Chong
G. Boone	K. Reid	
M. Chan	K. Torabi	
L. Cutler	G. Wowchuk	
B. Dony		
L. Hidalgo		
N. Hill		
G. Houghton		
Q. Jackson		
T. Kirkby		
L. Lederman		
L. MacCumber		
T. Olukiyesi		
S. Robert		
N. Rush		
M. Spink		
R. Subramanian		
W. Turnbull		

President Brown advised that the Finance Committee is currently working on a policy and a long term financial plan.

Registrar Zuccon advised that an implementation and communication plan regarding the fee increase will be forthcoming to Council as soon as possible.

President Brown advised that a Funding Formula Task Force is analysing how Engineers Canada is funded. D. Chui is PEO's representative on this task force.

Moved by Councillor Kirkby, seconded by Councillor Boone:

That Council move in-camera.

CARRIED

These minutes consist of eleven pages and minutes 12070 to 12084 inclusive.

D. Brown, P.Eng., Chair

S. Clark, LL.B., Chief Administrative Officer and
Corporate Secretary

Briefing Note – Decision

CONSULTING ENGINEER DESIGNATION APPLICATIONS

Purpose: Under Section 61(2) of Regulation 941 under the *Professional Engineers Act*, the Consulting Engineer Designation Committee (CEDC) may make recommendations to Council in respect of all matters relating to application for designation as a consulting engineer. The CEDC is recommending that Council approve the following motions.

Motion(s) for Council to consider: (requires a simple majority of votes cast to carry)

1. That Council approve the exemption from examinations and the applications for designation as Consulting Engineer as presented to the meeting at C-525-3.2, Appendix A, Section 1.
2. That Council approve the applications for re-designation as Consulting Engineer as presented to the meeting at C-525-3.2, Appendix A, Section 2.
3. That Council grant permission to use the title “Consulting Engineers” (or variations thereof) to the firms as presented to the meeting at C-525-3.2, Appendix A, Section 3.

Prepared by: Faris Georgis, P.Eng, Manager, Registration and Imelda Suarez, Staff Support

Moved by: Ishwar Bhatia, P.Eng.

1. Need for PEO Action

Council needs to accept the recommendations of the Consulting Engineer Designation Committee (CEDC) with respect to the applications submitted for its consideration before the applicants are informed of the PEO’s decision with respect to their application.

2. Proposed Action / Recommendation

That Council approve/deny the applications for designation and redesignation.

3. Next Steps (if motion approved)

The applicants will be advised of Council’s decision with respect to their applications.

4. Peer Review & Process Followed

Process Followed	All applications were reviewed by PEO staff, the Regional Subcommittees of CEDC and later approved by CEDC on February 14, 2019.
Council Identified Review	Not applicable. Required by Regulation.
Actual Motion Review	As stated under above process.

5. Appendices

- Appendix A – Report of the Consulting Engineer Designation Committee
- Appendix B – Legal Implications

To the 525th Meeting of the Council of
Professional Engineers Ontario

REPORT OF THE CONSULTING ENGINEER DESIGNATION COMMITTEE

Chair: Shawn Gibbons, P.Eng.

- 1. The Committee has reviewed the following applications for DESIGNATION and recommends to Council that these 16 applicants be exempted from examinations pursuant to Section 56(2) of O.Reg.941 and that they be considered for DESIGNATION AS CONSULTING ENGINEER, having met the requirements pursuant to Section 56(1) of O.Reg.941:**

