TheStandard®

Pooled Employer Plans

Reduce work and maximize fiduciary protection

Sponsoring a retirement plan often takes specialized knowledge and adds time-consuming administrative and fiduciary obligations to an employer's already busy workload. Employers can meet this challenge, stay focused on their business and mitigate fiduciary risk by delegating these responsibilities to retirement professionals.

What is a Pooled Employer Plan (PEP)?

A PEP is a type of retirement vehicle that is maintained as a single plan while allowing multiple unrelated employers to participate, achieving economies of scale typically only attained by larger plans. It operates similarly to traditional, single-employer retirement programs but with the majority of administrative and fiduciary duties outsourced to the pooled plan provider.

PEP benefits

- More time for other priorities
- Assurance that fiduciary responsibilities are met and the plan is compliant
- Protection of plan assets
- Economies of scale allow for better pricing and investment access
- Single 5500 and audit for all participating employers

Characteristics of good candidates

- Stretched resources with a need to offload work
- Risk averse with desire to outsource responsibilities and limit liability
- Seeking comprehensive services
- Limited retirement plan knowledge or experience

Maximize fiduciary and administrative outsourcing for a streamlined retirement plan

As the pooled plan provider, The Standard assumes most of the fiduciary risk and administrative responsibilities on behalf of participating employers. The following table helps illustrate the key responsibilities of maintaining a retirement plan and how they might differ between a PEP and traditional retirement plan offerings.

Legend:
- 🔵 The Standard
- 🟣 Employer
- 🟠 3(38) Investment Fiduciary
- 🟢 Trust Company

Fiduciary/plan task	Single Employer Plan	Pooled Employer Plan (PEP)
Sign participating employer agreement*	N/A	🟣
Provide employee census data	🟣	🟣
Submit contributions	🟣	🟣
Submit loan payments	🟣 🔵	🟣 🔵
Act as plan sponsor/fiduciary*	🟣	🔵
Act as 3(16) fiduciary	🟣	🔵
Select all investments	🟣 🟠	🟠
Monitor 3(38) investment fiduciary	🟣	🔵
Sign plan document	🟣 🔵	🔵
Prepare 5500	🔵	🔵
Sign 5500	🟣	🔵
Provide plan documents, prepare amendments	🔵	🔵
Process distributions	🔵	🔵
Review and approve termination, hardship and in-service distributions	🟣	🔵
Determine eligibility	🔵	🔵
Deliver required notices	🟣	🔵
Track terminated employees	🔵	🔵
Calculate, determine vesting	🔵	🔵
Determine, process required minimum distributions	🔵	🔵
1099-R reporting	🔵	🔵

* Participating employers have fiduciary responsibility for the decision to join the PEP and for determining that the PEP continues to be appropriate for them.
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Fiduciary/plan task	Single Employer Plan	Pooled Employer Plan (PEP)
Determine HCEs	The Standard	The Standard
Perform annual compliance testing	The Standard	The Standard
Prepare and calculate annual employer contributions	The Standard	The Standard
Calculate testing corrections	The Standard	The Standard
Administer domestic relations orders	Employer	The Standard
Create SPD and SMM notices	The Standard	The Standard
Create SAR notice	The Standard	The Standard
Manage plan audits	Employer, The Standard	The Standard
Fiduciary for timeliness of deposits (TOD) and holding of the GVA	The Standard	The Standard, Trust Company
Process and monitor loans	The Standard	The Standard
Establish loan rates	The Standard	The Standard
Process loan payments	The Standard	The Standard
Loan payment changes notification	The Standard	The Standard
Beneficiary management	Employer, The Standard	Employer, The Standard
Prepare enrollment materials	The Standard	The Standard
Provide enrollment materials to eligible participants	Employer	Employer, The Standard

Legend:
- The Standard
- Employer
- 3(38) Investment Fiduciary
- Trust Company

If you're an employer, contact your financial professional or representative at The Standard to learn more. If you're a financial professional, contact our sales team at **844.239.3561**.