



Alberta Pensions Services Corporation

Business Plan

2012- 2014

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## Executive Summary

The business plan sets out the priorities for the next three years commencing January 1, 2012 for Alberta Pensions Services Corporation (APS). Since incorporation in 1995, APS has proudly served Alberta's public sector pension plans. Our job is to deliver responsive, focused services to clients of specific public sector pension plans, supported by ethical and risk-managed business practices.

### Current Pension Environment, Challenges and Opportunities

Global economic volatility has hit pensions hard resulting in contribution rate increases by most of the pension plans we serve. Funding pressures will continue to influence the pension environment in the next five years.

People are living longer. Canada's average life expectancy is projected to rise by nearly five years by 2050. Aging demographics will inevitably increase demands on our services. While volumes increase, our audiences will continue to expect timely and quality services. In addition, Canadians are having fewer children. These factors will continue to age our population and create workforce pressures.

Fewer workers are staying in one job longer than five years and their expectations for more flexible work arrangements are high. They are comfortable with technology and want access to information and service at their convenience. Human resource policies and practices must be adaptive to attract and retain the kind of employees APS needs to respond to a changing environment.

### APS' Plan

Our business plan is forward-thinking, yet balanced and sustainable. We are shaped not only by external factors such as demographics and economics, but also by the needs and expectations of our Shareholder and the trustee of the pension plans, as well as the specific needs of members, pensioners and beneficiaries, plan governors, and employers.

APS is focused on delivering high quality, timely information and benefit services to our clients. We will progress our operational ability to adapt to change through improved policy, process and technology. This will be achieved through three significant multi-year projects: Next Generation, Pension Policy Simplification and Business Process Simplification.

Legislative compliance, including privacy, confidentiality and integrity of information, remains top of mind. APS is mindful of the financial environment faced by the pension plans. We remain committed to advancing our strategic plan in a cost-conscious and effective manner and working within a managed annual budget.

APS is dedicated to its human resources and education strategies—building corporate commitment to professional excellence, and enhancing our clients' understanding of the value of their participation in public sector pension plans. APS holds unique knowledge and capabilities, and by sharing our expertise and professionalism, APS will contribute to strong public sector pension plans in Alberta.

### APS in 2016

This business plan works to the goals set out in APS' Five Year Strategic Plan, 2012-2016. Looking forward to 2016, APS is building its technology capacity and offering more web services for members, pensioners and employers.

Pensions are complex, but our vision is to make the pension experience easier. Our efforts to review business practices and simplify policies will further help us achieve our vision of providing timely and quality information to our clients. A client-focused approach to pension services will increase identification with and understanding of the benefits of public sector pension plans and as a result, recognition of plan value will increase.

## Accountability Statement

The business plan for the three years commencing January 1, 2012 has been prepared under the direction of, and with full accountability by, the Board of Directors and the President and Chief Executive Officer (CEO) for Alberta Pensions Services Corporation (APS).

The Board sets the overall strategic direction for the Corporation by:

- establishing the corporate Mission; and
- providing strategic direction to management in the form of governing Ends and Limitation policies that deliver the objectives directed by the Shareholder and trustee of the pension plans served (the Minister of Finance on behalf of the Government of Alberta).

Using the foundation provided by our Mission and Ends policies, we continue to deliver on our obligations to pension plans served. Our Ends and Limitation policies focus the Corporation on risk management and good stewardship, balanced with quality and timely service delivery on behalf of these pension plans. The CEO, with the support of the Corporation, will carry out the Mission and deliver the objectives found in the Ends policies through the initiatives found in this three-year business plan.

Working together, we are committed to success in achieving this plan.

*(original signed by)*

Al Mondor, FCA

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Board Chair

## Our Commitment

Since incorporation in 1995, APS has proudly served Alberta's public sector pension plans. Our primary focus is delivery of services to members and pensioners, supported by participating employers and the governors of specific public sector pension plans. We deliver our mandate through risk-managed, efficient and effective business practices.

APS is adapting to an uncertain economic environment and increased service demands. Our clients want reassurance the investment and information entrusted to us is effectively managed and they want improved access to information and services. We must continue to enhance our ability to respond to client inquiries with timely, reliable and high quality information, and deliver services that reflect our corporate value of stewardship.

