

The Terms of reference of the Staff Pension Committees (SPCs) and their Secretaries¹

I. Introduction

1. The United Nations Joint Staff Pension Fund (UNJSPF) was established by the General Assembly of the United Nations to provide retirement, death, disability and related benefits for staff of the United Nations and other organizations admitted to membership of the Fund.
2. Under the overall authority of the United Nations General Assembly and pursuant to **Article 4** of the UNJSPF Regulations, the United Nations Joint Staff Pension Fund (UNJSPF or the Fund) is administered by the Pension Board, a Staff Pension Committee (SPC) for each member organization and a secretariat to each such committee. In accordance with **Article 8** of the Regulations, the secretariat of the Board shall serve as the secretariat of the United Nations Staff Pension Committee. Other SPC Secretaries are appointed by the chief administrative officer of each member organization on the recommendation of the respective SPC.
3. The present document seeks to ensure the efficiency of services provided to UNJSPF participants and beneficiaries by defining the respective roles and responsibilities of the UNJSPF member organizations, SPCs, their Secretaries, and the Fund itself. The terms of reference contribute to transparency and accountability and are designed to assist the Fund, and its member organizations, in mitigating risks and minimizing litigation. The document should be read in conjunction with the UNJSPF Regulations, Rules and Pension Adjustment System, the updated version of which can be found at the UNJSPF website (www.unjspf.org). If there is an ambiguity, inconsistency or conflict between the information provided herein and the UNJSPF Regulations and Rules, the Regulations and Rules shall prevail.

II. UNJSPF member organizations

4. At the time of joining the UNJSPF, member organizations commit themselves to adhering to the Fund's Regulations, Administrative Rules and Pension Adjustment System. In accordance with **Article 49**, the UNJSPF Regulations can be amended only by the United Nations General Assembly, upon recommendation by the United Nations Joint Staff Pension Board. Also, at the time of joining the Fund, member organizations agree to set up a SPC and to nominate a Secretary to the SPC. Member organizations must provide adequate resources, data access and support to the SPC and the Secretary to ensure they can meet the Fund's requirements in accordance with its Regulations.
5. The UNJSPF Regulations and Rules are self-contained and stand separate from the Rules and Regulations of each UNJSPF member organization. The Fund also has its own process for individual dispute resolution with its participants and beneficiaries and with anyone who has succeeded to their rights or believes is entitled to rights under the Fund's Regulations. The Fund is bound by any decision taken either at the level of the Standing Committee or of the United Nations Appeals Tribunal (UNAT) concerning pension matters. When accepting the UNJSPF Regulations and Rules, the member organizations also accept the jurisdiction of the UNAT to hear and pass final judgements on applications by such individuals alleging non-observance of the **UNJSPF Regulations**, arising out of decisions by the Pension Board.
6. The UNJSPF member organizations² own their payroll processes as well as the data relating to human resources and finance, including deductions for pension contributions. They, alone, are in a

¹ These Terms of Reference were approved by the United Nations Joint Staff Pension Board at its 61st session in July 2014.

position to know the status of their staff members and, therefore, the SPC and its Secretary, - as well as the Fund itself - are dependent upon the good offices of the relevant administrative services of the member organizations (and all reporting entities). Those functions are responsible for data integrity, internal control, and the timely submission to the Fund of human resources and financial information, as well as ensuring that the related contributions, on behalf of their staff members, are remitted to the Fund as required in accordance with the Fund's Regulations and Rules. Specifically, it is incumbent on each UNJSPF member organization to register a staff member's participation in the Fund upon his/her meeting the requirements under the Fund's Regulations, as well as to furnish other required personal information, and to remit accurate and timely contributions.

Internal Control

7. In particular it should be noted that the contributory service, which will be recognized for each individual participant, accrues only in accordance with **Article 22** of the Fund's Regulations. To the extent that any retroactive participation, recognition of additional contributory service in the Fund, or other change to the reported data relating to a participant or his/her dependents may constitute an additional liability for the Pension Fund, there will be an additional cost to the Fund. Furthermore, where there is a failure (omission or mistake) to report correct data that is attributable to the member organization and where the cost of this liability is identifiable, specific and actuarially quantifiable, it shall have to be paid to the Fund, before any related and ensuing change in a UNJSPF benefit could be certified for payment. To implement **Administrative Rule B.3** in a pragmatic manner, no change shall be accepted after the date of final notification by the employing organization to the Fund of the participant's separation, and in any case no later than 3 months from the participant's separation or 6 months from death in service, in respect of records pertaining to the following: a) the date of birth of a participant or that of each of his or her prospective beneficiaries, or b) the report of his or her prospective beneficiaries. Changes made before the deadline will not be subject to additional costs.

