

Need to know best practices for your company's 401(k) plan

30 efficient minutes of essential plan actions to help effectively manage fiduciary risk and liability

# HOW MANY PLAN SPONSORS DID NOT REALIZE THAT THEY WERE FIDCUIAIRIES?

# 1 OUT 0F3

# WHAT PERCENTAGE OF DEPARTMENT OF LABOR (DOL) AUDITED PLANS WERE FINED?



# WHAT PERCENTAGE OF AMERICANS ARE PREPARED FOR RETIREMENT?



# 09 Agenda

- 1. Document, document, document
- 2. Assemble a team
- 3. Formalize the team
- 4. Delegate
- 5. Review

- 6. Monitor
- 7. Evaluate
- 8. Focus on outcomes
- 9. Continual Consistency

### () 1 Document, document, document

In the 401(k) world, the process that got you to your decision might be more important than the decision itself.

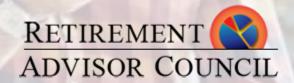
- Committee meeting discussions
- Service provider selections and the rationale
- Investment policies (Investment Policy Statement)
- Plan communications with employees

**Process is mission critical.** Document the process and document that you adhered to it – that will go a long way toward addressing your financial responsibilities.

### 02 Assemble a team

- Plan administrator
- Financial advisor
- ERISA attorney
- Finance director

- Human resources
- Third party administrator (TPA)
- Other qualified members

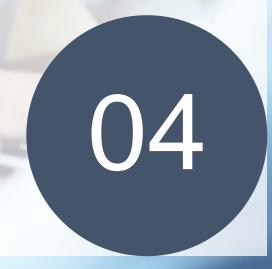


http://www.retirementadvisor.us/advisor-top/template-advisor-search-rfp-request



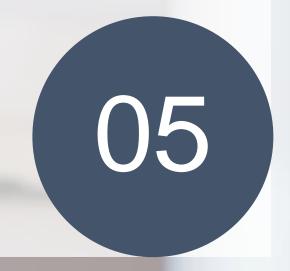
#### DELEGATE

- Discretionary Trustee
- Participant Directed Investments
  - 404(c) Compliance
  - QDIA
- Investment Advisors
  - 3(21) co-fiduciary
  - 3(38) investment manager



#### REVIEW

- Gather all plan related documents
- Create folders
- Read through the information
- Ask your team members to assist in the review and to provide executive summaries





## 07 MONITOR

Retirement Readiness

Plan Administration

Costs

Investments

Service Providers

Are your employees on-track to retire?

Is the plan design still effectively meeting the goals of the company's retirement plan?

Are our costs reasonable?

What are other companies and plan pay for similar services?

Do we have a formalize and documented process for selection of investments?

Do our service providers follow a calendar?

Are they meeting our expectations?

# 08 FOCUS ON OUTCOMES

#### **Action Plan**

Create and follow an Education Policy Statement (EPS)

#### Educate

Offer on-going educating to your employees about the company's retirement plan benefit

#### Track

Encourage and track retirement readiness scores



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### 09 PLAN SPONSOR

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# Thank You!

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