

Pension Trust Committee – Request for New Member

The University is seeking a member of TMG to fill one vacancy in the Pension Trust Committee (PTC) which is a committee of the Board of Governors. The duties and responsibilities of the PTC relate to the administration of the Salaried Pension Plans (i.e., Plan 2000 and the Original Salaried Plan) and the investment of the related funds.

The PTC membership includes eight members of the Pension Plan – one of whom is selected from TMG. Appointments to PTC are effective July 1st. Members hold office for one year and are eligible for reappointment. The current PTC member who is in TMG has served for six years.

Responsibilities:

As noted in the [Terms of Reference](#), the PTC is responsible to:

1. Recommend to the Board general pension investment policy and the annual Statement of Investment Policies and Objectives for submission to the Financial Services Commission of Ontario;
2. Monitor and review performance of Investment Consultants and Fund Managers;
3. Make recommendations to the Board with respect to situations of deviation or proposed deviation by Fund Managers from the Statement of Investment Policies and Procedures;
4. Make recommendations to the Board on the appointment or replacement of such Investment Consultants and Fund Managers;
5. Monitor the annual calculation of the “Net Interest on the Fund” and the “Annual Pension Increase”;
6. Discuss and promote awareness and understanding of the pension plan by members of the plan and persons receiving benefits under the plan;
7. Comment and make recommendations to the Planning and Resources Committee on the performance and appointment of the actuary; and the actuarial methods and assumptions used in determining the financial condition of the pension plan and the contributions to the pension plan;
8. Comment and make recommendations to the Planning and Resources Committee on proposed changes to the pension plan text, and propose changes to the pension plan text;
9. Monitor at least annually the administrative expenses paid from the pension plan, and determine whether they are appropriate. Changes in the nature and structure of administrative expenses paid may be approved by the Board only if recommended by the Pension Trust Committee as a result of a ballot of all Pension Trust Committee members.

Governance committees like the PTC are focused on high-level, prudent plan stewardship over the long-term. The PTC oversees plan administration by internal University personnel and third-party providers but is not directly involved in day-to-day operations.

For the most part, the duties and responsibilities of the PTC relate to the administration of the University’s pension plans for salaried employees (i.e., Plan 2000 and the Original Salaried Plan; together, the “Salaried Plans”). In relation to such administrative duties and responsibilities, the PTC is a fiduciary in relation to the Salaried Plans and their beneficiaries.

PTC members are expected attend six, three-hour [meetings](#) scheduled between September and May. Members are expected to prepare for each meeting by reading the meeting materials in advance.

Qualifications:

Effective committee members act with integrity, think independently, are strategic, collaborate effectively, and focus on long-term plan stewardship.

With a view to ensuring that the PTC is able to properly discharge its duties and responsibilities vis-à-vis the Salaried Plans and their beneficiaries, it is appropriate that, in aggregate, the PTC be comprised of individuals possessing the skills and experience required to ensure the proper operation of the Salaried Plan. Generally, those skills include:

- financial literacy;
- actuarial literacy;
- human resources;
- benefits administration;
- investment;
- governance; and
- legal/regulatory.

While each committee member need not be expert in all of these areas, familiarity in each area is a definite asset, and expertise in one or more areas is highly desirable.

Each Committee member must understand that their role on the Committee entails a fiduciary duty to put the Salaried Plans and their beneficiaries first, regardless of employee group affiliation. A Committee member's fiduciary duty further entails, among other things:

- A duty to exercise due care, diligence and skill, and to exercise the skills that one possesses, or ought to possess, by virtue of one's occupation;
- Avoidance of actual and perceived conflicts between the Committee member's personal interests and the Committee member's duty to the Salaried Plans and plan beneficiaries;
- A duty to maintain confidentiality of plan information and confidential Committee deliberations; and
- A duty to act even-handedly when dealing with similarly situated plan beneficiaries.

Application Process:

Interested TMG should submit a statement of interest which outlines the alignment of their skills and experience with the above to Assistant Vice-President and Chief Human Resources Officer by email to mckenna@mcmaster.ca. The selection and appointment will be made and confirmed by the University President, in consultation with the Assistant Vice-President and Chief Human Resources Officer. The deadline for submission is May 17, 2021.