

How the Teachers' Pension Plan works

The Teachers' Pension Plan is a partnership governed by the Joint Trust Agreement between the Government of British Columbia (Plan Employer Partner) and the BC Teachers' Federation (Plan Member Partner). This Joint Trust Agreement came into effect on April 4, 2001.

Terms of the Joint Trust Agreement

- Each partner names five people to serve on the Teachers' Pension Board of Trustees. The Government appoints five persons who may be, but need not be, employees of the Government or a school district. The BCTF appoints five persons selected from teachers, retirees and excluded employees;
- The trustees designate one of their number as chair of the Board;
- The employers and employees, as partners, jointly share the risks and benefits.

Your trustees

Gerry Tiede, Chair
Rod Allen
Joann Cain
Dale Lauber
Ken Tannar

Joan Axford, Vice Chair
Victor Barwin
Wayne Jefferson
Carolyn Prellwitz
Linda Watson

Sharing the risks and benefits

Since the plan is a partnership as defined by the Joint Trust Agreement between the plan member partners, each partner shares both the risks and the benefits.

This means that when the Plan does well and has an actuarial surplus, the Trustees determine how these gains will be spent.

If the Plan shows an actuarial liability, the Trustees must increase the contribution rates and bring the Plan back into financial balance. Retirees do not share this liability.

What does the Teachers' Pension Board of Trustees do?

The Teachers' Pension Board of Trustees is responsible for the management of the pension fund and for the administration of the Plan.

The Teachers' Pension Board of Trustees set the investment policies for the pension fund. These policies must follow a legal obligation of fiduciary responsibility as defined by the Pension Benefits Standards Act which requires that the investments must be done in "the best financial interests of plan members, former members and other plan beneficiaries." (Pension Benefits Standards Act 44.1) The Board of Trustees reviews the Statement of Investment Policies and Procedures each year to determine that policy. The policy must adhere to the pension Investing is then done by the BC Investment Management Corporation (BCiMC) following the policies set by the Trustees.

What other management structures exist?

1. Administration

The day to day administration of the Teachers' Pension Plan is done by the British Columbia Pension Corporation. Among other duties, this corporation carries out the following responsibilities:

- provide proper reporting and accountability to the Board of Trustees
- provide administrative services, such as collecting member contributions, providing pension information and preparing pension payments
- prepare annual financial statements.

2. Investment management

The British Columbia Investment Management Corporation (bcIMC) is responsible for investing the pension fund and making investment decisions that adhere to the policies and procedures adopted by the Teachers' Pension Board of Trustees in their Statement of Investment Procedures and Policies. bcIMC provides advice to the trustees and pools the funds of the Teachers' Pension Plan with the other public provincial pension plans (College Pension Plan, Municipal Pension Plan, Public Service Pension Plan and the WCB Pension Plan).