#	P.Eng.	Company Name	Address	Licence #
1.1	Ansari, Nadir	Brian Isherwood & Associates Ltd.	3-3100 Ridgeway Dr, Mississauga ON, L5L 5M5	90232026
1.2	Belanger, Mark	Associated Engineering (Ont.) Ltd.	300-509 Glendale Ave E, Niagara-on-the-Lake ON, L0S 1J0	100077950
1.3	Bhatti, Muhammad	Haz-Geo Environmental Inc.	115 Surbray Grove, Mississauga ON, L5B 2E2	100080571
1.4	Chow, Kenneth	KSGS Engineering Corp.	300-470 Hensall Cir, Mississauga ON, L5A 3V4	8210601
1.5	Dee, Jonathan	John G. Cooke & Associates Ltd.	300-460 Brant St, Burlington ON, L7R 4B6	100162005
1.6	Eghtesadi, Amir	Interbuild Engineering Inc.	60 Highland Park Blvd, Thornhill ON, L3T 1B3	100090817
1.7	Hassan, Ali	Alef Consulting Inc.	104-250 Sydenham St, London ON, N6A 5S1	18733659
1.8	Ho, Ian	Sysconverge Inc.	9-105 Riviera Dr, Markham ON, L3R 5J7	100125509
1.9	Jaber, Abdulsalam	Insight Health Tech Planning (IHP) Inc.	23-5484 Tomken Rd, Mississauga ON, L4W 2Z6	100128533
1.10	Lang, Michael	D.M. Wills Associates Ltd.	150 Jameson Dr, Peterborough ON, K9J 0B9	100055285
1.11	Levkoe, Mark	Valcoustics Canada Ltd.	25-30 Wertheim Crt, Richmond Hill ON, L4B 1B9	100130155

1.12	Liu, Yi Lin	Crossey Engineering Ltd.	2255 Sheppard Ave E, Suite E-331, North York ON, M2J 4Y1	100055099
1.13	Pandya, Mahendraprasad	Ambashi Engineering & Management Inc.	310 Painted Post Dr, Units A&B, Scarborough ON, M1G 2M3	100088405
1.14	Rameshni, Ramin	Towards Sustainable Infrastructure (TSI) Inc.	24 Wild Briarway, North York ON, M2J 2L2	100192849
1.15	Vasanth, Madana	2478153 Ontario Inc (o/a) Girard Engineering	212 Main St W, Otterville ON, N0J 1R0	100175148
1.16	Warren, Philip	Nexteng Consulting Group Inc.	201-520 Industrial Parkway S, Aurora ON, L4G 6W8	100071590

2. The Committee has reviewed the following applications for REDESIGNATION and recommends to Council that these 33 applicants be granted REDESIGNATION AS CONSULTING ENGINEER, having met the requirements pursuant to Section 57(2) of O.Reg.941:

#	P.Eng.	Company Name	Address	Licence #
2.1	Acri, Jordan	Fortech Engineering Ltd.	202-420 Sheldon Dr, Cambridge ON, N1T 2H9	100057613
2.2	Beltramin, Randolph	Stem Engineering Group Inc.	2-875 Queen St E, Sault Ste Marie ON, P6A 2B3	3269404
2.3	Bhogal, Abhijit	Spline Group	15-7015 Tranmere Dr, Mississauga ON, L5S 1T7	100079257
2.4	Bigelow, Neil	Bigelow Accident Reconstruction Inc.	219-7100 Woodbine Ave, Markham ON, L3R 5J2	90406687
2.5	Carswell, Michael	D.G. Biddle & Associates Limited	96 King St E, Oshawa ON, L1H 1B6	90561374
2.6	Crawford, Richard	Crawford Building Consultants Inc.	36 Concession St, Box 969, Lakefield ON, K0L 2H0	9796509
2.7	Dengler, David	Building Innovation Inc.	54-750 Oakdale Rd, Toronto ON, M3H 2Z4	90404674
2.8	Dunlop, Ian	Ian Dunlop & Associates Limited	17 Cherry Hills Rd, Concord ON, L4K 1M2	12490116
2.9	Filer, David	Filer Engineering Ltd.	1151 Edgewood Rd, Millgrove ON, L8B 1A1	14140503
2.10	Fong, Forry	AiMS Environmental	111-1020 Denison St, Markham ON, L3R 3W5	14534556
2.11	Harkonen, Harold	Nordmin Engineering Ltd.	160 Logan Ave, Thunder Bay ON, P7A 6R1	90299520
2.12	Haroon, Youssef	Prelix Associates International Limited	1500-4 Robert Speck Pkwy, Mississauga ON, L4Z 1S1	90443474
2.13	Janzen, Timothy	985846 Ontario Inc (o/a) MET Energy Systems	209 Cloudy Lake Rd, Echo Bay ON, P0S 1C0	21852553

