



Professionalism and Credential Monitoring Board Terms of Reference

Document 223082

1. Establishment of the Professionalism and Credential Monitoring Board (PCMB)

1.1 The Bylaws of the Canadian Institute of Actuaries (CIA) state the following:

7.2.1.1 The following boards, established by the Institute, shall be under the oversight of the Actuarial Profession Oversight Board:

[...]

iii. The Professionalism and Credential Monitoring Board.

7.2.5.1 The Professionalism and Credential Monitoring Board shall have such powers and duties not in conflict with these *Bylaws*, to:

i. direct and manage the professional continuing qualification standard-setting and compliance monitoring process;

ii. assess criminal convictions that are disclosed to the Institute, in accordance with the *Policy on Disclosure of Criminal Convictions*;

iii. provide interpretation of the *Rules of Professional Conduct*; and

iv. provide input and advice regarding the Institute's qualification requirements and education programs from a professionalism and public interest perspective.

1.2 The CIA supports the PCMB in the performance of its activities. In doing so, the CIA respects the independence of the PCMB, which is not subject to direction or influence by the CIA or other representatives of the actuarial profession.

2. Purpose

2.1 The purpose of the PCMB is to help ensure that CIA members, as professionals, are appropriately qualified to practice in a manner that, above all, serves the public interest.

3. Scope

3.1 In accordance with the *CIA Bylaws*, the PCMB is responsible for

- the professional continuing qualification standard-setting and compliance monitoring process for CIA members;
- disclosing the criminal conviction process for CIA members, as well as applicants to the CIA;
- providing interpretation of the *Rules of Professional Conduct* to members and stakeholders; and for
- providing input and advice with regard to the CIA's qualification requirements and education programs from a professionalism and public interest perspective.

3.2 The PCMB collaborates with CIA councils and committees, as well as other external stakeholders, to monitor and discuss matters related to Canadian actuarial practice within the context of the PCMB's authority and responsibilities.

4. Authority and responsibility

4.1 In accordance with the *CIA Bylaws*, the PCMB has the following authority and responsibilities:

- (a) Establish, revise and monitor compliance with CIA qualification standards, which are requirements that existing CIA members must follow to continue their membership.
- (b) Manage the process for disclosure of criminal convictions, both upon initial application to the CIA and for existing CIA members, which includes conducting criminal conviction disclosure assessments as needed.
- (c) Provide interpretation of the *CIA Rules of Professional Conduct* as needed (e.g., intent or spirit of the Rules, advice on ethical questions).
- (d) Provide input on professionalism education offered by the CIA.
- (e) Review and provide input on new or revised enrolment requirements including the CIA education syllabus and related policies as needed, from a public interest perspective.
- (f) Be accountable to the Actuarial Profession Oversight Board (APOB) to demonstrate that the PCMB has fulfilled its mandate, as described in these terms of reference, effectively and efficiently.
- (g) Ensure all relevant parties are aware of existing continuing professional development qualification standards and proposed changes and have easy access to such information.
- (h) Ensure that due process for the adoption or revision of continuing professional development qualification standards is structured in accordance with the *CIA Bylaws*, which will allow sufficient discussion from all interested parties and meet the rigour expected from a professional organization.
- (i) Advise APOB as to the human and financial resources needed to accomplish the PCMB's activities.
- (j) Establish and maintain a current statement of operating procedures that applies to all PCMB procedures related to carrying out its responsibilities, which is not in conflict with these terms of reference or the *CIA Bylaws*. The PCMB applies those operating procedures, except in unusual circumstances. In such circumstances the PCMB will report the deviation to APOB and recommend appropriate action to resolve the matter on a go forward basis.
- (k) Create such committees of its members as it deems necessary in carrying out its responsibilities.

5. Membership

5.1 The PCMB will consist of not fewer than six and not more than 15 members, including a chair and a vice-chair. The members of the PCMB will be appointed by APOB.

