

Memorandum

To: All Fellows, Affiliates, Associates, and Correspondents of the Canadian Institute of Actuaries

From: Jacques Lafrance
President

Date: May 19, 2014

Subject: **Proposed Bylaw Amendments – Councils**

Document 214049

BACKGROUND

In the fall of 2013, the Board was asked by the Member Services Council (MSC) to consider revising/clarifying its mandate to address some of the new responsibilities that it has assumed, over the years, since it was created in 2000. The Board has also been considering, since 2012, the creation of an International Relations Council (IRC), which would be a restructuring of the current Committee on International Relations (CIR). Members were informed in 2013 that the Board was, in fact, treating the CIR as a “quasi-council”, ensuring it reports to the Board and giving it a voice at the Board table.

Since the mandates of all the councils are contained in the Bylaws, in order to revise a council mandate, even minimally, a formal bylaw amendment is required, which includes member confirmation of the change. For consistency, a bylaw amendment would also be necessary for the creation of a council, even though the Board has the authority, under Bylaw 9.06, to establish councils as needed.

This prompted the Board to consider restructuring the Bylaws so that the creation and dissolution of a council, or a revision to a council mandate, could be done by the Board without the need for a formal bylaw amendment, in order to streamline this process going forward.

PROPOSED AMENDMENTS

You will find attached proposed bylaw amendments that remove the detailed council mandates from the Bylaws. Also included in the attached material is a proposed minor change to the Rules of Professional Conduct, since the Practice Council (PC) is formally mentioned in Rule 13.

Summary of Proposed Changes

- The core change is in **section 9 – Committees, Task Forces and Councils** of the Bylaws. In addition to repealing the mandates of the Eligibility and Education Council (EEC), the MSC, and the PC from the Bylaws, a new Bylaw 9.06 (2) is proposed, which requires the creation of a Board **Policy on Councils**. This new policy, approved by the Board on March 20, 2014 (enclosed for information—member approval of the policy is not required), contains each of the councils’ duties and purposes (including those of a new IRC, and revised EEC and MSC mandates), as well as a few other council-related items currently addressed within the Bylaws. This policy will allow the Board to maintain a formal structure for the management of the councils, while also ensuring there is a well-documented process for their creation, modification, and dissolution going forward.
- In **sections 4 through 8** of the Bylaws, where the EEC is specifically mentioned with regard to enrolment and dues, some additional changes are required. The proposed amendments maintain, in principle, that these responsibilities are delegated to a council “designated” for that purpose, without including the council name directly in the Bylaws. Again, this will allow the Board flexibility in the future, if a change is required.
- The PC is also mentioned specifically in **Bylaw 11.1.05** and, as noted above, in **Rule 13 of the Rules of Professional Conduct**. A similar approach to the one noted above for the EEC is used in these instances.

PROCESS

In accordance with CIA Bylaws, these proposed amendments were adopted by the Board and are now being submitted to members for confirmation (appendices A and B). Pursuant to Bylaw 10.04, the Board also approved the use of proxy voting that will enable the voting process to be carried out electronically. The enclosed procedure provides details on how this will be conducted.

Members are encouraged to become involved in this discussion by participating in one or more of the following activities:

Discussion—May 19 to June 18, 2014

You will find instructions on how to participate in the amendments listserv in this package of material. Once per week, designated representatives will respond to questions posed on the listserv.

Webcast—June 5, 2014, noon to 1:00 p.m. EDT (English) and 1:30 p.m. to 2:30 p.m. (French)

Please register for the webcast on the CIA website under **Professional Development>>Webcasts>>Upcoming Webcasts**. Members of the CIA leadership will provide an overview of the amendments and will be available to answer your questions.

Please note, there will be no “live” voting during the webcast; see the procedure for proxy voting below.

Proxy Voting—June 5, 2014, to 3:00 p.m. EDT on June 16, 2014

Members may vote on the proposed bylaw amendments via proxy voting between June 5 and 3:00 p.m. EDT on June 16. Please note that members who have voted by proxy may not vote on the bylaw amendments in person on June 18, 2014.

General Business Session, 2014 CIA Annual Meeting—June 18 in Vancouver

Members may vote in person on June 18 at the General Business Session of the Annual Meeting. Members who are eligible to vote may discuss and vote on the proposed bylaw amendments. The results of these votes are combined with the votes received by proxy.

Date of Coming into Force

The Board has adopted a motion specifying that the proposed changes to the Bylaws and Rules of Professional Conduct regarding these matters are to come into force and effect on July 1, 2014, provided they have been confirmed by the membership at the June 2014 Annual Meeting.

Motion to be Adopted

The Members of the Institute will be asked, at the General Business Session at the Annual Meeting on June 18, 2014, to adopt the following motion:

Motion:	That the Board decision on March 20, 2014, to adopt Amending Bylaw N° 2014-1 be confirmed.
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ENCLOSURES:

- Amending Bylaw No. 2014-1 (Councils);
- Appendices A, B, C, and D to the above, indicating proposed amendments to the Bylaws and Rules of Professional Conduct; and
- Policy on Councils.

JL