

*The* UNIVERSITY of WESTERN ONTARIO

**Position Title:** Pension Board Member  
**Reports to:** Board of Governors and Pension Plan Members  
**Date:** August 2006

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**A. GENERAL OVERVIEW:**

The pension board member is one of 11 individuals representing pension plan members and the University that bears the responsibility of administering two pension plans. The job requires a minimum of 8 hours per month on average of each member's time to prepare for and attend meetings where decisions on the operation and direction of the pension plans and investment funds are made. While some responsibilities are routine, other tasks involve crisis management and development of new initiatives. The pension board member must be willing to devote time and effort to think creatively about these issues through out the duration of their term (4 years for elected members, indefinite for appointed University representatives).

**B. ORGANIZATIONAL DIMENSIONS OF POSITION:**

- ***Annual Budget of UWO Pension Plan Expenses (including investment management and custodian fees):*** \$3,700,000
- ***Value of Pension Plan Assets under management:*** in excess of \$1,000,000,000
- ***Pension Clients Served:*** 4,700 active members  
1400 former members (with funds in plan)
- ***Meeting, preparation and educational commitment*** 72 hours per year
- ***Groups to liaise with to coordinate policies:***
  - 1 board (7 members), meeting on average bi-annually
  - 1 Joint board (11 members) and meeting on average quarterly
  - 2 committees (5 or 6 members each) meeting monthly
  - 3 consulting firms
  - 1 legal advisor
  - 1 external auditor
  - 1 trustee
  - 7 investment managers

**C. MAJOR AREAS OF RESPONSIBILITY:**

1. Prepare for and meet with Joint Pension Board or individual board at least 4 times per year in meetings that are open to any member of the Plans. Meetings of the Pension Board shall be open to any Member of the Plan, provided that specified portions of a meeting dealing with sensitive personal or corporate information may be held in closed session;
2. Participate as a member of either the Investment Policy Committee or the Communications and Administration Committee. Prepare for and attend monthly committee meetings;
3. To make and enforce such rules and regulations as it shall deem necessary or proper for the equitable, effective and efficient administration of the Plans;
4. Interpret the Plan, its interpretation thereof in good faith to be final and conclusive;
5. To recommend the retention of and the mandate for, such investment service providers as it deems appropriate;

6. To recommend payments to be made in special circumstance not covered under the Plan;
7. To oversee the preparation of financial statements and records showing the detailed operation of the Plan;
8. To arrange for the audit of such financial statements and accounts by independent auditors and to present the audited financial statements to the Audit Committee of the Board of Governors;
9. To appoint an actuary, legal counsel or other advisor and to commission such studies as may be required for effective administration of the Plan;
10. To provide investment information and decision making tools to all stakeholders, consistent with industry standards and Capital Accumulation Guidelines;
11. To initiate such legal actions as may be considered necessary to protect the interests of the Members, Former members, Spouses and other beneficiaries;
12. Supplement, modify or amend the Plan or recommend changes in the Plan to the Board of Governors;
13. Delegate day-to-day operational activity of the Plan to the Department of Human Resources (Pensions and Benefits) subject to any delegation by the Pension Board to an external service provider, of all or any part of such operation, with operating decisions based on policies as established from time to time by the Pension Board;
14. In administering the Plan neither the Pension Board, nor any member thereof, nor the Board of Governors nor any member thereof, nor shall the University, nor any officer or employee thereof, be liable for any acts of omission or commission, except in the case of any willful and intentional malfeasance or misfeasance. The University and its officers and each member of the Pension Board shall be entitled to rely conclusively on all tables, valuations, certificates, opinions and reports that shall be furnished by any actuary, accountant, administrator, auditor, trustee, counsel or other expert who shall be employed or engaged by the University or the Pension Board.

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## **D. POSITION COMPONENTS**

### **1. Communications/Interpersonal Dimensions:**

- Meet with individual members regarding their suggestions and benefit entitlements under the Plan, providing information on the plan provisions and/or referring questions to Human Resources.
- Meets with other Pension Board members and the Human Resources staff to discuss administration policy, service providers, investment performance and other issues
- Meets with Investment consultant at least quarterly to discuss the investment manager performance and research on various asset classes
- Meets with actuary at least annually to discuss the funded status of the Plan
- Meets with auditor at least annually to discuss any operational concerns they have observed or any material misstatement in the records or financial statements
- Meets with external investment managers (8) regularly, to discuss their portfolio performance, their personnel, process and their thoughts on future events in the capital markets

### **2. Initiative**

- Prepares for each meeting by reviewing the material distributed with the agenda, asking questions of the Department Staff for clarification of any issues to be discussed
- Brings forward concerns or requests that have been communicated to them by Members

- Attends seminars, courses and other educational events related to pensions and investments held both internally and externally
- Expresses their own perspective on administrative policy in existence and those being proposed

### **3. Problem Solving**

- Sets policies via democratic vote after discussion with other board members and review of research prepared for the discussion
- Makes suggestions for changes or improvements in procedures to solve problems that are presented to the board by Department staff

### **4. Guidelines**

- Terms of Reference from the Board of Governors
- Ontario Pensions Benefits Act
- Canadian Income Tax Act
- UWO Pension Plan Documents
- Joint Pension Board governance document
- Investment contracts and trust agreements

### **5. Nature of Supervision Received**

- Reports to the Board of Governors annually on the activities of the board
- Reports to Members of the Plan annually on the performance of investments and policy changes

### **6. Leadership Expectations**

- Act as an ombudsperson for Members, Former Members, Spouses and Beneficiaries in determination of their rights and benefits under the Plan
- Initiates efforts to have restrictive statutory requirements altered by making submissions to the proper authorities and by requesting support from other interested parties
- Investigate opportunities to create greater value for the University and Plan Members (eg. Reduction of operating costs by investigating shared arrangements with other pension plans, research into asset classes that may add diversification or additional return on investments)

### **7. Supervisory Responsibilities**

- Indirectly supervises the Associate Director, Retirement Plans, providing input on that position's performance to the Director of Human Resources, Total Compensation
- Supervises the external investment managers, investment consultant, actuary, auditor custodian, communications consultants and legal counsel by appointing them, reviewing their past work, approving their fees, and terminating them if necessary.
- Reviews and approves the Pension Plan operation budget

## **E. REQUIRED CORE KNOWLEDGE AND COMPETENCIES**

**Education:** There is no particular requirement for academic achievement in any given area of expertise. However, the board member is expected to take advantage of educational opportunities while acting as a board member to further enhance their knowledge of pension and investment issues. Approximately 3 working days per year should be set aside for these educational opportunities.

**Experience:** It is preferred that the Member has been active in educating themselves on their own

entitlements under the plan and has some experience in reviewing investment results and pension provisions.

**Other Qualifications:**

- Must be able to serve to end of term
- Must be making contributions under the Plan
- Must be nominated by at least 10 Plan members who are making contributions under the Plan