

Briefing Note – Confirmation

C-537-1.1

CONFIRMATION OF NOTICE AND QUORUM

Purpose: Secretariat to confirm notice and quorum of the meeting.

Prepared by: Dale Power, Secretariat Administrator

Briefing Note - Decision

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-537-1.2, 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 – 537th Council meeting agenda

Agenda

C-537-1.2
Appendix A

537th Meeting of the Council Professional Engineers Ontario Videoconference

Date: Friday, November 20, 2020

Time: 9:00 a.m. to 4:00 p.m.

Breaks: 11:00 a.m. to 11:15 a.m., 2:15 p.m. to 2:30 p.m.

Lunch: 12:15 to 1:15 p.m.

Friday, November 20 – 9:00 a.m. – 4:00 p.m.				
11:00 a.m.		CALL TO ORDER – Formal Public Meeting will begin following the in-camera session.		
1.	<u>CALL TO ORDER</u>	Spokesperson/ Moved by	Type	Time
1.1	CONFIRMATION OF NOTICE AND QUORUM	Secretariat	Confirmation	9:30 a.m.
1.2	APPROVAL OF AGENDA	Chair	Decision	9:40 a.m.
1.3	CONFLICTS OF INTEREST: Councillors to disclose conflicts in advance	Chair	Exception	9:45 a.m.
	Council to move in-camera			
5.	<u>IN CAMERA</u>			
11:00 a.m. – 11:15 a.m.		BREAK		
	Council to return to open session			
2.	<u>PRIORITY REGULATORY AND GOVERNANCE ITEMS</u>	Spokesperson/ Moved by	Type	Time
2.1	PRESIDENT'S REPORT: Reimagining PEO Together: updates on strategic vision and governance focus of Council	President Sterling	Discussion	11:15 a.m.
2.2	EXECUTIVE COMMITTEE'S REPORT: The Executive Committee will update Council on progress with the Governance Roadmap and bring motions forward <ul style="list-style-type: none"> Timed Workplan (attached) Governance Roadmap – PEO Governance Direction Decisions 	Chair – Executive Committee	Information	11:25 a.m.
		Past President Hill	Decision	
		Past President	Decision	

	(attached)	Hill/President-elect Bellini		
2.3	CEO/REGISTRAR’S REPORT: including updates on operations, activity filter (attached) and implementing Action Plan Activity Filter – Evaluation Phase	CEO/Registrar Zuccon	Discussion Information	11:40 a.m.
Regulatory Items				
2.4	PROFESSIONAL ENGINEERS PROVIDING ACOUSTICAL ENGINEERING SERVICES IN LAND-USE PLANNING - Council to approve formation of subcommittee to revise Guideline	Councillor MacCumber	Decision	11:50 a.m.
2.5	INDUSTRIAL EXCEPTION APPLIED TO THE NUCLEAR INDUSTRY	J. Max	Information	12:00 p.m.
12:15 p.m. – 1:15 p.m.		LUNCH		
Governance Items				
2.6	2021 OPERATING BUDGET - Council to approve 2021 Operating Budget	Chair – Finance Committee	Decision	1:15 p.m.
2.7	2021 CAPITAL BUDGET - Council to approve 2021 Capital Budget	Chair – Finance Committee	Decision	1:25 p.m.
2.8	BORROWING RESOLUTION - Council to approve 2021 Borrowing Resolution	Chair – Finance Committee	Decision	1:35 p.m.
2.9	ANTI-RACISM & DISCRIMINATION STRATEGY	Councillor Cushman	Decision	1:45 p.m.
2.10	ENGINEERS CANADA DIRECTORS REPORT: this is a governance item on how we might co-ordinate and collaborate better - Engineers Canada Strategic Plan consultation	D. Chui	Discussion	2:00 p.m.
2:15 p.m. – 2:30 p.m.		BREAK		
3. <u>CONSENT AGENDA</u>		Spokesperson/ Moved by	Type	Time 2:30 p.m.
3.1	MINUTES – 536 COUNCIL MEETING	Chair	Decision	
Regulatory Items				
	None			

Governance Items				
3.2	APPROVAL OF CEDC APPLICATIONS	President-elect Bellini	Decision	
3.3	30 BY 30 METRICS	President-elect Bellini	Information	
3.4	PEO COMMITTEE GOVERNANCE ITEMS Council to ratify ongoing governance of PEO's Committees and Task Forces, consistent with existing policies <ul style="list-style-type: none"> • 3.4a. - Changes to 2020 Committees & Task Forces Roster • 3.4b. - 2021 Committees and Task Forces Roster • 3.4c. - Committee/Task Force Terms of Reference <ul style="list-style-type: none"> ○ Experience Requirements Committee (ERC) ○ Experience Requirements Committee – Sub-Committee (ERCSC) ○ Volunteer Leadership Conference Planning Committee (VLCPC) • 3.4d. - Committee/Task Force Annual Work & HR Plans 	President-elect Bellini	Decision	
3.5	RE-APPOINTMENT TO THE CANADIAN ENGINEERING ACCREDITATION BOARD	President-elect Bellini	Decision	
4.	<u>NEW BUSINESS ITEMS</u>	Spokesperson/ Moved by	Type	Time
4.1	COUNCILLOR/COMMITTEE ITEMS: this is an opportunity for Councillors and Committee Chairs to raise questions to help Council identify any problems, risks and/or opportunities to address in its strategies and governance in the public interest	Councillors or Committee Chairs	Various	2:35 p.m.
Formal Public Meeting Ends				

Please note that in order to streamline the agenda, Committee reports are not 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 can be discussed at the meeting if a Councillor or an Engineers Canada Director asks to address a specific item contained within the written report. The reports submitted as of November 6, 2020 are:

- Legislation Committee Report
- STATS

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]

CONFLICTS OF INTEREST

Purpose: Councillors are required to identify any real or perceived conflicts of interest that exist or may exist related to the open Council agenda.

No motion required

Prepared by: Dale Power, Secretariat Administrator

Councillors are to declare and refrain from participating in any Council matters where they might have a real or perceived conflict of interest

The Council Chair is responsible for ruling on whether a conflict exists if there is a dispute.

The Councillor with a conflict of interest will be required to leave the Council meeting for the duration of the agenda item, including for any respective votes.

If a Councillor wishes guidance on how to identify any conflicts of interest, the following 9-minute video can be referred to:

https://www.youtube.com/watch?v=fjebnky_j6M

Briefing Note – Discussion

C-537-2.1

PRESIDENT'S REPORT

Purpose: To inform Council of the recent activities of the President.

Motion(s) to consider:

none required

President Sterling will provide a report on her recent PEO activities, followed by discussion.

Briefing Note – Decision

C-537-2.2

GOVERNANCE ROADMAP – APPROVAL OF TIMED GOVERNANCE WORKPLAN

Purpose: To obtain Council’s formal approval for the Timed Workplan to achieve the Governance Roadmap that Council has previously approved in March 2020.

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

To approve the Timed Governance Workplan at the recommendation of the Executive Committee as presented at C-537-2.3, Appendix A.

Prepared by: D. Abrahams, LL.B., Senior Legal Counsel

Moved by: Past President Hill, P.Eng., Member of Executive Committee

1. Need for PEO Action

In March 2020, Council approved a two-year Governance Roadmap to facilitate governance reform at Professional Engineers Ontario. The Registrar was instructed to issue an RFP for a consultant to guide this process. In the summer of 2020, Governance Solutions Incorporated was retained as the consultant, reporting to the CEO/Registrar, to work with the Executive Committee, Council and with senior management to achieve the goals reflected in the workplan. Over the past few months, both the Executive and Council as a whole have had the opportunity, through meetings and strategic conversations, to discuss and refine the Timed Workplan that GSI has prepared. The workplan divides the governance work into four phases over two years: Council Policies, Committees, Council Composition, and Chapters.

2. Proposed Action / Recommendation

The Workplan was brought to Council at the September meeting for information, with a commitment to bringing a version of it back for formal approval in November. The Executive Committee recommends that the Timed Workplan be approved.

3. Next Steps (if motion approved)

GSI will continue to work with the CEO/Registrar to bring governance recommendations to the Executive Committee and Council and, as appropriate, work with staff, to incorporate the implementation of these governance decisions in its various phases. Although the Timed Workplan will serve as a general guide to the achievement of the Roadmap, governance reform is a dynamic process. Hence aspects of the Timed Workplan may be subject to occasional adjustment, refinement and revision as new variables arise.

4. Appendices

Appendix A – Timed Governance Workplan as of October 2020



C-537-2.2
Appendix A

CONFIDENTIAL

TIMED GOVERNANCE WORKPLAN
Professional Engineers of Ontario

August 28, 2020 (revised September 11, 2020 and October 13, 2020)

Affordable, superior, accessible, customizable Governance Solutions!

www.governancesolutions.ca

Governance Solutions Since 1991! (formerly known as Brown Governance)

PEO TIMED GOVERNANCE WORK PLAN

GSI uses this four-step culture change process to implement the Governance Roadmap: dialogue to reach agreement, structure to embed and formalize, orientation to build awareness, and education to build deep understanding and ongoing commitment.

The two-year plan tackles the key recommendations from the Governance Roadmap in four seasonal phases: first Policies (roles, responsibilities and conduct of Council), then Committees, a refresh at the June 2021 retreat, then Council renewal, and finally Chapters, Volunteers, and others.

So, for each phase, we go through the transformation tool once, so four times in the two years.

This is an ambitious work plan and will call for perseverance to stay on track.

