ADR Institute of Canada, Inc.
Institut d'Arbitrage et de Médiation du Canada Inc.

ADR Institute of Canada

Board of Directors Meeting

Friday and Saturday, January 24 and 25, 2014

Novotel, Toronto

2:00 p.m. ET - 5:00 p.m. ET

Present as indicated: X; meetings missed ( )

Executive:

(1) Glen Bell X Mary Comeau X Derek Lloyd X Jim Musgrave
X Jeffrey Smith

Directors:

X Stephen Antle X Randy Bundus X Thierry Beriault X Andy Butt
X Michael Erdle X Bill Hartnett X Shawn Irving X Jim McCartney
X David McCutcheon (1) Paul McMullan X Louise Novinger Grant
X Scott Siemens X Chuck Smith X Karim Sunderji X Anne Wallace

Staff:

X Mary Anne Harnick (Secretary) X Janet McKay

1. Friday Call to Order The meeting was called to order at 2:00 p.m. ET, and President Jim Musgrave welcomed the Board members. **2. Approval of agenda for Friday and Saturday** Jeffrey Smith moved approval of the agenda. Seconded by Louise Novinger Grant. **Motion Carried.** **3. Board List, Committee List and Meeting Schedule** The draft ADRIC Board list, ADRIC Committee list and meeting schedules set out in the Board package were approved in final form. **4. Minutes of November 22, Executive Meeting** The minutes of the November 22, 2013 Executive Committee were accepted	**ED to amend Executive Committee**

by the Board for information purposes, subject to changing # 6(e) "Rules Committee" to "Regional Affiliates."	**minutes.**
5. Minutes of December 19, 2013	
Chuck Smith moved approval of the minutes from the December 19, 2013 Board meeting. Seconded by Mary Comeau. **Motion Carried.**	
ED was asked to canvass affiliates as to residency requirements and corporate membership.	**ED to canvass regional affiliates concerning residency requirements and corporate membership, and report to the Executive.**
6. National Training Courses	
ADRIO President Anne Grant and Ontario-based trainer Rick Russell were invited to attend part of this meeting to outline their concerns and perspectives. Following their presentations and departures from the meeting, and after much discussion, it was agreed:	
• The National Task Force is to be thanked for its considerable efforts on this important project; • Each Regional Affiliate will be free to opt in or opt out of the program. If a Regional Affiliate opts out of all or part of the program, ADRIC will not attempt to fill the void. The Regional Affiliate speaks for its region on whether or not one or both of the courses and/or training is offered in the region; • Regional Affiliates are free to dialogue with community colleges, universities and private training providers as they wish, within their respective regions; • There will be no reference in the course materials or in promoting the courses to "national" or equivalent, or "Gold Standard" or equivalent; • The new courses will be promoted only as "ADRIC accredited" or equivalent, with other training courses that are approved by ADRIC (and of course meet the equivalency standards set by the Training Task Force). also able to advertise that they are "ADRIC accredited" so that any approved course is considered an equivalent; • The Task Force is encouraged to open a dialogue with IMAQ aimed at arriving in due course at recognition of Quebec-offered arbitration and mediation training courses; and • Logistics following the Board's directions above are to be referred back to the Task Force.	**ED to convey the Board's thanks to the committee, and will also convey Board's directions.** **ED to ask Task Force is to open a dialogue with IMAQ.**
7. Continuance	
Past President Randy Bundus moved approval in principle of the application for continuance (form 4031), with authority for the ED and Executive to bring the matter and any associated matters to a duly-convened meeting of ADRIC members for authorization to file it with Industry Canada. Seconded by	**ED to arrange for ADRIC member authorization to be**

