

## How Effective is Your Plan Management Process?

Managing an effective and compliant employer-sponsored retirement 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: \_\_\_\_\_

Company/Institution: \_\_\_\_\_

1. Have you put in place a process to comply with 408(b)2 disclosures?  
Yes  No  Not Sure
2. Do you have your plan's goals and objectives formally documented?  
Yes  No  Not Sure
3. Do you have a formal Investment Policy Statement and is it referenced during plan reviews?  
Yes  No  Not Sure
4. Do you formally review your plan investments against appropriate benchmarks at least annually?  
Yes  No  Not Sure
5. Do you know how the provisions (features, match, etc.) in your plan compare to industry averages?  
Yes  No  Not Sure
6. Do you know what your plan's expenses are and how they compare with industry averages?  
Yes  No  Not Sure
7. Do you measure the effectiveness of your education program each year?  
Yes  No  Not Sure
8. Are you happy with the level of participation and contribution rates by employees in your plan?  
Yes  No  Not Sure
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  Not Sure
10. Do you have a documented method for keeping informed of changes that could affect your plan?  
Yes  No  Not Sure
11. Do you know who is considered a fiduciary to your plan and have they acknowledged their status in writing?  
Yes  No  Not Sure
12. Do you know what criteria to use for replacing an investment within your plan?  
Yes  No  Not Sure
13. Do you know what are considered prohibited transactions?  
Yes  No  Not Sure
14. Do you document the minutes of your retirement plan committee meetings?  
Yes  No  Not Sure

### Total Your Score—Give yourself:

1 Point for every YES Answer:

**TOTAL** \_\_\_\_\_

(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.