In 2012, we are continuing to dedicate significant efforts and resources to multi-year projects that will simplify business processes and pension policies, and renew our pension services applications. These investments will lead to improvements in APS efficiency and effectiveness in delivering services to members and pensioners.

We are committed to improving our day-to-day operations. We are continuing to improve the reliability and availability of information with initiatives aimed at making information available online to support our services. We will continue to increase our interactions with employers through information and education initiatives; all aimed at increasing the quality and timeliness of services provided to plan members and pensioners.

At APS, we recognize and appreciate that it is through the knowledge and commitment of employees we meet our obligations and achieve success. Therefore, a priority in this business plan is a strong Strategic Workforce Plan focused on developing and sustaining professional excellence for all our staff.

APS continues to change and adapt to our environment, and we recognize this is a key competency for a corporation focused on delivering services. We are looking forward to the opportunities that our future holds!

*(original signed by)*

Lesley Bowering, MBA

Acting President and Chief Executive Officer

## Overview of the Corporation

### Mission

On behalf of the trustee, obligations for risk managed, efficient and effective pensions services are met; and the needs of plan beneficiaries, employers, and plan governors are met at a cost that demonstrates good stewardship of resources.

### Vision

APS is highly valued and trusted to:

- Make the pension experience easier
- Provide clear information and support
- Deliver service with skill and care
- Meet obligations and keep promises
- Demonstrate the value of pension plans.

Guided by shared values, our employees make it possible.

### Values

Premised on integrity, the shared values of the individuals and teams associated with APS are:

- **Stewardship** – we efficiently deliver services to our clients.
- **Client service** – we continually improve on the products and services we deliver to clients.
- **Engagement** – we are highly motivated to achieve business goals.
- **Respect** – we show consideration and appreciation for diversity in others.
- **Collaboration** – we work together to achieve our goals.

### Board Policies

APS' business is to provide comprehensive, reliable, timely and cost-effective pension services to meet the following **Ends Policies** as defined by the Board of Directors:

*There is accurate and timely management of pension plan monies in the care or custody of the Corporation. This includes, but is not limited to:*

- 1. Timely, accurate reconciliation, accounting for and reporting of all information and monies received and disbursed from each pension plan.*
- 2. Timely, accurate reporting of matters required for compliance with the Income Tax Act (Canada) and other legislation required to maintain the registration of each pension plan under the Income Tax Act (Canada).*

*There is accurate and timely management and maintenance of information and records required for the proper administration of each pension plan.*

*Members, pensioners and beneficiaries receive:*

- *Timely, accurate information and decision-making support about their entitlements and obligations under each pension plan.*
- *Correct benefit entitlements when they are due.*

*Employers receive appropriate information and support to meet their needs related to pension administration. This includes but is not limited to:*

- 1. Timely remittance, reconciliation, reporting and settlement of member and employer data and contributions.*
- 2. Timely reporting respecting annual and triennial audits submitted to APS for review and reporting.*

*Plan governors receive accurate and reliable information to support their respective obligations and mandates.*

*The trustee receives accurate and reliable information and support to fulfill the trustee's obligations for each pension plan.*

## **Services**

The services provided by APS include:

- benefit calculations and payments;
- member and pensioner communications, education and information support;
- employer remittance management and reconciliations;
- employer communications, education and information support;
- plan governors' services;
- policy development and implementation;
- communications design and delivery;
- legal advisory services for pension plans;
- compliance, regulatory and financial reporting for pension plans; and
- records maintenance.

## **Link to Alberta Finance and Enterprise Business Plan**

The APS link to the *Alberta Finance and Enterprise Business Plan 2011-2014* is to Goal 4: "Policy and regulatory oversight for the financial, insurance and pensions sectors that is effective, fair and in the interests of Albertans."



## Five-Year Strategic Plan

We are committed to our *Five-Year Strategic Plan*, 2012 - 2016. The priorities, activities and performance measures related to our strategic priorities in this business plan are directly related to the three-year milestones found in our *Five-Year Strategic Plan*.

