

# Mark Your Annual Fiduciary Calendar

## Track critical tasks to protect yourself and your plan

Public sector retirement plans are serious business and just one of many responsibilities on your plate. As a plan sponsor and fiduciary, you are obligated to address important questions: “*Are our fees reasonable?*” “*How are our investments performing?*” “*Am I meeting my fiduciary obligations?*”

In light of your obligations as a retirement plan sponsor and fiduciary, it’s best practice to maintain an Annual Fiduciary Calendar. An Annual Fiduciary Calendar outlines a plan’s governance and service schedule, facilitates decision-making, and – in the event regulators come knocking – documents actions taken.

Fully recognizing that every plan’s needs are unique, the template below is a solid starting point for you, as the plan sponsor, to begin drafting your plan’s Annual Fiduciary Calendar:

### At Least Annually

- *Plan Investment Due Diligence* – Monitor detailed quantitative and qualitative performance of the plan’s investment lineup. Discuss fund watch, deletion, and replacement recommendations, if any.
- *Plan Data & Metrics Review* – Your employer-sponsored retirement plan exists to help employees achieve a timely, financially secure retirement. Evaluate plan data to assess, for example, overall plan health and participant retirement readiness. Topics to consider include data cleanup, beneficiary confirmations, and small-balance accounts.
- *Employee Engagement, Including Financial Education & Planning* – Assess the plan’s participant services model, with the goals of meeting employees’ needs and using plan data to improve their retirement outcomes. Relevant plan metrics include account balances, advisor meetings, incoming and outgoing phone calls, incoming and outgoing emails, calls to the plan recordkeeper, and visits to the recordkeeper website(s).

### Annually

- *Plan Design Review* – Identify plan features to reflect evolving industry best practices and your organization’s employee demographics.
- *Investment Policy Statement (IPS) Review* – An IPS reduces your risk and liability as a plan sponsor by clearly defining plan investment objectives and constraints as well as providing a transparent, repeatable, and documentable process for plan investment decisions. Maintain one to reflect best-practices menu design, articulate benefit offerings, and establish guidelines and procedures that support the plan’s competitiveness.

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- *Plan Provisions Review* – Identify plan design options, such as loan provisions and de minimis force-out provisions, to reflect evolving industry best practices and your organization’s employee demographics.
- *Plan Expense / Budget Review, Including Fee Benchmarking* – Evaluate current plan and participant fees and review them against industry benchmarks to ensure they are competitive.
- *Recordkeeper / Vendor Review* – Evaluate your plan’s current vendor services against industry benchmarks and best practices to ensure they are competitive.

## **As Needed**

- *Regulatory Update* – Today’s employer-sponsored retirement plans are subject to increased scrutiny and enforcement. Provide information regarding and confirm compliance with new and upcoming legislation pertinent to your plan.
- *Industry Best Practices Update* – The retirement plan industry is quickly evolving. Provide information and recommendations regarding industry best practices and innovations as well as what similar plans are doing.
- *Plan Document & Plan Governance Review* – Maintain a compliant Plan Document and plan governance structure.

## **Periodically (Based on Your Procurement Practices)**

- *Issue a Formal RFP for All Plan Services* – Unless you periodically conduct a formal process to confirm pricing for all plan services – recordkeeping, administration, legal, and consulting – you probably are not getting the best value for your employees.

Protect yourself and your plan: Contact your plan consultant for assistance developing and maintaining your plan’s Annual Fiduciary Calendar.