

Guidelines for Pension Plan Governance

The [Canadian Association of Pension Supervisory Authorities \(CAPSA\)](#) has established guidelines for pension plan governance. The guidelines are considered to be best practices within the pension industry and provide a valuable tool for plan administrators to assess existing practices and to implement effective governance systems for registered pension plans.

Although the guidelines are not found in pension regulations, the Superintendent of Pensions for Saskatchewan expects plan administrators to voluntarily follow the guidelines and to use the *Self-Assessment Questionnaire*. Plan administrators do not have to file the completed *Self-Assessment Questionnaire* with the Pensions Division of the Saskatchewan Financial Services Commission. However, when conducting on-site examinations of the administration of pension plans, the Pensions Division will review a plan's governance on the principles established by CAPSA's Governance Guidelines and will ask the plan administrator to complete the questionnaire if the administrator has not already done so.

Plan administrators should immediately undertake a process to assess the governance of their plans and to begin working toward addressing areas of concern.

In addition to the above, plan administrators of defined contribution plans in which members make investment decisions also will need to follow *CAPSA Guideline No. 3: Guidelines for Capital Accumulation Plans* (CAP Guidelines) recently established by the [Joint Forum of Financial Market Regulators](#). The CAP Guidelines reflect the expectations of regulators and are considered to be industry best practices for tax-assisted investment or savings plans where members make investment choices.

Again, although the CAP Guidelines are voluntary in nature, the Superintendent of Pensions for Saskatchewan expects that pension plans that permit members to make investment decisions will operate in a manner that reflects the guidelines by December 31, 2005.

For more information on the mandates and initiatives of CAPSA and the Joint Forum of Financial Market Regulators you may visit www.capsa-acor.org or <http://www.jointforum.ca/>