

Stuff That Prospective 401(k) Plan Providers Tell You That's True.

They are not lying.



When 401(k) retirement plan providers are courting you, your instinct when listening to the sales pitch is that the provider is telling you only what they want you to hear. However, a good chunk of the time, they aren't blowing smoke. Every sales pitch is designed to get you interested in that particular provider, but they may be giving you advice for a plan that is in stress and a potential for exposing fiduciary liability. So this article is about the truth a prospective plan provider is telling you about fiduciary liability in your role as plan sponsor.

For the article, click [here](#).

An Employer's "Recipe" for having a Great Retirement Plan.

What you need for a good plan.

Every good meal needs a good recipe and every good recipe needs good ingredients. While many products out there have secret ingredients (Coca-Cola), others have secret ingredients that aren't (that Big Mac special sauce is essentially Russian Dressing). When it comes to operating a retirement plan, the secret ingredients for the recipe for having a great retirement plan don't have to be a secret. This article will let you know the "secret" recipe for having a great retirement plan as a plan sponsor.

To read the article, please click [here](#).



Why An Employer Can And Should Set Up A Retirement Plan Committee.

Why and how you should do it.



Being a retirement plan sponsor can be a bit overwhelming and one of the major reasons that retirement plans are mismanaged because there is a lack of management. Retirement plan committees, regardless of the size of the plan sponsor can be an effective method of managing a retirement plan. Like any tool, a retirement plan committee must be used correctly or it ends up becoming more of a problem than it's worth. So this article is about how retirement plan sponsors can delegate their retirement

plan committee and some of the things they should avoid by setting one up.

To read the article, please click [here](#).

Good "Housekeeping" Tips To Minimize A Retirement Plan Sponsor's Liability.

Small stuff to avoid issues later.

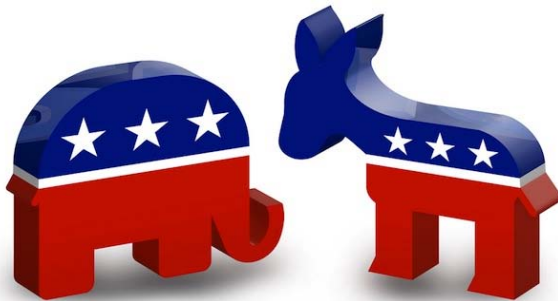
When I was at Stony Brook, there was a Political Science course that I enjoyed called Government Regulation of Business. When it came time to exams, I realized that buying the textbook was a bad idea since the exams were just based on taking good notes in class. Sometimes, retirement plan issues can simply be avoided or liability minimized by a plan sponsors taking good notes and keeping good records. This article is about how plan sponsors can do to avoid potential liability by taking care of the housekeeping.



To read the article, please click [here](#).

Mid-Term Elections and Being A Plan Sponsor.

It's all about accountability.



Whether you vote right or left, the beauty of the mid-term elections was that it is ultimately about accountability. Accountability is the essence of democracy. Many of the Senators defeated in the mid-term elections were from the Class of 2008, the year of hope, change, and President Obama. They were rock stars. Now they are has beens. The beauty of politics is that you can be the rising star one-year and after being

considered by a poor office holder by the electorate, you're toast.

Politicians can't rest on their laurels and the same can be said about plan sponsors. Being a plan sponsor needs constant vigilance as well. Having a great 401(k) plan one year means nothing when the plan goes bad because of plan fiduciary neglect. A plan sponsor can never rest because Form 5500s still need to be filed, plan participants need to be educated, and plan providers still need to be reviewed. There is no time for a plan sponsor to have a victory lap when their Brightscope score hits high. It's a constant battle because the duty of a plan fiduciary is so high.

There is no room for complacency as a plan sponsor and there is no room to coast on past successes. At least when a Senator is defeated, they will likely have a future in lobbying. A plan sponsor that is knocked off through a plan audit or litigation isn't so lucky.

Plan participation is up, but the problems remain.

The issue remains the same.

The percentage of workers who participate in a retirement plan increased in 2013 for the first time since 2010, according to a report by the nonpartisan Employee Benefit Research Institute.

Participation rose to 40.8 percent, up from 39.7 percent in 2010. The number of workers participating rose to 64.2 million last year, which is the highest number since 2007.

Let's not uncork the champagne bottles, this is still a dreadfully low number. If 40.8% participate, that means 59.2% do not. The reason for this pathetic number is because 30 percent of eligible workers don't participate in their employers' 401(k) plans.



What can we do about it? A plan sponsor should add an automatic enrollment feature, offer more of an employer contribution, offer investment advice, or perhaps improving the plan providers where improvement is needed.

We have a retirement plan crisis in this country and this survey just proves the point.

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The Rosenbaum Law Firm Review, December 2014, Vol. 5 No. 12

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