	In three years (2014)	In five years (2016)
<b>Self Service</b>		<ul style="list-style-type: none"> <li>All active plan members and pensioners have access to secure online services</li> </ul>
<b>Member Service</b>	<ul style="list-style-type: none"> <li>Service standards and measures adopted for members and pensioners</li> </ul>	<ul style="list-style-type: none"> <li>Deliver to established service standards</li> </ul>
<b>Employee Engagement</b>	<ul style="list-style-type: none"> <li>Employee engagement results improve five points year over year</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement Canadian average is achieved</li> </ul>
<b>Plan Governors</b>	<ul style="list-style-type: none"> <li>Service standards and measures adopted for plan governors</li> </ul>	<ul style="list-style-type: none"> <li>Deliver to established service standards</li> </ul>
<b>Pension Administration Simplification</b>	<ul style="list-style-type: none"> <li>Reduce pension administration complexity to target</li> </ul>	<ul style="list-style-type: none"> <li>Reduce pension administration complexity to target</li> </ul>
<b>Next Generation</b>	<ul style="list-style-type: none"> <li>First pension product(s) on new system</li> </ul>	<ul style="list-style-type: none"> <li>All pension products on new system</li> </ul>
<b>Compliance</b>	<ul style="list-style-type: none"> <li>Reporting standards for legislative compliance adopted and standards met</li> </ul>	

## Strategic Priorities and Goals

### 1. Using a managed approach, deliver valued pension services.

2012	2013	2014
<b>Members Services:</b>		
<ul style="list-style-type: none"> <li>Launch one information video on plan websites.</li> </ul>	<ul style="list-style-type: none"> <li>Launch one information video on plan websites.</li> </ul>	<ul style="list-style-type: none"> <li>Launch one information video on plan websites.</li> </ul>
<b>Plan Boards:</b>		
<ul style="list-style-type: none"> <li>Develop administrative support model for Plan Governors.</li> </ul>	<ul style="list-style-type: none"> <li>Develop service standards and measures for Plan Governors.</li> </ul>	<ul style="list-style-type: none"> <li>Services standards and measures adopted for Plan Governors.</li> </ul>

### 2. Build APS' organizational capabilities in responding and adapting more effectively to business challenges and ongoing changes in the external environment.

2012	2013	2014
<b>Organizational Development:</b>		
<ul style="list-style-type: none"> <li>Define and validate our corporate values to develop a value-based culture.</li> <li>Initial implementation of technology solutions with Human Resources and Organizational Development (HR/OD).</li> </ul>	<ul style="list-style-type: none"> <li>Continue communications, training and alignment of internal processes to support a value-based culture.</li> <li>Continue implementation of technology solutions with Human Resources and Organizational Development (HR/OD).</li> </ul>	
<b>Health and Safety:</b>		
	<ul style="list-style-type: none"> <li>Complete external audit for Qualification of Certificate of Recognition (COR).</li> </ul>	<ul style="list-style-type: none"> <li>Complete annual internal review of Occupational Health and Safety system for ongoing improvement.</li> </ul>

### 3. Be adaptable and responsive to opportunities and risks.

2012	2013	2014
<b>Pension Administration Simplification:</b>		
<ul style="list-style-type: none"> <li>Simplify pension administration policy for one product.</li> </ul>	<ul style="list-style-type: none"> <li>Simplify pension administration policy for one product.</li> </ul>	<ul style="list-style-type: none"> <li>Simplify pension administration policy for one product.</li> </ul>

2012	2013	2014
<b>Business Process Simplification:</b>		
<ul style="list-style-type: none"> <li>• Implement documented business processes.</li> <li>• Determine feasibility and implement process improvements based on value.</li> </ul>		
<ul style="list-style-type: none"> <li>• Integrate documented business processes with the Next Generation project as part of business diagnosis and architecture.</li> </ul>		
<b>Next Generation Project:</b>		
<ul style="list-style-type: none"> <li>• Develop detailed implementation plan.</li> <li>• Begin installation and configuration of software.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete installation and configuration of software, custom integration and testing.</li> <li>• Begin conversion and migration of services.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue conversion and migration of services.</li> <li>• First pension product(s) on new system.</li> </ul>
<b>Corporate Records:</b>		
<ul style="list-style-type: none"> <li>• Continue implementation of corporate taxonomy.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete external audit of records management program.</li> </ul>	<ul style="list-style-type: none"> <li>• Determine business requirements for electronic records management.</li> </ul>