WHO WILL DO WHAT?

- GSI will lead the governance change process, proposing activities, changes and implementation.
- PEO's Executive Committee will oversee the process, directing GSI and staff, and deciding what to take to Council, when and how. The Executive Committee will give GSI direction on which steps to take and when; GSI will be proactive in proposing next steps throughout the project.
- PEO's Council will approve all final decisions on governance, including structure and documentation.
- GSI will "hold the pen" at each step, generally drafting content and documentation: specifics are in this Timed Workplan.
- There are places where PEO has the option to ask GSI to play a greater role – examples are in the CEO evaluation, management succession plan, governance content for website, enhanced orientation and development programs (i.e. production of a series of videos, case studies and interviews is "enhanced"; basic orientation and development one-time sessions are included). Costing quotes include these.
- PEO's senior staff will collaborate with GSI, providing input and comment at each step, and fulfilling any other responsibilities beyond those specifically delegated to GSI or completed by volunteers. Over time, it is the intent for GSI to help to train staff members to take over some of these governance-related responsibilities.
- Staff and the President will liaise with their provincial government counterparts throughout each phase of the project – updating them on the process and facilitating necessary changes to the Act, Regulations, and Bylaws.

PHASE 1: REVIEWING AND IMPROVING THE GOVERNANCE EFFECTIVENESS OF PEO'S COUNCIL THROUGH REGULATORY AND GOVERNANCE POLICIES

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
Dialogue and Structure	Development	(GSI)	Aug 31
A Timed Workplan – incorporating the governance roadmap and the SPTF and EDTF studies – is	Dialogue and Review Draft	Executive Committee	Sept 8 and Oct 6

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
<p>developed by GSI, discussed at EXE and Council, with input and feedback to GSI, revisions by GSI, and ultimately ratification by Council.</p> <p>(The Workplan will be reviewed and updated at the end of each Phase of the project).</p>	Revisions	(GSI)	Sept 11 and Oct 13
	Dialogue and Review Draft	Strategic Conversation	Sept 12 and Oct 17
	Revisions	(GSI)	Oct 20
	Ratification	Council	Nov 20
	Final Revisions	(GSI)	Nov 30
<p>Dialogue</p> <p>GSI will facilitate a dialogue and ultimately a decision on what good governance looks like when it comes to Council's roles and responsibilities, vs. those of staff and others. One "non-negotiable" throughout is the principle of PEO being a self-governing body, with the profession retaining responsibility for regulating the profession ("self-regulation") and deciding on the best governance choices.</p> <p>The dialogue for all 4 phases begins in phase 1 (fall 2020) due to the inter-related aspects of all 4 areas.</p> <p>Primarily, what we are seeking here, is Council's agreement in principle that it aspires to be a "governing" type body, not an "operating" or "intervening" type body. This direction affects every major decision in governance over the next two years:</p> <ul style="list-style-type: none"> A "governing" type Council would arrange its agendas and meetings (and its terms of reference and work plan) to focus on governance: setting PEO's direction and gaining reasonable assurance that PEO is headed in that direction (regulatory and corporate governance) Operational matters would largely be delegated to a Committee and/or responsible staff for their diligence review and subsequently brought to Council for final approval once the relevant Committee or staff recommend that 	Development	(GSI)	Aug 31
	Dialogue and Review Draft	Executive Committee	Sept 8 and Oct 6
	Revisions	(GSI)	Sept 11 and Oct 13
	Dialogue and Review Draft	Strategic Conversation	Sept 12 and Oct 17
	Revisions	(GSI)	Oct 20
	Agreement in Principle	Council	Nov 20
	Final Revisions	(GSI)	Nov 30

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
<ul style="list-style-type: none"> • Policies (phase 1) would reflect this: the President's Terms of Reference would focus on their role in leading Council in effective governance; the CEO/Registrar's Terms of Reference and Delegation of Authority would reflect a delegation of operational authority to the CEO from Council • Committees would reflect this (phase 2): Council would use a small number of "governance" type committees to undertake delegated diligence in oversight matters; PEO would use core Regulatory Committees to fulfill its regulatory mandate and function; other committees would align with mandate and function • Council's renewal, composition and selection would reflect this (phase 3): a Competencies and Attributes Matrix would identify sought after qualities in Council members and a process would be put in place to meet these aspirations • Chapters, Committee volunteers and other organs of PEO would reflect this (phase 4): the role of Chapters and Committee volunteers would align with the new governance model and in terms of supporting PEO's vision and strategy 			
Structure	Development	(GSI)	Aug 31
<p>Council Charter (Council's description of its scope and responsibilities – Governing vs. Operating Board) is developed by GSI, discussed at EXE and Council, with input and feedback to GSI, revisions by GSI, and ultimately ratification by Council.</p> <p>GSI will use these as inputs:</p> <ul style="list-style-type: none"> • The Professional Engineers Act • Relevant Regulations and Bylaws • Best practices in Council/board charters • Current practices • EXE and Council's input and feedback 	Dialogue and Review Draft	Executive Committee	Oct 6 and 20
	Revisions	(GSI)	Oct 15 and 21
	Dialogue and Review Draft	Strategic Conversation	Nov
	Revisions	(GSI)	Nov
	Decision	Council	Nov 20
	Final Revisions	(GSI)	Nov 30
Structure	Development	(GSI)	Aug 31

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
<p>President's Terms of Reference (description of their role and responsibilities) is developed by GSI, discussed at EXE and Council, with input and feedback to GSI, revisions by GSI, and ultimately ratification by Council.</p> <p>GSI will begin with relevant references in the Act and Bylaws (not many) and its own experience and understanding of best practices.</p> <p>EXE and Council will want to consider any roles for the President beyond Chairing and leading Council and PEO's governance, e.g. external roles, with the profession, government, the public, other organizations (regulators and associations).</p>	Dialogue and Review Draft	Executive Committee	Oct 6 and 20
	Revisions	(GSI)	Oct 15 and 21
	Dialogue and Review Draft	Strategic Conversation	Nov
	Revisions	(GSI)	Nov
	Decision	Council	Nov 20
	Final Revisions	(GSI)	Nov 30
<p>Structure</p> <p>Effective Parliamentary Rules of Order for PEO Council are researched, discussed, and approved.</p> <p>GSI's Parliamentarian will provide expert advice on which rules of order would work best for PEO, and how Council meetings can best be conducted.</p> <p>GSI will develop an approach and alternatives, and a recommended path forward, for EXE and Council to consider, provide input and feedback.</p> <p>GSI will work with the President, on an ongoing basis, to revise the agenda management process.</p> <p>As a result of this, GSI will revise (or develop new) Policies related to conducting meetings at PEO, including:</p> <ul style="list-style-type: none"> • Electronic Meetings Protocol • In camera sessions Protocol <p>[There is a placeholder for an additional cycle of Strategic Conversations and EXE in October-November which may be necessary due to the sheer quantity of governance changes being considered in these months.]</p>	Development	(GSI)	Sept 28
	Dialogue and Review Draft	Executive Committee	Oct 20
	Revisions	(GSI)	Oct 21
	Dialogue and Review Draft	Strategic Conversation	Nov
	Revisions	(GSI)	Nov
	Decision	Council	Nov 20
	Final Revisions	(GSI)	Nov 30
<p>Structure</p> <p>A Code of Conduct (including core aspects of culture including anti-racism) is developed by GSI, discussed</p>	Development	(GSI)	Sept 28
	Dialogue and Review Draft	Executive Committee	Oct 20

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
<p>at EXE and Council, with input and feedback to GSI, revisions by GSI, and ultimately approval by Council.</p> <p>This will include integrating recent changes to the <i>Ontario Not-for-Profit Corporations Act</i> related to conflicts of interest.</p> <p>This step is intended to clarify conduct expectations of Councillors, and to embed these in relevant policies and documentation.</p> <p>There are potentially a suite of policies affected by this, including:</p> <ul style="list-style-type: none"> • Conflict of Interest Policy • Volunteers Code of Conduct / Conflict of Interest • Confidentiality • Attendance • Remedies 	Revisions	(GSI)	Oct 21
	Dialogue and Review Draft	Strategic Conversation	Nov
	Revisions	(GSI)	Nov
	Decision	Council	Nov 20
	Final Revisions	(GSI)	Nov 30
<p>Structure</p> <p>A policy to deal with member-initiated and Councillor submissions both at the AGM and throughout the year is developed by GSI, discussed at EXE and Council, with input and feedback to GSI, revisions by GSI, and ultimately approval by Council.</p> <p>While Council adopted a revised practice last year, the old written Protocol is still in place, that essentially gives a direct path onto Council agendas.</p> <p>In a governing Council, operational matters would largely be delegated to a Committee and/or responsible staff for their diligence review and subsequently brought to Council for final approval once the relevant Committee or staff recommend that.</p> <p>This policy would be aligned with PEO's Activity Filter, which allows the Council to focus on its regulatory and membership duties.</p>	Development	(GSI)	Sept 28
	Dialogue and Review Draft	Executive Committee	Oct 20
	Revisions	(GSI)	Oct 21
	Dialogue and Review Draft	Strategic Conversation	Nov
	Revisions	(GSI)	Nov
	Decision	Council	Nov 20
	Final Revisions	(GSI)	Nov 30
<p>Structure</p> <p>GSI would review all other Council-approved governance related policies, benchmarking these to best practices and to what PEO aspires to be in governance.</p>	Development	(GSI)	Dec 20
	Dialogue and Review Draft	Executive Committee	Jan 5
	Revisions	(GSI)	Jan 7