Louise Novinger Grant. **Motion Carried.**	**solicited at June ADRIO AGM.**
8. Finance Committee Report	
Treasurer Jeffrey Smith provided a document with 2013 actual costs based on draft statements. Mr. Smith and others on the Board expressed concern over the projected deficit for 2014 and stated that the wild card here is really the conference.	
Noting the drop in corporate membership from $19,000 to $13,000 in 2013, it was agreed that the value proposition for corporate membership must be increased. Business Development Manager Janet McKay was asked to do some follow-up to determine why corporate members did not renew memberships in 2013	**Janet McKay to determine why corporate members did not renew, and pass this information on to the Membership and Marketing Committee for analysis and recommendations to the Board.**
Mr. Smith noted that ADRIC is responsible for paying uncollected GST/HST that was not collected related to issues with MemberNation. (See item 9(a) below).	
Mr. Smith advised the Board that the ADRIC external auditors failed to file a form T1044 for 3 years in a row. Lead ADRIC auditor Len Bolton has spoken to a senior staffer with Canada Revenue Agency about the matter, and CRA suggested that ADRIC file a voluntary disclosure explaining the reason for the omissions. Mr. Bolton was advised by CRA:	
"… to file the 1044 and in the circumstances of being an NPO [not for profit organization] and having filed the T2 corporate return [the CRA staffer] felt that there would not be any repercussions in filing the late T1044's with an explanation as to why they were not filed. He explained that the information was at CRA in terms of balance sheet and statement of income that is filed with the T2 and of course NPO's do not pay income tax."	
The voluntary disclosure has been submitted to CRA.	
9. Executive Director's Report and Business Arising From the Minutes	
The ED's full Report, which was included in the Board package, was treated as read. Highlights from the ED's Report appear below:	
a. Accounting and Technology	
• Having discovered entry duplications from MemberNation to QuickBooks, and instances where HST was not charged by MemberNation, Greg Greenough, ADRIC's external book-keeper/accountant has reviewed and verified every entry in the	

system. New software has been purchased to avoid future duplicate entries from MemberNation to QuickBooks. Issues relating to MemberNation not charging sales tax have also been resolved.

- The division of duties between Morgan Horst and Mr. Greenough will be confirmed at a meeting to be scheduled with the ADRIC and ADRIO Treasurers, a BDO supervisor, and the ED. Mr. Greenough advises that BDO will provide a new letter of engagement that will include specific duties to be performed by BDO. The ED will create a duties checklist of duties for monthly sign-off by Messrs. Greenough and Horst.

Division of duties between Mr. Horst and Mr. Greenough to be confirmed.

Updated BDO letter of engagement to be provided.

Checklist to be developed by ED.

b. Technology

Michael Erdle reported:

- The Technology Committee is reviewing names of IT specialists who have volunteered to provide support to the Committee.

- Staff had been disappointed in the support provided by Fonteva, the MemberNation provider. Problems were elevated to the attention of Fonteva's president. Following a meeting of ADRIC staff, the Fonteva president, and Fonteva support staff, ADRIC staff reported major improvements.

- The ADRIC website needs to be refreshed.

It was agreed that over time, attention should be paid to how the MemberNation system can be accessed by Regional Affiliates.

c. Conference Report

Janet McKay reported that the final conference numbers are as follows:

Revenue	$220,286.00
Expenses	141,694.80
Surplus	**$78,591.63**

d. ADRIC 2014

ADRIC Directors Stephen Antle, Michael Erdle and Bill Hartnett have agreed to serve on the National Conference Committee. IMAQ members Steve McInnes, Serge Pisapia and Maureen Flynn have also agreed to serve on this Committee.

