



AMI/USA Administrators meeting 6/28/2021

Tyler Stewart, advisor with [The Capitol Group](#) joins us for an exploratory session on retirement plans. Tyler focuses on working with Retirement Plans and their participants on being retirement ready. Tyler's team can assist you with reviewing your current investment line-up, contribution amounts, projected balance with keeping your goals for retirement in mind. He can also help be a sounding board for other investment / financial advice.

The Capital Group began working with retirement planning clients in 2002 when current Partner, Chris Staub, joined the firm. The Capital Group works on client retirement plans as an ERISA 3(21) and 3(38) Investment Advisor to take a fiduciary role on those retirement plans. As part of the partnership with The Capital Group, retirement plan clients receive the following services: preparation and monitoring of the plans Investment Policy Statement (IPS), ongoing due diligence on the plans investment options, recommendations on enhancing or replacing investment options, plan design consulting, plan provider benchmarking and RFP support, preparation and ongoing implementation of an employee education program, and audit compliance oversight.

In addition to retirement plan consulting, The Capital Group also offers Executive Benefits and Business Planning Services. These items include Non-Qualified Deferred Compensation Plans, 457 Plans for Non-Profits, Business Succession Planning, and other business investment advisory services. Lastly, The Capital Group offers individual financial Planning and Investment Advisory Services. Typically working with the owners or executives of its business clients, the firm offers customized financial planning and asset management services. Business owner clients enjoy the ability for our advisors to advise them on both their business and personal planning needs and coming up with creative ways to invest and transfer wealth.

AGENDA

1. Ayize Sabater, AMI/USA Executive Director, introduced the meeting and potential for group buying and economies of scale in the area of benefits for schools and training centers.
2. Tyler Stewart, advisor with The Capitol Group joins us for an exploratory session on retirement plans. If you have specific questions and are interested in joining the plan, reach out to Tyler directly:

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MEETING NOTES

There are options for non-profit and for-profit schools. The plans are very similar. The Secure Plan recently passed allowed the Association Retirement Plan to be available.

What is an Association Retirement Plan?

- A multiple employer plan (MEP) which is now more feasible because the “bad apple rule” no longer exist therefore removing this compliance issue.
- Non-profit version of this plan put together through The Center for Nonprofit Advancement which AMI/USA member schools/training centers can join.
- For-profit version put together for The Capital Group which AMI/USA member schools/training centers can join.
- If we have smaller groups come together, then we can get lower cost on these plans. The more small groups come together the lower the cost.

PCS – AdvisorTrust

- **Professional Capital Services** = record keeper
 - Front facing, office administration
- No proprietary investments and are allowed to use any investment The Capital Group wants through this record keeper
- Pick top tier performers of mutual funds on every asset class
- Allow for flexibility
- AdvisorTrust – is a part of PCS, they are the trust company
 - They help with some of the fiduciary outsourcing

Fiduciary Services and Providers

- With these group buying plans, they can take a lot of responsibility off of administrators on the employer level.
- PCS & AdvisorTrust would handle changes and administrative tasks to the plan and make sure it stays in compliance so that you don’t have to
- HR (on the school level) would just need to upload payroll
- The Capital Group takes on liability from the investment standpoint
- Eligibility for plans can be determined by the school depending on what they want their employees to have access to – this will be set up and managed (monitoring for any discrepancies) by AdvisorTrust
- 550 tax forms are filed by PCS for groups participating in the plan

Plan Provisions

- Lots of flexibility
- If you currently have a plan and you are interested in joining this group plan, they would look at what your current plan allows and make sure that everything is allowable in this plan. Tyler’s team can look and will let you know
- Can make the plan as flexible as possible and make it look as specific as you want
- Will look and feel like an individual plan, you will only have access to your information

Investment Line-up

- They use multiple fund companies – top tier performers for lower cost
- Specific reasons for why they use institutional investors, index
- Can get better pricing because we are a group
- Target Date Funds – glidepath to and through retirement
- On a quarterly basis they do financial wellness webinars for all members of the group to join

- The Capital Group acts as a resource to support your employees

Pricing

- Each adopting employer joining the group will pay \$2500 flat fee for recordkeeping/administration including 3(16) services
- A per participant charge will be based on total participants – the more participants the less cost
- Tyler can provide more specific pricing for you based on current #s for the group

Comparisons

- Tyler can do a side by side comparison for you if you have a current plan
- Fund due diligence is happening to keep the costs down and quality of investment high
- Should review your plans on a yearly basis and happy to review for you

Questions/Comments

- Costs will go down, based on more groups joining– per employee per month cost and management costs go down
- More costs pushed over to flat dollar vs % (in a typical retirement plan) – more fixed costs are better especially when the price goes down with more people joining
- Tyler can have an individual conversation with you to determine if it would be a benefit to you
- What determines the number of participants in the group(s)?
 - Nonprofit AMI/USA schools/training centers consider group is comprised of all groups part of the Center for Nonprofit Advancement plus any AMI/USA nonprofits in our membership
 - For-profit AMI/USA schools/training centers consider group is comprised of all groups part of The Capital Group plus any for profit AMI/USA schools/training centers in our membership
- There are tax credits available to those on the for-profit side who do not currently have a plan and would be starting one. Max is \$5000 for the first 3 years (\$15K)

Thank you to all who were able to attend and for sharing your thoughts. Please feel free to share topics and suggestions for future meetings and requests for support needed.

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