

# Small Plan Fee & Investment Analysis Case Study



## Plan Sponsor Demographics

- Industry- Architecture
- Plan type- 401(k)
- Assets- \$5 Million
- Participants- 85

## Summary:

*The following is a case study summary of a retirement plan sponsor using XGS Connect to make successful plan improvements. The company and plan assets had grown significantly, but the plan was with the same vendor/recordkeeper since its inception. The plan sponsor wanted to bring in outside investments, reduce fees, and benchmark vendor/recordkeeper options, but had little experience doing so and needed fiduciary guidance.*

## Background Information:

- Company and plan assets had outgrown the original plan arrangement
- No investment assessment process
- Plan fees were not competitive
- No fiduciary support
- Proprietary investments

## Strategy:

- Conduct initial needs analysis of plan sponsor
- Solicit bids from 3 comparable vendors and offer the incumbent an opportunity to revise their pricing and investment structure
- Report information in a clear and concise side-by-side comparison to plan sponsor
- Renegotiate further savings and additional services with vendor/recordkeeper

## Plan Sponsor Objectives:

- Benchmark existing fees against the marketplace
- Document and improve fiduciary compliance
- Bring in outside investments and implement a process to assess investment line-up
- Properly communicate any plan changes to the plan participants

## Connection Results:

- Reduced administrative expenses by 25%
- Reduced participant investment fees by 16%
- Introduction of outside investments offered by vendor/keeper and installed improved investment line-up
- New consultant relationship to provide fiduciary processes and ongoing plan sponsor support

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