

Advisor Connect | 3(16) Fiduciary Services and Why You Should Care

## MAKING IT ACTIONABLE

In most cases, plan sponsors generally understand that they play a fiduciary role with respect to the assets of their retirement plan unless they partially or fully outsource that function to a professional.

**What many plan sponsors don't recognize** is that they also wear another important **fiduciary** hat based on their control and authority over the **administration of the plan**.

The **named plan administrator** is responsible for many things, including:

- Making sure **eligibility** is determined correctly
- Making sure that a number of **required notices and mailings** go out every year
- Making sure that **plan-related payroll** is properly processed
- Overseeing the performance of **service providers** to the plan

Not only do many employers not realize that they are a fiduciary to the plan, many don't have the knowledge or experience to properly perform in this capacity. That's why some expert TPAs and other plan consultants offer **ERISA 3(16) services**. Under this arrangement, an employer can outsource their plan fiduciary role and limit their liability and risk, as well as time and effort in managing their retirement plan.

### ACTIONS TO TAKE NOW

- 1 | Help clients understand the reality of their role
- 2 | Introduce, where appropriate, the opportunity of working with a 3(16) plan fiduciary

Talk to us to learn more about how we can guide clients to a solution they can rely on.