

Raymond James Retirement Plan Monthly Newsletter

Oct, 2017

Welcome to Fiduciary Insights, the monthly newsletter that keeps you in touch with issues, trends, events, and insights of significance to individuals connected with the retirement plan industry. The articles have been carefully selected from a variety of high quality sources.

General Items

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Robo-Advisers: More Complex Than They May Appear
Are We Ready to Fund Retirement From DC Plans?

Fiduciary and Plan Governance Material

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Many DC Plan Sponsors Must Annually "Notice" Their Participants
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Tax Cut Proposals Have Advisers Worried About All-Roth 401ks

General Items

Do 401k Managed Accounts Live Up to All the Hype?

Abstract: Offering employees professionally managed accounts in a 401k plan might seem to be an excellent option, as this service seeks to provide an investment mix customized to individual needs and goals while increasing the odds of saving enough money for retirement. But managed accounts present challenges and concerns that both plan sponsors and participants should fully understand.
Source: Shrm.org

Full Article Available Here --->> <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/401k-managed-accounts.aspx>

Robo-Advisers: More Complex Than They May Appear

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Abstract: The article analyzes the growing trend of investment firms including robo-advisers as part of their service offerings. The SEC's Information Guidance and Investor Alert from February 2017 indicated that "robo-advisers, like all registered investment advisers, are subject to the substantive and fiduciary obligations of the Advisers Act." The article provides insight into the challenges robo-advisers face in terms of compliance with disclosure requirements, fiduciary obligations, and other regulatory responsibilities. Source: Kattenlaw.com

Full Article Available Here --->> https://www.kattenlaw.com/files/214853_spRobo_SRLR_8717.pdf

Are We Ready to Fund Retirement From DC Plans?

Abstract: DC plans have been focused on the accumulation of assets for retirement, and the DC industry has spent considerable effort to improve investment offerings, control costs, encourage participation, and streamline the technology of the participant's interaction with the plan. But what about the distribution of accumulated savings to retirees? Source: Callan.com

Full Article Available Here --->> <https://www.callan.com/are-we-ready-to-fund-retirement-from-dc-plans/>

Fiduciary and Plan Governance Material

Does Your Investment Policy Statement Have Gaps?

Abstract: If your IPS has problems or gaps, they can create legal problems, but it is not too late to fix them. Your IPS should be reviewed regularly for needed changes. Here are some red flags. Source: 401ktv.com

Full Article Available Here --->> <https://401ktv.com/ips-investment-policy-statement-gap/>

Avoiding Fiduciary Traps: Eight Tips for DC Plan Sponsors

Abstract: DC plan sponsors often worry about landing in hot water for doing the wrong thing. However, many fiduciary issues crop up because plan sponsors have failed to act. Here are eight potential fiduciary traps and suggest ways to avoid them. Source: Callan.com

Full Article Available Here --->> <https://www.callan.com/avoiding-fiduciary-traps-dc/>

DC Plan Sponsors: Fiduciary Matters Matter

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Abstract: The DOL has cut financial advisors some slack in getting ready to comply with its new fiduciary rule. But DC plan sponsors don't have the same luxury. That's because plan sponsors have been subject to ERISA. Based on the results of ABG's latest survey, many don't know it. Source: Abglobal.com

Full Article Available Here --->> <https://blog.abglobal.com/post/en/2017/08/dc-plan-sponsors-fiduciary-matters-matter>

Insights: Studies, Research and White Papers

More Americans Participate in Retirement Plans, Upsetting Conventional Wisdom

Abstract: Data shows that 63 percent of all workers aged 26 to 64 participated in an employer-sponsored retirement plan either directly or through a spouse. The data provide an alternative measure to the most commonly cited data on retirement plan participation. Source: Ici.org

Full Article Available Here --->> https://www.ici.org/pressroom/news/17_news_retirement_plan_participation

Majority of Small Businesses Do Not Offer Retirement, Health Benefits

Abstract: The majority of small- to mid-sized businesses do not offer health, retirement or other ancillary benefits, Paychex found in a survey of 318 such companies. Only 38% offer such benefits. Source: Planadviser.com

Full Article Available Here --->> <http://www.planadviser.com/Majority-of-Small-Businesses-Do-Not-Offer-Retirement-or-Benefits/>

All About Retirement, An Employer Survey

Abstract: Sixty-nine percent of employers believe that most of their employees could work to age 65 and still not save enough to meet their retirement needs, a disturbing finding given the vital societal role that employers play in helping workers save, plan, and prepare for retirement, according to a study released by nonprofit Transamerica Center for Retirement Studies. Source: Transamericacenter.org

Full Article Available Here --->> https://www.transamericacenter.org/docs/default-source/employer-research/tcrs2017_sr_employer_research.pdf

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Compliance and Regulatory Related

Many DC Plan Sponsors Must Annually "Notice" Their Participants

Abstract: Sponsors of DC plans with certain features are required to provide annual notices to participants. This chart summarizes the annual notice requirements for each of these notices, including timing, recipients, contents, and methods of delivery. Some plan designs may require multiple notices and some of the notices may be combined or packaged together in one mailing. Source: Prudential.com

Full Article Available Here --->> <http://www.retire.prudential.com/media/managed/bulletin-pnotice-0817.pdf>

DOL Proposes 18 Month Delay of Fiduciary Rule

Abstract: On Aug. 9, the Department of Labor (DOL) submitted a proposal to the Office of Management and Budget (OMB) to delay the Jan. 1, 2018, applicability date of several provisions of the fiduciary rule to July 1, 2019.

<https://seekingalpha.com/article/4102449-dol-proposes-18-month-delay-fiduciary-rule>

Tax Cut Proposals Have Advisers Worried About All-Roth 401ks

Abstract: With President Trump touting potential corporate and individual tax rate cuts, retirement plan sponsors and advisers are worried that could lead to the government switching 401k plans to all-Roth in order to raise revenue to offset the cuts. Advisers say the elimination of tax incentives to save would deter participation and lower savings rates. Source: Planadviser.com

Full Article Available Here --->> <http://www.planadviser.com/Tax-Cut-Proposals-Have-Advisers-Worried-About-All-Roth-401ks/>

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