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
<p>Revised policies would be presented and discussed at EXE and Council, with input and feedback to GSI, and ultimately approval by Council.</p> <p>This will include integrating recent changes to the <i>Ontario Not-for-Profit Corporations Act</i> related to any of these policies.</p> <p>Examples of these remaining policies include:</p> <ul style="list-style-type: none"> • CEO/Registrar's Terms of Reference and Delegation of Authorities to CEO from Council (this will include a review of signing authorities on contracts, process and controls) • Procurement Policy • Investment Policy • Communications Protocol, including public and media relations, social media • Implications of the Emerging Disciplines Task Force to "enlarge" PEO's tent to emerging and non-traditional disciplines • Appointment process to and relationships with external bodies (e.g. Engineers Canada, etc.) <p>[There is a placeholder for an additional cycle of Strategic Conversations and EXE in December-January, which may be necessary due to the sheer quantity of governance changes being considered in these months.]</p>	Dialogue and Review Draft	Strategic Conversation	Jan 9
	Revisions	(GSI)	Jan 13
	Decision	Council	Jan 22
	Final Revisions	(GSI)	Jan 29
<p>Orientation</p> <p>GSI will update PEO's orientation program for Councillors and staff, including individuals interested in serving on Council, to integrate a clear understanding of updated Terms of Reference and other policy changes.</p>	Development	(GSI)	Sept 28
	Dialogue and Review Draft	Executive Committee	Nov
	Revisions	(GSI)	Nov
	Information and Dialogue	Committee Chairs Workshop	Oct 30
	Dialogue and Review Draft	Strategic Conversation	Nov
	Revisions	(GSI)	Nov
	Decision	Council	Nov 20

Phase 1 Activities and Outputs	Actions	Meeting	Key Date
	Final Revisions	(GSI)	Nov 30
	Information and Dialogue	Chapter Leaders Conference	Nov 21
<p>Education</p> <p>GSI will define a Councillor Training & Development Program and create & deliver the content - to include a cheat sheet on governance questions to ask, and to include live guidance during Council meetings to direct conversations towards governance.</p> <p>GSI will develop the outline of an education program for Council, senior staff and other relevant individuals is to imbed awareness and implementation of new and revised Terms of Reference and Policies across the organization, including meeting and agenda management.</p> <p>This will go beyond the “rules” (new documents, policies) to “tools” to help Councillors and staff optimize Council meetings and deliberations. For example, a guide for Councillors on asking great questions, on a “governing” vs. an “operating” Council, on strategic vs. operational matters, on the “line” between Council and staff, on the process for raising ideas and suggestions, on what is appropriate communication between meetings, and what belongs in the Council meeting itself.</p> <p>This phase will include refining the measures of success of the governance change process (including interim milestones as applicable).</p>	Development	(GSI)	Dec 20
	Dialogue and Review Draft	Executive Committee	Jan 5
	Revisions	(GSI)	Jan 7
	Dialogue and Review Draft	Strategic Conversation	Jan 9
	Revisions	(GSI)	Jan 13
	Decision	Council	Jan 22
	Final Revisions	(GSI)	Jan 29

PHASE 2: REVIEW AND IMPROVEMENT OF THE GOVERNANCE EFFECTIVENESS OF PEO'S COMMITTEES

Phase 2 Activities and Outputs	Actions	Meeting	Key Date
<p>Dialogue</p> <p>GSI will facilitate a dialogue and ultimately a decision on what good governance looks like for PEO's Committees.</p> <p>The dialogue for all 4 phases begins in phase 1 (fall 2020) due to the inter-related aspects of all 4 areas.</p> <p>GSI will conduct a review of current Committee structure, mandates, scopes, roles, authorities, responsibilities, accountabilities and governance, comparing these to best practices, and provide alternatives, pros and cons to EXE and Council.</p> <p>GSI will conduct a triage of Committees (staff is already working on this) using the Activity Filter, to create an initial sort of Governance, Regulatory and Other Committees.</p> <p>In this step, EXE and Council will discuss and agree in principle on a governance model for PEO's Committees, including criteria for Governance, Regulatory and Other Committees, and how committees are established in the future.</p> <p>While final structure decisions are the next steps, EXE and Council may be asked to agree on which committees support PEO's vision, and on criteria or an approach to determining which committees to keep, add, disband or merge.</p>	Development	(GSI)	Jan 25
	Dialogue and Review Draft	Executive Committee	Feb 2
	Revisions	(GSI)	Feb 4
	Dialogue and Review Draft	Strategic Conversation	Feb 6
	Revisions	(GSI)	Feb 17
	Decision	Council	Feb 26
	Final Revisions	(GSI)	Mar 5
<p>Formalize Governance Committees' structure:</p> <p>We will begin with those Committees designated as "Governance". These are committees that directly support Council's corporate governance role, by undertaking delegated diligence activities on behalf of Council. Therefore, these are usually standing committees of Council, populated wholly or largely by Councillors.</p> <p>Usually, these include committees responsible for Audit & Finance, Governance, Nominations & Elections, and sometimes Human Resources.</p>	Development	(GSI)	Jan 25
	Dialogue and Review Draft	Executive Committee	Feb 2
	Revisions	(GSI)	Feb 4
	Dialogue and Review Draft	Strategic Conversation	Feb 6
	Revisions	(GSI)	Feb 17
	Decision	Council	Feb 26

Phase 2 Activities and Outputs	Actions	Meeting	Key Date
<p>Currently, PEO committees in this category would likely include (note, GSI has not yet completed a formal triage):</p> <ul style="list-style-type: none"> • Audit Committee • Central Election and Search Committee (CESC) • Executive Committee • Finance Committee • Human Resources Committee • Legislation Committee <p>GSI would develop recommendations for EXE and Council discussion, input and feedback, and ultimately decisions, including on:</p> <ul style="list-style-type: none"> • Clarity is reached on who should serve on PEO Governance Committees and what competencies are needed (Council and/or non-Council members; competencies and/or elections/appointments). • Determination of whether Governance Committee members should be appointed and/or elected. • Governance Committee Terms of Reference and workplans • Transition plans are developed for Committees which are to be exited. 	Final Revisions	(GSI)	Mar 5
<p>Formalize Regulatory Committees' structure:</p> <p>We will look next at those Committees designated as "Regulatory". These are committees that fulfill regulatory and legislated mandates for PEO to regulate the profession. As such, they may be composed of individuals who are not Councillors, or they may include some Councillors (question of independence of the regulatory function).</p> <p>Typically, these would include committees responsible for Standards, Complaints, Investigations and Discipline.</p> <p>Currently, PEO committees in this category would likely include (note, GSI has not yet completed a formal triage):</p> <ul style="list-style-type: none"> • Academic Requirements Committee (ARC) 	Development	(GSI)	Feb 25
	Dialogue and Review Draft	Executive Committee	Mar 2
	Revisions	(GSI)	Mar 4
	Dialogue and Review Draft	Strategic Conversation	Mar 6
	Revisions	(GSI)	Mar 17
	Decision	Council	Mar 26
	Final Revisions	(GSI)	Mar 31

Phase 2 Activities and Outputs	Actions	Meeting	Key Date
<ul style="list-style-type: none"> Consulting Engineer Designation Committee (CEDC) Complaints Committee Complaints Review Councillor Discipline Committee Enforcement Committee Experience Requirements Committee Licensing Committee Professional Standards Committee Registration Committee <p>GSI would develop recommendations for EXE and Council discussion, input and feedback, and ultimately decisions, including on:</p> <ul style="list-style-type: none"> Clarity is reached on who should serve on PEO Regulatory Committees and what competencies are needed (Council and/or non-Council members; competencies and/or elections/appointments). Determination of whether Regulatory Committee members should be appointed and/or elected. Regulatory Committee Terms of Reference and workplans Transition plans are developed for Committees which are to be exited. 			
<p>Formalize Other Committees' structure:</p> <p>We will look finally at those Committees designated as "Other". GSI will identify the current mandate and purpose of each, and recommend the "best fit" in PEO's new committee governance model.</p> <p>Often, these are ad hoc committees, task forces and working groups, with specified mandates and timelines. As such, their composition and reporting varies significantly. Often these are committees of the organization itself, accountable to the CEO, rather than being organs of Council. Often they are composed by volunteers, and less so by Councillors.</p> <p>Currently, PEO committees in this category would likely include (note, GSI has not yet completed a formal triage):</p>	Development	(GSI)	Mar 29
	Dialogue and Review Draft	Executive Committee	Apr 6
	Revisions	(GSI)	Apr 8
	Dialogue and Review Draft	Strategic Conversation	Apr 10
	Revisions	(GSI)	Apr 19
	Decision	Council	Apr 30
	Final Revisions	(GSI)	May 6

