Advisory Panel Update Deck - December 5.pptx

TBS

Office of Provincial Controller

Pension Asset Expert Advisory Panel – Update

Objective

TBS

- To provide an update on the status of the Pension Asset Expert Advisory Panel (the ‘Panel’), as it works to provide advice and recommendations to the government on the application of public sector accounting standards to Ontario's net pension assets.

Dashboard

TBS

	Completion as at December 5
Advisory Panel Update	50%
Recognition Issue Recommendations	0%
Measurement Issue Recommendations	0%
Written Report Status	5%
Communication Strategy	10%
Interaction with Office of the Auditor General of Ontario	10%

Advisory Panel Update

TBS

- On November 10, 2016, the Province announced the appointment of four members to the Panel (See Appendix A).
- OPCD met with the Chair on November 8 for a preliminary discussion, including expectations, roles, responsibilities, and logistics.
- There are four all-day meetings with Panel members scheduled for November 18, December 5, December 12, and December 13.
- The Panel was reminded about their responsibilities not to share and use information obtained as part of the Panel for their business and personal gain.
- High level review of the travel re-imbursement costs.
- Introduced the time reporting excel worksheet for per diem tracking.

Advisory Panel Update – November 18 Meeting

TBS

- November 18 meeting's agenda included briefing Panel members on key items, including:
  - OPCD position paper, Deloitte opinion on the appropriate application of certain aspects of Canadian public sector accounting standards to the recognition of the accrued benefit asset related to OTPP, Ministry of Education overview of the Ontario Teachers' Pension Plan, and Communications media protocol.
- The Panel appreciated the briefings provided which assisted the members in understanding the complexity of the issue.
- Discussion on how the Panel will share information among the members – documents will be password protected and Project Manager will be the central coordination of information and meeting requests.

Advisory Panel – General Discussions & Next Steps

- Brief discussion on the need to see the Deloitte opinion – agreed to obtain the Statement of Facts from Deloitte to validate the facts.
- The members will confirm the questions to be answered and identify potential options and related pros and cons.
- Each member to consider the issue based on their area of expertise.

Recognition Issue Status

TBS

- TBD

Measurement Issue Status

TBD

Reporting Status

TBS

- Discussed the support that Communications can support when the Panel finalizes the report – Executive Summary and Technical Paper.
- Communications can assist in the report is in “everyday language” for all readers and ensure that it meets accessibility requirements when released.
- Communications can assist in facilitating the format of the report.
- Status update on the single-source procurement of a report-writer to support the Panel.
- Statement of Facts received by Deloitte.

Communications Strategy

- All media requests to the panel members are to be directed to the Chair who is the official spokesperson for the Panel.
- Communications will support the Chair in responding to questions as needed. The Chair can address any questions relating to the work of the Panel. All other questions are directed to TBS Communications to respond.

Interactions with Office of the Auditor General of Ontario

TBS

- Discussion to invite the Auditor General to brief the Panel on her perspective of the issue. It is important to understand all viewpoints on the issue.
- Project Manager drafted invitation letter from Chair to Auditor General which was sent via email to the Auditor General on November 22 2016.

Appendix A – Panel Members

TBS

- Patricia O’Malley (Chair) – Chair of the Canadian Actuarial Standards Oversight Council, member of the Canadian Accounting Standards Oversight Council, Chair of the Canadian Accounting Standards Board and Chaired the International Forum of Accounting Standard Setters;
- Paul Martin – Comptroller with the Government of New Brunswick and previously a partner with the national accounting firm of Grant Thornton LLP;
- Uros Karadzic – Partner at EY’s People Advisory Services Reward practice, which includes pension, benefit and compensation consulting; and
- Murray Gold – Leading practitioner and senior pension and benefits partner at Koskie Minsky LLP.

Appendix B

Terms of Reference (Scope)

- The requirement regarding control with respect to recognizing a pension asset for a joint defined benefit plan
- The requirement regarding control with respect to recognizing a pension asset for other pension plans
- Appropriate valuation techniques to measure a pension asset that take into consideration future decision making authority by plan sponsors
- Recommendations to the Employee Future Benefits Task Force of the Public Sector Accounting Board regarding issues that should be considered in its review of the retirement and post-employment benefits standards.

