



New 'FORT™' Built to Protect Plan Sponsors

Center for Board Certified Fiduciaries™ (CBCF™) builds a FORT™ to help improve communications between 401k plan sponsors, advisors, and service providers.

August 5, 2021 - STONINGTON, Conn: The Center for Board Certified Fiduciaries™ (CBCF™) introduces **Fiduciary Oversight of Responsibilities and Tasks™ (FORT™)**, a new tool for professional and *lay fiduciaries* that clearly delineates the fiduciary responsibilities and tasks of a plan sponsor.

“Most fiduciary liability is the result of an omission as opposed to a commission. It’s not what a fiduciary did – it’s what the fiduciary forgot to do,” reports Don Trone, CBCF’s CEO. “Furthermore, plan sponsors face moral hazards when retirement advisors or service providers state or imply that they’ve relieved a plan sponsor of their fiduciary responsibility, but actually have only assumed a small subset of the tasks.”

There are 17.5 million *lay fiduciaries* in the US, men and women who have the legal responsibility for managing the assets of pension plans, foundations, endowments, health and welfare plans, and personal trusts. Three million *lay fiduciaries* manage \$20 trillion dollars in retirement plans. These critical decision-makers generally come from outside the financial services industry; are often surprised to learn they are serving in a fiduciary capacity; and, have little, if any, training on what the law requires.

Lay fiduciaries don’t have to manage these assets by themselves – they can prudently select experts and delegate certain responsibilities. But often, there’s no bright-line between the fiduciary responsibilities *lay fiduciaries* retain, and the responsibilities that are contractually assumed by experts.

I can see clearly now...[composed by Johnny Nash]

“The FORT clearly shows the responsibilities and tasks of a plan sponsor along with the identification and fiduciary status of advisors and service providers that normally provide services to a 401k plan,” reports Trevor Merrill, the new Curator at CBCF™.



THE FORT is designed for all size plans. This example is based on a \$30 MM plan with 150 participants and does not include Brokerage Accounts.

Legend
 R- Responsible
 I-Involved
 M-Monitoring

Check all that are applicable

Responsibilities & Tasks		Plan Sponsor Before Delegation	Plan Sponsor After Delegation	Delegate					Hire (Usually not a Co-Fiduciary)					
				Fiduciary		Co-Fiduciary			Third-Party Administrator (TPA)	Record Keeper (RK)	Education/Financial Wellness	Broker of Record/Advisor	CPA/Auditor	Legal Counsel/Plan Consultant
				402(a) Named Fiduciary	3(38) Investment Manager	3(21) Investment Consultant	408(g) Fiduciary Adviser	3(16) Plan Administrator						
Responsibilities & Tasks the Plan Sponsor cannot delegate														
1.	Establish and maintain qualification of the Plan	R	-											
2.	Make timely deposit of participant contributions	R	-											
3.	Maintain appropriate ERISA fidelity bond under ERISA 412/E&O	R	-											
4.	Provide, and keep current, participant data to service providers	R	-											
5.	Monitor Service Providers (Even when a task is delegated, the Plan Sponsor still retains the duty to monitor)	R	-											
6.	Maintain plan records	R	-											

Screen shot that shows six of the seventy-nine responsibilities and tasks of a plan sponsor

“Lay fiduciaries may not realize that they can prudently delegate some of their fiduciary responsibilities to professional fiduciaries,” added Don Jones, CBCF’s Chairman of the Board. “The FORT should help mitigate risks.”

About the BCF™ Mark: The Board Certified Fiduciary™ (BCF™) is a professional mark awarded by the Center for Board Certified Fiduciaries™, (CBCF™), that recognizes the knowledge, skills, work experience and special expertise of an exemplary fiduciary leader.

About the Center: The Center for Board Certified Fiduciaries™ (CBCF™) is a Public Benefit Corporation (PBC) founded and funded by fiduciary advocates. The CBCF™ will be affiliating with a leading university to provide a graduate-level certificate in fiduciary leadership, stewardship, and governance. Over time, CBCF will develop the curricula for the first Master’s with a concentration in fiduciary responsibility. Learn more at www.c-bcf.com.

Contacts

Trevor Merrill, BCF™ trevor.merrill@fiduciarywise.com 480-202-9851

Don Trone, BCF™ don.trone@c-bcf.com 860-333-3401

Don Jones, BCF don.jones@c-bcf.com

Keith Gredys kgredys@askkidder.com

Kate McBride, AIFA®, kmcbride@fiduciarypath.com 732-241-4988