Phase 2 Activities and Outputs	Actions	Meeting	Key Date
<ul style="list-style-type: none"> • 30 by 30 Task Force • Advisory Committee on Volunteers (ACV) • Equity and Diversity Committee • Education Committee • Fees Mediation Committee • Government Liaison Committee • OSPE – PEO Joint Relations Committee • PEO – OAA Joint Liaison Committee • Regional Councillors Committee [like a Chapters advisory committee] • Volunteer Leadership Conference Planning Committee (VLCPC) <p>GSI would develop recommendations for EXE and Council discussion, input and feedback, and ultimately decisions, including on:</p> <ul style="list-style-type: none"> • Clarity is reached on who should serve on PEO Other Committees and what competencies are needed (Council and/or non-Council members; competencies and/or elections/appointments). • Determination of whether Other Committee members should be appointed and/or elected. • Other Committee Terms of Reference and workplans • Transition plans are developed for Committees which are to be exited. 			
<p>Orientation</p> <p>An orientation program is developed for all those serving or seeking to serve on a PEO Committee.</p> <p>As with each phase, governance changes here may call for updates to the overall Council orientation program itself, which GSI will complete before the end of this phase.</p> <p>The June 2021 Council retreat provides the opportunity for us to orient new Councillors on the governance change journey and next steps, and for the full Council and senior staff to refresh, review and make any necessary revisions to the workplan. It is a time to validate, confirm and course correct.</p>	Development	(GSI)	Mar 29
	Dialogue and Review Draft	Executive Committee	Apr 6
	Revisions	(GSI)	Apr 8
	Dialogue and Review Draft	Strategic Conversation	Apr 10
	Revisions	(GSI)	Apr 19
	Decision	Council	Apr 30
	Final Revisions	(GSI)	May 6

Phase 2 Activities and Outputs	Actions	Meeting	Key Date
	Information and Dialogue	Volunteer Leaders Conference & AGM	May 13-14
	Information and Dialogue	Council Workshop	June 24-26
Education An education program is developed and implemented for Committee members to embed the new Committee structure and associated changes across the organization. As with each phase, governance changes here may call for updates to the overall Council education program, which GSI will complete before the end of this phase.	Development	(GSI)	Mar 29
	Dialogue and Review Draft	Executive Committee	Apr 6
	Revisions	(GSI)	Apr 8
	Dialogue and Review Draft	Strategic Conversation	Apr 10
	Revisions	(GSI)	Apr 19
	Decision	Council	Apr 30
	Final Revisions	(GSI)	May 6

PHASE 3: REVIEWING AND IMPROVING THE GOVERNANCE EFFECTIVENESS OF THE PEO COUNCIL THROUGH A RENEWAL PROCESS (COMPOSITION AND SELECTION OF COUNCIL MEMBERS)

Phase 3 Activities and Outputs	Actions	Meeting	Key Date
<p>Dialogue</p> <p>GSI will facilitate a dialogue and ultimately a decision on what good governance looks like for PEO's Council's renewal (including composition and selection). One "non-negotiable" throughout is the principle of PEO being a self-governing body, with the profession retaining responsibility for regulating the profession ("self-regulation") and deciding on the best governance choices.</p> <p>The dialogue for all 4 phases begins in phase 1 (fall 2020) due to the inter-related aspects of all 4 areas.</p> <p>GSI will conduct a review of current practices, comparing these to best practices, and provide alternatives, pros and cons to EXE and Council.</p> <p>GSI will integrate the results and recommendations of the Succession Planning Task Force in this phase.</p> <p>This will focus on optimal composition and therefore selection of Council members, including (but not limited to) the following areas:</p> <ul style="list-style-type: none"> • review the size of Council • a review of the right balance of engineer and government-appointed members • review the desired level of diversity on Council, including gender, age, geography/region, race, Indigenous, ethnic/heritage and other identity considerations • review the terms/tenure for Council members and the President to determine if change is warranted • review how President is chosen, who is eligible, and how Committee Chairs are chosen 	Development	(GSI)	Aug 1, 2021
	Dialogue and Review Draft	Executive Committee	Sep 7
	Revisions	(GSI)	Sep 9
	Dialogue and Review Draft	Strategic Conversation	Sep 11
	Revisions	(GSI)	Sep 16
	Decision	Council	Sep 24
	Final Revisions	(GSI)	Oct 4
<p>Structure</p> <p>Once an agreement in principle has been reached in September, GSI will prepare the new governance structure and documents for Council renewal.</p>	Development	(GSI)	Sep 1
	Dialogue and Review Draft	Executive Committee	Oct 5
	Revisions	(GSI)	Oct 7

Phase 3 Activities and Outputs	Actions	Meeting	Key Date
<p>These may require a Bylaw Amendment, not just Council-level Policy changes. There may also be changes to Procedures, e.g. Voting Procedures and Election Publicity Procedures.</p> <p>GSI will develop a Council Member Competencies and Attributes Matrix, for both the short and long term, which will be discussed, input and feedback sought and incorporated, and ultimately approved.</p> <p>The appropriate PEO Committee will put in place steps to enable and govern the new selection process for Council members, the President and Committee Chairs, with GSI's assistance.</p> <p>Concurrent with this step:</p> <ul style="list-style-type: none"> • PEO's HR Committee will work on an enhanced CEO evaluation and succession plan, and PEO's CEO will work on an enhanced management succession plan • GSI will research and present CEO/Registrar evaluation methodologies to the HR Committee • GSI will provide input to HRC on CEO/Management Succession Plan. • The HR Committee will adopt enhanced CEO/Registrar evaluation and succession plan, and review the CEO's succession plan for staff beyond the CEO. 	Dialogue and Review Draft	Strategic Conversation	Oct 9
	Revisions	(GSI)	Nov 1
	Decision	Council	Nov 19
	Final Revisions	(GSI)	Nov 25
<p>Orientation</p> <p>There will be significant changes to PEO's Councillor Orientation program as a result of governance changes to Council renewal, potentially including composition and selection changes.</p> <p>GSI will develop revisions to PEO's Councillor Orientation program including a pre-nomination Orientation item/session for individuals interested in becoming Council members. This will incorporate the agreed governance model from the first three phases, so that individuals understand the roles, responsibilities, accountabilities and governance of Council prior to seeking nomination.</p>	Development	(GSI)	Sep 1
	Dialogue and Review Draft	Executive Committee	Oct 5
	Revisions	(GSI)	Oct 7
	Dialogue and Review Draft	Strategic Conversation	Oct 9
	Information and Dialogue	Committee Chairs Workshop	Oct
	Revisions	(GSI)	Nov 1
	Decision	Council	Nov 19

Phase 3 Activities and Outputs	Actions	Meeting	Key Date
	Information and Dialogue	Chapter Leaders Conference	Nov 20
	Final Revisions	(GSI)	Nov 25
Education The Education program for Council and senior staff to embed the Council structure and renewal changes across the organization is ongoing. As with each phase, governance changes here may call for updates to the overall Council education program, which GSI will complete before the end of this phase.	Development	(GSI)	December 2021
	Dialogue and Review Draft	Executive Committee	Jan 2022
	Revisions	(GSI)	Jan 2022
	Dialogue and Review Draft	Strategic Conversation	Jan 2022
	Revisions	(GSI)	Jan 2022
	Decision	Council	Jan 2022
	Final Revisions	(GSI)	Jan 2022

PHASE 4: REVIEWING AND IMPROVING THE GOVERNANCE EFFECTIVENESS OF PEO'S CHAPTERS, COMMITTEE VOLUNTEERS AND OTHER COMPONENTS OF PEO.

Phase 4 Activities and Outputs	Actions	Meeting	Key Date
<p>Dialogue</p> <p>GSI will facilitate a dialogue and ultimately a decision on what good governance looks like for PEO's Chapters, Committee volunteers and other organs of PEO.</p> <p>The dialogue for all 4 phases begins in phase 1 (fall 2020) due to the inter-related aspects of all 4 areas.</p> <p>GSI will review the roles and scope, mandates, membership, etc. of the Chapters, Committee volunteers and other organs.</p> <p>GSI will consult throughout the project with key Chapter and volunteer leaders to gain a clear understanding of current practices, alternatives, pros and cons.</p> <p>GSI will develop recommendations for EXE and Council to consider, based on best practices and enhancements.</p>	Development	(GSI)	Jan 2022
	Dialogue and Review Draft	Executive Committee	Feb 2022
	Revisions	(GSI)	Feb 2022
	Dialogue and Review Draft	Strategic Conversation	Feb 2022
	Revisions	(GSI)	Feb 2022
	Decision	Council	Feb 2022
	Final Revisions	(GSI)	Mar 2022
<p>Evaluation</p> <p>Evaluation of Council's governance effectiveness (replicating the January/February 2020 baseline diagnostic)</p> <p>At this point, prior to the end of the two-year engagement, GSI will conduct the same diagnostic instrument as PEO used in January/February 2020, to evaluate the effectiveness of governance changes to date.</p> <p>Here is what the approved (August 2020) Governance Change document calls for:</p> <p>By the end of this initial two-year change period, the measurable milestone is for PEO to have more effective governance, measured by conducting an identical Diagnostic self-assessment survey, resulting in an updated Governance Scorecard. The objective would be to achieve better than satisfactory ratings (3.5/5 or higher) in every area of governance (by end of two years), and ultimately to meet or achieve the</p>	Development	(GSI)	Jan 2022
	Dialogue and Review Draft	Executive Committee	Feb 2022
	Revisions	(GSI)	Feb 2022
	Dialogue and Review Draft	Strategic Conversation	Feb 2022
	Revisions	(GSI)	Feb 2022
	Decision	Council	Mar 2022
	Final Revisions	(GSI)	Apr 2022

