

Pension Responsibilities

Presentation to the Pension
Committee

September 24, 2013

Pension Responsibilities

- The Governing Council is the Plan Sponsor and legal Administrator.
- Plans are not governed by a board of trustees.
- The fiduciary responsibility for the administration of the pension plans rests with the Governing Council and the Pension Committee.

Pension Committee

- Approves:
 - Statement of Investment Policies and Procedures (SIP&P) which includes investment return and risk targets and asset allocation.
 - Actuarial assumptions.
 - Actuarial reports.
 - Audited financial statements (recommended by Audit Committee).
 - Annual financial report.
 - Communications plans.
- Receives reports on investment performance, fees and expenses.

Investment Example

- University administration develops and recommends the investment return target.
- U of T Asset Management Corporation develops and recommends the asset allocation and associated risk profile.
- Investment Advisory Committee reviews the recommendation and provides advice to the President of the University.
- Investment risk, return targets and asset allocation are part of SIP&P which is recommended to the Pension Committee.

Business Board

- Approves:
 - funding strategy.
 - benefits, which are negotiated, where required, with employee groups.
- Receives reports on investment performance.
- Receives annual financial report, which includes audited financial statements and actuarial report excerpts.