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## SUMMARY

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Through February and March of this year I was enrolled in the Foundations of Trust Management Standards course (FTMS) through the International Foundation of Employee Benefit Plans (IFEBP).

The course covers four areas of trust management through three modules: Legal (1), Administration and Governance (2 & 3), and Funding/Investment/Finance (4). The objective of FTMS is to increase awareness and understanding of the basics in these four areas related to the effective management of trusts, as well as to highlight their importance and to provide additional sources of information.



The course offerings are thorough and detailed. In the Legal section, topics covered were The Nature of Trusts, Six Principal Trustee Duties, and Strategies for Protecting Against Breach of Trust. The course delved into legal definitions, including several court decisions in various countries that have helped to define the role of trusts in our financial world. One notable fundamental is the standard of the “Prudent Person”: originating from common law, it is the applicable test or standard required of a trustee. Namely, a trustee’s duty is to act honestly and with the same degree of care, skill, and prudence as a reasonable person would exercise in the management of their own affairs.

Under the banner of Administration and Governance, topics covered included key functions of trust management, who performs them, and how; effective communication to beneficiaries; strategic planning, policy development, risk management, plan management, oversight, and compliance; and the Canadian Association of Pension Supervisory Authorities (CAPSA)’s eleven guidelines on best governance practice. These guidelines confirm that “ultimate” responsibility and accountability rests with the Trustee Board. They also indicate the importance of establishing, exercising, and monitoring delegations

of authority, followed by correcting the exercising of, or suspending/amending/withdrawing delegations of authority when necessary.

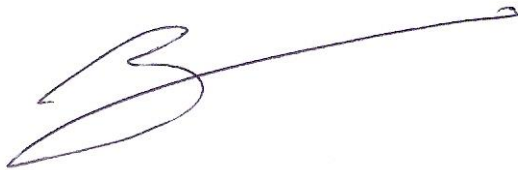
The third module, Funding/Investment/Finance, covered pension funding, investment basics and investment policy, and financial reporting. The essentials of this section covered the funding of the plan from an employee's start date through the length of their employment and until the expiration of their benefits after leaving employment, the various investments possible to maintain a sufficient plan income to cover plan expenses, and the accounting necessity of auditing and reporting the results. The Investment control cycle flows from investment policy planning through the execution of policy implementation and the feedback provided by performance monitoring which informs future planning and so on.

The course concludes with a mandatory test, the passing of which is necessary to obtain one's certificate, which I did earn as indicated above.

This course is an excellent, detailed run-through of all the requirements of plan formation, implementation, and accountability. I feel that anyone who completes the requirements of this course will be better equipped to serve the members of The Manitoba Teachers' Society, especially if one is involved with any of the investment portfolios that The Society manages. I am grateful for the opportunity to learn more about meeting members' long-term needs in this way. I would recommend this course continue to be a part of executive training.

Thank you for the opportunity to participate.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'Joel Swaan', with a long horizontal stroke extending to the right.

Joel Swaan, DBPIC Chair