2.14	Kresin, Christopher	Kresin Engineering Corporation	536 Fourth Line E, Saulte Ste Marie ON, P6A 6J8	90430844
2.15	Lancia, Giancarlo	Lanhack Consultants Inc.	1709 Upper James St, Hamilton ON, L9B 1K7	90263831
2.16	Larocque, Robbie	D.G. Biddle & Associates Limited	96 King St E, Oshawa ON, L1H 1B6	90323221
2.17	Leclerc, Stephane	L&L Associates Ltd.	5430 Canotek Rd, Ottawa ON, K1J 9G2	90439027
2.18	Liang, WeiMin	exp Services Inc.	110-220 Commerce Valley Dr W, Markham ON, L3T 0A8	100049947
2.19	Lombard, Josh	Roney Engineering Ltd.	900 Purdy Mills Rd, Kingston ON, K7M 3M9	90551193
2.20	Lorenowich, John	JML Engineering Ltd.	105 Villa St, 2nd Flr, Thunder Bay ON, P7A 7W5	27396506
2.21	Lymer, Robert	Mulvey & Banani Intl Inc.	44 Mobile Dr, Toronto ON, M4A 2P2	27758408
2.22	Mamiza, Nabil	GTA Design & Engineering	3707 Trelawny Circ, Mississauga ON, L5N 6N8	100119298
2.23	Pelton, Michael	Fluent Group Consulting Engineers Inc.	295A Broadway, Main Floor, PO Box Stn A, Orangeville ON, L9W 2Z6	100009670
2.24	Peterman, Robert	PPA Engineering Technologies Inc.	50 Samnah Cres, Ingersoll ON, N5C 3J7	36365013
2.25	Redmond, Chris	AECOM Canada Ltd.	105-1361 Paris St, Sudbury ON, P3E 3B6	90269283
2.26	Remisz, Wojciech	Remisz Consulting Engineers Ltd.	102-57 Auriga Dr, Ottawa ON, K2E 8B2	11675933
2.27	Spencer, Richard	RC Spencer Associates Inc.	860 University Ave W, Windsor ON, N9A 5R9	43858018
2.28	Stanton, Bryan	C.C. Tatham & Associates Ltd.	4-41 King St, Barrie ON, L4N 6B5	90415795
2.29	St. Onge, Patrick	Bouthillette Parizeau Inc.	100-1960 Robertson Rd, Ottawa ON, K2H 5B9	100101906
2.30	Tarsitano, Antonio	Integrated Management Solutions Ltd.	424-130 Bridgeland Ave, Toronto ON, M6A 1Z4	90381294
2.31	Turner, Charles	Charles G. Turner and Associates Ltd.	2-60 Venture Dr, Scarborough ON, M1B 3S4	47290010
2.32	Tyrrell, John	Stantec Consulting Ltd.	800-171 Queens Ave, London ON, N6A 5J7	90375114
2.33	Yerushalmi, Albert	Eden Engineering & Design	34 Pheasant Valley Ct, Markham ON, L3T 2H1	100070815

3. The Committee recommends to Council that the following **10 FIRMS** be granted **PERMISSION TO USE THE TITLE “CONSULTING ENGINEERS”** (or variations thereof), having met the requirements pursuant to Section 68 of O.Reg.941:

#	Company Name	Address	Designated Consulting Engineer (s)
3.1	1964898 Ontario Inc. (o/a) Flamborough A&M Engineering	1066 Sheffield Rd, Cambridge ON, N1R 5S2	Stephen Shelestynsky
3.2	Durham Energy Specialist Limited	106-209 Dundas St E, Whitby ON, L1N 7H8	Leanne Skribe
3.3	Fortech Engineering Ltd.	202-420 Sheldon Dr, Cambridge ON, N1T 2H9	Jordan Acri
3.4	Improtech Ltd.	310-40 Wynford Dr, Toronto ON, M3C 1J5	Albert Suitso
3.5	M. Wendl Corporation (o/a) AAA Engineering	202-310 Mill St S, Brampton ON, L6Y 3B1	Milan Wendl
3.6	Q&E Engineering Inc.	684 Moneymore Rd, Roslin ON, K0K 2Y0	Zuo Quan Tan
3.7	Quartek Group Inc.	89-91 St. Paul St, St Catharines ON, L2R 3M3	Douglas Peters
3.8	Quasar Consulting Group Inc.	5747 Coopers Ave, Mississauga ON, L4G 1R9	Terry Sedore
3.9	RA Engineering Inc.	40-17665 Leslie St, Newmarket ON, L3Y 3E3	Ragunathan Satgunanathan
3.10	The HIDI Group Inc.	200-155 Gordon Baker Rd, North York ON, M2H 3N5	John Ferguson, Andrew Hidi

CONSULTING ENGINEER DESIGNATION APPLICATIONS

Legal Implications/Authority

1. Pursuant to Section 56(2), Council has the authority to exempt an applicant from any of the examinations required by section 56(1) to be taken by an applicant for a Consulting Engineer Designation if Council is satisfied that the applicant has appropriate qualifications.

Pursuant to Section 56(1) Council **shall** designate as a Consulting Engineer every applicant for the Designation who meets the requirements set out in Section 56(1)(a-d). As a result there does not appear to be any discretion for Council to refuse applicants who meet the requirements.

2. Pursuant to Section 57(2) Council **shall** redesignate as a consulting engineer every applicant who meets the requirements of section 57(2) (a-c). As a result there does not appear to be any discretion for Council to refuse applicants who meet the requirements.

Briefing Note – Decision

CHANGES TO THE 2019 COMMITTEES AND TASK FORCES MEMBERSHIP ROSTER

Purpose: To approve changes to Section 2 (Other Committees Reporting to Council) of the *2019 PEO Committees and Task Forces Membership Roster*.

Motion(s) to consider: (requires a simple majority of votes cast to carry)

That Council approve changes to the *2019 PEO Committees and Task Forces Membership Roster* as presented to the meeting at C-525-3.3, Appendix A.

Prepared by: Margaret Braun MEd, CHRE - (Acting) Director, People and Development
Moved by: LGA Councillor Kirkby, P.Eng.

1. Need for PEO Action

It is the role of Council to approve annual rosters of committee members under the Committees and Task Forces Policy (Role of Council, Item 4) and authorize the membership of those volunteers who formally participate on its behalf through membership on committees and task forces. Furthermore, Council is asked to approve volunteer members of committees and task forces in accordance with PEO's insurance policy requirements.

Council approved the *2019 PEO Committees and Task Forces Membership Roster* at the November 16, 2018 meeting. *Appendix A* sets out changes to the Section 2 (Other Committees Reporting to Council) of the approved Roster that require Council approval at this time.

2. Proposed Action / Recommendation

Approve the changes to Section 2 (Other Committees Reporting to Council) of the *2019 PEO Committees and Task Forces Membership Roster*.

3. Next Steps (if motion approved)

- The newly appointed and re-appointed members will be notified accordingly.
- The updated *2019 PEO Committee and Task Force Membership Roster* will be posted on PEO's website.

4. Policy or Program contribution to the Strategic Plan

The motion regarding Changes to the *2019 PEO Committees and Task Forces Membership Roster* is related to Objective 9 in the 2018-2020 Strategic Plan.

5. Financial Impact on PEO Budgets (for five years)

Not applicable

6. Peer Review & Process Followed

Process Followed	Committees and Task Forces Policy – Role of Council Item 4: Approve the annual roster of committee members.
Actual Motion Review	The HRC will review the changes to the <i>2019 PEO Committees and Task Forces Membership Roster</i> at its meeting on February 8, 2019.