Advisory Panel Update deck (Nelson)np.pptx

TBS

Office of Provincial Controller

Pension Asset Expert Advisory Panel – Update

Objective

- To update on the status of the activities of the Pension Asset Expert Advisory Panel

Dashboard (suggest a GANTT chart for each of these activities)

TBS

	Completion as at October 28
Establish Advisory Panel	25%
Recognition Issue Recommendations	0%
Measurement Issue Recommendations	0%
Written Report Status	0%
Communication Strategy	0%
Interaction with Office of the Auditor General of Ontario	0%

Advisory Panel Status

- Preferred Panel format identified (4 members)
- Three of the four identified potential advisors submitted their application, conflict of interest and security screening authorization.
- The Chair needs to be confirmed
- Meeting with the Chair held on XX to discuss XXX
- Proposed number of meetings to be held X ?
- Panel Terms of Reference ?
- Panel logistics established ?

Outstanding items/considerations

TBS

- Support identified by Panel
- Support procured by TBS on behalf of Panel

Recognition Issue Status

TBS

- Issue presented
- Issue discussed (including presentations)
- Subcommittee determined
- Report back date
- Analysis stakeholdering
- Recommendations discussed/validated
- Supplementary considerations identified
- Draft documentation completed
- Documented reviewed and accepted by Panel

Measurement Issue Status

TBS

- Issue presented
- Issue discussed (including presentations)
- Subcommittee determined
- Report back date
- Analysis stakeholdering
- Recommendations discussed/validated
- Supplementary considerations identified
- Draft documentation completed
- Documented reviewed and accepted by Panel

Reporting Status

TBS

- Panel deliverable clarified
- Drafting supported by external consultant/writer
- Draft report target date established
- Validation process confirmed
- Stakeholder availability established
- Draft compiled
- Draft reviewed by Panel
- Process for final recommendations and report established
- Public disclosure format established

Communications Strategy

TBS

- Terms of Reference clarification on Communications
- TBS Comms engaged to assist Panel
- LSB engaged as appropriate

Interactions with Office of the Auditor General of Ontario

TBS

- Panel discussion complete
- Panel expectations communicated
- TBD
  - AG presentation of position to Panel (?)
  - Panel report/summary shared with AG

Appendix A – Panel Members

TBS

- Patricia O'Malley, FCPA, FCA
- Murray Gold – Koskie Minsky partner
- Uros Karadzic, FSA, FCIA – Ernst & Young Partner
- Bill Matthews – Comptroller General of Canada

Appendix B

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- Recommendations to the Employee Future Benefits Task Force of the Public Sector Accounting Board regarding issues that should be considered in its review of the retirement and post-employment benefits standards.

Email - December 14 2016 - Panel updates.pdf

From:	Veinot, Cindy (TBS)
To:	Hosick, Sarah (TBS); Tam, Nelson (TBS)
Cc:	Petsche, Nadine (TBS)
Subject:	Panel updates
Date:	December-14-16 8:55:59 AM
Attachments:	image001.png

Sarah and Nelson,

Just thinking about updates from the Panel:

1) We need to confirm whether Tricia will be part of the update on Monday and we need a deck for that update. While originally I thought it may not make sense for an update at this point, given the Panel will have met with the AG by then, it may be useful to hear that feedback.
2) We need to get the updates confirmed for the week of January 9th. I think we (OPCD) need a briefing first before a briefing for the Associate DM/DMs (TBS and MOF), which needs to precede the briefing to the MOs (TBS and MOF). I'd like to get these nailed down ASAP given the holiday schedule.

Thanks,

Cindy

Cindy Veinot
Provincial Controller and Assistant Deputy Minister, Office of the Provincial Controller
Treasury Board Secretariat
Frost Building South
7 Queen's Park Crescent East
Toronto, Ontario M7A 1Y7

T: 416-325-8017
E: cindy.veinot@ontario.ca

TBS

image001.pdf

TBS

Email - November 10 2016 - Re_ Pension Asset Expert Advisory Panel - Ontario Teacher Pension Plan Briefing.pdf

From:	Paul, Joshua (EDU)
To:	Tam, Nelson (TBS)
Cc:	Duffy, Paul (EDU)
Subject:	Re: Pension Asset Expert Advisory Panel - Ontario Teacher Pension Plan Briefing
Date:	November-10-16 2:45:18 PM

Ok - Murray Gold knows about everything there is to know about OTPP, but we'll find someone and get back to you soon.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Tam, Nelson (TBS)
Sent: Thursday, November 10, 2016 2:35 PM
To: Paul, Joshua (EDU)
Subject: RE: Pension Asset Expert Advisory Panel - Ontario Teacher Pension Plan Briefing

Josh

Attached is the link to the News Release https://news.ontario.ca/tbs/en/2016/11/ontario-names-expert-panel-to-review-pension-assets.html

In summary

Trish O'Malley – Chair
Murray Gold – Koskie Minsky
Uros Karadzic – E&Y
Paul Martin – Comptroller, Province of New Brunswick.