- 5.2 Members of the PCMB will be selected to ensure that it has an appropriate balance of competencies and experiences in various areas of practice in order to appropriately execute its responsibilities.
- 5.3 The selection of members for the PCMB puts emphasis on the ability of the selected member to be objective and to be able to act independently of other considerations.
- 5.4 The PCMB must consist of at least a two-thirds majority of voting members of the CIA who are compliant with the CIA [Qualification Standard – Requirements for Continuing Professional Development \(CPD\)](#).
- 5.5 In general, the expected term of service as a member of the PCMB will be three consecutive years, except when moving into the role of chair or vice-chair. In order to maintain an orderly transition of members, APOB may extend the term of a member to up to five consecutive years.
- 5.6 The chair will preside over all PCMB meetings and will have a right to vote on any particular item of business for which the chair is not in conflict of interest. The chair shall serve as an *ex officio* participant on APOB and will be the primary liaison with the CIA and other organizations but may delegate attendance at meetings with outside parties as appropriate.
- 5.7 The vice-chair will assume the responsibilities for the chair when absent and will provide other assistance to the chair outside regular meetings as required from time to time.
- 5.8 Members are expected to attend all meetings of the PCMB. If any voting member of the PCMB either fails to attend more than two regularly scheduled meetings of the PCMB in succession, or fails to attend, in any 12-month period, at least two thirds of all regularly scheduled meetings of the PCMB, the chair will initiate a conversation with the member as to the reasons for the absences and determine whether the member can reasonably be expected to adequately participate on the PCMB on a go forward basis. The chair will report to, and make a recommendation to, APOB concerning the member's ongoing mandate or the need for a replacement, as applicable, including the date at which a replacement would be needed. A member is deemed to be absent from a meeting of the PCMB unless the member is in attendance for substantially all of it.
- 5.9 It is expected that the PCMB will always have a minimum of six members. However, if unlikely events lead to a reduction of the PCMB membership below six, the PCMB will report the situation to APOB immediately and request that it be allowed to operate with a membership below the minimum until such time as a new appointment (or appointments) is made by APOB, to a maximum of six months.
- 5.10 The chair of the CIA Education and Qualification Council, as well as the Executive Director of the CIA, will sit as *ex officio* participants of the PCMB and have a voice in discussions. *Ex officio* participants will not be entitled to vote and will not count towards the required minimum of six members or towards the quorum for a vote on a particular item of business.

6. Meetings

- 6.1 Meetings of the PCMB will normally be held not fewer than four times per year, in person, by conference call or by such methods of communication as the PCMB may select from time to time by resolution. The PCMB's *Statement of Operating Procedures* sets out the detailed procedures and responsibilities related to conducting the business of the PCMB.

7. Reporting

- 7.1 The PCMB will submit an annual report to APOB on its activities of the year and an annual plan that specifies the PCMB's direction and priorities, including a reference to how projects were selected and how priorities were set.
- 7.2 The PCMB will report regularly to APOB, as determined by APOB and the chair of the PCMB, on the progress of the PCMB and its designated groups, working groups and other groups in relation to its priorities.
- 7.3 The PCMB will submit other reports as required by APOB from time to time.

8. Resources and budget

- 8.1 The PCMB will prepare an annual budget of all anticipated expenses related to its proposed activities, which will be reviewed by the CIA Human Resources, Finance Audit and Risk Committee and approved by the CIA Board.

9. Deliverables

- 9.1 Review, at a minimum every five years, all continuing professional development qualification standards, including the process for monitoring compliance with the standards.
- 9.2 Review, at a minimum every five years, the CIA [*Policy on Disclosure of Criminal Convictions*](#).
- 9.3 Review, at a minimum every five years, the CIA *Rules of Professional Conduct*.
- 9.4 Publish, normally at least once per year, a report on criminal convictions disclosures to advise CIA members of the results of the criminal conviction disclosure assessments conducted by the CIA.
- 9.5 On or around October 31 of each year, in collaboration with the CIA Board, councils and committees, develop an annual plan to address the relevant changing or emerging public interest needs.
- 9.6 Regularly monitor changes arising from experiences of other actuarial organizations, where relevant in Canada, and discuss these new developments by September 30 of each year, for inclusion in the next annual plan, as appropriate.

10. Code of conduct

- 10.1 All members of the PCMB are bound by the CIA *Volunteer Code of Conduct* and the CIA *Conflict of Interest Guidelines for CIA Volunteer Groups*. Members of the PCMB who are members of the CIA are also bound by the CIA *Rules of Professional Conduct*. All members of the PCMB are appointed based on their ability to be objective and to be able to act independently of other considerations. Notwithstanding any inconsistencies between this section and the terms of said Code, Rules and Guidelines, the terms of this section shall prevail.
- 10.2 All members of the PCMB are required to vote on motions with a view to protect and promote the public interest according to their beliefs, experience and judgment based on information they have and the discussions they have taken part in, and not according to the views of any firm, organization or constituency with which they are or have been associated.

11. Review of terms of reference

- 11.1 The PCMB will review, at a minimum every five years, its terms of reference. The results of the PCMB's review of its terms of reference, as well as any recommendations for amendment, will be submitted to APOB. All such amendments to the terms of reference of the PCMB will require the approval of APOB and shall not be in conflict with the *CIA Bylaws*.

Approved by APOB on February 10, 2023.