

### III. Duties and Responsibilities

#### Section 9 – Charter of Expectations

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##### 9.1 Commission Responsibilities

The Commission has adopted a Charter of Expectations, which sets out the specific responsibilities of the Commission and the individual roles of the members of the Commission.

The Charter stipulates the personal and professional characteristics of the members of the Commission.

In accordance with section 3.1 of *The Superannuation (Supplementary Provisions) Act*, the Commission is explicitly responsible for the administration of the Liquor Board Superannuation Plan. To discharge this obligation, the Commission assumes responsibility in the following areas:

##### **Administration:**

- Ensure the timely payment of benefit entitlements to Plan members/beneficiaries;
- Monitor and review the performance of PEBA and other administration Service Providers;
- Make decisions affecting the operational costs of the Plan.

##### **Plan Design:**

- Review the design of the Plan from time to time, recommend changes to the Plan when and/or where required, and implement changes to the Plan;
- Review market place statistics, imminent trends and analysis to ensure that the fund is competitive with/comparable to similar trusted pension plans.

##### **Communication:**

- Promote the communication, awareness and understanding of the Plan among Plan members;
- Ensure that all relevant information is provided to Plan members/beneficiaries which affects their rights, benefits and entitlements.

**Funding and Custody:**

- Appoint Actuary, review performance on a periodic basis and terminate their services when necessary;
- Approve the assumptions for actuarial valuations;
- Appoint Custodian, review performance on a periodic basis and terminate their services when necessary.

**Investment:**

- Manage the assets of the Superannuation Fund;
- Develop and review the Statement of Investment Policies and Goals regarding the appropriateness of the investment objectives and approve recommendations for amendments that are deemed necessary;
- Appoint Investment Manager(s), review their performance and that of the assets under their management, and terminate their services when necessary;
- Select asset classes for the investment of the Plan funds;
- Review PEBA's co-ordination of the cash management of the Superannuation Fund and make appropriate changes, if necessary.

**Compliance:**

- Recommend changes to the Plan that are required by the *Income Tax Act* (Canada) or, with respect to investments, by *The Pension Benefits Act, 1992* (and accordingly, by the *Pension Benefits Standards Act, 1985* (Canada));
- Ensure timely reporting to Canada Revenue Agency in accordance with the *Income Tax Act* (Canada);
- Monitor the Statement of Investment Policies and Goals compliance reporting from the Investment Manager(s) and the Custodian of the Pooled Funds;
- Review reports from the Auditor, determine appropriate action and implement the recommendations contained therein;
- Monitor plan administration to ensure compliance with *The Liquor Board Superannuation Act* and *The Superannuation (Supplementary Provisions) Act*;
- Monitor plan administration to ensure compliance with the *Income Tax Act* (Canada);
- Ensure that statutory disclosure regulations are being met and exceeded for the benefit of Plan members/beneficiaries.

**Governance:**

- Conduct a self-assessment review of the governance process on a periodic basis;
- Monitor and confirm the governance framework, and implement changes as deemed necessary.

**Goals and Objectives:**

- Develop, implement and assess short and long-term measurable goals and objectives;
- Monitor performance against the goals and objectives.

**Budgeting:**

- Review and approve annual capital allocations and operating plans, and monitor performance against those plans;
- Ensure, to the extent possible, that necessary resources will be available to pursue strategies, establish priorities and achieve objectives.

**Commission Effectiveness:**

- Evaluate the effectiveness of the Commission in fulfilling its responsibilities on a periodic basis;
- Monitor the effectiveness and contribution of individual members of the Commission.

**Risk Assessment:**

- Identify business risks which would adversely or positively affect the operation of the Plan;
- Ensure that appropriate systems and actions are in place to manage such risks.

**Integrity:**

- Ensure the integrity of the Plan's internal controls and information systems;
- Ensure ethical behavior of all participants involved in the administration of the Plan.

**Orientation/Ongoing Education:**

- Ensure the establishment and implementation of an appropriate, formal orientation program for new members of the Commission;
- Ensure that resources are available for an appropriate and practical ongoing educational program for all members of the Commission.

