



Do You Know What it Means to Be a Plan Sponsor and Fiduciary? NAGDCA Can Help!

Governments are adapting how they provide services and reward employees based on shifts in both the economy and workforce composition. While the majority of public sector employees participate in pension plans offered by their employers, these plans are undergoing reform, typically resulting in reduced benefits. Further, a small percentage of public employees' pensions have replaced traditional pension plans with hybrid plans or defined contribution plans. This requires a new set of skills, knowledge, and benchmarks for sound governance to manage plans effectively.

How does this affect your employees? In light of health care costs rising faster than inflation and increasing uncertainty around retiree benefits overall, many public employees will need to increase contributions to a defined contribution plan, such as a 457(b) plan, a 403(b) plan, or a grandfathered 401(k) plan to provide sufficient income in retirement. A well-designed plan with an effective communication strategy can help employees achieve their retirement goals.

We're Here to Help You Understand Your Role as a Defined Contribution Plan Sponsor

The role of Plan Sponsor is usually held by the employer. **NAGDCA** (*National Association of Government Defined Contribution Administrators*) is a valuable resource for all Plan Sponsors. NAGDCA encourages Plan Sponsors to provide a state of the art defined contribution plan, whether primary or supplemental retirement plan, for their employees. However, it is critical that Plan Sponsors understand their responsibilities and ensure they provide a sensible plan based on an appropriate plan design, reasonable plan fees, and a sound governance structure.

Interested in learning more about the best practices for plan governance, plan design, plan administration, and employee education? NAGDCA is a valuable resource for Plan Sponsors to gain the knowledge around these topics and other best practices to be an effective Plan Sponsor.

As a Plan Sponsor and fiduciary, you need to be aware of the responsibilities required to meet your fiduciary obligations such as:

- Minimum standards of performance
- Best practices
- The tools available for your employees
- How they are using these tools to plan for a secure retirement
- Investment review

Here's how NAGDCA can help you as a fiduciary of your plan:

- **Learn** about the role of the Plan Sponsor
- **Increase** your understanding of fiduciary oversight and the importance of effective board governance, oversight and processes
- **Understand** all of the potential fees associated with the plan and understand how to minimize those fees
- **Remain** current on product trends in the industry and how they may relate to your plan
- **Connect** with other government and industry members through *listservs* to network and share best practices
- **Participate** in NAGDCA's Annual Conference to receive Plan education, catch-up on industry news, talk to IRS representatives, get updates on proposed legislation, and network with your peers from other Plans and Industry representatives
- **Stay current** with: The Contributor, NAGDCA's quarterly newsletter that provides the latest information on association issues, members and legislative matters. The Interactive Web site at www.nagdca.org that provides current information on federal activities, meetings, members, RFPs, presentations and more
- **Find answers** to your plan questions through an electronic clearinghouse with resources that offer answers and perspectives on various issues by showing actual practices used by members across the country
- **Benchmark** your plan against other plans
- **Improve and safeguard** your benefits through legislative representation in Washington, DC
- **Participate** in free NAGDCASTs - NAGDCA's interactive, web-based educational programs with topics including Benchmarking Your Defined Contribution Plan, Trends in the Industry, Fiduciary Responsibility, Investment Trends, Legislative Updates, and 403(b) Regulations
- **Earn continuing education credits** for the CPE, CFP, CRC, and CRA designations at NAGDCA's annual conference and NAGDCASTs
- **Receive** free publications such as electronic brochures on issues of importance to the industry, NAGDCA Notes, whitepapers on industry hot topics, and plan surveys on information critical to understanding issues and industry trends

Who should join NAGDCA? Any fiduciary of a plan, which can include:

- Plan administrators
- HR directors
- Finance directors
- Elected officials
- Council members
- Mayors
- City managers
- Board/Committee members

For more information about NAGDCA and how it can benefit your organization, contact NAGDCA Headquarters at info@nagdca.org, www.nagdca.org or 859-514-9161.