

LEVERAGING THE PLAN MEETING TO ADD VALUE

THINK FURTHER FOR RETIREMENT



Many financial advisors view quarterly or semi-annual retirement plan meetings primarily as an opportunity to review the investment options offered in the plan. Financial advisors who *Think Further* about retirement plan support services can leverage plan meetings to deepen their relationships with plan sponsor clients and participants.

HELPING **ADVISORS** THINK FURTHER ABOUT USING PLAN MEETINGS TO STRENGTHEN CLIENT RELATIONSHIPS



Plan meetings are a critical step in making certain a retirement plan is fulfilling its objectives and operating in compliance with the fiduciary rules and regulations. Addressing the six questions outlined in this article will enable you to **Think Further** about how to use the plan meeting to showcase your retirement plan expertise, your commitment to helping plan sponsors manage their fiduciary responsibilities, and ensure the plan is accomplishing their goals.

1 IS THERE A DIFFERENCE BETWEEN A PLAN MEETING AND AN ANNUAL PLAN REVIEW?

In addition to the investment and operational items that should be reviewed throughout the year, there are strategic issues that should be discussed at least once a year as part of an Annual Plan Meeting or Annual Plan Review.

Examples of items that are more strategic in nature and could be included in the Annual Plan Review include:

- ✓ Plan objectives
- ✓ Year-over-year plan wellness metrics (e.g., participation rate, loan defaults, retirement readiness)
- ✓ Plan features and enhancements
- ✓ Service provider performance and fees
- ✓ Fidelity bond coverage
- ✓ Employee education

To help you prepare for an effective annual plan review, Alger has developed an *Annual Plan Review Checklist*. Reach out to your Alger contact or email us at retirement@alger.com for a copy.

2 HOW OFTEN SHOULD PLAN MEETINGS BE SCHEDULED?

Meeting frequency will vary among your retirement plan clients.

Many plans like to meet on a quarterly basis to monitor plan activity. Other clients may be more comfortable with less frequent meetings, such as semi-annually or annually.

3 WHAT ARE BEST PRACTICES FOR INITIATING PLAN MEETINGS?

Most plan sponsors rely on their financial advisor to help schedule plan meetings.

The beginning of the calendar year is a good time to lock in meeting dates for the entire year to ensure plan fiduciaries and service providers will be able to participate. Financial advisors who can explain how they will use the meeting to help plan sponsors manage their fiduciary responsibilities will be more successful in getting clients to commit to the meeting schedule.

Advisor Meeting Support

As you frame up your plan meeting service model, create and communicate a list of the services you provide to plan sponsor clients. Some common financial advisor support services are listed below.

- Suggesting a meeting schedule
- Creating a meeting agenda
- Providing benchmarking data and industry updates
- Delivering ongoing fiduciary education
- Reporting investment performance relative to IPS criteria
- Offering templates for meeting minutes
- Building the plan fiduciary file

4 WHAT TOPICS SHOULD BE COVERED IN THE PLAN MEETING?

For efficiency and scalability, build a meeting agenda template that can be used across your book of retirement plan business.

Many of the agenda items will apply to most retirement plan clients. For example, an update regarding industry trends or new products will be of interest to almost all retirement plan clients, enabling you to leverage one presentation or summary across multiple plans. Showing a sample agenda to clients is a great way to illustrate the depth of the support you can provide.

Sample Plan Meeting Agenda

- Approval of Agenda
- Approval of Minutes
- Industry Update—trends, new laws or regulations
- Investment Review
- Administrative Review
- Plan Participation and Engagement Statistics
- Education Meetings/Calendar
- Post-Meeting Actions—action items and responsibility

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5 SHOULD I RUN THE MEETING AND VOTE ON PLAN DECISIONS?

The plan sponsor or other fiduciaries should generally chair the meeting.

If the plan sponsor has established a fiduciary committee to manage the plan, the committee should appoint a chairperson to preside over the meeting. Although you may provide education and share your expertise, you will not vote on plan matters. However, if you are an ERISA 3(21) investment advisor, you will be making investment recommendations.

Meeting Tips

As you prepare for your portion of the plan meeting, keep the following in mind:

- Remember the plan objectives
- Identify the decision-makers (fiduciaries) in the room
- Keep within your allotted time slot
- Allow time for questions and discussion
- Avoid using investment jargon that may be unfamiliar to plan sponsors
- Confirm any follow-up items that will be your responsibility

6 SHOULD I HELP MY PLAN SPONSOR CLIENTS MAINTAIN PLAN RECORDS?

Plan sponsors must retain documentation demonstrating that their decisions were prudent and in the best interest of plan participants.

Although maintaining the plan file is the responsibility of the plan fiduciary (typically the plan sponsor), you can educate plan sponsors about the importance of maintaining a plan file and what should be included in the file.

Much of the detailed information regarding plan operations will be maintained by the plan's recordkeeper or third party

administrator (TPA) but certain documents should be maintained and easily retrievable by the plan fiduciaries from their plan file. Following is a list of some of the documents that should be included in the plan file.

Plan File Documents

<input type="checkbox"/> Meeting Minutes	<input type="checkbox"/> Record of fiduciary decisions affecting the plan <input type="checkbox"/> Include reports, data that served as basis for decisions
<input type="checkbox"/> Plan Documents	<input type="checkbox"/> Copies of executed plan document and all amendments <input type="checkbox"/> Summary Plan Descriptions
<input type="checkbox"/> Form 5500	<input type="checkbox"/> Executed copy of annual return and schedules <input type="checkbox"/> Independent audit (for plans with 100 or more participants)
<input type="checkbox"/> Service Provider Fee Disclosures and Contract	<input type="checkbox"/> Disclosures received from covered service providers <input type="checkbox"/> Due diligence process for reviewing disclosures <input type="checkbox"/> Service Agreements
<input type="checkbox"/> Employee Notices and Disclosures	<input type="checkbox"/> Summary of Material Modifications <input type="checkbox"/> List of annual notices/disclosures and who delivered
<input type="checkbox"/> Fidelity Bond	<input type="checkbox"/> Scope of coverage



Don't miss the opportunity to deepen your relationship with existing retirement plan clients and showcase your expertise by helping them Think Further about the benefits of an effective plan meeting.

For more information, reach out to your Alger contact or email us at retirement@alger.com.

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amended (the "Code"), the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), as well as certain guidance issued under the Code and ERISA that may be applicable, all as currently in effect at the time that this summary was drafted, and all of which are subject to change or to differing interpretations, possibly retroactively, which could affect the continuing validity of this summary. There should be no anticipation that this summary has been, or will be, updated for any developments in the law or interpretation.

Tax and ERISA matters are very complicated and the consequences to plans, plan sponsors, fiduciaries and participants will depend on the facts of a particular situation. We encourage retirement plan sponsors, fiduciaries and participants to consult their own advisors regarding these matters, including applicable federal, state, local and foreign laws and the effect of any possible changes in the law.