Thanks

Nelson
X20514

From: Paul, Joshua (EDU)
Sent: November-10-16 1:16 PM
To: Tam, Nelson (TBS)
Subject: Re: Pension Asset Expert Advisory Panel - Ontario Teacher Pension Plan Briefing

Who is on the panel?

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Tam, Nelson (TBS)
Sent: Thursday, November 10, 2016 11:57 AM
To: Paul, Joshua (EDU)
Subject: Pension Asset Expert Advisory Panel - Ontario Teacher Pension Plan Briefing

Joshua

As discussed yesterday quickly. The expert panel would like a briefing on the Ontario

Teacher Pension Plan. You mentioned that you may not be available and maybe Paul Duffy can brief the panel.

The panel is meeting on November 18. I scheduled EDU from 11:30 – 12:30. Please confirm if this time works for your team. If not, please let me know and I will try to move it around if possible. The agenda is full for the day and I may not be able to accommodate. Please let me know who will be attending so I can send an invite.

Thanks

Nelson
X20514

Potential Advisors.docx

POTENTIAL ADVISORS TO THE EXPERT PANEL

Jim Leech – former CEO of Ontario Teacher's Pension Plan

Mr. Leech joined Teachers' in 2001 to lead Teachers' Private Capital and was appointed President & CEO in 2007. Under his leadership, the organization became one of the world's leading private equity investors.

Mr. Leech has gained recognition for his expertise and leadership in the private equity industry and as CEO of several public companies. He has a solid reputation for building businesses and strong management teams and has led large public companies operating and investing in the financial services, real estate and energy industries, as well as start-up technology businesses.

Before joining Teachers', Mr. Leech was president and CEO of Unicorp Canada Corporation, one of Canada's first public merchant banks, and Union Energy Inc., then one of North America's largest integrated energy and pipeline companies. During the 1990s, he guided two start-up technology companies - Disys Corporation and Kasten Chase Applied Research - to the revenue generation stage.

Mr. Leech holds a B.Sc. (Hons Math and Physics) from the Royal Military College of Canada and an MBA from Queen's University. He is also a graduate of the Institute of Corporate Directors.

Mr. Leech is chair of the board of Toronto General and Western Hospital Foundation. He is a member of the board of the MasterCard Foundation and was a founding director of Right To Play International. He has been named Chancellor-designate of Queen's University, effective July 1, 2014 and currently chairs the advisory board of the Queen's School of Business. Mr. Leech also serves on the advisory board for The Learning Partnership, the advisory council for the Toronto Region Board of Trade and the Toronto Financial Services Leadership Council. In addition, Mr. Leech is a member of the government of Ontario's Economic Advisory Panel.

In 2012, Mr. Leech was awarded the Queen's Diamond Jubilee medal in recognition of his work with the True Patriot Love Foundation. In 2013, he co-authored (with Globe and Mail Senior Writer Jacquie McNish) a book on pension reform called The Third Rail: Confronting our pension failures. He has announced his retirement effective December 31, 2013.

Wayne Strelioff, FCPA, FCA – former Auditor General

Mr. Strelioff has served as both the Auditor General of British Columbia (2000-2006) and the Provincial Auditor of Saskatchewan (1990-2000). He was the Assistant Director of Public Sector Accounting and Auditing at the Canadian Institute of Chartered Accountants (CICA), contributing to the initial development of ground breaking professional accounting and auditing standards for the public sector.

Mr. Strelioff has consistently worked to strengthen public sector governance, management and accountability practices. He has served on many national organizations including as a member and governor of the CCAF (formerly the Canadian Comprehensive Auditing Foundation), as the inaugural chair of the Canadian Council of Legislative Auditors Planning and Coordinating Committee and as a member of the CICA's Public Sector Accounting Board.

Since retirement in 2006, he has served as the inaugural Chair of the Quality Worklife/Quality Healthcare Collaborative, a nationwide group of 12 Canadian health organizations dedicated to developing an evidence-informed framework and action strategy to ensure a healthier Canadian public health workplace and, thus, improving the quality of patient care; he has served as a member of the Health Council of Canada's Value for Money Steering Committee; and he has advised senior officials in the public and private sectors on various governance, management and accountability matters.

Mr. Strelioff received B.A., B.Comm. and M.Sc. degrees from the University of Saskatchewan. He obtained his C.A. at Peat Marwick Mitchell (now KPMG).

In 1992, Mr. Strelioff was awarded the Commemorative Medal for the 125th Anniversary of Confederation of Canada in recognition of his significant contributions to compatriots, the community and to Canada. In 2003, he was recognized by the Institute of Chartered Accountants of British Columbia for his contribution to the accounting profession, by naming him a Fellow and awarding him the FCA designation.

