



How Effective is Your Plan Management Process?

Managing all that is required to run an effective and compliant employer-sponsored plan takes a thorough understanding of what is required and a commitment to getting it done right. As an employer, you can take steps to help ensure your plan is successful. Answer the following questions to see how well you are fulfilling your responsibilities as a plan sponsor.

Name: _____ Date: _____

- | | |
|---|--|
| 1. Have you put in place a process to comply with the recently enacted 408(b)2 disclosures?
☐ Yes ☐ No
☐ Unsure | 8. Are you happy with the level of participation and contribution rates by employees on your plan?
☐ Yes ☐ No
☐ Unsure |
| 2. Do you have your plan's goals and objectives formally documented?
☐ Yes ☐ No
☐ Unsure | 9. Have you checked with your employees to see how well they understand the plan features and what information they need to make better investment decisions?
☐ Yes ☐ No
☐ Unsure |
| 3. Do you have a formal Investment Policy Statement and is it referenced during plan reviews?
☐ Yes ☐ No
☐ Unsure | 10. Do you have a documented method for keeping informed of changes that could affect your plan?
☐ Yes ☐ No
☐ Unsure |
| 4. Do you formally review your plan investments against appropriate benchmarks at least annually?
☐ Yes ☐ No
☐ Unsure | 11. Do you know who is considered a fiduciary on your plan and have the acknowledged their status in writing?
☐ Yes ☐ No
☐ Unsure |
| 5. Do you know how the provisions (features, match, etc.) in your plan compare to industry averages?
☐ Yes ☐ No
☐ Unsure | 12. Do you know what criteria to use for replacing an investment within your plan?
☐ Yes ☐ No
☐ Unsure |
| 6. Do you know what your plan's expenses are and how they compare with industry averages?
☐ Yes ☐ No
☐ Unsure | 13. Do you know what are considered 'prohibited practices'?
☐ Yes ☐ No
☐ Unsure |
| 7. Do you measure the effectiveness of your education program each year?
☐ Yes ☐ No
☐ Unsure | 14. Do you document the minutes of your retirement plan committee meetings?
☐ Yes ☐ No
☐ Unsure |

Total Your Score – Give Yourself: 1 Point for every YES Answer: _____ (0 Points for NO or NOT SURE)

12-14 Points = A

You have taken the steps necessary to help ensure your plan is being managed in a manner consistent with the regulations outlined by ERISA. Great Job!

9-11 Points = B

You have completed several steps towards meeting the responsibilities of running a compliant retirement plan. Complete the remaining steps to help ensure plan success.

5-8 Points = C

Understanding what is required and taking steps to meet those obligations is a move in the right direction. You should now implement a process to meet ERISA's requirements.

0-4 Points = D

There may be serious liability issues in the way your plan is being managed and you should take additional steps now to meet your fiduciary obligations.