8. The UNJSPF relies on the accurate, complete and timely reporting of the participation, contributions and separation of the staff members by the member organizations, and it is in the interest of all concerned that the data is correct, and that contributions are calculated correctly and remitted to the Fund on time.

9. The member organizations should ensure that they address issues of data integrity and timely reporting within their risk management framework and build the necessary internal controls into their human resources and payroll processes to ensure that this be the case.

10. The Fund works in partnership with the UNJSPF member organizations to ensure that it receives the correct information from them with regard to their staff members. While the Pension Fund monitors (through spot checks, trend analysis, analysis of variances, and requests of information) the compliance of the member organizations with its Regulations, Rules and the Pension Adjustment System, and will seek to help and collaborate in resolving issues, the ultimate responsibility for data integrity before forwarding to the UNJSPF and the investigation and resolving of discrepancies within that information lies with the member organizations. The UNJSPF is responsible for maintaining the integrity of the data it receives from member organizations or individual participants or beneficiaries.

² This pertains equally to all corresponding reporting entities (total of some 80 reporting entities from 23 member organizations), where applicable.

III. Staff Pension Committees

11. Pursuant to the delegation of authority by the United Nations Joint Staff Pension Board under **Article 4 (c)** of the Regulations, the Staff Pension Committee of each member organization shall exercise the functions provided for in the Regulations and Rules of the Fund. **Section C (Staff Pension Committees) of the Rules of the Procedure of the UNJSPF** provides details with respect of the overall functioning of the SPCs. Subject to the Fund's Regulations and Rules, each committee shall regulate its own procedures; upon their approval, or revision, they should be sent to the Secretary of the Board/CEO.

12. In accordance with **Article 6 (c)**, following the Pension Board's tri-partite nature, each SPC is composed of an equal number of members representing (a) the governing body; (b) the chief administrative officer; and (c) the participants in service of the member organization.

Responsibilities of Staff Pension Committees

13. In accordance with the Fund's Regulations and Rules - and as reaffirmed in the Accountability Statement as approved by the Pension Board³ - each Staff Pension Committee, assisted, when required, by SPC Secretaries, is responsible for:

- (a) communicating with and servicing the needs of participants in their respective member organization, in particular with regard to the questions of general interest relating to pension matters such as the actuarial status of the Fund, asset/liability management, sustainability, investment policy, benefit provisions and other plan design issues;
- (b) facilitating the provision of the required human resources and financial information in respect of their organization's staff members' participation in the Fund as well as their separation from service and - as part of the risk management framework - monitoring, alerting, and recommending appropriate actions in this regard to the administration of the member organization;
- (c) applying the UNJSPF Regulations and Administrative Rules as well as other implementation guidance including consideration of appeals pursuant to **Section K** of the Administrative Rules;
- (d) determining incapacity for the purpose of award of disability benefits; and,
- (e) formulating recommendations to the Pension Board, as well as providing nominations to the membership of advisory committees of the Board, and appointing members to the Pension Board in accordance with **Article 5** of the Regulations.

IV. SPC Secretaries

14. In practice, Staff Pension Committees have delegated several of their functions to the SPC Secretaries. The Fund's Rules of Procedure for Staff Pension Committees (**C.10**) state that "*Each committee may delegate to its secretary, subject to such procedure for supervision and reporting as the committee may consider appropriate, the power of acting on its behalf in connection with all straightforward individual cases, except those involving disability.*" The SPC Secretaries are appointed and employed by their member organizations and in respect of pension fund matters perform their functions under the supervision of the SPC.

³ The Accountability Statement was contained in the report JSPB/58/R.33. The Pension Board endorsed it at its 58th session in 2011.

15. SPC Secretaries are an important and integral part of the Fund's governance structure. Acting as the focal point for Pension Fund matters in their organizations, they provide the administrative assistance that is essential to the Fund's operations. ⁴The SPC Secretaries have separate and distinct roles and responsibilities vis-à-vis the Fund that are defined and governed by the UNJSPF Regulations and Rules - see, *inter alia*, **Articles 21** (Participation), **22** (Contributory Service), and **25** (Contributions) as well as Administrative Rules **B.1, B.2, B.3** (Participation), **D.1, D.4, D.5** (Contributions and Interest), **G.1** (Leave without pay) and **J.1** (Separation, Computation and Payment of benefits).

