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FIRST NATIONS  
UNIVERSITY  
OF CANADA



## TERMS OF REFERENCE

for the

### PENSION AND BENEFITS ADVISORY COMMITTEE

Adopted by

**FIRST NATIONS UNIVERSITY OF CANADA**

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*Authorized Signatory*

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*Name of Authorized Signatory – Printed*

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*Date*

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# Section I: Introduction and Purpose

1. This document constitutes the Terms of Reference (the “TOR”) applicable to the Pension and Benefits Advisory Committee (the “PBAC”) established by First Nations University of Canada (the “University”) with respect to its responsibilities for the Pension Plan for the Employees of First Nations University of Canada Inc., registration no. 0934091 (the “Pension Plan”) and the employee health and benefits program (the “Benefits Plan”), collectively the “Plans” provided to the employees of the University.
2. The University, acting through the Board of Governors of the University (the “Board”), is the administrator of the Pension Plan and therefore bears the ultimate fiduciary responsibility for all aspects of Pension Plan operations. The Board has delegated to the Management Pension and Benefits Committee (the “MPBC”) the primary responsibility and authority to administer the Pension Plan. In addition, the MPBC’s secondary responsibility includes administering and monitoring the Benefits Plan. The MPBC has delegated and may further delegate certain administrative responsibilities of the Plans to internal agents or external service providers. Both the internal and external agents are collectively referred herein as “Delegates”. The responsibilities of the MPBC are further detailed in the ***Terms of Reference for the Management Pension and Benefits Committee***.
3. The Board has designated the Audit, Finance and Risk Committee of the Board (the “AFRC”) to assist the Board with the oversight of the operations, administration and governance of the Pension Plan. The AFRC, as an extension of the Board, may make recommendations or provide inputs to the Board with respect to changes to the Pension Plan design or its governance framework and assist with any other Pension Plan-related responsibilities that fall to the Board. With respect to the Benefits Plan, the AFRC may provide inputs or recommendations to design changes that are deemed to be significant either in the form of a different type of program offering or a cost increase of over 10%. The responsibilities of the AFRC as it relates to the Plans are described in greater detail in the First Nations University’s ***Pension Governance Policy*** and ***Terms of Reference for the Management Pension and Benefits Committee***.
4. The Board has created the PBAC and designated it to advise on matters related to the Plans, make recommendations or provide inputs and assist the MPBC in promoting awareness and understanding of the Plans among its members. In its advisory role, the PBAC shall act in the best interest of the members and with standard of care of a prudent person. The power and authority of the PBAC pursuant to these TOR are limited to observations and recommendations regarding the Plans, whereas the MPBC (as defined below) retains the authority and decision-making power to administer the Plans on a day-to-day basis.
5. The purpose of these TOR is to formulate the role, responsibilities, and reporting procedures of the PBAC. Practical matters regarding constitutional and procedural matters to be followed by the PBAC are also discussed.
6. In order to fulfil its responsibilities with respect to the Plans, the PBAC may, where appropriate, engage internal departments or external service providers including, but not limited to, consultants. These TOR also provide some guidance as to the PBAC’s supervisory function with respect to any external service providers it may engage.

7. Nothing in these TOR is intended to impose or to be construed as imposing on the University, any director or employee of the University or any person or entity providing services in respect of the Plans, a standard or duty, whether fiduciary or otherwise, that exceeds the standard or duty imposed by applicable law at the relevant time.

# Section II: Reporting Relationships

## 1. Board of Governors

- (a) In its capacity as the administrator of the Pension Plan under Saskatchewan's *The Pension Benefits Act, 1992* (the "PBA") and the *Income Tax Act (Canada)* (the "ITA"), the University, acting through the Board, bears the ultimate responsibility for all aspects of Pension Plan operations. Although the Board has delegated certain aspects of Pension Plan administration to the MPBC in order to fulfill its responsibility with respect to the Pension Plan in the most prudent and appropriate manner, the Board will continue to oversee the administration of the Pension Plan.
- (b) The Board has designated the MPBC to administer and monitor the operations of the Benefits Plan. The MPBC will administer, implement changes, and promote the Benefits Plan to the employees on behalf of the University.
- (c) With respect to the PBAC, the Board shall be responsible for the following:
  - (i) Terminate or amend the role of the PBAC at its discretion.
  - (ii) Appoint, remove, or replace the non-union members of the PBAC. The union members of the PBAC are selected and will serve as a member for a defined time as defined in the terms of the respective union Collective Bargaining Agreements.
  - (iii) Consider any of the recommendations or inputs from the PBAC with respect to the Plans, including any recommendations that have been relayed to the Board through the MPBC, particularly as they relate to design or governance.
  - (iv) The Board may amend any provisions of this document at its discretion.

