

[IN COUNCIL]

COUNCIL APPROVES PEO'S 2014 BUDGETS

490TH MEETING, NOVEMBER 22, 2013

By Jennifer Coombes

COUNCIL APPROVED PEO's draft 2014 operating and capital budgets at the November meeting, as recommended by the Finance Committee.

The operating budget meets council's reserve policy and shows an excess of revenue over expenses of \$328,000.

Total revenues for 2014 are projected to be \$24.1 million, which will be an increase of \$608,000 (2.6 per cent) over 2013. The projected increases will be mainly due to:

- increased application, registration and other fees, \$341,000 (6.2 per cent);
- increased P.Eng. dues because of a membership increase, \$303,000 (2.1 per cent); and
- a small increase in headquarters revenues due to new tenants.

To offset these increases, a decrease in advertising revenue of \$100,000 (22 per cent) is projected.

The expenses planned for 2014 are \$23.8 million, which is \$816,000 (3.6 per cent) above the 2013 budget figure.

The projected increases will be mainly due to:

- increased employee salaries and benefits and retiree future benefits, \$638,000 (5.9 per cent), due to a 3.4 per cent increase in staff salaries for merit increases and CPI adjustments and five new staff positions;
- an increase of \$296,000 in computer and telephone costs;
- an increase of \$148,000 for chapters (greater allocations by council);
- an increase of \$77,000 in amortization due to 2013's and past years' capital expenditures taking full effect, and to 2014 capital expenditures;
- an increase of \$73,000 for postage for council election mailings; and
- an increase of \$67,000 for contract staff to handle the increased P.Eng. applications already received due to the pending repeal of the industrial exception.

The increased expenses are expected to be offset by:

- a reduction of \$240,000 in PEO occupancy costs;
- a reduction of \$84,000 in advertising costs; and
- lower costs for purchased services, including printing *Engineering Dimensions*, and catering.

Council also approved the 2014 draft capital budget of \$2.8 million, which comprises headquarters leasehold improvements for tenants in the PEO building (\$279,000), capital improvements to the building itself (\$1.8 million), and IT and facilities costs (\$766,500), which include the replacement of PEO's current licence holder management system.

NEW SOFTWARE DEVELOPMENT GUIDELINE

At the November meeting, council approved the *Guideline for Professional Engineers Developing Software for Safety Critical Engineering Applications*. The guideline replaces the outdated *The Use of Computer Software Tools by Professional Engineers and the Development of Computer Software Affecting Public Safety and Welfare* guideline.

The new guideline, written by a subcommittee of the Professional Standards Committee comprising engineers who have software development experience in their own practices, delves into the legal, ethical and technical aspects of software design and development, where it falls within the scope of professional engineering, that could have an impact on the public interest.

The new guideline outlines the ethical and professional responsibilities of engineers to ensure the public interest is protected and provides guidance for others interfacing with engineers who are developing software, such as clients and owners who are acquiring ready-made software or specifying requirements for new software. It is available from the PEO website at: www.peo.on.ca/index.php/ci_id/1834/la_id/1.htm.

CFL ENFORCEMENT ELEMENT

Council approved a motion indicating PEO's concurrence with an element of the Canadian Framework for Licensure (CFL) concerning enforcement practices. The CFL is an Engineers Canada project intended to harmonize regulatory practices across Canada among engineering regulators (see feature, page 28). The components of the practices are referred to as elements.

EMERGING DISCIPLINES REPORTS

Council received two reports from the Emerging Discipline Task Force at the November meeting—the executive summary of the task force's Communications Infrastructure Engineering (CIE) Phase 2 report and its Nanotechnology/Molecular Engineering (NME) Phase 2 report.

The CIE Phase 2 report contains 22 recommendations and the NME Phase 2 report 17, concerning admissions, rights to practise, and other areas that define an engineering discipline.

Council directed that recommendations contained in the CIE report be presented to Engineers Canada, the Licensing Process Task Force and the Academic Requirements, Experience Requirements, Legislation, Professional Standards and Enforcement committees for comment.

The reports are intended to prepare PEO to take licence applications for P.Eng. and limited licences from engineering graduates with CIE and NME backgrounds and to regulate their practice.

No act, regulation or bylaw changes are needed to begin regulating these new fields of practice. Σ