Phase 4 Activities and Outputs	Actions	Meeting	Key Date
<p>Comparator Organizations' benchmarks (final column in Scorecard; may take further iterations to reach these.)</p> <p>In addition to this, GSI will be conducting post-meeting evaluation feedback surveys among participants after every regular Council meeting. GSI will be tracking and reporting on progress with these core criteria of effectiveness too.</p> <p>Other diagnostics may be added to measure the success of the governance change project to this point.</p> <p>Findings will be used to inform next steps beyond this two-year work plan, for example, to what extent would Council and PEO benefit from external professional governance expertise after May 2022?</p>			
Structure	Development	(GSI)	Feb 2022
Structural changes to PEO's Chapters and Volunteers are formalized	Dialogue and Review Draft	Executive Committee	Mar 2022
Once an agreement in principle has been reached in February, GSI will prepare the new governance structure and documents to enable the agreed role of Chapters, Committee volunteers and other organs in PEO's governance.	Revisions	(GSI)	Mar 2022
	Dialogue and Review Draft	Strategic Conversation	Mar 2022
For example, Chapters and Volunteers may have new Terms of Reference (charter documents) dealing with their mandates, scope, composition, authority, responsibilities, accountabilities, reporting and governance.	Revisions	(GSI)	Mar 2022
	Decision	Council	Mar 2022
The Volunteer Code of Conduct/Conflict of Interest may need to be revised, as may other governance documents.	Final Revisions	(GSI)	Apr 2022
Orientation	Development	(GSI)	Mar 2022
An orientation program with respect to the roles and responsibilities of PEO's Chapters and committee volunteers is developed and implemented.	Dialogue and Review Draft	Executive Committee	Apr 2022
Once the structure and documentation changes are in place, GSI will develop a brief orientation program for Chapter members and volunteers to introduce	Revisions	(GSI)	Apr 2022
	Dialogue and Review Draft	Strategic Conversation	Apr 2022

Phase 4 Activities and Outputs	Actions	Meeting	Key Date
<p>their roles, responsibilities, accountabilities and governance.</p> <p>EXE and Council will have the opportunity to review and discuss this orientation program, providing their input and feedback to GSI, prior to its Decision by Council and implementation by PEO.</p> <p>As with each phase, governance changes here may call for updates to the overall Council orientation program itself, which GSI will complete before the end of this phase.</p>	Revisions	(GSI)	Apr 2022
	Decision	Council	Apr 2022
	Information and Dialogue	Volunteer Leaders Conference	May 2022
	Final Revisions	(GSI)	May 2022
	Celebration	AGM	May 2022
	Information and Dialogue	Council Workshop	June 2022
<p>Education</p> <p>An education program for Council, senior staff and other relevant individuals is developed by GSI and implemented by PEO to imbed the Chapter and Committee volunteer changes across the organization.</p> <p>As with each phase, governance changes here may call for updates to the overall Council education program, which GSI will complete before the end of this phase.</p>	Development	(GSI)	Mar 2022
	Dialogue and Review Draft	Executive Committee	Apr 2022
	Revisions	(GSI)	Apr 2022
	Dialogue and Review Draft	Strategic Conversation	Apr 2022
	Revisions	(GSI)	Apr 2022
	Decision	Council	Apr 2022
	Final Revisions	(GSI)	May 2022

Note: the PEO Visioning process, any updates to the Strategic Plan, and the honing of Risk and Performance Metrics (Scorecard) need to be integrated into this timeline but are not included here because they lie outside the scope of GSI's governance change mandate.

ABOUT GOVERNANCE SOLUTIONS

Governance Solutions Inc. (GSI) (formerly known as Brown Governance Inc) has been trusted for over 29 years by organizations to provide superior governance solutions. Solutions like: The Professional Director Certification Program™, BoardConnex™ the latest in smart board portals, The Board and CEO Evaluation Solutions, strategic planning and The Scorecard Solution, Director Profile, governance best practices research, and consulting. And, our Boardroom 25 is a unique collection of our top 25 governance solutions designed to match your governance needs.



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Governance Solutions helps organizations strengthen their governance practices. We understand your challenges and are trusted by leading organizations around the globe because our entire leadership team has deep experience. Each has walked in your shoes as CEOs and Board members and has many years of substantive dialogue with governance leaders. Your board members and senior executives responsible for governance will be empowered by our principle-based approach.

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Briefing Note – Decision

GOVERNANCE ROADMAP - PEO Governance Directions

Purpose: To formally affirm key governance change choices that have emerged from the governance roadmap process approved by Council in March 2020, involving the Executive Committee, strategic conversations and the involvement of a governance consultant, Governance Solutions Inc.

Motion to consider: THAT PEO adopts the following governance directions:

1. Council will be a governing-type board:
 - a. Council will primarily direct (set strategic vision and direction) and control (monitor and evaluate actual results to gain confidence PEO is moving in the direction set), delegating substantive operations to staff supported by committees as appropriate.
 - b. Submissions from Members, Councillors or others will first be referred to the responsible committee or staff for review and input before coming to Council with any recommendation for a decision (the originator will be consulted as needed by the committee or staff, and be advised of any disposition)
2. PEO will primarily be a regulator
3. Council members will only serve on board (governance) committees
4. Council will use core board (governance) committee, which means a form of committee structure which deals with the following: Finance & Audit; Human Resources; Governance, Legislation & Nominating
5. PEO will use regulatory committees that add net value to its regulatory role. Committees with regulatory functions would be reviewed to assess the value they add to the regulatory process. These include Committees currently prescribed by statute: in particular, the Academic Requirements Committee, Experience Requirements Committee, Complaints Committee, Discipline Committee and Registration Committee
6. Council will “right size”:

An optimal range will be identified, likely smaller than the current size, based on mandate, and taking into account roles, needs, competencies and diversity considerations (including demographics)
7. Council will approve strategic priorities that explicitly align with and improve PEO’s role as a regulator charged with protecting the public interest
8. PEO will adopt a risk model to measure and report on the protection of the public interest
9. Council’s and staff’s governance culture will be healthy, respectful, inclusive and professional

10. PEO will adopt a structured, mandatory governance orientation and education program for Councillors, senior staff and committee members, as well as a separate program for all committee chairs

11. Formal annual evaluations of the effectiveness of Council, Committees and Chairs, and the CEO & Registrar will be conducted based on pre-agreed criteria

PEO will take the necessary steps by May 2022 to implement these directions as part of its commitment to completing the governance roadmap approved by Council in March 2020.

Prepared by: Dan Abrahams, LL.B., Senior Legal Counsel, with input from Governance Solutions Inc.

Moved by: Past President Hill, P.Eng., seconded by President-elect Bellini, P.Eng.

1. Need for PEO action

PEO is engaged in an ongoing project to improve and modernize its governance. This motion solidifies key decisions that Council can make in order to further the development of more detailed principles and governance policies, as well as eventual by-law and legislative changes as required.

2. Background

In 2019-20 Council engaged the services of a consultants to support better governance and to develop a roadmap for more extensive governance reform. In March 2020, Council approved a two-year roadmap to achieve governance reform. The work of stewarding governance reform and bringing recommendations to Council was referred to the Executive Committee, as were the reports of the Succession Planning Task Force and Emerging Disciplines Task Force, which dealt in part with matters relevant to governance reform. Council also authorized an RFP for the hiring of a consultant, ultimately identified as Governance Solutions Incorporated (GSI), to guide, inform and support the work of reforming PEO's governance.

Commencing in the summer of 2020, intensive work began on governance related matters. This ongoing work involves the Executive as stewards, with informal input secured from Councillors and senior staff and from time to time Engineers Canada directors, through a series of informal monthly strategic conversations.

This motion is intended to record and solidify the major, foundational decisions reached through the process to date.

3. Next steps (if motion approved)

Together with the approval of the timed workplan (presented as a separate motion), this motion will enable the governance work to continue in the areas specified. The work will continue to occur under the stewardship of the Executive, supported by informal strategic conversations with Councillors and others. This process in turn will lead to the development (and eventually, formal approval) of more detailed policies and other measures required to achieve the goals described in this motion.

4. Peer Review & Process Followed

Process Followed	As described above.
Council Identified Review	N/A
Actual Motion Review	N/A

5. Budget implications

N/A

Briefing Note – Discussion

C-537-2.3

CEO/REGISTRAR'S REPORT

Purpose: CEO/Registrar Zuccon will present the CEO/Registrar's Report.

No motion required.

Prepared by: Dale Power, Secretariat Administrator

Report to be provided November 13th.

Attachment:

Activity Filter Briefing Note and Appendix A – Activity Filter

C-537-2.3

CEO/Registrar Update

Johnny Zuccon, P.Eng., FEC, CEO/Registrar
 Prepared for PEO Council, November 20, 2020

Action Plan

Progress Report

A progress report follows on work related to the Council-approved Action Plan designed to address the 15 recommendations from the external regulatory performance review. The plan serves as a vital component of an overall strategy that also includes implementing the structural changes to PEO's operational organization required to produce the capacity and agility needed to achieve the objectives; and integrating the work of external expertise to assist Council in enhancing its governance capabilities. The Action Plan is available at <https://peo.on.ca/sites/default/files/2019-10/PEOActionPlan.pdf>.

Recommendation 1: PEO should review all its committees, subcommittees and working groups to ensure they are both necessary and fit for a regulatory purpose (3.28-3.36).	
Key Steps	Status
1. Registrar will create, for Council approval, a tool for analyzing the activities and responsibilities of all PEO committees, subcommittees and working groups in relation to PEO's regulatory obligations.	Completed November 2020 The evaluation phase of the Activity Filter has been completed and a progress report will be presented to Council at its November 2020 meeting. This phase involved evaluating each of the 90+ committee activities and outputs in the four categories (core regulatory, regulatory policy, governance and neither) to determine if each activity and output is necessary and fit in terms of both the legal basis for it (typically, in the act and/or the regulation) and their current assignment to a particular committee, task force or working group.
2. Registrar will evaluate, using the approved tool, and report to Council the regulatory necessity of each committee, subcommittee and working group.	Completed Progress report to be presented to Council at its November 2020 meeting.
3. Registrar will prepare for Council's approval an implementation plan pertaining to changes required as an outcome of the review.	Pending

Recommendation 2: PEO should clarify the roles of Council members, staff and volunteers. It should delegate more operational decision-making and responsibility to executive staff and streamline its internal accountabilities, policies and procedures (3.17-3.27).

