OPTrust Select

Recommendation for Representation in Decision Making

- The OPSEU Pension Plan currently has a 10-member Board of Trustees, responsible for setting investment strategy and administering benefits.
    - The government and OPSEU appoint 5 trustees each.
    - A government appointee and an OPSEU appointee serve as Chair and Vice-Chair, with the roles alternating between government and OPSEU appointees every two years.

- Because joint plan governance by employers and employees is a core component of the JSPP model, the OPSEU Sponsorship Agreement should be amended to provide representation for Select employers and employees on the Plan's Board of Trustees as Select grow in size.
    - The amendment should provide that, if Select reaches a certain size, the OPSEU Plan must add representation for Plan Select members and employers on the Board of Trustees.
    - The threshold could be based on either the number of active members in Select reaches 10% of the total active members in the OPSEU Plan or if liabilities (or assets) attributable to Select reaches 10% of the total plan liabilities (or assets).
    - Once this threshold is achieved, two additional Trustees could be added (growing the total number of Trustees from 10 to 12), with one representing employers and the other employees in Select.

- To mitigate any potential risk of conflict, an Advisory Board should be established at inception. The Advisory Board would have representation for both Select employers and employees and would be consulted on all decisions that affect the interest of Select members and employers.

Recommendation for Screening Employer Membership

- The whether and how of a screening process, if desired, remains to be established.
- Although MOF is currently involved in the screening of application for employer membership in the OPSEU Pension Plan, there would be no basis for MOF to be involved in the employer application screening process for OPTrust Select employers who would be organizations outside the BPS.