#### 4. Governance alignment.

2012	2013	2014
<b>Cost Allocation Formula – Review:</b>		
<ul style="list-style-type: none"> <li>• Annual report on cost allocation and impact analysis.</li> </ul>		
<b>Governance:</b>		
<ul style="list-style-type: none"> <li>• Adopt, in agreement with the Minister of Finance, a Mandate and Roles document for APS.</li> <li>• Adopt, in agreement with the Minister of Finance and plan governors, a pension services agreement for APS.</li> </ul>		
<b>Five-Year Strategic Plan:</b>		
<ul style="list-style-type: none"> <li>• Refresh Five year Strategic Plan.</li> </ul>		

## Our Measures

Our performance measures are evolving as we focus our attention on being a performance- driven and accountable organization. These key performance measures represent the outcomes and outputs of APS' day-to-day operating activities as well as the initiatives we are undertaking each year to improve service delivery. We review our measures at least annually to ensure they remain meaningful and relevant to our stakeholders while maintaining a level of continuity that allows us to demonstrate progress against the desired outcomes year over year.

	Actual 2011	Target 2012	Target 2013	Target 2014
<b>1. Valued Services</b>				
<b>Client Satisfaction</b>				
<i>The 2011 targets for Members, Members In Transitions and Pensioners, are based upon prior year results and methodology.</i>				
<b>Members</b> (Members include active and deferred clients.)	<b>84</b>	<b>85</b>	<b>85</b>	<b>85</b>
<b>Members in Transition</b> (Members in transition are clients who are actively engaged in the retirement process and have not yet received a full pension payment.)	<b>83</b>	<b>85</b>	<b>85</b>	<b>85</b>
<b>Pensioners</b> (Pensioners are clients who have completed the retirement process and are receiving full pension payments.)	<b>92</b>	<b>85</b>	<b>85</b>	<b>85</b>
<b>Employer Engagement</b>				
<i>Employer Engagement is measured by a composite score based on employer satisfaction and employer compliance with information requirements.</i>				
<b>Employer Engagement</b>	<b>84</b>	<b>78</b>	<b>79</b>	<b>79</b>
<b>Service Delivery</b>				
<i>Using CEM Benchmarking (CEM)<sup>1</sup> methodology, the Total Service Score (TSS) is a weighted average of scores based on key pension administration activities. TSS provides a relative comparison to our peers at the activity level and at an overall service level. The targets for TSS will be determined once a full analysis of the CEM Benchmarking methodology had been completed for this new measure.</i>				
<i>Plan updates measures APS' ability to accurately implement plan rule and factor changes ensuring accurate and timely administration of pensions and benefits impacted by changes to plans.</i>				
<i>Plan Valuation measures APS' ability to accurately produce member data for plan governors to facilitate the timely completion of plan valuations.</i>				
<b>Total Service Score</b>	<b>62</b>	<b>65</b>	<b>65</b>	<b>65</b>
<b>Plan Updates: Implementation</b>	<b>6 months</b>	<b>6 months</b>	<b>6 months</b>	<b>6 months</b>

<sup>1</sup> CEM Benchmarking, is a survey of Defined Benefit Administrators in which APS participates annually. CEM provides a peer group analysis and comparison based on performance metrics and associated costs.

	<b>Actual 2011</b>	<b>Target 2012</b>	<b>Target 2013</b>	<b>Target 2014</b>
<b>Plan Valuations: Production</b>	<b>8 weeks</b>	<b>8 weeks</b>	<b>8 weeks</b>	<b>8 weeks</b>

## 2. Organizational Capabilities

The Corporation participates in the Queen's School of Business/Hewitt Associates "Best Small and Medium Employers in Canada" survey. Engagement is "a measurable state of emotional and intellectual involvement and commitment of the workforce to organizational success." APS' targets for employee engagement are based upon prior year results from the survey and an understanding of APS' desired placement in relation to comparable organizations.

Employee development is a score based on the percentage of employees that have had performance discussions with their managers and have development plans in place.

