

ACTUARIAL STANDARDS BOARD GUIDELINES FOR DESIGNATED GROUPS

INTRODUCTION

Designated groups (DGs) are formed by the Actuarial Standards Board (ASB), either to prepare revisions to standards of practice, or to prepare a revision of a promulgated assumption, for approval by the ASB.

The purpose of this document is to outline the expectations for a DG and some best practices in its operation that may assist a DG chair to effectively complete the task set out for the group.

DG STRUCTURE

The ASB appoints the chair and members of the DG and ensures that the group as a whole is appropriately qualified.

The role of the DG chair is key in the standard development process. Therefore, the ASB should select an individual for that position taking into account a number of factors including the volunteer's experience with standard-setting, demonstrated leadership skills, organizational ability, motivation, and technical knowledge and background in the area under consideration.

Often the chair of a DG is also a member of the ASB. Where this is not the case, the ASB assigns one of its members to be a member of and a liaison to the group.

A DG would comprise more than one person, unless there is an unusual circumstance that would justify a one-person group. Typically a DG would have at least three members; there is no maximum number.

There are no specific requirements that DG members have to meet. The chair is responsible for recommending to the ASB for group membership individuals who will be capable of contributing to the group's task. The chair should also ensure that, to the extent practical, all required skills are represented on the DG (or are identified as required additional resources). The group as a whole should reflect an appropriate range of diverse perspectives. For example, the chair should consider choosing members who represent different practice areas, who work in different geographical or jurisdictional areas, who have different skill sets and who have different language preferences. Where a practice-specific standard is being revised, it is expected that the DG would include at least one active practitioner, and that the chair would consult with the chair(s) of the relevant CIA practice committee(s) on the composition of the group. An individual with relevant experience who is not an actuary may be appointed to a DG.

Although it is expected that members of the DG will continue as members until the final standard is adopted, it may be appropriate for the ASB to appoint new members to the group or replace its members from time to time, to maintain or improve the effectiveness of the DG.

In some cases, it may be appropriate to supplement the skills of the DG with additional resources (e.g., assistance from Secretariat staff, legal advice, or advice from other professionals or research). The chair of the group is responsible for identifying any additional resources that may be useful, and working with the ASB to obtain such resources.

DG OPERATION

The DG would meet periodically as necessary either in person, by conference call or by e-mail. The chair or liaison would be expected to provide regular updates on progress to the ASB.

A DG is expected to follow due process as established by the ASB. Due process can be found [here](#).

Due process requires that the DG consult with various interested parties. Although the group is expected to identify these parties, the chair may seek input from the ASB. The DG should also consider whether it would be useful to provide additional documentation to these interested parties (e.g., an expanded cover memo or a copy of the current standard) when distributing a notice of intent or an exposure draft.

Due process also requires that the DG identify the various forums that should be used to obtain input on a notice of intent or exposure draft. Although written submissions are always allowed, the group may wish to encourage other forms of input (e.g., at a CIA annual meeting or seminar, or at a special meeting).

Due process states that the DG should identify initially whether legal or other professional advice will be required, and comment at the exposure draft and final standard stages on whether ASB legal counsel input was obtained. The chair of the group should consult the ASB before initiating any legal review.

In accordance with due process, a number of documents (e.g., a notice of intent, an exposure draft, or a final standard) must be approved by the DG before they can be approved by the ASB. Normally, the level of support required for approval of a document by a group would be the same as that established for the ASB by due process. If the DG considers that another level of support would be appropriate, the chair should seek input from the ASB.

The DG should consider whether the proposed changes to standards or promulgated assumptions will enhance consistency with any international standards of actuarial practice that may be relevant.

Where a practice-specific standard is being revised, it is expected that the chair of the DG will liaise periodically with the chair(s) of the relevant CIA practice committee(s).

An essential document providing guidance in the drafting of a standard is the Policy and Process Manual, found [here](#), a copy of which is forwarded (along with these operating guidelines) by the Secretariat on the appointment of the DG chair, who in turn should forward it to the members of the group as they are appointed.

A DG operates in a manner similar to a task force of the CIA. Useful references for effective operation of a group would be:

- Volunteer Management Best Practices for CIA Committee/Task Force Chairpersons and Vice-Chairpersons (available [here](#)).

This document provides detailed information to committee chairs and vice-chairs on membership of committees, annual planning cycles, conducting effective committee meetings, communication, and conflict of interest guidelines.

- Volunteer Management Best Practices Summary (available [here](#)).

This is a summary in a tabular form of the above-detailed document.

All responses received on a notice of intent, exposure draft, or communication of a revision of a promulgated assumption should be acknowledged by the chair of the DG. All responses should be considered by the group and the memo to the ASB or subsequent memo to CIA members and other interested parties should contain a summary of these comments and the DG's position on them (as part of due process). A detailed explanation of all comments and the group's position on them is not generally required. If the changes are controversial, such controversy should be highlighted (if significant), and additional detail may be warranted.

Where comments are received from an individual or group outside of the CIA, the DG should consider providing a written response to such individual or group.

Minutes of DG meetings are not required to be published or posted on the ASB website. However, the following document may provide some useful guidelines:

- Principles and Guidelines for Minutes Production (available [here](#)).

Reimbursement of expenses for a DG would be consistent with the reimbursement policy for committees and task forces of the CIA as outlined in the Institute's Policy on Reimbursement of Meeting Expenses [here](#).

DG REPORTING

The DG chair or an appointed member would meet with the ASB to present the work of the group for each component of due process.

In order to provide sufficient time for review by the Standards of Practice Editing Committee, legal review (if required), translation and other components of due process, the DG chair would aim to be ready with final documents approved by the group well before the ASB meeting date. The length of time would depend on the complexity of the work, and be in accordance with the guidelines established with the Secretariat.

DG RECOGNITION

The chair of the DG would thank the group's members for their contribution at the end of the project. The ASB should thank the chair for accomplishing the task set out for the DG.