

Actuarial Standards Board
Statement of Operating Procedures

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Introduction

This Statement of Operating Procedures has been developed and adopted by the Actuarial Standards Board (ASB) in accordance with its Terms of Reference. The ASB applies the procedures set out below in carrying out its responsibilities.

Meetings

- Members of the ASB may hold meetings in person, by conference call, or by such methods of communication as the ASB may select from time to time by resolution.
- Meetings of the ASB will normally be held not fewer than six times per year to achieve its objectives.
- Meetings of the ASB will be limited in attendance to its members, ex officio members, and to any other person invited by the chair of the ASB.
- The quorum for a meeting is 50 percent of the members, including the Chair.

Voting

- Each member of the ASB, including the chair, has one vote.
- The quorum of the ASB for a vote on a particular item of business is 50 percent of the number of members who have not declared themselves to be in a conflict of interest in respect of that item.
- Every ASB decision will be taken by a majority of the members present at the meeting unless otherwise required by procedures relating to the adoption of standards of practice. In the event of a tie, the motion is considered to be defeated.
- Final approval of a document discussed and approved at a meeting, subject to agreed upon revisions, may be conducted by mail or email circulation of all members.

Composition of the ASB

In order to have an effective board independent from the profession and industry, the ASB uses the following criteria, generally in the order of importance below. Well-regarded professional experience and past contribution to relevant CIA/Society of Actuaries (SOA)/Casualty Actuarial Society (CAS)/International Actuarial Association (IAA) activity:

- a) Contribution to educational notes, designated groups demonstrating independence;
 - b) Ability to get things done; and
 - c) Possible chair successor.
2. Good balance by practice area:
- a) Overall for the 6–15 members, ideally 4–6 members from each of the pension and insurance areas and 2–3 from the smaller practice areas;
 - b) Within the insurance practice area
 - Representation from both the life and property and casualty (P&C) areas;
 - Representation from both those employed in the industry and those employed in consulting;
 - Other considerations could include representation from
 - Small companies to understand their unique challenges;
 - Québec to understand the slightly different regulatory environment;
 - Reinsurers;
 - While largely looking for financial reporting experience, experience in investments, enterprise risk management, and pricing (particularly for P&C) would be useful;
 - c) Within the pension practice area
 - Good coverage across the range of plans offered (traditional DB, multi-employer, target benefit, etc.);
 - Public sector vs. private sector plans;
 - Consideration of coverage across the size of plans;
 - d) Within the smaller practice areas
 - This would include actuarial evidence, public personal injury compensation plans, post-employment benefits plans, enterprise risk management, etc.;

- May be covered as a sub-specialty (i.e., both pension and actuarial evidence experience, both insurance and risk management, etc.); and
 - Some consideration given to smaller practice area standards coming up for review in the ASB's planning as per the Terms of Reference.
- 3. Diversity and independence illustrated by the following:
 - a) Open to recent retirees, academics, those with regulatory experience; and
 - b) Regional/language/gender diversity.
- 4. Developing a pool of candidates to consider as openings emerge:
 - a) One of the major sources of candidates for the ASB is individuals who have served on the various CIA practice committees. To this end, the duties for the liaisons to each of the practice committees should include periodic discussions with the chair to determine the following:
 - Potential high-quality candidates; and
 - Interest in serving on the ASB and when they might be available.

Committees of the ASB

- Under the *Policy on Due Process for the Adoption of Standards of Practice*, the ASB can create designated groups (DGs) to lead the revision of standards, and appoints their members. In appointing members to a DG, the ASB consults with the Actuarial Guidance Council (AGC) which is charged with managing the overall volunteer resources needed with regard to the development of standards and guidance material (i.e., committees, designated groups, task forces).
- The ASB will create working groups from time to time to explore issues that may not require action on standards of practice or require review or research topics before deciding whether they merit further consideration in relation to new or changes to existing standards of practice.

Communications

- The ASB will make its policies and procedures available to users via the ASB website and communicate any material change to such policies and procedures.
- The ASB will maintain regular communication with the Actuarial Profession Oversight Board (APOB), and also with members of the CIA, in order to ensure appropriate consultation when necessary.
- Summaries of ASB meetings, except those held in camera, will be made available to the APOB and members of the CIA.
- The ASB will provide the APOB with its annual report no later than two months following the end of each year of operation.

Operations

- The ASB's operating year ends on June 30 in each calendar year.
- The ASB's working language is English.
- The ASB follows the CIA's [bilingualism policy](#).

Confidentiality

- Members of the ASB must keep meeting materials and information confidential, unless the ASB decides to release a particular document or information to the public.

Relationships with Other Organizations

- The ASB maintains relationships with the CIA AGC, the CIA Practice Development Council (PDC) and with each committee reporting to these councils to ensure clear and consistent communication and understanding of standards-related issues.
- The ASB maintains relationships with regulatory authorities (the Office of the Superintendent of Financial Institutions (OSFI), the Autorité des marchés financiers (AMF), the Canadian Association of Pension Supervisory Authorities (CAPSA), and other provincial regulatory agencies from time to time). The purpose of such relationships includes the following:
 - (a) Discussing common issues, challenges, and agendas; and
 - (b) Ensuring there is appropriate liaison and communication among the operating bodies.
- The ASB maintains relations with the IAA to keep abreast of international actuarial standards developments and participate where appropriate by commenting on documents prepared by the IAA.
- Relationships with other organizations such as the Chartered Professional Accountants of Canada (CPA Canada) are normally established through discussions between the chair and vice-chair of the ASB or selected representatives from ASB membership and their counterparts in other organizations. Such discussions are held on an as-needed basis.

Self-Assessment

- The ASB carries out an annual self-assessment to identify needed improvements in its operating policies and practices, including reporting to the public.