Tom Scott, Ph.D., MBA -- University of Waterloo

A noted leader and senior administrator, Dr. Scott comes to the School of Accounting and Finance (SAF) from the Alberta School of Business at the University of Alberta, where he held positions of Vice Dean and Professor of Accounting. Tom has created a legacy of strategic and academic excellence for the Alberta School of Business. He led several academic program initiatives, while building a strong platform to support both teaching and research. Tom has published in leading academic and practitioner journals, and has been a member of the Accounting Standards Board of Canada (AcSB) from 2003 to 2011. In this capacity, Tom chaired the Academic Advisory Committee and played an important role in developing Accounting Standards for Private Enterprises.

Tom earned his PhD from Queen's University and holds an Master Business Administration and Bachelors of Commerce from McGill University. In addition to his appointment as Director, Tom is also a professor, with tenure, in the School of Accounting and Finance. In August 2012, Tom was awarded the Queen Elizabeth II Diamond Jubilee Medal for his significant contributions to in the improvement of accounting standards in Canada.

Bill Matthews – Comptroller General of Canada

Bill Matthews was appointed Comptroller General of Canada effective July 17, 2014.

The Comptroller General is responsible for government-wide direction and leadership for financial management, internal audit, federal assets and acquired services. The Comptroller General also supports capacity building and professional development in each of these areas.

Prior to becoming the Comptroller General, Mr. Matthews was Assistant Secretary, Expenditure Management Sector, at the Treasury Board of Canada Secretariat, a position he accepted in 2011.

Before joining the Expenditure Management Sector, Mr. Matthews worked at the Office of the Comptroller General for seven years, serving as the Assistant Comptroller General in the Financial Management and Analysis Sector from 2009 to 2011.

Mr. Matthews is a chartered professional accountant with over 25 years of experience in accounting and financial management in both the public and private sectors.

He holds a Bachelor of Commerce from Dalhousie University.

He also serves as a board member of the Public Sector Accounting Board and the University of Ottawa's Institute for Mental Health Research.

Allan Shapira – Managing Director, Aon Hewitt Canada

Allan is the Managing Director for Aon Hewitt Canada and is a senior consulting actuary in the Retirement and Investment Consulting Practice in Toronto. As country leader, Mr. Shapira is a member of Aon's Americas Regional leadership team and Chairs the Canadian Region Business Council.

Mr. Shapira is one of Canada's leading authorities on public and private pension plans. As the Senior Partner, Retirement and Investment, he consults with clients in both the private and public sectors on the design, financing, and administration of their pension programs. Mr. Shapira brings more than 39 years of experience and a deep understanding of the Canadian market and Aon's broader solutions for clients. He is a Fellow of the Canadian Institute of Actuaries and the Society of Actuaries, a graduate of the University of Manitoba with a B.Sc. in actuarial mathematics, and former chair of the Actuarial Advisory Committee to the Financial Services Commission of Ontario. Mr. Shapira also served on the Ontario Government's Advisory Council on Pension and Retirement Income, as well as other professional committees.

Jana Steele – Partner, Pensions & Benefits, Osler, Hoskin, & Harcourt

Jana Steele is a partner in Osler's Pensions & Benefits Group. Jana has provided advice on the conversion and implementation of the "Shared Risk Plan" pension model for several plans in the province of New Brunswick. She has significant expertise and experience regarding plan design, including innovative plan designs, such as shared risk and target benefit plans – and has written extensively on such plans. Jana also has extensive experience dealing with pensions and benefits in the context of corporate transactions. She is involved in providing advice with respect to both the establishment and the ongoing administration of pension plans. Jana advises on issues such as plan structure, governance, administration, compliance, trustee obligations, surplus matters, plan conversions, plan mergers, transfers and plan wind-ups. Jana also has experience dealing with pensions and benefits issues arising in insolvencies and corporate restructurings.

Jana's clients have included universities, non-profit entities, governments, multinational corporations and multi-employer pension plans. In addition, she has significant transaction experience involving numerous publicly traded entities. Such transactions routinely involve pension plans with employees in numerous Canadian jurisdictions.

Jana is a past chair of the pensions and benefits executive of the Ontario Bar Association. She has been a guest lecturer at the University of Toronto Faculty of Law and Osgoode Hall Law school. Jana recently chaired an international pension lawyer conference in Brussels with the International Pensions and Employee Benefits Lawyers Association (IPEBLA). Jana is a deputy chair of the IPEBLA Steering Committee. Jana has also been a member of the FSCO Legal Advisory Committee since her appointment in 2009.

Dan Bull – Consulting Actuary

Scott Simpson – Retired, former OTF Actuary