



## **ALEAGENT HEALTH PENSION ADVISORY COMMITTEE CHARTER**

### **I. STATEMENT OF PURPOSE**

The Alegent Health Pension Advisory Committee (the “Committee”) shall be responsible for:

- Making recommendations to the Alegent Health Finance and Audit Committee and subsequently to the Alegent Health Board of Directors (Board) in fulfilling its fiduciary oversight responsibilities of pension plans (Defined Benefit and Defined Contribution Plans), tax-sheltered annuities (Section 403b Plans) and deferred compensation plans (Section 457b Plans).

### **II. PENSION COMMITTEE CALENDAR**

- At the beginning of each year the Committee shall establish a proposed annual calendar to accomplish its purposes.
- The schedule shall be furnished to the Alegent Health Finance and Audit Committee Chair for discussion and planning with the Alegent Health Board Chair (the “Board Chair”) and the Chief Executive Officer (“CEO”).

### **III. MEMBERSHIP**

- The Committee will be comprised of the five members from Alegent Health executive management, a member from the Finance and Audit Committee and one or more community at large members.
- The Chair of the Committee (the “Chair”) shall be selected by the Chair of the Finance and Audit Committee.
- Members of Alegent Health executive management will be assigned by the CEO and shall include the CEO, President, Chief Financial Officer, Vice President Mission Integration and Senior Vice President Human Resources.
- The Finance and Audit Committee shall determine how to fill vacancies on the Committee and adjust membership as needs arise from time to time.
- Committee members will be financially literate and at least one member shall have financial expertise such as accounting, banking, insurance or investment management.
- The CEO shall serve as a voting member of the Committee and the CEO and/or the CEO’s designee shall attend all Committee meetings.
- The CEO shall arrange for appropriate staff support.

#### IV. RESPONSIBILITIES AND DUTIES

The Board delegates to the Finance and Audit Committee and subsequently the Finance and Audit Committee delegates to the Pension Advisory Committee the express authority to do the following, to the fullest extent permitted by applicable law and Alegen Health's Amended and Restated Articles of Incorporation and Amended and Restated Bylaws ("Bylaws"). The Pension Advisory Committee shall be responsible for making recommendations to the Finance and Audit Committee and subsequently to the Board on the following matters:

- A. **Actuarial and Accounting Assumptions.** Upon advice of actuary, annually review actuarial and accounting assumptions of the pension plans (plans) to include discount rate, rates of increase in future compensation levels and expected long-term rates of return on plan assets.
- B. **Funding Policies.** Review funded status of the plans and establish funding policies of the plans.
- C. **Investment Policies.** Annually review the investment policy and make changes to the policy as needed..
- D. **Plan Amendments.** Review and approve modification to design of the plans.
- E. **Retirement Plan Vendors.** Review and approve selection of retirement plan vendors.
- F. **Review Charter.** Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Governance Committee for approval.
- G. **Annual Self-Evaluation.** Conduct an annual self-evaluation to determine whether the Committee is functioning effectively. The outcomes of the assessment process will be discussed with the Committee and a plan for improvements for the following year will be developed.

#### V. MEETINGS

- The Committee shall meet a minimum of three times per year.
- Committee members shall attend more than half of the meetings each year.
- A special meeting of the Committee may be called by the Chair, upon the request of any two Committee members, by the Chair of the Finance and Audit Committee or by the Board Chair.
- The agenda of each meeting shall be prepared, approved by the Chair and circulated to each Committee member prior to the meeting date.
- Unless the Committee or the Board adopts other procedures, the provision of Alegen's Bylaws applicable to meetings of Board committees shall govern meetings of the Committee.

## **VI. MINUTES**

Minutes of each meeting will be kept and forwarded to the Finance and Audit Committee. The Finance and Audit Committee will forward the minutes to the Board accordingly.

## **VII. RELIANCE; EXPERTS; COOPERATION**

- A. **Retention of Advisors.** The Committee, upon concurrence of the Board Chair, has the power, in its discretion, to retain, at Alegent's expense, such advisors and experts as it deems necessary or appropriate to carry out its duties.
- B. **Reliance Permitted.** The Committee will act in reliance on management, Alegent's independent public accountants, internal auditors, and advisors and experts, as it deems necessary or appropriate to enable it to carry out its duties.
- C. **Investigations.** The Committee has the power, in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.