<b>Employee Engagement</b>	<b>48</b>	<b>50%</b>	<b>55%</b>	<b>60%</b>
<b>Employee Development</b>	<b>90%</b>	<b>92%</b>	<b>94%</b>	<b>96%</b>

## 3. Adaptable and Responsive

### Reasonable Cost

The target for Cost per Member is based upon the CEM Benchmarking Inc. (CEM) methodology for defined benefit pension plan administrators.

This benchmark allows for comparison of cost structures against our peers in Canada. The targets were established using the published 2010 peer average total pension administration costs per active member and annuitants and applying the forecasted Alberta Consumer Price Index.

<b>Cost per Member</b>	<b>\$155</b>	<b>\$181<sup>2</sup></b>	<b>\$180</b>	<b>\$184</b>
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### Records Management Maturity

Records Management Maturity is measured as the weighted average of APS' Records Management Principles: governance, consistency, protection, efficiency and effectiveness, accessibility, and reliability.

<b>Records Management Maturity Score</b>	<b>58%</b>	<b>45%</b>	<b>45%</b>	<b>50%</b>
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### Risk Management Maturity

Risk Management Maturity is measured as the weighted average of APS' Risk Management Framework Components, including governance, risk identification and assessment, response and control activities, risk and issues monitoring and resolution, and measurement and reporting. The targets established balance APS' risk tolerance against cost. The targets were developed by evaluating APS' current operations and expected changes through automation, better controls and reporting, and improved issues management.

<b>Risk Management Maturity</b>	<b>73</b>	<b>66</b>	<b>70</b>	<b>74</b>
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<sup>2</sup> The 2012 target reflects the start up costs of the Next Generation project and exceeds the CEM+CPI target of \$176 by \$5. In future years the target will be CEM+CPI as shown in the targets for those years.

	<b>Actual 2011</b>	<b>Target 2012</b>	<b>Target 2013</b>	<b>Target 2014</b>
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### **Operations**

*The Perfect Day provides a proxy measure of APS' technology services effectiveness. Initiatives that affect the availability of systems have been taken into consideration when developing these targets.*

*The target for Business Continuity is reflective of our currently approved business continuity and disaster recovery plan when evaluated using the CEM<sup>1</sup> methodology. Any change from target would reflect either a greater or lesser degree of preparedness by APS in a given year.*

<b>Perfect Day</b>	<b>93%</b>	<b>85%</b>	<b>85%</b>	<b>85%</b>
(Perfect Day measures the availability of core application systems by the number of working days the systems are available each month.)				
<b>Business Continuity</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>

### **4. Governance**

*Annually, the Corporation assesses its performance of Corporate Obligations as defined by agreements and other requirements of the Shareholder.*

<b>Corporate Obligations</b>	<b>Met</b>	<b>Met</b>	<b>Met</b>	<b>Met</b>
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## 2012 – 2014 Proposed Budget

	2011 Budget	2012 Plan	2013 Plan	2014 Plan
	(\$ millions)			
<b>APS OPERATING EXPENSES AND AMORTIZATION</b>				
Staff and related expenses	\$26.9	\$28.6	\$30.1	\$31.6
Contract services	4.7	4.0	3.8	3.7
Materials and supplies	4.8	4.6	4.9	5.1
Data processing and maintenance	1.7	1.8	1.9	2.6
Amortization	2.7	2.7	2.6	4.2
Next generation project	1.1	5.4	-	-
<b>APS OPERATING EXPENSES AND AMORTIZATION</b>	<b>\$41.9</b>	<b>\$47.1</b>	<b>\$43.3</b>	<b>\$47.2</b>
<b>PLAN BOARD EXPENSES</b>				
Plan specific	1.4	1.8	1.5	1.6
Plan board secretariat	1.1	2.4	2.5	2.5
<b>PLAN BOARD EXPENSES</b>	<b>\$2.5</b>	<b>\$4.2</b>	<b>\$4.0</b>	<b>\$4.1</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$44.4</b>	<b>\$51.3</b>	<b>\$47.3</b>	<b>\$51.3</b>
<b>CAPITAL INVESTMENT</b>				
Operating	\$1.0	\$0.9	\$1.2	\$1.2
Next generation project	5.3	6.8	14.8	15.2
<b>TOTAL CAPITAL INVESTMENT</b>	<b>\$6.3</b>	<b>\$7.7</b>	<b>\$16.0</b>	<b>\$16.4</b>
Total gross expenditures per member	\$155	\$180	\$191	\$196
<b>Full-time equivalent headcount</b>				
Operating	248	248	248	248
Plan board secretariat	8	14	14	14
Total full-time equivalent headcount	256	262	262	262

