

Wendy Lyon – Report to COPE 491
IFEBP Foundations of Trust Management Standards (FTMS)
Halifax, Nova Scotia, October 23-25, 2014

I'd like to say thank you to COPE for agreeing to send me to attend this course. It was valuable education which I would like to share with our local through my position on the Ad hoc pension committee. While the education was specifically related to that of persons in position of trustee, I am certain that it also very much relates in my role as committee member.

The FTMS training took place in Halifax and was happening simultaneous to the ATMS training in the next room. ATMS is the next level of education after the FTMS. It was encouraging to see COPE Sister Heather Dillabaugh (Alternate COPE member on the JBT) as well as CSU Sister Chantal Grenon-Nueiss (assigned to CUPE hospital plans) also in my class. I am delighted to know that a number of us are receiving such excellent training and hope that we all go on to the advanced training ATMS at some point.

We had four guest speakers who were all knowledgeable in their various subject areas. The four areas as described below are:

1. Legal
2. Administration
3. Governance
4. Funding/Investment/Finance.

On day 1 The **“Legal”** portion of the program was presented by Michael McCreary.
<http://www.wjm-law.ca/professionals/mccreary.html>

Michael's presentation touched on the following points:

- Define basic terms related to trusts.
- Explain the purpose and key elements of trust agreements.
- Describe key legislation and its implications for operation of trusts.
- Identify fiduciary obligations of trustees.
- Explain basic trustee duties.
- Explain examples of trustees who have found themselves in difficult situations/cases.
- Identify strategies to put in place to protect trustees, beneficiaries and settlors.
- Indicate considerations in trustee expense reimbursement.

On the afternoon of the first day Len Tompkins presented the **“Administration”** portion of the program. www.bpagroup.com

He touched on the following points:

- Outline key functions required of trustees for effective management of trusts.
- Explain the significance of the Trust Act, trust agreement, collective agreement, participation agreement and benefit plan text for meeting fiduciary duty.
- Describe key service providers that support trustees in their role as legal administrator.

- Explain the importance of trustee meetings and meeting protocol.
- Outline typical administrative activities.
- Outline the benefits and challenges in self-administration and third-party administration.
- Describe key considerations for selecting and managing service providers and steps in the RFP process.

On the second day the morning was spent learning about “**Governance**”. Our speaker was Lisa M. Watt. <http://www.manionwilkins.com/about-manion/sales-and-service/lisa-watt/>

Here are the points she covered:

- Understand how good governance supports trustees in the execution of their key functions.
- Define governance both as a noun and as a verb.
- Identify sources of governance guidelines and tools.
- Describe the evolution of governance guidelines.
- Explain basic principles of good governance and best practices.
- Describe the importance of good governance and how to apply best practice guidelines to trustee functions.

Finally the remainder of the second and third days, Peter C. Hayes presented the subject of “**Funding/Investment/Finance**”. https://www.ifebp.org/education/schedule/bios/H/Hayes_Peter_C.pdf

- Describe the significance of funding policy for effective trust management.
- Explain the rationale for funding plans.
- List different types of funding and financing options.
- Identify factors that influence funding requirements.
- Describe the significance of investment policy for effective trust management.
- State key characteristics of bonds and stocks.
- Explain the importance of asset mix and diversification to investment decisions.
- List the steps in the investment process.
- Explain the roles of the actuary, investment manager and auditor.
- List the key questions to ask about investment strategy.
- Describe the significance of financial reporting and budgeting to effective trust management.
- Indicate sources and uses of income.
- Describe key financial reports and how they inform decision making.

Following the course, I have since completed the online test and am happy to report back that I managed to pass with a score of 95%. I am pleased with the outcome of the training and my ability to turn it into such a great mark, however, I am humbled by the fact that while I now have the basic foundational component of the subject, there is much work ahead for me to apply what I have learned through experience and further education...in order to see our bargaining unit benefit fully.

I am committed and excited to get started working on the ad hoc pension committee and hope that I will be able to apply what I have learned. Thank you for sending me to this training course.

Wendy Lyon
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Member for COPE 491

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