

RETIREMENT PLAN SCORECARD

What kind of plan sponsor are **you**?

Plan Sponsor – Basic

- ▶ No documented plan goals or objectives
- ▶ No understanding of fiduciary responsibilities or plan-related fees
- ▶ No employer contribution
- ▶ No employee education

Plan Coordinator – Good

- ▶ Basic documented objectives
- ▶ Limited understanding of fiduciary responsibilities and plan-related fees
- ▶ Employer contribution up to 3%
- ▶ Limited employee education

Plan Manager – Strong

- ▶ Clearly defined plan objectives
- ▶ Proficient fiduciary knowledge and best practices such as an established *Investment Policy Statement (IPS)* and/or retirement plan committee
- ▶ Employer contribution up to 6%
- ▶ Employee education focused on retirement readiness
- ▶ Automated contribution remittance via an online employer portal

Plan Steward – Champion

- ▶ Clearly defined plan objectives
- ▶ Advanced fiduciary knowledge and best practices such as an established IPS, retirement plan committee and fiduciary training
- ▶ Strong understanding of total plan fees with cost analysis and review conducted every 2–3 years
- ▶ Automatic enrollment of 5% or more
- ▶ Employer contribution of 6% or more with an effective employer match, bringing the combined amount between employer and employee to a 10%–15% total contribution
- ▶ Consistent evaluation of plan effectiveness
- ▶ Contribution remittance through payroll feed or Electronic Data Transfer (EDT)
- ▶ Robust employee education focusing on retirement readiness with annual reminders to non-participating employees



PLAN SPONSOR
BASIC

Less than 5 points



PLAN COORDINATOR
GOOD

5–9 points



PLAN MANAGER
STRONG

10–20 points



PLAN STEWARD
CHAMPION

20+ points

To help you evaluate your retirement plan, GuideStone® has developed this simple scorecard to help **measure your plan's effectiveness** as well as your fiduciary knowledge as a plan sponsor.

Answer each scorecard question on the next page and total your points to get your results.▶

| | |
|---|--|
| ▶ Does your plan reflect the mission and values of your organization through documented plan goals and objectives? | |
| No documented plan goals or objectives (0 points) | |
| Basic documented plan objectives (1 point) | |
| Clearly defined plan objectives (3 points) | |
| ▶ How much understanding do you have of your fiduciary responsibilities? | |
| No understanding of fiduciary responsibilities (0 points) | |
| Limited understanding of fiduciary responsibilities and plan-related fees (1 point) | |
| Proficient fiduciary knowledge and best practices such as an established IPS and/or retirement plan committee (3 points) | |
| Advanced fiduciary knowledge and best practices such as an established IPS, retirement plan committee and fiduciary training (5 points) | |
| ▶ Do you offer an employer contribution? | |
| No (0 points) | |
| Yes, a non-match contribution (0.5 point per every 1% offered) | |
| Yes, an employer match contribution (1 point per every 1% offered) | |
| ▶ What does your employee retirement education look like? | |
| No employee education (0 points) | |
| Limited employee education (once/twice a year) (1 point) | |
| Consistent employee education (four times a year) (2 points) | |
| Robust employee education (four times a year plus targeted communication to non-participating employees) (4 points) | |
| ▶ Have you implemented auto-enrollment? | |
| No (0 points) | |
| Yes (1 point per every 1% default rate) | |
| ▶ How often do you evaluate the effectiveness of your retirement plan? | |
| Never (0 points) | |
| Every 3–5 years (1 point) | |
| Annually (3 points) | |
| ▶ Have you implemented the following features to improve plan health? (Add points for all that apply.): | |
| Online <i>Retirement Contribution Agreement</i> (RCA) (2 points) | |
| Contribution remittance through employer online portal (2 points) | |
| EDT to remit contributions (3 points) | |
| EDT including salary and inactive employee data (5 points) | |
| Payroll feed (two-way) (7 points) | |

GRAND TOTAL:

Once you've calculated your results, review the categories where your score was lower and consider questions such as:

- Can you brush up on your fiduciary knowledge?
- Can you introduce an employer contribution?
- What plan-enhancing features can you implement?
- How can you maximize your existing budget for effective plan design?

Contact Dixie Beard at Dixie.Bead@GuideStone.org and request more information to help you enhance your plan **today**.