## Financial Analysis

The operating budget for 2012 has increased over the 2011 budget by \$5.2 million (12%). This increase is driven by:

1. The budgeted corporate full-time equivalent (FTE) headcount is expected to remain constant at 248; however there is an increase in budgeted costs of \$1.7 million, primarily to reflect anticipated increases in salaries and benefits.
2. The Next Generation project accounts for \$4.3 million of the increase over the prior year. This is partially offset by a reduction in contract services (\$0.7 million) and is a reflection of the decrease of the number of initiatives in this plan as compared to 2011 to allow the corporation to focus on the three key strategic priorities; business process simplification, policy simplification and the Next Generation project.

Amortization will not change from 2011, as a significant portion of the capital investment in 2012 and 2013 is expected to be capital under development; amortization is projected to begin in 2014.

Plan board expenses have increased by \$1.7 million from 2011. This reflects increases in FTEs and consulting costs planned in consultations with the three affected plan boards.

Total capital investment for 2012 is increasing by \$1.4 million from 2011. The increase relates to the Next Generation project.



## Risk Analysis

The primary objective of the Corporation's Risk Management Program is to identify, assess, monitor and ensure that appropriate management strategies are in place for known risks. In 2009, APS undertook a substantive review of its operations and identified 40 business segments for which we purposely manage risks as part of our day-to-day operations. The following table identifies the business segment and provides the definition of the associated risk as adopted by APS. Our assessment of these risks and the related on-going management activities will be reported in the APS Annual Risk Management Report for 2010.

### APS' risk managed business segments:

<b>Strategic and Governance Risks</b>	
<b>Business Model</b>	APS has the appropriate business model (being the roles responsibilities and accountabilities of individuals, teams and organizational units) to optimize the achievement of its Mission and Ends Policies.
<b>Governance</b>	Board of Directors has the appropriate governance processes in place, impacting the Corporation's ability to effectively achieve its Mission and Ends Policies.
<b>Leadership</b>	APS' people are effectively led or empowered as appropriate to fulfil the Corporation's Mission and Ends Policies.
<b>Ethical Values</b>	Ethics and standards are established, promoted and enforced to prevent employee acts which are considered unethical or in conflict with the organization's interests.
<b>Shareholder Alignment</b>	APS acts or is perceived to act in accordance with the letter and spirit of the Unanimous Shareholder Agreement as appropriate to satisfy the needs and expectations of its sole shareholder.
<b>Plan Board Relations</b>	APS provides suitable resources and expertise to enable plan governors to carry out their legislated and delegated mandate.
<b>Employer Relations</b>	APS has effective employer relations and monitoring processes in place to facilitate the role of employers to provide timely and accurate information, enabling APS' service delivery to members and pensioners.
<b>Client Expectations</b>	APS understands, assesses, and manages clients' service needs and expectations, supporting the Corporation's ability to effectively meet its Mission and Ends Policies.
<b>Policy Development</b>	APS has in place environmental scanning and policy development processes to support the Corporation's ability to deliver pension services.
<b>Performance Monitoring</b>	Appropriate performance measures and reporting processes exist to monitor and enhance the Corporation's performance.
<b>Complaints Administration</b>	APS has objective and sufficient complaint management processes to effectively monitor and resolve client complaints in a timely and satisfactory manner.
<b>Plan Services Reporting</b>	APS understands the needs and expectations of plan governors, resulting in the delivery of quality and timely reporting and supporting the Corporation's ability to fulfil its Mission and Ends Policies.
<b>Operational Risks</b>	
<b>Communications</b>	APS communicates with plan governors, employers and members and pensioners accurate, relevant and appropriate information regarding its policies, procedures and service delivery.
<b>Policy Compliance</b>	Policies and standards are in place, and compliance with legislation, policies and procedures are assured.
<b>Client Responsiveness</b>	Service standards, quality and timeliness expectations for clients are met.