## 2. Management Pension and Benefits Committee

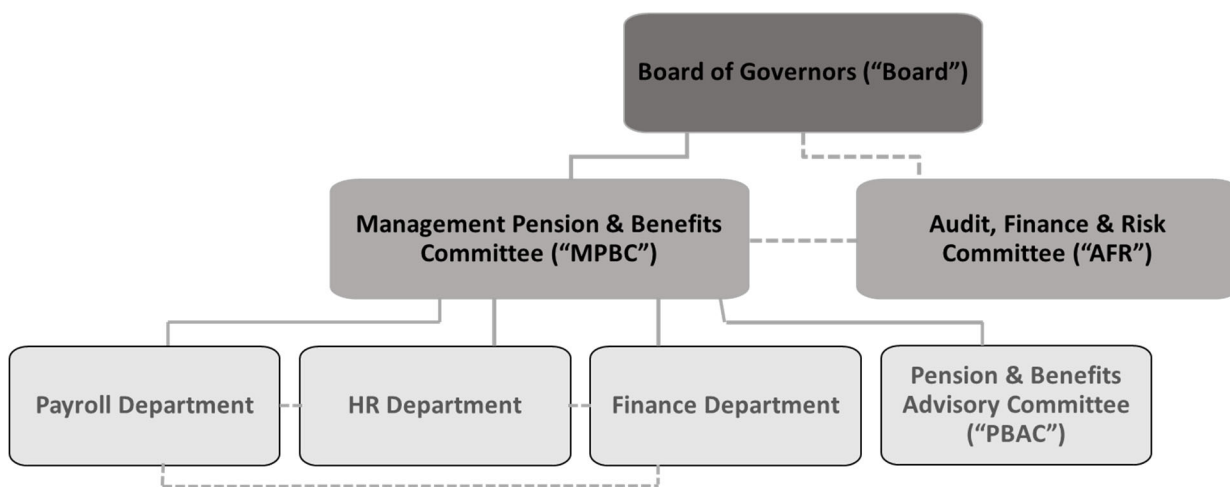
- (a) With respect to the PBAC, the MPBC shall be responsible for the following:
  - (i) Monitor and periodically assess the performance of the PBAC.
  - (ii) Meet with the PBAC at least semi-annually or more frequently and where necessary, request additional information or provide needed direction to the PBAC.
  - (iii) Inform the PBAC on the administration of the Plans including any changes to the design, governance framework or those impacting the member experience in order for the PBAC to discharge its responsibilities with respect to the Plans.
  - (iv) Review the reports from the PBAC on its activities at least an annual basis and relay the recommendations or inputs to the Board as deemed appropriate.

- (v) Consider the recommendations of the PBAC with respect to administration, investments offered in the Pension Plan, service providers, member experience, member engagement, employee communication and education, and design of the Plans.

### 3. Pension and Benefits Advisory Committee

- (a) The PBAC was created to advise on matters related to the Plans and provide inputs and make recommendations to address any collective concerns or issues from the members of the Plans. The role of the PBAC extends to assisting the MPBC in promoting awareness and understanding of the Plans amongst the members. The responsibilities of the PBAC are described herein in this document.
- (b) The PBAC shall provide to the MPBC and the Board an annual report on its activities and recommendations with respect to the Pension Plan and as needed for the Benefits Plan.

### 4. Governance Framework



External delegates for the Pension Plan	External delegates for the Benefits Plan
Canada Life (Pension Service Provider)	Manulife Financial (Benefits Service Provider)
LifeWorks (Pension Consultant)	HUB International (Benefits Consultant)

\*All external delegates report to the MPBC or to the PBAC if needed, as per their respective service agreements.

# Section III: Committee Practices

## 1. Membership

- (a) The membership of the PBAC shall be comprised on union and non-union members. The Board shall appoint, terminate, or replace the non-union members of the PBAC. Each union association as listed below shall appoint, terminate, or replace the union-members of the PBAC. The PBAC members are listed in Appendix A as revised from time-to-time.
- (b) The membership of the PBAC shall include:
  - (i). The non-union membership shall be an odd number of members - either three or five members. The non-union membership shall include at least the following management positions or similar roles: the VP, Finance and Administration, the Director of Finance, and the Manager of Human Resource or otherwise determined at the discretion of the Board; and
  - (ii). The union membership shall include one or two representatives from the following unions as determined by their respective unions collective agreements:
    - The Canadian Union of Public Employees, Local 5791 (“CUPE”);
    - The First Nations University Academic Staff Members union (“URFA”);
    - The First Nations University Session Academic Staff Members union (“SASM”); and
    - The Administrative, Professional, and Technical Employees Union (“APT”).
  - (iii). If, at any time, an existing non-union member ceases to be a member, the Board shall appoint a new member immediately or an appropriate replacement may be considered by the MPBC until such time the Board can appoint the new member.
  - (iv). If, at any time, an existing union member cease to be a member or there is no appropriate representation for the respective union, the respective union shall appoint a new member to ensure that there is at least one member from each of the participating unions.
- (c) The Chair of the PBAC shall be the VP, Finance and Administration. The Chair will chair all meetings and proceedings of the PBAC, provided that, in the absence of the Chair, another member of the PBAC will perform this function as Acting Chair.
- (d) The Chair may choose a Secretary from the members of the PBAC or choose a non-member as the Secretary to perform the duties described under subsection 4 below. In the absence of a Secretary, the Chair shall choose a temporary Secretary.

