

ERISA Fiduciary Responsibility For 403(b) Plans: Implementation Case Studies

CELEBRATING 150 YEARS
SAINT FRANCIS UNIVERSITY
FOUNDED 1862

DUQUESNE UNIVERSITY

Retirement Committee

- Accept fiduciary responsibilities under ERISA
- Prepare a comprehensive Retirement Plan Investment Policy Statement (IPS)
 - Objective
 - Manager Selection and Evaluation
 - Guidelines/Restrictions
 - Monitoring and Reporting
- Liability Concerns

Retirement Committees

- Director, Human Resource Management
- Assistant Director, Compensation and Budget Administration
- Director, Planning and Budget
- Associate Vice President, Management and Business
- University Controller
- Associate Professor, Sociology
- Associate Professor, School of Business
- Chair, Investment Management, School of Business
- Vice President, Management and Business, Chairperson
- Associate Professor, Physical Therapy
- Benefits Manager

- Vice President for Finance
- Controller
- Dean of the School of Business
- Director of Employee Benefits
- Vice President for Student Affairs

Investment Consultants

- General education to committee retirement trends
- Helps in showing due diligence
- Provides for expert/independent investment advice





Adjust Retirement Plan Offerings

- Consultant and committee review data
- Make adjustments based upon data and IPS plan objective
- Elimination/expansion of fund offerings
- Case studies show many schools have reduced number of providers and fund offerings





Consult with Legal Counsel

- Retain qualified Employee Benefits Plans Attorney
- Provides legal advice with regards to:
 - Group versus individual contracts
 - Outstanding loans
 - Written plan documents

Dashboard Reporting



- 118 to 51 Funds
- 3 to 2 Providers
- 3 to 2 Plans
- TIAA Single Provider
- Added 13 new Funds
 - Most Non-TIAA Funds



- See *Single Provider, Multiple Choices*, article in the *NACUBO Business Officer Magazine*, March 2010
- 18 to 1 Plans
- 50 to 2 Providers

Communication is Key

- Trust is critical when communicating changes to retirement plans
- Introduced the committee and their charge
- Committee shared data on fund performances that ultimately led to changes in fund offerings
- On-going reporting of results and changes to faculty and staff



ERISA Fiduciary Responsibility Compliance Achieved


