

# University Plan Case Study



## Plan Sponsor Demographics

- Industry- College/University
- Plan type- 403(b)
- Assets- \$85 Million
- Participants- 1000

## Summary:

*The following is a case study summary of a retirement plan sponsor using XGS Connect to make successful plan improvements. The plan sponsor was in need of fiduciary support beyond the service of the recordkeeper. Plan sponsor wanted to bring in outside investments and reduce fees; however, he/she did not want to switch recordkeepers and did not have a consultant to negotiate on their behalf.*

## Background Information:

- 16 Total Proprietary Funds, 7 Assets Classes with One Sector Fund, No Outside Investment Choices, and No Lifecycle Fund
- Weighted average expense ratio 0.54%
- No ERISA Expense Budget
- No outside consulting support

## Strategy:

- Form a Retirement Plan Committee
- Educate the committee on their fiduciary responsibilities
- Develop and implement an Investment Policy Statement
- Upgrade plan's investment fund line-up
- Assess the quality of the recordkeeper regarding service, accuracy, and communications

## Plan Sponsor Objectives:

- Negotiate significant savings for the plan without changing record keepers
- Develop and properly leverage a custom RFP to be sent to the top 10 record keepers

## Connection Results:

- Recordkeeping costs reduced from 0.39% to 0.20%
- Weighted average expense ratio reduced from 0.54% to 0.44%, resulting in a net percent change of -18.5%
- ERISA Expense Budget established to cover advisor expenses
- Added four non-proprietary funds to provide fund options in all asset classes
- Added a 5 year increment to the Life Cycle funds
- Retirement plans saved approximately \$300,000

For more information or to get started with a no obligation plan evaluation visit: <http://xgrowtholutions.com/contact-xgs/>