Responsibilities of the SPC Secretaries

16. In particular, SPC Secretaries:

- (a) administer pension fund matters within their organizations⁵, including facilitating the provision of all personnel and finance information of active participants (determination of eligibility to participate in the Fund and remittance of contributions to the Fund, together with supporting documentation);
- (b) service meetings of their organization's SPC and interact with all constituent groups (governing bodies, executive heads and participants);
- (c) coordinate the member organization's position in regard to specific pension items and bring the issues to the Board's attention through their SPC. The SPC Secretaries have the right to attend, in an *ex officio* capacity, the meetings of the Board and its Standing Committee⁶;
- (d) serve as interlocutors with UNJSPF participants and the Fund's Chief Executive Officer/Secretary to the Pension Board.

17. In terms of providing participation information and remitting contributions, the role of SPC Secretaries is to monitor that such reporting is carried out in compliance with the relevant UNJSPF Regulations and Rules and operational requirements of the Fund. This can be ensured through having adequate access to the Human Resources or Payroll data of the member organization and establishing the means to send this data electronically to the Fund Secretariat via IT interfaces, or for smaller agencies, through self-service functionality to be made available in the Fund's Integrated Pension Administration System (IPAS). Any change in the operational requirements of the Fund will be made in close consultation with member organizations.

18. Likewise, SPC Secretaries are responsible for advising the staff members of their organizations in respect of any pension matters, in accordance with the Fund's Regulations and Rules or special case scenarios resulting from the Pension Board decisions or UNAT jurisprudence. In particular, SPC Secretaries should, in collaboration with the HR offices, inform and advocate the importance of participants to fulfill their responsibility to notify the organizations of any changes concerning their personal information (**Article 42** (Information from participants and beneficiaries) and **Administrative Rule B.3** (Participation)) and furnish documentary or other proof thereof as required⁷. In addition, SPC Secretaries are responsible for appropriately informing the participants of their possible right to validate

⁴ It is recognized that (except in the case of the UNSPC), the SPC Secretaries are employees of the member organizations. They perform many other functions and, therefore, have dual reporting lines depending on the respective areas of responsibility.

⁵ Duties in this regard are more clearly specified in paragraph 20 below.

⁶ Such participation ensures that the Secretaries keep themselves updated on pension information and any possible changes in the Fund's Regulations, Administrative Rules and the Pension Adjustment System. In addition, the Secretaries learn about the Board's decisions as it interprets the Regulations, as well as about the United Nations Appeals Tribunal jurisprudence concerning the implementation of the Fund's Regulations.

⁷ Failure by a UNJSPF participant to accurately report such an information or submission of evidence, prior to the separation or death in service, may result in the ineligibility for the UNJSPF benefits.

non-contributory service (**Article 23**) and/or to restore (**Article 24**) their prior service and of the participants' possible rights to transfer their pension rights (**Article 13**). They should also inform participants about the need to fill in the designation of beneficiary form for a possible residual settlement (**Article 38**).

19. In undertaking their responsibilities, which may affect the rights under the UNJSPF Regulations, SPCs shall be guided by and act in full compliance with the Fund's Regulations and Rules as well as any advice and guidance received from the Fund. In the exercise of their functions relating to the UNJSPF Regulations and Rules, the duties of the Secretaries are performed purely on behalf of the UNJSPF and, in this regard, the Secretaries have a responsibility to consult with and to report to the UNJSPF. Should the Secretaries follow the instructions from the UNJSPF member organizations that serve the interests of the organization rather than those of the Fund, the member organization shall be liable for the consequences of such instructions, including possible additional actuarial costs in individual cases, if any.

