

Fiduciary Duty #27

Up to this point in our series of Fiduciary Duties, we have presented an overview of the four Foundation Principles that a Responsible Plan Fiduciary (RPF) must address in their role as an overseer to a Qualified Retirement Plan, as well as the 22 document requests that the Dept. of Labor (DOL) would require should they seek to conduct an audit of your plan.

What we would like to do in the continuation of this series is to address some of the documents, practices or procedures that you should embrace as you seek to meet the ongoing responsibilities that surround your role as the RPF.

As such, for the next several memos, we will walk through a list of items that we think will be beneficial to be aware of, be in possession of, or to implement if they are not already in effect.

As an example, are you making use of an Investment Policy Statement?

This is a document that is designed to guide the sponsor's retirement plan committee as it decides, often with the plan's financial services provider, on investment options to include in the plan and to evaluate the performance of those investments over time.

Although it is not a required document according to ERISA, it is one of the first documents requested in a DOL investigation.*

Check to see that you have such a statement in your "Fiduciary Audit File", and please let us know if you are not able to locate it.

Mike and Matt

*Per DOL/EBSA Enforcement Manual, Chapter 48.