7. Appendix

- Appendix A – Changes to Section 2 (Other Committees Reporting to Council) of the *2019 PEO Committees and Task Forces Membership Roster*.

**Changes to the 2019 PEO Committees and
Task Forces Membership Roster**

C-525-3.3
Appendix A

525th Council Meeting

New appointments:

First/Last Name	Term / Compliance [per Terms of Reference]	Committee / Task Force
Zachary White, P.Eng.	February 4, 2019 – December 31, 2019	Awards Committee (AWC)
Shawn Yanni	March 22, 2019 – December 31, 2019	Government Liaison Committee (GLC) – student representative

Changes to the Roster – election of Chairs/Vice Chairs and other:

First/Last Name	Term / Compliance [per Terms of Reference]	Committee / Task Force
Shawn Gibbons, P.Eng., CD	1-year term [1 st term / full compliance]	Consulting Engineer Designation Committee (CEDC) – Chair
Steven van der Woerd, P.Eng., CD	1-year term [1 st term / full compliance]	Consulting Engineer Designation Committee (CEDC) – Vice Chair
Vera Straka, P.Eng.	1-year term [1 st term / full compliance]	Equity and Diversity Committee (EDC) – Chair
Ryan Zizzo, P.Eng.	1-year term [1 st term / full compliance]	Equity and Diversity Committee (EDC) – Vice Chair
Arjan Arenja, P.Eng.	1-year term [1 st term / full compliance]	Government Liaison Committee (GLC) – Vice Chair

Committee and Task Force Resignations/Retirements:

First/Last Name	Service Dates	Committee / Task Force
Doug Barker, P.Eng., CD	1994 – Feb 2019	Consulting Engineer Designation Committee (CEDC)
Denis Dixon, P.Eng., CD	2000 – Feb 2019	Consulting Engineer Designation Committee (CEDC)
Eric Nejat, P.Eng., CD	1995 – Feb 2019	Consulting Engineer Designation Committee (CEDC)
George Matsis, P.Eng., CD	2017 – Feb 2019	Consulting Engineer Designation Committee (CEDC) – Western subcommittee
Richard Patterson, P.Eng., CD	1995 – Feb 2019	Consulting Engineer Designation Committee (CEDC)
Greg Allen, P.Eng.	2012 – Jan 2019	Equity and Diversity Committee (EDC)

APPOINTMENT OF INTERIM CORPORATE SECRETARY

Purpose: To remove Scott Clark as the Corporate Secretary and appoint Ralph Martin as Interim Corporate Secretary.

Motion(s) to consider: (requires a simple majority of votes cast to carry)

1. Remove Scott Clark as the Corporate Secretary and General Secretary.
2. Appoint Ralph Martin Interim Corporate Secretary.

Prepared by: Margaret Braun, Acting Director, People Development

Moved by: Bob Dony, P.Eng.

1. Need for PEO Action

Signing of Meeting Minutes

Section 49(1) of the *Professional Engineers Act* imports certain provisions of the *Corporations Act*. Section 49(1) 14 is relevant to the signing of minutes which states,

49. (1) The Corporations Act does not apply in respect of the Association except for the following sections of that Act which shall apply with necessary modifications in respect of the Association:

14. Section 299 (which relates to minutes of meetings).

Section 299(1) and (2) of the *Corporations Act* state,

299 (1) A corporation shall cause minutes of all proceedings at meetings of the shareholders or members and of the directors and of any executive committee to be entered in books kept for that purpose.

(2) Any such minutes, if purporting to be signed by the chair of the meeting at which the proceedings were had or by the chair of the next succeeding meeting, are admissible in evidence as proof, in the absence of evidence to the contrary, of the proceedings.

By-law No. 1, section 24 also deals with the signing of minutes. It states,

24. In the absence of proof to the contrary, minutes of any meeting of the association or of the Council or of a committee purporting to be signed by the president, the president-elect or the past president and by the registrar or, in the case of a committee, by the committee chair shall be deemed to be a correct record of the proceedings of the meeting.