Key Steps	Status
1. Governance Advisor role created and filled (per Council direction in June 2019).	Completed September 2019
2. At each meeting over the next year or more, Council will consider elements of its governance materials that require revision: for example, roles and responsibilities and other governance policies (including a Code of Conduct with a compliance process).	In progress (Governance Road Map approved by Council June 2020)
3. Registrar will arrange for ongoing training for councillors, staff and volunteers on their roles and responsibilities.	As per Governance Road Map timeline

Recommendation 3: PEO should consider if its Chapters are either necessary or desirable in delivering its functions as a regulator and should redirect its financial support for them to its core regulatory functions and activities (3.17-3.21).

Key Steps	Status
1. Registrar will create, for Council approval, a tool to analyze chapter activities.	Completed November 2019
2. Registrar will carry out a comprehensive review of all chapters' activities using the approved tool and make recommendations to Council.	Completed November 2020 Progress report will be presented to Council at its November 2020 meeting Additional recommendations will emerge in 2021

Recommendation 4: PEO should implement all the recommendations of the OFC in his report of 2014 and his subsequent letters. It should consider the way it uses negative language about everyone who is not a licensed P.Eng. and describe people as what they are rather than as what they are not (3.37, 4.10–4.27).

Key Steps	Status
1. Registrar implements an objective, psychometrically valid, digital professional practice examination.	Completed June 2020 NPPE approved March 2020; agreement with APEGA signed June 1, 2020. Use of NPPE as the professional practice examination is now fully implemented, with the first sitting taking place in June to accommodate the cancelled March PPE sitting and the first full sitting occurring in September.
2. Registrar implements and enforces a policy applicable to staff and volunteers to prevent bias in all licensing and registration processes.	Pending

3. Registrar develops a protocol to deal with internal reviews.	Pending
4. Registrar implements a system for responding to applicant inquiries and requests in a timely manner.	Pending
5. Registrar implements and enforces a policy applicable to all PEO staff and volunteers on use of appropriate language to refer to persons who are not licensed professional engineers.	Pending

Recommendation 5: The process for application for a P.Eng. licence should be simplified and speeded up, the discriminatory aspects of written examinations, a Canadian year of experience and face to face interviews should be discarded. Appeals against refusal of licence should be made available on request of the applicant, who should be provided with legal support in the event of an appeal hearing (4.16–4.27).

Key Steps	Status
1. Registrar identifies and implements changes to simplify, accelerate and limit subjectivity in the licensing process within the constraints and capabilities of existing technology and regulations.	Ongoing Policy staff have nearly completed their Phase 1 (Discovery) work, which consists of identifying, analyzing and interpreting the system data on the approximately 23,000 paper application files currently open. This involved reviewing the status of all open files, the process details, current legislative framework, recent improvements, and a national comparison of licensing process among other engineering regulators. Analysis of all of these components is proceeding. Further, our Information Discovery and Digitization Capability (IDDC) project is now underway. The project aims transform paper applications into usable digital information accessible from PEO's licensing and licence holder system.
2. Registrar identifies gaps between the existing licensing and registration procedures and current statutory requirements, including any FARPACTA ¹ -compliance issues.	Pending
3. Registrar develops a plan for Council approval to address the gaps identified in step 2.	Pending

¹ Fair Access to Regulated Professions and Compulsory Trades Act, 2006

Recommendation 6: PEO should review and revise all its current licensing categories and designation and eliminate those that do not directly contribute to protection of the public/serving the public interest (5.9).

Key Steps	Status
1. Registrar undertakes a comprehensive review of existing categories of licences, designations and certifications to identify how they contribute to the protection of the public interest.	Pending
2. Registrar proposes, for Council approval, changes to existing legislation to eliminate or fix those licences, designations or certifications that do not serve and protect the public interest.	Pending
3. Registrar initiates the necessary change process.	Pending

Recommendation 7: The public register of licensed engineers and other public directories published by PEO must be complete and kept up-to-date. Currently they are neither (4.6, 4.33–4.36).

Key Steps	Status
1. Registrar to undertake a gap analysis and identify any legislative changes that are required	Pending
2. Registrar to develop an implementation plan and implement changes. (Note: This action may be contingent on completion of recommendation #13)	Pending

Recommendation 8: Licensed engineers employing another engineer should be required as a matter of good practice to check their registration status. PEO should promote to employers and the public the value of checking the register before engaging an engineer (4.37–4.38).

Key Steps	Status
1. Registrar to report to Council on the need, if any, for practice guidelines or standards to facilitate this recommendation.	Pending
2. Upon completion of recommendation #7, the Registrar will implement a communications plan informing licensed engineering practitioners of this guideline or standard.	Pending

Recommendation 9: PEO should establish a formal process for keeping engineering standards up to date and relevant to contemporary practice in all the fields of engineering that it aims to regulate. PEO should engage fully with setting standards as well as with guidance. PEO should be clear about the enforcement of guidance in complaints and discipline (4.103–4.108, and recommendation 11, below).

Key Steps	Status
1. Registrar to implement a process for reviewing and revising existing standards modelled on periodic regulatory review processes used by governments.	Pending
2. Registrar will investigate enforceability of PEO practice guidelines.	Pending

Recommendation 10: PEO should revise its PEAK program to ensure it is proportionate and outcome focused and achievable by licensed engineers. It should then make participation in this CPD program mandatory for licensed engineers (4.39–4.42).

Key Steps	Status
1. Registrar to provide, for Council approval, the legislative framework needed to implement a mandatory continuing professional development program.	Staff are finalizing a proposed roadmap that will lead to the formal adoption of mandatory CPD, together with consequences for non-compliance. It is clear that full implementation is dependent on a number of intermediary decisions, including some changes to the legislative scheme. Council will be kept apprised and will be asked for approval at various stages as work towards this goal proceeds over the next several months.
2. Registrar to create and implement a mandatory CPD program, that is pedagogically sound, has measurable and achievable goals, and is proportionate to the need to maintain public trust in the profession.	Pending (timing depends, in part, on implications of Council's previous motion requiring a referendum)
3. Registrar to consult with and educate PEO licence holders on matters dealing with continuing professional development program.	Ongoing, as required and especially following adoption of mandatory CPD.

Recommendation 11: PEO should review its approach to complaints and discipline. In particular, it should:

- **take a more confident approach to the interpretation of its legislation, seeking to protect the public rather than itself (4.46–4.52)**
- **enforce guidance (4.105)**
- **pay more regard to professional conduct and ethics, as breaches of these bring the profession and its regulator into disrepute (4.56–4.57)**
- **be more active in bringing its own complaints (4.46)**

Key Steps	Status
1. Registrar to conduct gap analysis and identify changes that can be made within the existing regulatory and legal framework, and implement the necessary changes.	Pending
2. Registrar to identify any changes that require alteration of existing legislation, draft proposed changes, and provide, with supporting documentation, to Council for approval.	Pending

Recommendation 12: Members of the COC and the DIC should not be drawn from the members of the Council. The members of these committees must be able to make judgements independent of the interests of PEO's Council (3.15, 4.78, 5.11).

Key Steps	Status
1. Council to take the appropriate steps to comply with the recommendation by not appointing councillors to the COC.	In November 2020, Council will be asked to confirm policy direction of removing councillors from all but board governance committees.
2. Council to invoke its Act Change Protocol to comply with the recommendation regarding the DIC.	Pending

Recommendation 13: PEO should commission a full digital strategy for the organization. This should include implementation of an electronic case management system and a database to manage licensing and C of A applications, CPD and complaints and discipline. It should aim for automation of processes. In the meantime, it must improve the security and confidentiality of paper files (3.40, 4.17, 4.100-4.101).

Key Steps	Status
1. Registrar to take immediate steps to ensure security and confidentiality of paper files.	Paper files secured; Digitization project underway (1-2 years for licensing, 3-4 years for the balance)
2. Registrar to develop a digital strategy and incremental implementation plan for Council approval.	In progress We are reviewing short-term and long-term recommendations from Deloitte to address the existing backlog of IT project and begin the preparation for a digital transformation as well as implement the digital transformation vision defined by leadership.

Recommendation 14: PEO should work with the Attorney General's office to seek changes to its statute to modernize its organization and regulatory powers (for example, 4.58, 4.62, 4.63, 4.85).

Key Steps	Status
1. Registrar maintains an ongoing relationship with the Attorney General to identify opportunities to introduce changes to existing legislation.	Pending
2. Registrar develops a comprehensive list of evidence-based regulation and legislative changes required, prioritizes these and identifies the opportunities to make changes.	Pending
3. Council invokes its Act Change Protocol and Regulation Change Protocol as required.	Pending

Recommendation 15: Council should assess and implement these recommendations. It should require an action plan and time-frame for implementation from its executive staff. When it approves the action plan, Council should commit the necessary resources to deliver it (5.19).