**9.2 Appointment of Associate Deputy Minister and Senior Management**

**Senior Level Staffing:**

- Selection, appointment, evaluation and, if necessary, termination of the Associate Deputy Minister of PEBA, is the sole jurisdiction of the Ministry of Finance, Government of Saskatchewan;
- Succession planning, appointment, training, evaluation and, if necessary, termination of senior management at the PEBA is the responsibility of the Associate Deputy Minister of the PEBA in conjunction with the Ministry of Finance, Government of Saskatchewan;
- Appointment of the Commission's Chair is at the discretion of the Minister responsible for *The Liquor Board Superannuation Act*. It is recognized that the Chair may concurrently be the Associate Deputy Minister of PEBA. The Chair is subject to the same Code of Conduct and Conflict of Interest Procedures as are all other members of the Commission.

**9.3 Commission Member Attributes**

To execute the Commission responsibilities, members of the Commission must, collectively and/or individually, possess certain characteristics and traits:

**Integrity and Accountability:**

- Members of the Commission must demonstrate high ethical standards and integrity in their personal and professional dealings, and be willing to act on and remain accountable for their boardroom decisions;
- Members of the Commission must act solely in the best interest of Plan members/beneficiaries and are required to exercise the care, skill and diligence of a prudent person in carrying out their duties;

- Members of the Commission must be seen to possess the qualities of integrity and accountability by being able to demonstrate they are individuals who conduct themselves at all times in accordance with the law as specified in section 11.5 entitled **Ethical Standards** in the Governance Manual – Compliance with Laws – in the Commission’s Code of Conduct and Conflict of Interest Procedures.

**Informed Judgment:**

- Members of the Commission must develop a depth of knowledge of pension related matters in order to understand and question the assumptions upon which the strategic and operational plans are based, and to form an independent judgment regarding the probability that such plans can be achieved.

**Financial Literacy:**

- An important function of the Commission is to monitor financial performance. Members of the Commission should have a high level of financial literacy including knowledge of financial statements and reports, and understand appropriate terminology for the evaluation of investment performance.

**Actuarial Literacy:**

- The pension plan Actuary undertakes a vital role in determining the plan’s funding requirements. A significant function of the Commission is to review the recommendations and performance of the Actuary. Members of the Commission should possess a sound knowledge of actuarial principles. They should be familiar with the methodology, practices and terminology in order to accurately evaluate actuarial assumptions and advice.

**Mature Confidence:**

- Members of the Commission who value Commission and team performance over individual performance, and who possess respect for others, facilitate superior Commission performance;
- Members of the Commission should demonstrate openness to the opinions of others, and the willingness to listen should rank as highly as the ability to communicate persuasively;

- Members of the Commission must approach others assertively, responsibly and supportively, and be willing to raise difficult questions in a manner that encourages open discussion.

#### **9.4 Chair Responsibilities and Duties**

##### **Primary Responsibilities:**

- Consult with the Commission regarding the frequency and dates of regular meetings;
- Call special meetings of the Commission whenever the Chair considers it necessary;
- Preside over the meetings of the Commission;
- Approve the agenda for Commission meetings;
- Approve draft minutes of Commission meetings for distribution to the Commission;
- Approve/release the communication of Commission business;
- Receive and table before the Commission notices of conflict of interest;
- In consultation with the Commission, determine the appropriate course of action regarding the resolution of conflicts of interest;
- Receive and table before the Commission circumstances that may constitute a perception of bias;
- In consultation with the Commission, determine the appropriate course of action regarding the resolution of situations of bias;
- Authorize individuals to represent the Commission at meetings of the Public Accounts Committee or attend if required;
- Act as spokesperson and representative of the Commission to management;
- Authorize individuals to speak on behalf of the Commission with respect to outside parties;
- Communicate recommended amendments to the Plan to the Minister of Finance;
- In conjunction with the other members of the Commission ensure that the contract with the Public Employees Benefits Agency is appropriately carried out;
- Authorize or approve the timely and appropriate execution of Commission business;
- Ensure strategic planning is carried out;
- Be available for consultation with management when required.

## 9.5 History

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