

**LAPSE OF
TIME**

RP/CP/20/7

July 30, 2020

To: Members of the Pension Committee

From: Calvin McDonald, Committee Secretary

Subject: **Annual Audited Financial Statements of the Staff Retirement Plan—Request for Endorsement of Change in Procedure**

Committee Action: Committee Members' **consideration** on a lapse of time basis

Deadline to Request a
Committee Meeting,
after which Proposed
Recommendation
Deemed Approved:

**Friday, July 31, 2020
5:30 p.m.**

Questions: Ms. Manno, FIN (ext. 38175)
Mr. Nana, FIN (ext. 38849)

Additional Distribution: Members of the Executive Board



OFFICE MEMORANDUM

To: Members of the Pension Committee

July 29, 2020

From: Acting Chair of the Pension Committee

Subject: **Annual Audited Financial Statements of the Staff Retirement Plan – Request for Endorsement of Change in Procedure**

Pursuant to Article 9, Section 7 of the Staff Retirement Plan, the Fund is required to file a written account of the audited financial statements of the Staff Retirement Plan within 90 days after the close of each fiscal year. The practice to date has been for FIN to provide these statements in hard copy to the Pension Committee, the Administration Committee, and the Investment Committee. This note requests the approval of the Pension Committee to change this practice and provide these statements in electronic format.

1. **In accordance with Article 9, Section 7 of the Fund's Staff Retirement Plan (Plan),** the Fund is required to file a written account of the audited financial statements of the Plan with the Pension Committee, the Administration Committee, and the Investment Committee, and make the financial statements available for inspection by participants, retired participants, and beneficiaries.
2. **Although the Plan does not prescribe how the statements shall be filed, in the past, FIN filed ten printed copies of the audited financial statements of the Plan with each of the Committees.** In light of the COVID-19 operating status in which HQ remains closed, FIN proposes to replace the printed financial statements sent to members of all three Committees with electronic versions of the financial statements. For efficiency, FIN also proposes to maintain this practice going forward.
3. **Under Article 7, Section 1(c) and (d), the Pension Committee has the authority to interpret the Plan provisions and make and establish the rules that govern the efficient administration and functioning of the Plan.** Accordingly, FIN requests that the Pension Committee exercise this authority to interpret the "filing" of the "written accounts" required by Article 9, Section 7, as permitting the filing of these statements in electronic format.

cc: The Managing Director
The Deputy Managing Directors