## 2. Decision Making

- (a) A quorum shall be constituted when majority of the members are in attendance and at least 50% of the collective appointed union members of the PBAC are in attendance. There must be a quorum at the beginning of the meeting and at all times during the meeting.
- (b) Should there be no quorum or should the quorum not be maintained, the PBAC members in attendance may adjourn the meeting until a quorum is reached.
- (c) Each non-union and union member of the PBAC shall have one vote.
- (d) Any recommendation or decision of the PBAC requires a majority vote of those PBAC members attending a meeting. If a vote results in a tie, the Chair will cast a vote to break the tie. If another member of the PBAC is the Acting Chair of the meeting, the voting rules applicable to the Chair will apply to the Acting Chair.
- (e) PBAC members absent at a meeting are assumed to concur with the recommendations or decisions made or actions taken, as described in the minutes of the meeting. The absent members could transmit their disagreement and the underlying reasons for documentation purposes to the PBAC in writing prior to the following meeting or before any of the approved actions are implemented.
- (f) The PBAC itself should make its recommendations to the MPBC at least on an annual basis or more frequently as needed. The MPBC will consider the recommendations or inputs of the PBAC and relay these to the Board. The Board will consider the recommendations of the PBAC while retaining the final decision-making and oversight responsibility in respect of the Plans.
- (g) The PBAC has an obligation to make any reports it so desires, as appropriate, to the Board or AFRC on a “for information only” basis.

## 3. Meetings

- (a) A minimum of at least one meeting each calendar year will be held by the PBAC.
- (b) PBAC members will be expected to participate fully in meetings and notify the PBAC of any gaps in skills and knowledge to be addressed.
- (c) An agenda outlining the topics to be discussed at each meeting will be issued to the PBAC prior to the meeting. The agenda can address only the Pension Plan or Benefits Plan or both Plans as needed.
- (d) Documentation of relevance to the topics to be addressed will be forwarded to the PBAC in sufficient time to review before the meeting.
- (e) Any member of the PBAC may request a special meeting of the PBAC by:



- (i) Delivering to the Chair by email (or another mutually acceptable form) a written request for such meeting; and
- (ii) Stating the nature of the business that is proposed to be considered for the meeting.

The Chair shall decide whether to approve the request and convene a special meeting, in which case notice of the meeting will be delivered to the other PBAC members.

#### 4. Minutes

- (a) The Secretary shall prepare and make available the minutes of the meetings to all members of the PBAC prior to the subsequent meeting.
- (b) The PBAC shall formally approve the minutes of each PBAC meeting at each subsequent meeting of the PBAC.
- (c) The minutes of PBAC meetings shall be available at all times for review by the Board, AFRC, MPBC or PBAC.

#### 5. Miscellaneous

- (a) Members of the PBAC owe a duty of confidentiality to the PBAC with respect to all matters regarding the Plans. However, for purposes of reporting, a PBAC member may disclose any information regarding the Plans to the MPBC, the AFRC or the Board, as appropriate.
- (b) Reasonable expenses incurred by individual PBAC members in the course of the discharge of their duties as members of the PBAC shall be borne by the University paid or reimbursed to the member, as appropriate in the circumstances.
- (c) An individual PBAC member shall not be entitled to any compensation for serving on the PBAC, other than the compensation due to the member in respect of the member's service as an employee or officer of the University or a member of the Board.
- (d) Any conflicts of interest shall be reported and a conflict of interest register maintained pursuant to the ***Code of Conduct and Conflict of Interest Policy*** for the Plans.

## Section IV: Roles and Responsibilities

PBAC shall monitor the activities and administration of the Plans in order to be informed and provide the necessary inputs and recommendations as needed. Where necessary, the tasks related to the Pension Plan are specified. In its advisory role, the PBAC shall act in the best interest of the members and with standard of care.