20. As regards operational matters vis-à-vis the Fund, the SPC Secretaries⁸ are responsible for the administration of several pension matters that last from the staff member's entry into the Fund, through separation from service. In practice their actions relate, but are not limited to, the following UNJSPF provisions:

- a) **Participation (Articles 21, 40, 51 of the Regulations, Section B of Administrative Rules and Supplementary Article B);**
- b) **Validation (Articles 23, 25 (c) of the Regulations, Section D (2), E of Administrative Rules and Supplementary Article A (b));**
- c) **Restoration (Articles 24, 25 (d) of the Regulations, Section D (2), F of Administrative Rules);**
- d) **Transfer of pension rights (Article 13);**
- e) **Leave without pay (Articles 21 (c), 22 (b), 25 (b), 39 of the Regulations, Section D (2), G of Administrative Rules);**
- f) **Part-time employment (Supplementary Article A);**
- g) **Periodic contributions reporting;**
- h) **Monthly contribution remittances⁹;**
- i) **Disability (Articles 33, 36 (b), 41 (b) of the Regulations, Section H of Administrative Rules);**
- j) **Separation from service (Section J of the Administrative Rules);**
- k) **Death in service; and**
- l) **Emergency Fund (Notes A, UNJSPF Emergency Fund).**

21. In fulfilling their duties, the SPC Secretaries are guided by the UNJSPF Regulations and Rules as well as implementation guidance and advice provided by the Fund, including Circular Letters of the Fund's Chief Executive Officer (CEO). In case of an ambiguity, inconsistency or conflict between the

⁸ As mentioned above, in accordance with **Article 8** of the Regulations, the secretariat of the Board (the Fund secretariat) shall serve as the secretariat of the United Nations Staff Pension Committee (UNSPC).

⁹ In some organizations, contribution remittances are handled by the Finance department.

information in the Administrative Manual¹⁰ and the UNJSPF Regulations and Rules, the UNJSPF Regulations and Rules prevail; the updated version of which are always available on the Fund's website (www.unjspf.org). In addition, the SPC Secretaries should consult the UNJSPF Case Digest, which is a database of decisions of the Standing Committee and judgments of the United Nations Administrative Tribunal and the United Nations Appeals Tribunal in relation to cases brought against the United Nations Joint Staff Pension Board (UNJSPB).

V. UNJSPF (secretariat)

22. Pursuant to **Article 7 (c)** of the UNJSPF Regulations, authority to certify UNJSPF benefit payments is reserved to the CEO of the Fund. Only the Fund can determine and calculate the pension benefit entitlements that may be payable. Such decisions concerning participants'/beneficiaries' entitlements are subject to judicial review, pursuant to **Section K and Article 48** of the Fund's Regulations and Rules, and examined exclusively on the basis of the Fund's Regulations and Rules.

23. Based on the Regulations and Rules, the responsibility for determining eligibility to participate in the Fund rests with the employing organizations/SPCs/SPC Secretaries. Recognizing the difficulties and concerns the SPC Secretaries may have fulfilling this duty, the Fund will make available¹¹, a web service that provides *self-service search access* to a limited database of pensionable and non-pensionable contracts of staff from member organizations with prior service. This tool can be used by the SPC Secretaries to assist in determining potential eligibility to participate in the Fund, restoration or validation of prior service or transfer of pension rights. Such access is provided on the understanding that a) the responsibility to determine eligibility (including inquiries from the staff members about prior service) remains with the member organizations; b) although the Fund will facilitate research by providing access to this database, data ownership rests with the member organizations; c) the limited data provided may be incomplete and can only be used as an additional tool in addition to the information provided by the staff member; and d) the confidentiality requirements of the Fund are maintained.

VI. Confidentiality of information

24. In view of the personal and sensitive nature of the information and issues involved, the UNJSPF, and equally the SPCs and the SPC Secretaries, are bound - vis-à-vis participants and beneficiaries - by the Fund's confidentiality rule concerning the disclosure of pension / personal information to third parties. Information submitted by UNJSPF participants exclusively to the Pension Fund for pension benefit purposes (e.g. medical information, designation of beneficiary forms or payment instructions) is confidential and shall only be disclosed if a written consent or authorization by the participant or beneficiary has been received. The members of SPCs and the SPC Secretaries are not considered to be a third party for the purpose of Administrative Rule B.4. However, all SPC documentation is anonymous and UNJSPF participants are not identified by name but by their participation or retirement number. In all individual cases, the proper channel of communication is through the SPC Secretary, to whom the Fund will provide self-service search access to its database in respect of non-pensionable

¹⁰ It is specifically noted that the latest update of the Administrative Manual dates back to 1987. However, it will be updated after the implementation of the Integrated Pension Administration (IPAS) system.

¹¹ In February 2014, the Fund is in early stages of design (before full development, testing and training) of such a web service.

contracts of staff members and possible prior pensionable service, in another member organization or organizations.