## APS' risk managed business segments:

<b>Regulatory Compliance</b>	Compliance with statutory and legislative requirement is assured.
<b>Processing Integrity</b>	Checks and balances in processing all transactions exist to support the accuracy, authorization, completeness and timeliness of benefits and pension services.
<b>Records Management</b>	All records are captured, maintained, archived and efficiently accessed, ensuring the integrity of corporate records and enabling the Corporation's ability to deliver timely, quality pension services.
<b>Business Interruption</b>	Plans are in place to ameliorate unplanned interruptions in core or support business services to ensure on-going operational viability.
<b>Legal Liability</b>	Exposure to risk of litigation or other events, which may result in financial loss to the Corporation or damage its reputation, is mitigated.
<b>Vendor Concentration</b>	Relationships with key service vendors, which may result in unacceptable business interruptions or excessive costs if the existing vendors cease to exist or are unable to maintain a satisfactory level of service, are appropriately managed.
<b>Tax Compliance</b>	APS has processes in place to ensure compliance with federal and provincial tax requirements.
<b>People Risks</b>	
<b>Accountability Alignment</b>	Individual position responsibilities and accountabilities, including management and staff accountabilities, are adequately defined or aligned with the Corporation's business model to support the effective achievement of its strategic and operational goals.
<b>Recruitment &amp; Retention</b>	The right people are effectively attracted, developed and retained, influencing the Corporation's ability to achieve its Mission and Ends Policies.
<b>Compensation &amp; Benefits</b>	APS establishes and administers proper compensation, benefits and rewards for its employees, impacting the Corporation's ability to attract and retain suitably skilled workforce.
<b>People Capability</b>	The human resources of the Corporation have the requisite capabilities (competencies, skill sets, etc.) to meet the requirements of their roles.
<b>Employee Engagement</b>	APS provides a working environment that supports employee involvement and commitment to organizational success.
<b>Change Management</b>	APS is able to plan for and adapt to the changing internal or external environment, and to support the transition of people, processes and technology.
<b>Health &amp; Safety</b>	A safe and secure working environment is provided that mitigates the Corporation's employees to physical harm or to workers' compensation liabilities, loss of business reputation or other costs.
<b>Knowledge Transfer &amp; Succession Planning</b>	The Corporation ensures the preservation and transfer of knowledge through development or succession planning.
<b>Financial Risks</b>	
<b>Business Planning &amp; Execution</b>	Realistic and accurate information and processes support appropriate conclusions, allocations and decisions.
<b>Cost Management</b>	Effective budgetary and cost management processes controls exist, resulting in the Corporation's ability to meet its cost management benchmarks.
<b>Asset Protection</b>	Physical, financial or information assets are protected and the risk of fraudulent activities or unauthorized use of these assets by employees or others is minimized.
<b>Plan Fund Accountability</b>	APS has effective management and reporting processes in place to ensure complete and timely accountability of all Plan receipts and disbursements flowing through the APS operations, mitigating the Corporation exposure to reputation and financial loss.

## APS' risk managed business segments:

<b>Financial Planning &amp; Reporting</b>	Appropriate financial planning and related reporting supports the Corporation in making informed decisions and reporting credible financial and management information to our Shareholder and APS Board of Directors.
<b>External Reporting &amp; Representations</b>	Due care is taken and evidence provided to support management representations or assertions regarding financial statements or operational controls.
<b>Information Management Risks</b>	
<b>Technology Capacity</b>	APS has adequate technology capacity (including hardware, networks, software) to support the Corporation's business processes.
<b>System Access</b>	Access to information, data or programs is managed, to provide employees with appropriate access privileges to effectively perform their duties.
<b>Data Integrity</b>	Adequate controls over the accuracy, completeness and quality of clients' data are instituted and maintained.
<b>Availability &amp; Continuity</b>	Availability and continuity of service delivery is maintained in the event of a major failure to enable on-going delivery of its critical services.
<b>System Maintenance</b>	Systems are maintained tested in an orderly and controlled manner to assure integrity of installed systems.
<b>Privacy Protection</b>	APS has processes in place to comply with legislative requirements to protect the privacy and confidentiality of client and employee information.
<b>Project Delivery</b>	APS has effective processes to ensure timely delivery of major systems, implementations, upgrades and configurations to support the Corporation's business in providing quality service.