

**School District U-46
Retirement Committee Charter
January 2019**

- 1.01 Purpose.** The purpose of the School District U-46 Retirement Committee (the “Committee”) is to oversee the administration of the School District U-46 403(b) Plan and the School District U-46 457 Plan (collectively, the “Plans”) for the benefit of the District and its employees who elect to participate in the Plans.
- 1.02 Nature of Plans.** The School District U-46 403(b) Plan and the School District U-46 457 Plan are governmental plans within the meaning of Section 414(d) of the Internal Revenue Code of 1986, as amended.
- 2.01 Membership.** The Committee shall consist of 10 Members:
- (a) the Deputy Superintendent, Operations;
 - (b) the Assistant Superintendent, Human Resources;
 - (c) the Financial Operations Director;
 - (d) the Payroll Coordinator;
 - (e) the Benefits Coordinator;
 - (f) the Senior Business Official; and
 - (g) Three members from Elgin Teachers Association and one from Region 63 IEA support staff.
- A member may be removed from the committee by a majority vote if they miss two or more meetings annually.
- 2.02 Committee Officers.** The Deputy Superintendent of Operations shall serve as Chair of the Committee and the Benefits Coordinator shall serve as Secretary of the Committee.
- 2.03 Organization.** The Committee shall hold regular meetings and shall meet more frequently as circumstances require at the call of the Chair.
- 2.04 Minutes.** The Secretary shall keep minutes of the Committee meetings and retain copies of all relevant documents relating to the operations of the Committee.
- 2.05 Meetings.** The Chair shall, in consultation with other members of the Committee, preside at the meetings. A quorum for the transaction of business at any meeting of the Committee shall consist of the majority of the Committee members. Decisions shall be made by a majority of those present at the meeting or by a determination reduced to writing signed by a majority of the Committee’s members.

2.06 Observers. The IEA UniServ Director for the ETA, the UniServ Director for IEA District 63 and the SEIU professional may be invited by the Chair or the Union representatives to attend meetings and participate in the discussions of the Committee, but will not have a vote.

3.01 General Authority and Responsibilities. The Committee shall

- (a) Periodically review and reassess the adequacy of this charter and submit changes to the charter, if any, for approval by the Board of Education;
- (b) Provide an annual report to the Board of Education by March 31st for the prior calendar year;
- (c) Evaluate, select, retain, appoint, or terminate outside counsel, Plan providers, Plan investment options, Plan expense, advisors, consultants, actuaries, investment managers, accounts, independent fiduciaries, insurance carriers, record keepers, administrative service providers and/or investment review advisors or other specialists as necessary to support the Committee in fulfilling any and all of the responsibilities set forth in this charter, with the approval of the Board of Education where necessary;
- (d) Delegate authority and responsibility as the Committee deems proper and periodically review such delegations;
- (e) Adopt rules and guidelines for the administration and operation of the Plans;
- (f) Work with the selected investment providers to design, develop and implement group education programs for employees. Also, one on one meetings with investors or potential investors may be offered by appointment but may be limited to one or two dates per year. The Committee will establish the frequency of the education and one on one sessions to best serve the employees; and
- (g) Nothing in the Charter diminishes the fiduciary responsibilities of the Plan providers and other outside vendors to the District and the Plan participants.

3.02 Administrative Authority and Responsibilities. The Committee shall:

- (a) Review on a periodic basis the reasonableness of expenses paid by the Plans;
- (b) Interpret and/or adopt amendments to the Plans as the Committee deems necessary and/or desirable (including the adoption of amendments mandated by changes in the law or regulatory authority, amendments relating to the administration of the Plans and amendments implementing plan design changes unless such amendments require Board of Education adoption as set forth in subsection (f) below;
- (c) Evaluate internal procedures for managing and administering the Plans;
- (d) Evaluate legal and tax compliance matters associated with the Plans;

- (e) Establish a process to determine all appeals of adverse benefit determinations as may be appropriate under the terms of the Plans;
- (f) Report to, provide information to, and take directions from, where appropriate, the Board of Education on:
 - (1) Matters associated with a strategic shift in policy, philosophy, plan design, plan coverage, plan administration; and
 - (2) Matters that materially increase the District's financial obligations or risks under the Plans.

The Committee shall submit plan amendments to the Board of Education for adoption that, in the Committee's discretion, raise matters described in this subsection (f) or otherwise are required by, or appropriate under, applicable law; and

- (g) Notwithstanding the forgoing, the Committee shall not have authority without Board of Education approval, to:
 - a. Terminate or suspend the Plans; and
 - b. Increase or decrease any employer or employee contributions.

3.03 Compensation. All members receiving full-time compensation from the District and the Union representatives of the District's employees shall serve without additional compensation for the performance of their duties as members of the Committee.

3.04 Expenses. The District, at its discretion, may pay certain expenses in lieu of charging those the expenses to the Plan participants. The Committee may charge a reasonable administrative fee to each of the participants in the Plans for reasonable expenses incurred by the Committee and those advisors, record keepers, etc. retained by the Committee.

3.05 Bonding and Insurance. The Committee shall be covered by a bond, paid for by the District, to protect the Plans against loss. The District shall also purchase insurance to cover potential liability and losses occurring by reason of the act or omission of the Committee, and member or members of the Committee.