

### **Note to Retirement Plan Sponsors**

This document outlines a suggested process to select a professional retirement plan advisor, or to perform due diligence on your current advisor. The Retirement Advisor Council developed the protocol and the accompanying advisor search RFP template over a ten-month period between July 2011 and May 2012 with input and feedback from Asset International, publisher of *PlanSponsor Magazine* and *Plan Adviser Magazine*, and the Plan Sponsor Council of America. The document is the result of months of hard work by a dedicated Cabinet of advisors, service providers, and investment managers collaborating to enhance plan and participant outcomes. The Council intends to periodically review the protocol and the advisor search RFP template to keep it current. We welcome user feedback and suggestions that will enhance the effectiveness of the RFP process.

Knowing no document meets the unique needs and characteristics of each plan, the Council produced the advisor search RFP document as a customizable template. One approach for you to demonstrate your exercise of plan sponsor due diligence is to orchestrate a review of the template by the retirement plan committee, incorporating input from all members before issuing the RFP document.

### **RFP Submission**

We recommend you issue the Request For Proposal (RFP) in writing to one or several advisors that meet baseline criteria established by the retirement plan committee. To obtain the information needed to select an advisor with the care, skill, prudence and diligence required under ERISA, we recommend you provide each advisor contacted a document including the following information, alongside the RFP questionnaire:

### **Introduction**

#### *Description of the plan sponsor*

Business sector, number of employees, number of locations, profile of the workforce, benefit philosophy, retirement plan committee decision process, other information that will help the advisor understand the unique needs and characteristics of your organization

#### *Purpose of request*

The reason or reasons that led you to issue a Request For Proposal. It is particularly important that you state if dissatisfaction in any area was a factor in your decision to issue the RFP. If so, the responding advisor can explain how s/he would address the particular situation and you may base your decision upon the response.

#### *Time line for providing information*

The deadline by which you want the advisor to respond. Longer lead times make it possible for advisors to give more thoughtful responses, enhancing the quality of your decision process.

#### *Company contact*

Indicate whom the advisor can contact with follow-up questions, and any protocol the advisor should follow for such requests (e.g. phone, email, designated conference call, etc.)

## **Service Requested**

### *Scope of work/service requested*

Outline the services you anticipate receiving from your advisor. Differentiate between services you expect any advisor to provide to your plan, and services that might set the better advisors apart. Also indicate areas for which you believe you will not need assistance.

## **Respondent Qualifications**

### *Minimum Requirements*

Indicate any advisor characteristic or credential that will automatically disqualify an advisor.

### *Instructions for completing and submitting responses*

#### Schedule of important dates

Time line including key decision points (Proposal submission, first screen, presentations, final decision)

#### Proposal submission

How and to whom proposals should be addressed

#### Response format and content

In what form you prefer to receive proposals, how you want the proposal organized, and what content you are looking for.

## **Selection Process and Evaluation Criteria**

### *Review process*

Explain how the information provided will be analyzed, who will review the information, and how the advisors can facilitate the process

### *Evaluation criteria*

Indicate the factors that will play a role in your evaluation, and the relative importance of each.

### *Selection process*

Outline key decision points, identify decision makers, and the process by which they will make a final decision

## **Plan Information**

Provide information about the plan including:

- Asset allocation and investment options
- Recent performance report
- Investment Policy Statement
- Recent 5500's and supporting disclosures

## **RFP Questionnaire**

Finally, attach the RFP questionnaire modeled after the advisor search RFP template provided by the Retirement Advisor Council including the following sections:

- About Your Firm / Team
- Service Team
- Investment Services
- Participant Services
- Provider / Vendor Services
- Fiduciary Status and Compliance
- Fees
- Technology
- Security and Business Continuity

## **About the Retirement Advisor Council**

The Council advocates for successful qualified plan and participant retirement outcomes through the collaborative efforts of experienced, qualified retirement plan advisors, investment firms and asset managers, and defined contribution plan service providers. The Council accomplishes this mission by its focus on:

- Identification of duties, responsibilities and attributes of the professional retirement plan advisor.
- Sharing our professional standards with plan sponsors who are responsible for the success of their plans.
- Providing collective thought capital to decision makers, product providers, legislators and the public.
- Giving voice to the retirement plan advisor community.

- Tools to evaluate advisors, ensuring the quality of services needed for successful retirement outcomes.

The Council is governed by an Executive Board of five representing advisors, retirement practice leaders, service providers and investment managers.

Yaqub Ahmed - Head of Investment-Only-U.S. - Franklin Templeton

Amy Glynn - Global Retirement Partners Advisor Alliance

Jason Key, CFP®, AIF® - Head of Consultant Relations - Lincoln Financial Group

James D. Robison AIF®, CBFA - Strategic Retirement Partners

Courtenay V. Shiplay AIF®, CRPS®, CPFA®, CHSA® - Chief Planologist - Retirement Planology, Inc

### **How to Provide User Feedback**

The Council welcomes constructive user feedback to help enhance the effectiveness of this protocol and the Advisor Search RFP Template at our periodic reviews.

Submit suggestions to:

Eric Henon

Executive Director

Retirement Advisor Council

c/o EACH Enterprise, LLC

16A Pasco Drive

East Windsor CT 06088

✉ [ehenon@eachenterprise.com](mailto:ehenon@eachenterprise.com)

☎ (860)653-1705

💻 [www.retirementadvisor.us](http://www.retirementadvisor.us)