Further direction on the signing of meeting minutes is provided in Wainberg's Society Meetings, Rules of Order, Rule 27.3, which states,

Minutes, when written or typed, ought to be signed by the Chair and the secretary of the meeting. They may be signed at any time.

Consistent throughout these governing documents is the requirement for the meeting chair to sign the minutes. However, when the President is not elected as Chair of Council, an inconsistency arises related to the signing of minutes. In addition, unless the Registrar is appointed Corporate Secretary, there is a further contradiction between By-law No. 1 and Wainberg’s.

In order to resolve this internal conflict between the various pieces of governing documents, Council is being asked to amend By-law No. 1, section 24, by deleting the words, “the president, the president-elect or the past president and by the registrar” and replacing them with the words, “the Chair of Council and by the Corporate Secretary”.

At C-515, Scott Clark was reaffirmed as Corporate Secretary.

A Interim Corporate Secretary is needs to be appointed in order to sign minutes of Council and Executive meetings.

2. Proposed Action / Recommendation

Remove Scott Clark as the Coporate Secretary and appoint Ralph Martin as Interim Corporate Secretary.

3. Next Steps (if motion approved)

Ralph Martin will become Interim Corporate Secretary.

4. Policy or Program contribution to the Strategic Plan

The appointment of an Interim Corporate Secretary is related to Strategic Objective 9.

5. Financial Impact on PEO Budgets (for five years)

	Operating	Capital	Explanation
Current to Year End	\$0	\$0	
2 nd	\$0	\$0	
3 rd	\$0	\$0	
4 th	\$0	\$0	
5 th	\$0	\$0	

6. Peer Review & Process Followed

Process Followed	N/A
Council Identified Review	N/A
Actual Motion Review	N/A

In Camera Session

In-camera sessions are closed to the public

COUNCIL ACTION LOG

Purpose: To provide Council with the Council Action Log.

No motion required

Prepared by: Ralph Martin, Manager, Secretariat

1. Status Update

In June, 2018 Council tasked staff with developing a Council Action Log. The log is designed to capture Action Items as well as identify the Lead Responsibility and the Status.

The purpose of the Action Log is to capture action items from Council meetings and provide Council with updates on steps taken on each issue.

2. Appendices

Council Action Log not included due to in-camera material.

RISK REGISTER

Purpose: To provide Council with a regulatory risk register.

No motion required

Prepared by: Ralph Martin, Manager, Secretariat

1. Status Update

A risk register is a record of identified risks that an organization may face and encompasses not only the identified risk and its description, but also includes an assessment of the likelihood and impact of such a risk occurring, when action may be required to address the risk, who or what aspects of the organization are accountable as well as the response and/or mitigation strategy to address the risk

The purpose of a risk register is to provide Council with a structured approach to managing risks. It provides an approach to addressing risks rather than an ad hoc or reactionary response framework. A risk register strengthens organizational governance through the identification and assignment of risk management accountability. Finally, it enhances the communication of risk across an organization and thus broadens the understanding throughout the organization of current and emerging risks.

Staff have been tasked to develop operational and regulatory risk registers based on the risk register presented to Council in 2017. Starting with the September 2018 Council meeting, Council will receive the updated regulatory risk register through a standing item on the Council agenda.