Key Steps	Status
1. Council to approve this action plan.	Completed September 2019
2. Council initiates a strategic planning process to implement the action plan.	Completed September 2019
3. Registrar leads strategic planning process.	Implementation in progress

Organizational Review

Work to address the recommendations from the final report of the organizational review conducted by Western Management Consultants (WMC) continues, including our functional analysis across the organization. This work is critical in streamlining our processes and becoming a more progressive organization. To this end, changes have been implemented in our HR department to provide the organizational support necessary during the transition. Specifically, I'm pleased to share that Barbara Gao, CHRL, and Wendy D'Angelo, CHRL, have joined PEO as HR Business Partners and that Olivera Tosic, CHRP, has been appointed as Senior HR Business Partner. Barbara supports Corporate Services and the Finance division; Wendy supports our Licensing and Regulatory Compliance divisions; and Olivera, who has been with PEO for over 10 years, provides support to Communications, IT, Tribunals and Regulatory Affairs.

As part of their work, HR is arranging to provide mental health training and diversity training to all staff. These important initiatives will be ongoing and provide staff with an increase in resiliency skills; a decrease in stigmatizing attitudes; and an increase in mental health well-being.

Further, we are in the final stages of hiring our VP Governance. This role has been prioritized to complement Council's commitment to the multi-year Governance Roadmap. The incumbent will lead the governance strategy behind the organization's cultural change and restructure our Secretariat office to ensure that the mindset, structures, processes, practices and behaviours needed to support PEO's statutory mandate and its ability to serve and protect the public interest are supported, while respecting the separate accountabilities of Council and the Registrar.

Operations

Finance

Financial update as of Sept. 30, 2020

For the nine months ending Sept. 30, 2020, revenues earned were \$21.13m and expenses incurred were \$16.71m, resulting in an excess of revenues over expenses of \$4.42m as shown in Figure 1. The shortfall of revenues in comparison to budget by \$1.68m is due to lower than expected P.Eng. revenue, application, registration and examination fees. There has been a reduction in building and advertising income as well.

The total spend of \$16.71m versus a budgeted spend of \$21.56m (i.e. lower than budget by \$4.85m) is due to the lower than expected spend on full-time staff salaries, volunteer business expenses, contract staff, chapters and several other activities across the board that have been either delayed or deferred until further notice due to the COVID-19 pandemic.

As can be seen in Figure 2, PEO has cash reserves of \$8.59m and an investment portfolio of \$11.82m as of Sept. 30, 2020. Despite the overall fall in equity markets over the past few months, the value of the portfolio has increased by about \$500k since January due to a well-diversified asset mix with approximately 70% invested in high quality, fixed-income instruments that have helped in insulating the portfolio from the volatility of equity markets.

Figure 1. Revenues and expenses as of Sept 30, 2020

	2020 Actual	2020 Budget	Variance Actual vs Budget
Revenues	\$21,127,394	\$22,806,623	-\$1,679,229
Expenses	\$16,705,389	\$21,558,031	\$4,852,642
Excess of revenues over expenses	\$4,422,005	\$1,248,592	\$3,173,413

Figure 2. Assets and liabilities as of September 30, 2020

	2020 Actual	2019 Actual	Variance (Fav / Unfav)
Cash	\$8,590,748	\$5,339,819	\$3,250,929
Current assets	\$945,865	\$1,176,225	-\$230,360
Marketable securities	\$11,823,115	\$7,250,439	\$4,572,676
Capital assets	\$31,850,007	\$33,683,478	-\$1,833,471
Total assets	\$53,209,735	\$47,449,961	\$5,759,774
Current liabilities	\$13,988,781	\$12,586,301	-\$1,324,157
Long term debt	\$2,812,695	\$3,901,491	\$1,088,796
Employee future benefits	\$7,025,000	\$11,785,550	\$4,747,450
Net assets	\$29,383,259	\$19,176,619	\$9,247,338
Total liabilities and net assets	\$53,209,735	\$47,449,961	\$4,735,249

Impact of COVID-19 on membership requests for reduced fees

As shown in Figures 3 and 4, there were a total of 1889 fee remission requests received as of Sept. 30, 2020, in comparison to 1998 requests as of Sept. 30, 2019, which would suggest that, to date, there has been no significant increase in the number of members seeking to pay reduced fees in comparison to last year.

Impact of COVID-19 on membership resignations

From Figures 3 and 4, the total number of resignation requests received as of Sept. 30, 2020, has been 458, which works out to an average of 65 resignations per month in comparison to the monthly average of 76 resignations or a total of 915 resignations in 2019. Staff are monitoring the situation to track both fee remission and resignations but, as of now, there does not appear to be any significant increase in either remission or resignation requests. To assist with payment options for dealing with the COVID-19 situation, staff are advising members about the various fee remission options currently available. In addition, members are being given an approximately 70-day grace period from the due date for paying their membership dues without any penalties.

Figure 3. Remissions stats as of Sept 30, 2020

Remission Type	Jan	Feb	March	April	May	June	July	August	Sept	Total	Monthly Avg
Parental Leave	20	13	8	18	14	15	12	10	13	123	14
Post Grad	14	7	2	9	6	7	3	4	6	58	6
Unemployment	141	111	106	107	104	109	90	132	152	1052	117
Temp Health	5	4	1	4	2	1	2	3	2	24	3
Permanent Health	3	4	4	2	2	3	3	5	2	28	3
Retired	67	93	87	34	59	68	49	67	80	604	67
Total	250	232	208	174	187	203	159	221	255	1889	210
Cumm. Total	250	482	690	864	1051	1254	1413	1634	1889		
Resignations										458	65

Figure 4. Remissions stats for 2019

Remission Type	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	Monthly Avg
Parental leave	12	11	17	17	15	15	20	8	14	14	17	6	166	14
Post grad	8	5	2	3	4	3	4	5	10	9	13	3	69	6
Unemployment	117	79	144	134	89	115	111	106	126	123	117	92	1353	113
Temporary health	1	2	7	4	1	2	5	1	2	3	3	8	39	3
Permanent health	3	4	1	3	3	1	1	4	13	6	0	3	42	4
Retired	50	79	79	87	64	114	72	73	128	81	74	91	992	83
Total	191	180	250	248	176	250	213	197	293	236	224	203	2661	222
Cumulative Total	191	371	621	869	1045	1295	1508	1705	1998	2234	2458	2661		
Resignations													915	76

Accounts payable

With the exception of printing and mailing cheques, a majority of payments are being processed via online means. Volunteer payments are being processed within eight to 10 business days but payments to vendors are being delayed and rescheduled without incurring any penalties.

Due ongoing uncertainties associated with the pandemic, the overall business sentiment is likely to remain negative for the foreseeable future and as result, it is all but certain there an overall fall in revenues is very likely. Staff are continually monitoring the situation on the revenue and expenditure side and an update will be provided to Council at its next meeting.

Licensing & Registration

In mid-year 2020, as a result of the COVID related office closure and paper-based processes, licence applications received were 58% lower than for the same period in 2019. Since having adjusted processes in mid-June to allow for licence applications to be received by email and stored electronically, the number of applications received January to end-October is only 6% lower than for the same period in 2019 (see Figure 5).

The number of licences approved year to-date has suffered a lag and backlog related to the office shutdown and paper-based nature of files (Figure 6). While process workarounds have been implemented to allow licence approvals to continue remotely, a lag in this work has been experienced in relation to the workaround and the necessary deployment of laptops to staff. As a result, the volume of licences approved is down 26% compared to the same period last year. This figure does, however, represent the backlog steadily shrinking, as compared to the September update.

Figure 7 shows the total number of P.Eng. licences issued in the two-month period (September-October) along with average process times broken down by the classifications of CEAB graduates, non-CEAB graduates and applicants completing exam programs (CEP and SEP).

Figure 5. Breakdown of P.Eng. licence applications received, January-October 2019 and 2020

Year	Applications Received 2019					Applications Received 2020					% change
Gender	Female		Male		Totals	Female		Male		Totals	Totals
	(#)	(%)	(#)	(%)	(#)	(#)	(%)	(#)	(%)	(#)	
CEAB	574	21%	2217	79%	2791	464	21%	1715	79%	2179	-22%
Non-CEAB	369	13%	2449	87%	2818	587	17%	2912	83%	3499	24%
Undefined	92	22%	329	78%	421	0	0%	0	0%	0	
Totals	1035	17%	4995	83%	6030	1051	19%	4627	81%	5678	-6%

Figure 6. Breakdown of P.Eng. licence applications approved, January-October 2019-2020

Year	P.Eng. Licences Approved 2019					P.Eng. Licences Approved 2020					% change
Gender	Female		Male		Totals	Female		Male		Totals	Totals
	(#)	(%)	(#)	(%)	(#)	(#)	(%)	(#)	(%)	(#)	
CEAB	397	18%	1822	82%	2219	312	19%	1292	81%	1604	-28%
Non-CEAB	173	14%	1021	86%	1194	159	17%	751	83%	910	-24%
Totals	570	17%	2843	83%	3413	471	19%	2043	81%	2514	-26%

Figure 7. Average process times for P.Eng. licence approvals in September and October 2020

	# Applicants	Average licensing time
CEAB applicants	327	1538 days
Non-CEAB applicants	129	1189 days
Confirmatory exam program	26	1892 days
Specific exam program	13	2652 days

ARC and ERC reviews

PEO staff have been working with an external consultant to implement a new paperless work flow for academic assessments requiring review by ARC volunteers. Testing of the initial workflow implementation was delayed by an unexpected illness involving the consultant's project lead. The intent is to complete testing by the first week of December and to start a trial run with ARC volunteers in early December. We expect to resume ARC review of academic files as a remote online process by January 2021.

