

## Who is the Fiduciary on Your 401(K) Plan?

Many employers respond that it is their financial advisor, investment platform provider, or TPA\Actuarial that is the fiduciary of their plan. None of these people are the fiduciary of the plan. Anyone holding these titles is the fiduciary of the plan: sponsor, employer, trustee, owner, and partners. *Did you just realize that you were the fiduciary?*

### What is a fiduciary?

A fiduciary is the person legally responsible for the plan. Though many people are under the impression it is their advisor it is they who are liable

### What are the responsibilities of the fiduciary?

The Department of Labor (DOL) states that anyone acting in the capacity as a fiduciary for a 401(k) plan should do:

- 1) Act solely in the interest of the participants and their beneficiaries;
- 2) Act for the exclusive purpose of providing benefits to workers participating in the plan and their beneficiaries, and defraying reasonable expenses of the plan;
- 3) Carry out duties with the care, skill, prudence and diligence of a prudent person familiar with such matters;
- 4) Follow the plan documents
- 5) Diversify plan investments.

Now, here's what troubles so many people. The DOL doesn't tell you in detail how to meet any of those responsibilities. For example, in diversifying plan investments, does that mean offering a variety of choices each of which satisfies a different type of plan beneficiary? Or does it mean offering a variety of choices from which plan beneficiaries can create their own asset allocations?

## PPS Can Answer Those Questions

### We provide fiduciaries with the following:

- Plan Review and Design
- Participant Education and Enrollment Meetings
- Investment Choices and Performance
- Benchmarking and Fees
- Fiduciary Protection Program
- Integration with Payroll



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