Janet McKay is working on booking a venue. Provided permission is obtained from conference attendees to place their names on a distribution list for other conference attendees, ADRIC should be able to distribute the conference list to attendees at or ahead of the next conference. When the conference registration form is designed, this permission item will be included, and the ED will ensure that we are in compliance with privacy legislation.	**Conference registration form to be redesigned and ED to confirm privacy law compliance.**
e. Emergency Arbitrator Appointments The National Roster Selection Committee has agreed that it can provide emergency appointments when called upon to do so. The ED will be meeting with Mary Comeau to discuss criteria for such appointments. A request has been sent to Atlantic, Manitoba, Quebec and Saskatchewan to add someone from their respective regions to the Committee.	**ED to work with Mary Comeau on Emergency Appointment criteria.** **ED to ask for representative volunteers for National Roster Selection Committee.**
f. Policy on Residency The ED is canvassing Regional Affiliates for their policies, if any, on residency requirements and will provide this information to the Executive who will make a recommendation to the Board on this issue.	**ED to collect information on residency requirements from Regional Affiliates.**
g. Volunteer Roster for CanPraxis The Roster Development Committee met on January 17, 2014 to discuss whether ADRIC should provide a volunteer roster to CanPraxis, and to consider a policy on volunteer rosters in general. With respect to Can Praxis, ED agreed to ask for further information from Stephen Critchley of CanPraxis.	**ED to follow up re CanPraxis and development of policy on pro bono work.**
h. Misuse of Designations This matter was referred to the Executive Committee.	**Policy on misuse of designations referred to Executive Committee.**
i. Insurance for Associates Currently, Marsh provides Associate Members with professional liability insurance for a higher premium than paid by full members. The ED has spoken to ADRIC's insurer. The insurer suggests that ADRIC inform associate members with insurance through Marsh that insurance for associates will be discontinued. If an associate member would like to renew	**ED to confirm with Executive whether**

his or her insurance with Marsh, under the ADRIC plan the member must become a full member by May 31, 2014. Andy Butt asked if ADRIC can receive information relating to claims made in the last few years. ED stated that she would do so. **j. Professional Insurance for Trainers** Currently, members with Marsh-provided professional liability Insurance are insured when training groups or individuals for whom they are also giving advice on conflict management (e.g. human resources managers). Paul Conway, the ADRIA's Executive Director, informs the ED, and Marsh confirms, that ADRIC members training mediators and arbitrators are not similarly covered. The ED has asked Marsh to look into arranging insurance for those who want it. Marsh is checking with Lloyd's and expects the premium to be around $500. **10. National Arbitration Rules Fee Split** After discussion on the matter, David McCutcheon moved approval of a split of 65% ADRIC/35% Regional Affiliates with respect to payments from parties under the National Arbitration Rules. Seconded by Randy Bundus. **Motion Carried.** **11. Fees for Appointment and Selection under the National Mediation Rules** Jim McCartney moved approval of ADRIA's recommendation that "$500" be removed from schedule "A" to the National Mediation Rules for the appointment and selection of mediators. Seconded by Andy Butt. **Motion carried.** Stephen Antle, Mary Comeau, Shawn Irving and Chuck Smith were asked to gather information on this matter for the Board. **12. Friday Adjournment** The meeting adjourned at 6:00 p.m. **Saturday January 25, 2014** **13. Saturday Call to Order** The meeting was reconvened at 9:00 a.m. ET.	**insurance for associates should be discontinued.** **ED to obtain information on insurance claims.** **ED to follow up with Marsh re insurance and notice to affected ADRIC members.** **ED to inform Regional Affiliates.** **ED to inform Regional Affiliates.** **Stephen Antle, Mary Comeau, Shawn Irving and Chuck Smith to bring back recommendations to the Board.**

14. Budget Treasurer Jeffrey Smith presented a draft budget for discussion. After much discussion, it was agreed that the following amendments would be made: • $6,600 for the President or a representative of national to attend at the affiliate AGMs; • $30,000 in one time marketing costs; • $27,500, including benefits, for an additional shared ADRIC/ADRIO administrative employee, subject to Ontario's agreement to contribute the same amount. Part of this employee's responsibilities will be to assist the Training Task Force. Derek Lloyd moved approval of the budget, as amended. Seconded by Thierry Beriault. **Motion carried**. It was agreed that the ED would circulate the dates for Regional Affiliate annual general meetings among the members of the Executive Committee to see whether attendance at an AGM might coordinate with their schedules. **15. Saturday Adjournment** The meeting adjourned at 11:00 a.m.	**ED to circulate affiliate AGM dates to Executive.**