

ACTUARIAL STANDARDS OVERSIGHT COUNCIL (ASOC)
Meeting 1-07 - April 30, 2007

PRESENT:

ASOC Chairperson: John Solursh

ASOC Members:

Gilles Bernier
Mark Daniels
Emilian Groch
Hugh Mackenzie
Michael Mackenzie
Josephine Marks
Bob Rutherford
Jacques Valotaire

***Ex officio* Members:**

Geoff Guy, Chairperson, Actuarial Standards Board
Daniel Lapointe, Executive Director, Canadian Institute of Actuaries

MEETING SUMMARY

MEMBERSHIP

The length of terms of ASOC members was decided as follows:

One year term – Hugh Mackenzie, Michael Mackenzie and Jacques Valotaire

Two year term – Mark Daniels, Josephine Marks and John Solursh

Three year term – Gilles Bernier, Emilian Groch and Bob Rutherford

A Nominating Committee was approved consisting of Gilles Bernier, Mark Daniels, Bob Rutherford (Chairperson) and CIA Executive Director, Daniel Lapointe. The Nominating Committee will also include the Chairperson or Vice-chairperson of the ASOC. Its duties will include governance, performance evaluation, recruitment of ASOC members, and the development of a skill expertise matrix. The Nominating Committee will discuss the selection of a Vice-chairperson in September 2007.

COMMUNICATIONS

ASOC will focus at each meeting on communications. The agendas of future ASOC meetings will include discussion of the work being done by actuaries that is of public interest. The ASOC will be proactive in communicating those issues to the public.

ACTUARIAL STANDARDS BOARD (ASB) REPORT

Due Process

The proposed new due process circulated to CIA members in March 2007 will replace the “general acceptance” criteria with a consultation process permitting standards of practice to be approved more expeditiously. The CIA membership has been advised that the ASOC will ensure that there is an appeal process for review of a standard of practice.

Resources

To accelerate the approval of standards of practice, the ASB will employ a project manager to manage the process of developing each standard. Provisions have been made in the CIA budget for two projects in the next fiscal year.

3 Year Plan

The three year perspective of the ASB includes:

- Identifying and initiating changes to standards where the external environment requires an update to standards or new standards
- Modifying the due process and ensuring the requirements are clearly communicated
- Ensuring easy access to standards

REVIEW PROCESS FOR STANDARDS OF PRACTICE

ASOC members considered the key decisions needed to be made to establish the Actuarial Standards Oversight Council’s Policy on the Review of Standards of Practice Adopted by the Actuarial Standards Board. ASOC members agreed that only members of the CIA should have the opportunity to trigger the Review Process, that the process would be triggered by a numeric threshold and that the process would only cover matters of process.

RESPONSE FROM REGULATORS

ASOC Chairperson, John Solursh met with officials from OSFI (Office of the Superintendent of Financial Institutions) and FSCO (Financial Services Commission of Ontario) in December 2006. These regulators were supportive of the ASOC oversight role and were confident that the new structure would improve and accelerate the process of reviewing and revising standards. Meetings with CAPSA, insurance regulators and provincial regulators will be sought.

The next ASOC meeting will be held on September 12, 2007 in Montréal.