



CIA ORGANIZATIONAL REPORT

President's Forum June 12-13, 2005

The CIA Strategic Plan was approved by the Board on November 16, 2004. The major initiatives outlined below are consistent with the strategic objectives of the plan.

PENSION PLAN ACTUARIAL REPORT REVIEW PROJECT

Given the recent scandals that have had a damaging effect on financial and other business professionals, the Canadian Institute of Actuaries is taking appropriate steps to ensure continuing public confidence in the work of its members.

During the fall of 2004, the CIA Board directed that a project team be set up to review a number of pension plan actuarial reports. The ultimate purpose of the review is to enhance the support and advice provided by the CIA to practitioners preparing such reports, to provide input to the practice committee(s) responsible for the documentation of standards, and generally to promote the highest quality of work product. The final report of the Review Team will be presented to the CIA Board at its meeting on June 27, 2005, at which time the Board will determine what future action should be taken.

HOW SHOULD STANDARDS BE SET?

In February 2005, the CIA established a task force to review elements of the CIA's corporate governance and recommend where changes are or may be necessary. Given the importance of the issue, the task force focused on "How should standards be set?"

In May 2005 the report of the task force was distributed to CIA members for comments. The recommendations of the task force represent a significant change to the process presently followed by the CIA to set or modify standards. The changes are believed necessary in the present environment in which the public is expecting more from self-regulating bodies such as the CIA.

STATEMENT OF PRINCIPLES

On March 15, 2005, the Committee on Pension Plan Financial Reporting released for comment, a Statement of Principles delineating what the committee believes the actuary's reporting on pension plan funding should convey to its public and therefore, what should be the standard for accepted actuarial practice in this regard. This Statement of Principles represents a significant change in actuarial reporting on pension plan funding. After the review of the comments, the committee will proceed to develop an Exposure Draft for the new Standard of Practice for Reporting on Pension Plan Funding to distribute to the CIA membership in the fall of 2005. The committee expects to develop the final Standard of Practice for formal adoption in 2006.

PRACTICE CERTIFICATES FOR APPOINTED/VALUATION ACTUARIES

The role of the Appointed Actuary of an insurance company is one of the most important roles undertaken by an actuary in Canada. At the present time, any FCIA can undertake this work provided that the member considers that he or she is qualified to do so.

The CIA Committee on the Appointed/Valuation Actuary has presented to the membership a report for comments, that recommends that only those actuaries who hold a "Practice Certificate" would be qualified to act as the Appointed or Valuation Actuary of an insurance company, or as an external (peer) reviewer of such work. The committee makes these recommendations as the standards expected by the public from a self-regulating body such as the CIA are increasing. The recommendation would require AAs to demonstrate that they meet specific threshold requirements.

BYLAW AMENDMENTS: DISCIPLINARY PROCESS

Acknowledging the increased need for transparency and disclosure in disciplinary matters, the CIA Board has approved Bylaw amendments that allow the name and charge against a Member, Associate or Affiliate to be published, in a notice available to the public, shortly after the charge is filed and referred to a Disciplinary Tribunal.

A further change was approved that allows, following an admission of guilt or a decision by a Disciplinary Tribunal or Appeal Tribunal, the notice of the suspension or expulsion to be published in appropriate publications (e.g., relevant industry publications), in addition to being published in a local newspaper.

The amendments will be presented to CIA Members for confirmation at the General Business Session of the CIA Annual meeting on June 28, 2005.

COMMUNICATIONS STRATEGY

A core objective of the CIA's Strategic Plan is to have more public influence and to be recognized as a key player in matters of public policy. To do this we must articulate, communicate and advocate the profession's view on these matters.

To this end, the CIA has hired a Communications Director to implement an extensive Communications Plan.

The CIA has created a first wave of public positions on seven topics. These documents are housed in a Briefing Book at the Secretariat and contain the core information to be used to produce newspaper articles, speeches, editorials, and submissions to governments and regulators. They will also be used by trained spokespersons to respond to media queries.

SECRETARIAT SUPPORT

In response to the initiative to improve organizational and volunteers' effectiveness, the CIA Secretariat has increased the human resources available to its volunteers with the appointment of a Volunteer Support Facilitator.

THE NEW LOOK OF THE CIA

The CIA will unveil its new logo on June 28, 2005. See it on our website on June 30th!