



May 2014

staff pension plan update

Governance and the Staff Pension Plan Board

Behind the scenes of your pension plan, there is a Pension Board working on the behalf of all the members of the UBC Staff Pension Plan (SPP). The Board meets several times a year to discuss areas such as the Plan administration, operations, governance and investments, and works closely with the University and the Plan’s advisors to make the Plan sustainable for the long term. In this article, we highlight the Board’s role in governance.

What is Governance and why is it important?

Governance of the UBC SPP refers to the structure in which the roles and responsibilities of governing parties are clearly defined so that clear and timely decisions are made in respect to the Plan. Good governance puts the best interest of the Plan’s stakeholders first and ensures that fiduciary duties (see side bar) are met as well as ensuring the best practices and administration for all Plan members and their beneficiaries. This is important to ensure that members receive good value for their investment in the SPP in the form of a stable lifetime retirement pension.

Duties and Powers of the Pension Board

The Staff Pension Plan’s *Terms of Reference and Governance Policy* sets out the duties and powers of the Pension Board. It was adopted as of February 2, 2012, and was the result of more than two years of review and consultation between the University administration, Pension Board, Legal Counsel, and the UBC Board of Governors. The policy outlines the duties delegated to the Pension Board by the UBC Board of Governors, and some of these duties include:

- Overseeing the Pension Administration Office and third party service providers in the day-to-day administration of the Plan, including the determination of payment of benefits and expenses.
- Formulating and monitoring the Plan’s investments as described in the *Statement of Investment Policies and Procedures* (SIPP) document.

In this issue

Governance and the Staff Pension Plan Board	1
Annual Governance Reports	3
Update on 2014 Actuarial Valuation	3
Guide to reading your SPP Annual Statement	3
SPP 2013 Year In Review	4

COMING SOON:

SPP Pension Fair
Thursday, June 5, 2014

See invitation in this issue

Fiduciary Duties

A fiduciary is essentially someone who holds something (e.g. property or money) in trust for someone else and acts in that person’s best interests. In pension plans, the parties involved in sponsoring and managing a pension plan act as fiduciaries for plan members and their beneficiaries. This means that they must act in the best interest of all plan members and beneficiaries.

- Approving the methods and assumptions used to test and check the financial health of the Plan.
- Monitoring the Plan's compliance (administration, funding and investment) with the terms of the Plan, the Pension Benefits Standards Act, the Tax Act and regulatory governance standards.
- Preparation of reports on pension governance and compliance.
- Coordination of Plan governance with the University's policies on conduct, conflicts, privacy, confidential information and document retention.

Who is on the Pension Board?

The Pension Board is composed of nine directors:

- Four directors are elected by Plan members and serve four-year terms.
- Four directors are appointed by the UBC Board of Governors, serving four-year terms.
- One director is appointed to the Pension Board by the UBC Board of Governors as an independent, non-voting chair.

This year, the terms of two directors will end on December 31, 2014. In the fall, there will be a Call for Nominations for two Plan members to serve as directors on the Pension Board. Should there be more than two nominations, an election will be held. If you have any questions regarding nominations or running in the upcoming election, please contact the Plan's administrator, Jay Parker, at jay.parker@ubc.ca.

The Pension Board has a significant role in the governance of your pension plan and welcomes your feedback. Should you have any questions or matters you would like to discuss with the Pension Board, please feel free to contact any of the Directors. ■



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Want to learn more about the information in this newsletter?

For **Plan Governance** information visit www.pensions.ubc.ca/staff/governance.html

In this section, you will find the following:

- The Plan's *Terms of Reference and Governance Policy* and *Statement of Policies and Procedures* documents
- Current List of Board Directors
- Quarterly and Annual Governance Reports
- Other Plan documents and policies

For a **Guide to reading your SPP Annual Statement**, visit www.pensions.ubc.ca/staff/publications/info/SPPAnnualStatementGuide.pdf

Missed an issue of the SPP Update newsletter?

Past newsletters are available at www.pensions.ubc.ca/staff/library.html

Would you like to contact a Board Director?

Visit www.pensions.ubc.ca/staff/contact.html for contact information.

Annual Governance Reports

The Staff Pension Plan (SPP) Board is required to provide the UBC Board of Governors with an annual Governance Report and Compliance Checklist under the *Terms of Reference and Governance Policy*. The 2013 annual Governance Report was presented to the UBC Board of Governors on April 1, 2014. The Board of Governors was advised that the SPP was compliant with the B.C. Pension Benefit Standards Act and Regulations, and with Internal Governance Policies. ■

Update on 2014 Actuarial Valuation

As reported in the February 2014 *SPP Update*, pension regulations require an actuarial valuation every three years. The 2014 Actuarial Valuation for the SPP is underway. The Actuarial Valuation will report the actual funded position of the Plan as of December 31, 2013 and will be completed in September 2014. Decisions will be made at that time regarding the level of pension benefits and indexing that the Plan can support in the future. There will be a full report in the November issue of *SPP Update* on the results of the Actuarial Valuation. ■

Guide to reading your SPP Annual Statement: For Active and Deferred Members

Active and Deferred members of the SPP will receive their 2013 Annual Statement with this issue of the *SPP Update*. The Plan is required by pension regulations to produce an annual statement for members, which provides a summary of information such as your contributions, benefits and personal pension data.

We are happy to provide a guide to help you read your annual member statement, which is available on the Plan's website. If you have any questions regarding this guide, please e-mail us at spp@hr.ubc.ca. ■

Deferred* Members Age 55 and Over

Deferred members age 55 and over do not receive an annual statement; instead, we provide these members with a yearly retirement package when they turn age 55, as they are eligible to start their pension immediately. If you are approaching retirement and have not received a retirement package, please send us an e-mail at spp@hr.ubc.ca and include your current address, phone number, and e-mail address with your request for a retirement package.

