

A blurred background image showing several people in an office environment. In the foreground, a person with a beard and glasses is wearing a plaid shirt. Other people are visible in the background, some looking at a laptop screen.

9

PLAN SPONSOR

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 FIDUCIARIES?

1 OUT OF 3

Guardian's Fiduciary Awareness Quiz Asks:
"Do Plan Sponsors Understand Their Fiduciary Role?"

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

64%

Department of Labor (DOL)
Fact Sheet

EBSA Restores Over \$599.7 Million to Employee Benefit Plans, Participants and Beneficiaries

WHAT PERCENTAGE
OF AMERICANS ARE
PREPARED FOR
RETIREMENT?

80%

"The Retirement Savings Crisis (2013): Is It Worse Than We Think?" National Institute on Retirement Security. Nari Rhee, PhD, June 2013.

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

01 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

RETIREMENT 
ADVISOR COUNCIL

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

FORMALIZE THE TEAM

- Adopt a charter
- Adopt an Investment Policy Statement (IPS)
- Acknowledge fiduciary responsibilities
- Take meeting minutes

03



DELEGATE

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

04

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

05

A background image showing two men in a professional setting. One man, with a beard and glasses, is seated and looking towards the other man, who is standing and gesturing with his hands. They appear to be in a meeting or consultation. The background is a blurred office environment with shelves.

06 EVALUATE

Retirement Readiness

Plan Administration

Costs

Investments

Service Providers

07 MONITOR

Retirement
Readiness

Are your employees
on-track to retire?

Plan Administration

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

Costs

Are our costs
reasonable?
What are other
companies and plan
pay for similar
services?

Investments

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

Service Providers

Do our service
providers follow a
calendar?

Are they meeting our
expectations?

A smiling man in a white shirt is positioned on the left side of the frame. To his right is a large whiteboard. The whiteboard features several hand-drawn diagrams in green and blue ink, including circles and lines, with some numbers like '17' and '45%' visible. The background is a blurred office setting with warm lighting.

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

A background image showing three men in a meeting. The man on the left is wearing glasses and a plaid shirt, smiling. The man in the middle is wearing a grey t-shirt and smiling. The man on the right is wearing glasses and a plaid shirt, gesturing with his hands. They are sitting around a table with papers and sticky notes.

09 CONTINUAL CONSISTENCY

- 1. Document, document, document**
- 2. Assemble a team**
- 3. Formalize the team**
- 4. Delegate**
- 5. Review**
- 6. Monitor**
- 7. Evaluate**
- 8. Focus on outcomes**

09

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

Thank You!

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

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