(a) *Administration, Compliance and Reporting:*

- (i) Adhere to the Plans' respective policies including these TOR and where appropriate, make recommendations to the MPBC as deemed appropriate;
- (ii) Awareness of changes approved by the Board and activities undertaken by the MPBC for the respective Plans;
- (iii) Monitor administrative processes impacting the members' experiences in the Plans, including timely enrolment of eligible members into the Plans, contribution or premium remittances, and retirement benefit or claims payment systems provided or managed by external service providers that are applicable to the Plans;
- (iv) Receive updates from the MPBC on the Pension Plan's compliance with the PBA, the ITA and other applicable legislation and the requirements of the relevant regulatory authorities (i.e., the Saskatchewan Financial and Consumer Affairs Authority, the Canada Revenue Agency, etc.) and any successors thereto;
- (v) Ensure compliance of the Pension Plan to applicable legislation by receiving independent annual governance review reports prepared by the third-party Consultant;
- (vi) Monitor member complaints, inquiries or other such issues and their respective resolutions thereof as carried out by the MPBC or other delegates that may be responsible;
- (vii) Receive inputs and feedback from members and raise these concerns to the MPBC along with recommendations to address such concerns as deemed appropriate;
- (viii) Provide at least annually a report to the MPBC and the Board on activities of the PBAC and any significant issues identified affecting the Plans. The activities undertaken by the PBAC for the Pension Plan may require additional reports to the MPBC, as needed;
- (ix) With respect to the Benefits Plan, provide inputs or recommendations to the MPBC on matters relating to the design, member education and communication, suitability of the benefits service provider and other substantive concerns; and

- (x) Monitor the suitability of all external service providers engaged to administer the Plans and communicate any concerns to the MPBC.
- (b) *Investment Options (Pension Plan Specific):*
  - (i) Ensure appropriateness of the investment options available to all members in the Pension Plan;
  - (ii) Monitor the performances of the investment options of the Pension Plan;
  - (iii) Monitor the reasonableness of the investment management fees paid by the Pension Plan members on the investment options on a periodic basis and recommend appropriate action to address any gaps; and
  - (iv) Recommend changes or inform the MPBC any concerns with respect to the Pension Plan's investment options, their performances, or related fees.
- (c) *Delegation and Supervision of such Delegates:*
  - (i) To the extent it is permitted to do so and in accordance with normal business practices, the PBAC may engage internal or external delegates including, but not limited to, consultants, to assist it in fulfilling its responsibilities with respect to the Plans, in particular in areas where there is a lack of knowledge or expertise;
  - (ii) External service providers engaged by the PBAC to assist it in discharging its responsibilities with respect to the Plans will generally be engaged on a project or issue-specific basis. As such, each service provider will be required to perform the requested services while adhering to any applicable professional requirements applicable to that advisor;
  - (iii) Any activities within the PBAC's purview involving the exercise of discretion should remain the direct responsibility of the PBAC; and
  - (iv) Receive regular reports from the external service providers engaged to provide services to the PBAC.
- (d) *Employee Communications:*
  - (i) Promote awareness and understanding of the Plans among the members, employees and the relevant unions;
  - (ii) Ensure appropriateness of member materials provided to members at enrolment and on an ongoing basis to ensure the terms of the Plans are clearly communicated and propose revisions as are deemed appropriate or based on employee inputs;
  - (iii) Ensure investment materials provided to Pension Plan members for supporting them in making their investment choices are appropriate and recommend revisions as needed;

- (iv) Recommend strategies and additional education to address any gaps in members' understanding of the Plans or to address any concerns raised by the members; and
  - (v) Ensure the Benefits Plan feedback from the various employee groups and unions are communicated to the MPBC and where necessary or deemed appropriate, inform the Board through the MPBC.
- (e) *Access to Information and Record Keeping:*
- (i) Ensure that personal information of members, spouses and other beneficiaries in the possession of the PBAC or its members is kept confidential and provided only to those employees, officers and members of the Board, the MPBC, its delegates and the PBAC who require it in the course of their duties with respect to the Plans;
  - (ii) Ensure that personal information of members, spouses and other beneficiaries in the possession of the PBAC or its members is used only for the purposes of the PBAC; and
  - (iii) Ensure that each member of the PBAC receives the information required to fulfill that person's duties and obligations in relation to the Plans.

# Appendix A

## Pension and Benefits Advisory Committee Members

University Position	PBAC Position	Name
VP, Finance and Administration	Chair, Non-Union Member	Jason Wong
Director of Finance	Non-Union Member	Shannon St. Onge
Human Resources, Manager	Non-Union Member	Tara Thompson
URFA Academic	Union Member	Edward Doolittle
URFA Academic	Union Member	<i>Vacant</i>
SASM Academic	Union Member	Juliet Bushi
SASM Academic	Union Member	Natalie Owl
APT Non-Academic	Union Member	Keaneena Agecoutay
APT Non-Academic	Union Member	<i>Vacant</i>
CUPE Non-Academic	Union Member	Louise McCallum
CUPE Non-Academic	Union Member	<i>Vacant</i>
<i>Human Resources Administrator</i>	<i>Secretary (non-member)</i>	<i>Victoria McKay</i>