** Deferred members are members who are no longer employed at UBC and/or no longer make contributions to the Plan, and have not yet elected an option from the Plan.*

Did you join the Plan in 2014?

Members who joined the Plan in 2014 will receive their first statement in 2015 since statements are calculated as of December 31 of the prior year.



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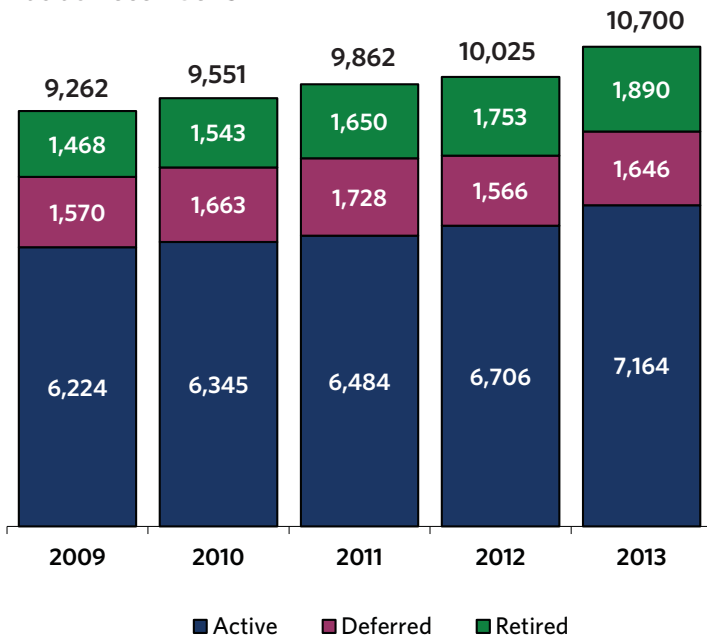
www.pensions.ubc.ca/staff

Staff Pension Plan 2013 Year in Review

The Plan's 2013 Year in Review report is now available online. The report provides a summary and highlights for the Plan in 2013, membership and administration statistics, and a review of the Plan's funds and investment performance. Below is a snapshot of some of the information from the 2013 Year in Review:

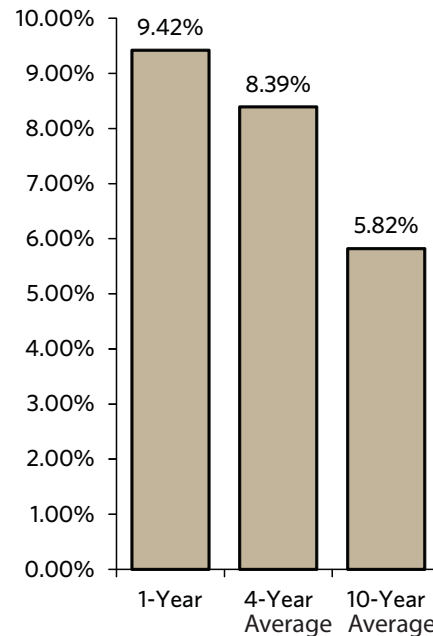
Number of Members

as at December 31



SPP Net Rate of Return

as at December 31 (net of all fees)



View the **SPP Year in Review** at
www.pensions.ubc.ca/staff

This newsletter has been compiled by the Staff and Pension Board Members of The University of British Columbia Staff Pension Plan from information provided to them. If there is any inconsistency between the contents of this newsletter and the pension plan trust or legislation, the trust and legislation will prevail.

There are eight directors plus an independent chair working on your behalf and the Plan. If you have any questions regarding the Plan and would like to contact a board director, please visit the Contact Us page on the Plan's website at www.pensions.ubc.ca/staff/contact.html

2014 Staff Pension Fair



Let's talk about your pension plan.

The Staff Pension Plan (SPP) Fair is a great opportunity for you to learn more about your pension plan and gain some pension knowledge. The Board of Directors, Management and Staff of the SPP look forward to meeting you and answering your questions.

RSVP is not required

Off-campus members will be reimbursed for parking or bus expenses.

Light refreshments will be served.

Thursday, June 5, 2014
11:30 a.m. to 1:15 p.m.

UBC First Nations Longhouse
Great Hall
1985 West Mall



a place of mind

THE UNIVERSITY OF BRITISH COLUMBIA

SPP Pension Fair: A great opportunity to learn more about your pension plan.

Are you a new UBC staff employee or a new SPP member?

Visit the **SPP New Member table** to learn more about the Plan and find out what you should know about your pension plan. You can also sign up for an information session or workshop.



Working past age 65 or thinking about it?

Visit the **UBC HR Retirement and Survivor Benefits table** to learn about the program and what choices you'll need to make about your pension if you decide to work past age 65. Did you know that your medical, dental, and extended health benefits may change?



Approaching Retirement?

Visit the **SPP Retirement table** and ask us about your retirement options. Also, visit the **Service Canada table** to speak with a representative about government administered pension plans such as the **Canada Pension Plan** and **Old Age Security**.



Have you used myPension?

Visit our **SPP myPension table** to learn how to use this customized online tool to generate your own pension estimates for retirement income planning.



Don't forget to fill out a draw slip for your chance to win a great door prize!

Interested in how and where your pension funds are invested?

Representatives from **UBC Investment Management Trust (IMANT)** will be available to answer questions regarding the SPP funds and other UBC investment related topics.

www.pensions.ubc.ca/staff