Appendices

- Appendix A – Regulatory Risk Register
- Appendix B – Heat Map

Professional Engineers Ontario
Regulatory Risk Register

C-525-5.2
Appendix A

Updated as of March 6, 2019

Risk #	Risk Factor/Description	Likelihood (1-5)	Impact (1-5)	Overall Risk Score (1-25)	Risk Category	When Action Required	Accountable	Risk Response / Mitigation Strategy
1	Loss of Regulatory Status A lack of confidence in PEO to regulate the practice of professional engineering resulting in legislation removing the ability of Council to determine standards of practice, licensing requirements and regulatory compliance/discipline procedures.	3	5	15	Strategic	6-12 months	Council	Undertake external third party review of regulatory activities, then follow up with comprehensive external third party review of entire organization.
2	Vision or Strategy A lack of vision, strategy or direction could result in the public interest not being protected, diminished public confidence and diminished engagement with licence holders.	1	4	4	Strategic	Action not required.	Council	Strategic plan in place. Strategic plan progress reviewed by Council quarterly.
3	Succession planning for Registrar and senior management A lack of succession planning for the positions of Registrar and SMT could result in delays in decision-making and loss of knowledge.	3	3	9	Strategic	6-12 months	Council	Succession planning in place for Registrar and SMT. Job descriptions kept up-to-date.
4	Backlog in complaints investigations Influx of files prevents timely processing.	1	3	3	Regulatory	Annually	Council	Trend analysis. Reserve fund available for contingencies.
5	Backlog in academic requirements assessments.	1	4	4	Regulatory	Annually	Council	Trend analysis. Reserve fund available for contingencies.

Professional Engineers Ontario
Regulatory Risk Register

C-525-5.2
Appendix A

Updated as of March 6, 2019

Risk #	Risk Factor/Description	Likelihood (1-5)	Impact (1-5)	Overall Risk Score (1-25)	Risk Category	When Action Required	Accountable	Risk Response / Mitigation Strategy
	Influx of files prevents timely processing.							
6	Backlog in experience requirements assessments Influx of files prevents timely processing.	1	4	4	Regulatory	Immediately	Council	Trend analysis. Reserve fund available for contingencies. Additional staff hired.
7	Backlog of enforcements investigations Influx of files prevents timely processing.	1	3	3	Regulatory	Annually	Council	Trend analysis. Reserve fund available for contingencies.
8	Registration Committee untimely decisions Loss of public confidence. Risk to public.	2	3	6	Regulatory	Annually	Council	Training provided to REC members, Council meeting updates.
9	Discipline Committee untimely decisions Loss of public confidence. Risk to public.	2	3	6	Regulatory	Annually	Council	Training provided to DIC members, Council meeting updates, Executive Leadership Intervention
10	Extraordinary Unbudgeted Expenditures Impact on cash flow, reserve fund and/or regulatory functions as a result of extraordinary and significant items that were unbudgeted or exceeded expected budget.	4	2	8	Regulatory	Annually	Council	Financial and operational controls/policies in place. External auditor reviews financial controls annually. Monthly financial reports reviewed. FIC/AUC quarterly and annual review.

Professional Engineers Ontario
Regulatory Risk Register

Updated as of March 6, 2019

Risk #	Risk Factor/Description	Likelihood (1-5)	Impact (1-5)	Overall Risk Score (1-25)	Risk Category	When Action Required	Accountable	Risk Response / Mitigation Strategy
								Council informed of any extraordinary and significant unbudgeted expenditures.
11	Certificate of Authorization The process is cumbersome and delays granting of the C of A.	3	3	9	Regulatory	Annually	Council	Review of C of A process
12	Office of the Fairness Commissioner	3	4	12	Regulatory	6-12 months	Council	Continue to work with the Fairness Commissioner on outstanding issues.

Regulatory Heat Maps

The following maps risk likelihood and impact. Chart 1 indicates the number of risks associated with each sector. Chart 2 indicates specific risks in each sector.

Chart 1

		Impact				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Likelihood	Almost Certain 5					
	Likely 4		1			
	Possible 3			1		1
	Unlikely 2			2		
	Rare 1			2	3	

Chart 2

		Impact				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Likelihood	Almost Certain 5					
	Likely 4		10			
	Possible 3			11 3	12	1
	Unlikely 2			8 9		
	Rare 1			4 7	2 5 6	

COUNCILLORS ITEMS

- a) **Notices of Future Agenda Items**
- b) **Councillors' Questions**

Purpose: To provide Councillors with an opportunity to provide notice of items for inclusion on the next Council meeting agenda, and to ask questions.

No motion required

Prepared by: Dale Power, Secretariat Administrator