

WHAT IS A FIDUCIARY?

A fiduciary is a person or organization that acts on behalf of a person or persons, putting their interests above their own. In retirement plans, fiduciaries must keep the plan operating in accordance with IRS and DOL rules and regulations and always act in the best interest of the participants and beneficiaries.

WHAT ARE 3(16) FIDUCIARY SERVICES?

Business owners, or plan sponsors, are fiduciaries for their plan. When a business owner sets up a retirement plan, they are held legally responsible for the compliance of that plan.

Most employers aren't familiar with all the rules and regulations established by the IRS and DOL, so this can seem like an impossible task. That's why outsourcing the administrative tasks associated with plan compliance can be a great option. A 3(16) fiduciary (a plan administrator that takes on fiduciary liability) can reduce a plan sponsor's risk and workload.



WHY IS THIS IMPORTANT?



Qualified retirement plans are heavily regulated.

IRS and DOL rules and regulations are not only numerous, but they are also constantly changing. A good 3(16) fiduciary can manage these for business owners.



Administration requires specific expertise.

Retirement plans are complex. Hiring ERISA experts and those who are familiar with the industry, testing, requirements, and regulations can offer peace of mind and ensure compliance.



Mistakes can be expensive and add up fast.

Without retirement experts, retirement plan errors are common and the penalties and fees can be costly. Hiring a 3(16) fiduciary provider can prevent errors and the subsequent costs.



Dedicating resources to hire and train staff is time-consuming and costly.

Depending on the business, outsourcing the administrative tasks and compliance to a 3(16) fiduciary can be more cost effective than hiring and training staff to manage the plan.

REDUCING WORK AND RESPONSIBILITY WITH EGPS

Plan sponsors can outsource the time-consuming tasks and reduce the risk associated with their retirement plans to EGPS. We act as the 3(16) fiduciary, saving business owners valuable time and ensuring plan compliance. Our tenured team of ERISA experts are ready to help. Below is a list of administrative tasks we take off business owners' plates.

PLAN DESIGN & RECORD RETENTION

- Collect and maintain copies of signed Plan Documents
- Make copies of Plan Documents available to participants upon request

PAYROLL REVIEW & INTEGRATION

- Review payroll and automatic participant enrollment to confirm accuracy
- Monitor timeliness salary deferrals, and loan repayments to the plan
- Review payroll and participant elections to confirm the accuracy

PARTICIPANT ENROLLMENT

- Determine eligibility throughout the plan year
- Review and disseminate materials to eligible participants
- Approve Rollover Contribution into the Plan

EMPLOYEE COMMUNICATION

- Provide necessary plan-related disclosures to participants
- Field participant related questions
- Attempt to locate missing participants

LOAN ADMINISTRATION & DISTRIBUTION REVIEW

- Administer plan's loan policy, including the review and approval
- Review and approve all distributions including Hardships and QDRO & RMD. Administer the plan's mandatory/forced distribution policy

PLAN COMPLIANCE & REPORTING

- Ensure all compliance testing is complete and corrective actions are conveyed
- Prepare and Sign Form 5500 and/or Form 8955 SSA
- Sign and file Forms 1099R and 945 (as needed)



PEACE OF MIND

With more than 50 years of industry experience, and a team of credentialed experts, EGPS is uniquely qualified to act as your 3(16) fiduciary. We check off each task, with careful precision and attention to detail, keeping plans running smoothly. It's what we do!