Saint Mary's University

Pension Committee
Pension Governance Statement, v.2024

Shared Governance

- The University and Pension Plan Members are both important stakeholders of the pension plan - and each should contribute to the governance structure. The University takes an overseer role and has two ex officio members on the Pension Committee. The Committee, comprised of Pension Plan members, will have the Administrator role.

- The Pension Committee will be part of a larger pension governance structure as follows:

    - Board of Governors which has overall responsibility, according to the Saint Mary's University Act, for "the government, conduct, management and control of the University..."

    - Finance Committee of the Board, whose responsibility it is to keep abreast of the financial implications of the work of the Pension Committee. The Finance Committee will obtain the minutes of all meetings, and receive regular reports on financial aspects of the Committee to monitor plan performance and employer obligations.

    - The President who is in charge of administration by the terms of the Saint Mary's University Act and thereby having responsibility for the general supervision of and direction over the academic and administrative work of the University and its faculty, officers, and employees.

University's Overseer Role and Responsibility

- The Board of Governors established the pension plan on behalf of the University for the benefit of its employees. Where any reference in the pension plan is made to any action to be taken, consent, approval or opinion to be given, discretion or decision to be exercised by the University, such shall be through the Board or delegate.

- The University has a responsibility to establish the governance structure and the Pension Committee, to ensure that the pension plan continues to be appropriately governed.

- The University will provide administrative structure and support to the Pension Committee.

- If at any time the Board of Governors is not satisfied that the Committee is discharging its responsibilities appropriately, the Board has the authority and responsibility to lead the resolution in consultation with the Committee, including possible changes in the governance structure

Pension Committee's Administrator Role and Responsibility

- The Board of Governors delegates the Administrator role to the Pension Committee. The Committee shall ensure that the pension plan and the pension fund are administered in accordance with the Pension Benefits Act and the regulations as well as the Income Tax Act (Canada) and regulations.

- The Committee will be responsible for reporting to all members of the governance structure and all appointing bodies regarding the Committee's activities.

Pension Plan Design

- The Pension Committee will evaluate plan design at least every three years in the context of the plan's Mission with changes made as appropriate. This analysis should include consideration of the plan's tax efficiency, contribution level, and available investment options. The Committee shall have no authority to establish nor change Employer/Employee contribution rates under the Plan.

Investment Policy and Management

- The Committee will review the plan's investment policy annually for continued appropriateness. No less frequently than every three years the plan's investment structure will be evaluated for efficiency and effectiveness with changes made as appropriate.

- The Committee will monitor the results of the investment manager(s) as described in the pension investment policy. Where appropriate, the Committee will make changes in the investment manager(s).

Consultants and Agents

- The Committee shall use agents to assist with the execution of its duties. This may include actuary, auditor, investment manager, custodian, lawyer or other consultants.

- The Committee will assess the performance of the custodian/record keeper, consultants and any other agents at least annually, against specific standards set for each by the Committee, to manage the continued effectiveness of these relationships. Where appropriate, the Committee will make changes in the agents it employs.

- The University will facilitate contractual relationships

Communications

- The Committee will maintain appropriate communication programs and services to ensure members understand the pension plan and have sufficient information to make informed investment decisions regarding their retirement income.

- In addition, appropriate communications programs and services will be maintained to allow members to manage their progress towards achieving their financial goals for retirement.

Operating Effectiveness

- The University will take appropriate action to minimize personal exposure to legal liability any committee member may face as a result of their actions as part of the Committee. This will include risk-shifting mechanisms such as directors and officers liability insurance, fiduciary insurance and indemnification clauses.

- The Committee will establish external benchmarks for the purpose of evaluating and monitoring of plan performance in the context of the plan's Mission.

- The University will ensure that the orientation, education and information needs of all Committee members are met to ensure a thorough understanding of the pension plan, and their duties and responsibilities as a fiduciary.

- A fund will be established to pay for expenses authorized by the committee.

Fiduciary Duty

- The University and the Pension Committee have a positive duty to act responsibly in the interest of plan members. The Pension Benefits Act as well as common law set out standards of care for a fiduciary. These include honesty, use of specialists with expertise, avoidance of conflict of interest, evenhandedness and impartiality in decisions. The expectation is a level of care, diligence and skill that a person of ordinary prudence would exercise in dealing with the property of another person.