25. As regards the employing organizations, the SPCs, through the SPC Secretaries, may provide relevant pension information of a participant or beneficiary that is considered necessary in the administration of staff members and their entitlements in that organization. Such information could be needed for the purposes of administering health or other insurance plans; settling a worker's compensation claim, or in connection with formal legal claims filed under the member organizations' Staff Rules and Regulations; in cases of proven fraud; or for determining indemnity benefits e.g. in the cases of termination of appointment for health reasons. Information is provided only to authorized administrators who need such information for their official functions.

VII. Accountability

26. Actions, omissions and decisions of SPCs and their Secretaries, on behalf of the Pension Board, may have a direct impact on the subsequent decisions taken at the level of the Fund with respect to benefit entitlements of the participant or beneficiary. This could expose the Fund and its assets to considerable risk. Keeping in mind judicial control concerning the decisions that may affect benefit entitlements, SPCs and SPC Secretaries report, consult, and comply with the Regulations and implementation guidance, or other advice received from the UNJSPF. Particularly, application and interpretation of the Fund's legal framework falls exclusively on the UNJSPF and SPCs and their Secretaries should follow the advice provided by the Secretary of the Board/CEO. Any action or omission taken in violation or disregard of guidance or advice provided by the Fund's secretariat, may lead to possible (additional) actuarial cost that has to be borne by the member organization, in accordance with **Article 25 (e)** of the UNJSPF Regulations and Administrative Rule **B.3 (b)** as described in paragraph 7 above.

27. The Pension Fund has a duty to provide information, advice, support and guidance to SPCs and their Secretaries in their day-to-day administration of pension matters within their member organizations. This includes updating them on any changes in the Fund's Regulations and Rules or the decisions of the Pension Board and/or the resolutions of the United Nations General Assembly or other relevant information, guidelines or forms. The Pension Fund secretariat is responsible for providing substantive and procedural advice on the application or interpretation of the Fund's Regulations and Administrative Rules and it, accordingly, defends all the cases before the Standing Committee and the United Nations Appeals Tribunal.

28. The Fund is responsible for providing adequate training for the SPC Secretary and his/her staff. Such training will be formalized and made mandatory for all SPC Secretaries upon their appointment.

29. Once the member organizations have reported the required data to the Fund as well as resolved possible discrepancies, the UNJSPF alone is responsible for maintaining the integrity of the data in respect of individual participants or beneficiaries.

30. The member organizations, their SPCs and SPC Secretaries and the Fund must coordinate, inform and consult with each other in respect of formal legal appeals or claims filed by staff members, either against the employing organization or against the Fund that might have consequences on pension entitlements.

VIII. In partnership

31. The Fund works in partnership with the SPC Secretaries to ensure that the correct and timely information is received from and communicated to the employing organizations. In addition to building a strong control environment to confirm data integrity and the timely reporting to the Fund, the SPCs and the SPC Secretaries should ensure that HR and Payroll Services of their organizations understand the Fund's Regulations correctly, e.g. eligibility criteria in accordance with **Article 21** (Participation), and that they are kept abreast of the new benefit provisions or of the changes to the Fund's Regulations. This advocacy/training role of the SPC Secretaries, as the Fund's liaison officers vis-à-vis the member organizations, will be facilitated by the Fund. To that effect, the Fund will provide training and support to the SPC Secretaries and other staff.

IX. Consultative process

32. In light of the foregoing, it is in the interest of the Fund's Administration, the Staff Pension Committees and their Secretaries and staff of each member organization to work together and to ensure a seamless process in the administration of eligibility, participation, separation, as well as in the consideration of disability cases.

33. When performing their functions, SPC Secretaries should report and consult on the interpretation of UNJSPF Regulations or Rules, policy or procedural questions, or complex cases with the Fund. The Fund shall provide advice in a timely manner and communicate only with the Secretary directly, unless agreed otherwise in relation to queries emanating directly from a participant (see **Rules of Procedure C.9**). The SPC Secretary will be informed of instances where there is direct communication between the Fund and a participant in the SPC Secretary's member organization.

34. Ultimately, the Pension Board has the authority to interpret the Regulations and Administrative Rules in accordance with **Article 2** of the Regulations. Individual cases are addressed through the normal appeals procedure provided in **Section K and Article 48** of the Fund's Regulations and Administrative Rules.

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