



**SUBJECT** UBC FACULTY PENSION PLAN REPORT

**MEETING DATE** APRIL 19, 2018

Forwarded to the Board of Governors on the Recommendation of the President

**APPROVED FOR SUBMISSION**

Santa J. Ono, President and Vice-Chancellor

**FOR INFORMATION**

**Report Date** March 20, 2018

**Presented By** Barbara Meens Thistle, Vice-President Human Resources  
Orla Cousineau, Executive Director, Pensions

**EXECUTIVE SUMMARY**

The UBC Faculty Pension Plan (“Faculty Plan”) is a defined contribution pension plan for the members of the academic and administrative executive staff of the University.

The market value of the assets of the Faculty Plan was \$2.3 billion at December 31, 2017. The total members at December 31, 2017 was 6,123 (3,430 active members, 1,558 deferred members, and 1,135 retired members).

The administration of the Faculty Plan is the responsibility of the Board of Trustees, established under the Trust Agreement made between the University and the first Trustees when the Faculty Plan was established in 1967. The Trust Agreement requires the Board of Trustees consist of eight trustees, four appointed by the University and four elected by the members.

The Board of Trustees is responsible for the oversight of the administration, financial reporting and investment activities of the Faculty Plan. The University has no oversight responsibility in respect of the Faculty Pension Plan.

The Faculty Plan is co-administered by the UBC Pension Administration Office and Sun Life Financial that was appointed the plan recordkeeper and custodian in 2015.

The Board of Trustees selects and monitors the investment options available under the Faculty Plan, and selects and monitors the investment performance of each of the investment managers.

There are six investment options available that provide the members with a variety of asset classes enabling them to create their own portfolio from a list of specially constructed funds. The default investment option is the Faculty Plan Balanced Fund which is a multi-manager segregated fund that consists of 13 underlying managers, and the fund management fee is currently 47 basis points.

The Faculty Plan is unique in that it offers retiring members a number of decumulation options within the Faculty Plan, including a LIF or RIF type payment account and a variable payment life annuity. The advantages to the retiring members are the low fees, the flexible retirement income options, and they can retain the same investment options after retirement. Between 70% to 80% of members retiring each year elect to leave their monies in the Faculty Plan.