PEO staff have been working with ERC volunteers to trial the process of hosting virtual ERC interviews using the Zoom meeting platform. An initial series of mock interviews has been completed. A number of technical and procedural issues have been identified, along with training needs for staff and ERC volunteers. These will need to be addressed prior to full implementation of virtual interviews, and additional sets of mock interviews will be scheduled for both volunteer training and to resolve other identified issues. It is expected that a limited number of interviews will be scheduled in January 2021.

Regulatory Compliance

Complaints

The Complaints Committee continues to hold virtual meetings by Zoom approximately every two months, resulting in no interruption to delivery of its legislative mandate. Since the office shutdown in March, the committee has met three times and has considered 48 completed complaint investigation files.

Complaint file processing times remain at a five-year low, reflecting a historical backlog being cleared, and adoption of a complaint 'streaming' process (Figure 8). The total number of active complaint files has increased somewhat since 2018 (Figure 9), and the volume of complaints filed to-date in 2020 is just moderately down from previous years, in spite of the COVID pandemic and related workplace shutdowns.

Figure 8. Complaint file processing times as of Oct. 23, 2020

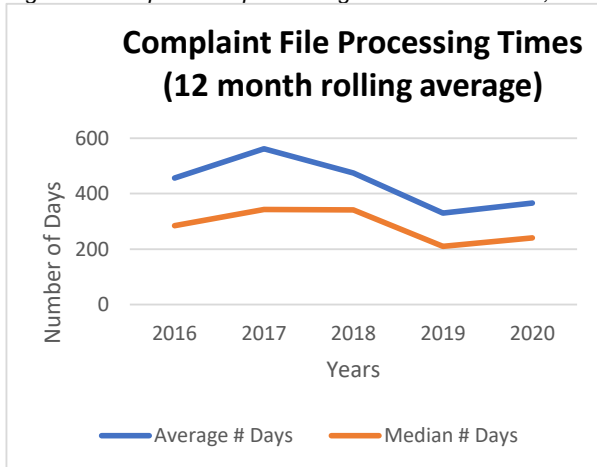
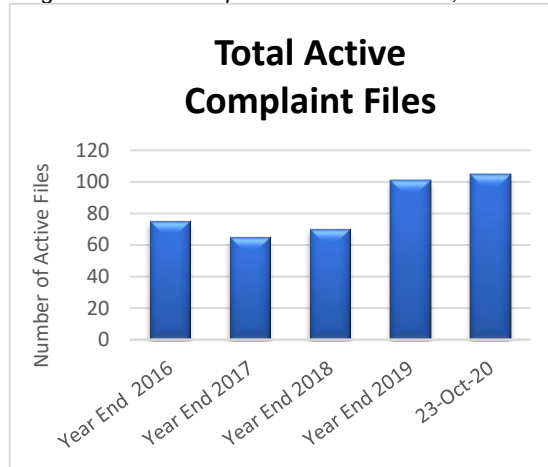


Figure 9. Active complaint files as of Oct.23, 2020



Enforcement

The enforcement case load for 2020 remains comparable to the case load volumes for previous years over the same period. The temporary office closure has not significantly impacted PEO's response to reported matters but delays from respondents have affected closure rates and the overall case backlog continues to increase as a result. The total increase in the backlog since January 1 remains just under 40%. Figure 10 shows the change in total case load during the year. The purple bars show the number of files open at month end, while the orange bars show the number of files that were closed during the month. Figures 11 and 12 show the relative distribution, by type of violation and type of respondent, for all files opened each month. Title violations by companies continue to be the dominant type of enforcement file.

Figure 10. Active Enforcement Files

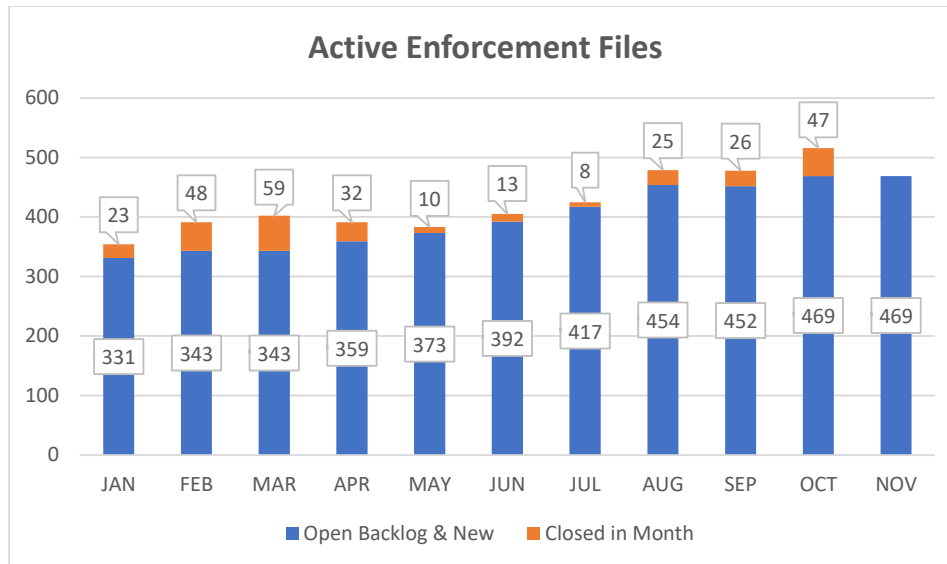


Figure 11. Title vs. Practice Violation

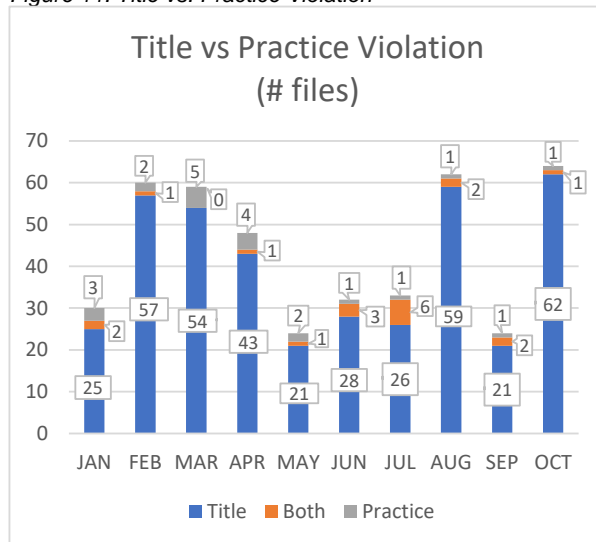
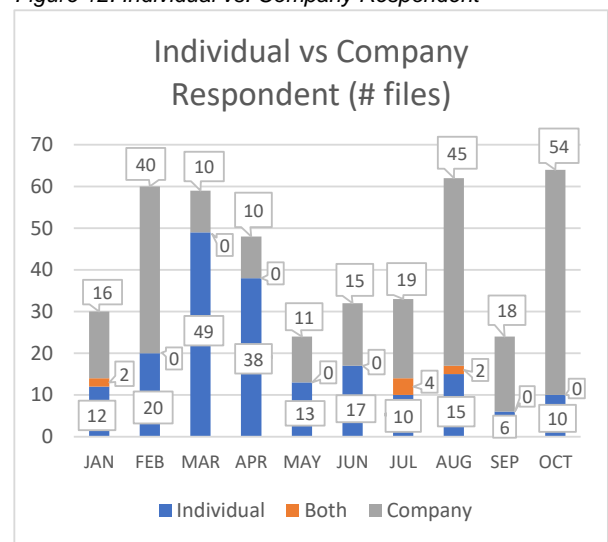


Figure 12. Individual vs. Company Respondent



Briefing Note – Information

C-537-2.3

CEO/REGISTRAR'S REPORT:

EXTERNAL REGULATORY PERFORMANCE REVIEW – ACTION PLAN ACTIVITY FILTER EVALUATION PHASE

Purpose: To provide a progress report on the application of an Activity Filter, as approved by Council on November 15, 2019.

No motion required

Prepared by: Dan Abrahams, LL.B., Senior Legal Counsel.

1. Background and Status Update

As the first of its fifteen recommendations, the 2019 External Regulatory Review (aka “Cayton Report”) advised PEO to “review all of its committees, subcommittees and working groups to ensure they are *both necessary and fit for a regulatory purpose*” (emphasis added). In September 2019, Council approved the CEO/Registrar’s proposed high-level action plan, to deal with this and other recommendations emanating from the Cayton Report. A portion of the action plan committed the Registrar and their team as follows:

1. Registrar will create, for Council approval, a tool for analyzing the activities and responsibilities of all PEO committees, subcommittees and working groups in relation to PEO’s regulatory obligations.
2. Registrar will evaluate, using the approved tool, and report to Council the regulatory necessity of each committee, subcommittee and working group.
3. Registrar will prepare for Council’s approval an implementation plan pertaining to changes required as an outcome of the review

Moreover, in response to recommendation 3 in the Cayton Report, which recommended that PEO consider whether that its chapters are “necessary or desirable” from the standpoint of a regulator, the so-called tool was to be extended to the activities of chapters.

Subsequently, at its November 2019 meeting, Council approved an Activity Filter. The filter performs as follows:

- It ensures that each discrete activity assigned to a committee, sub-committee, task force, working group or chapter is clearly described and has a measurable output.
- It determines the legal authority which permits and/or requires the activity and output in question.
- It classifies activities and their associated outputs as Regulatory, Governance or Neither:
 - *Regulatory* is defined as falling within one of six generally-recognized types of work performed by the regulator of a profession: licensing, standards,