

3(16) Fiduciary Overlay Services

A professional retirement plan fiduciary solution

What is 3(16) Fiduciary Outsourcing?

3(16) fiduciary service providers take care of the everyday administrative tasks associated with sponsoring a retirement plan. Think of the 3(16) Administrative Fiduciary as the plan's 'COO', responsible for the overall operation of the plan and managing the day-to-day administration.

Why outsource?

3(16) Fiduciary Outsourcing makes it easier for employers to offer a retirement plan. Outsourcing to a professional fiduciary can help employers avoid potential liabilities, save time, and replace confusion with confidence.

How does it help my clients?

Running a retirement plan can take time and resources away from running a business. Many employers don't know exactly what to do, and when to do it. A 3(16) fiduciary is an expert who knows what must be done when, and ensures all tasks are completed correctly. Working with a professional eliminates these concerns.



Do I really need a 3(16) administrative fiduciary?

Today, the majority of lawsuits and regulatory actions are because of plan administration issues. As fiduciaries, plan sponsors are personally liable. Even one mistake can cost thousands of dollars or result in a lawsuit.



With 3(16) fiduciary outsourcing, these responsibilities—and liabilities—are transferred to a professional fiduciary.

What does a 3(16) fiduciary do?

A 3(16) fiduciary takes care of day-to-day administration and helps plans comply with legal requirements. A plan sponsor's long list of retirement plan responsibilities becomes only a few.



Are all 3(16) fiduciaries the same?

Today, it seems no 3(16) does the same thing. Each has a different list of services they're willing to offer. That's why it's important to work with an expert. Pentegra offers the most extensive level of fiduciary support available in the industry today.



How does 3(16) fiduciary outsourcing help advisors?



You can provide a valuable service to your clients with 3(16) fiduciary outsourcing—one that makes it easier and more efficient to offer a retirement plan, saves them time and minimizes risk and responsibilities for employers.

3(16) fiduciary outsourcing also helps improve plan outcomes by ensuring plan features are fully optimized.

How can I get it?



Pentegra offers 3(16) fiduciary services as an overlay to an existing relationship. That means the existing recordkeeping relationship stays intact—there's no disruption to your clients—just an additional overlay service.

Does offering 3(16) impact existing recordkeeping relationships?



There's no disruption to existing recordkeeping relationships—it's simply an overlay service that is added to a plan. Pentegra can work with recordkeepers across the industry and plans of every size and complexity.

Pentegra is one of America's oldest independent fiduciaries.

As a 3(16), how does Pentegra monitor plans?



Pentegra's work as a fiduciary administrator is facilitated by our proprietary digital 3(16) Ecosystem. This platform automates time-consuming manual processes and stores documents in our safe, secure online vault. Artificial Intelligence identifies potential issues and escalates them to our staff to fix issues before they become problems. Each year, clients receive a Fiduciary Scorecard—a checklist of responsibilities and their status—for full transparency and optimal oversight.

Why Pentegra?



We're a stable partner with deep industry roots. With an 80-year legacy serving as an institutional fiduciary, Pentegra has earned a reputation as one of the most respected and experienced independent fiduciary administrators in the nation.

Pentegra is the right choice because we are a fiduciary first.
Contact the Pentegra Solutions Center at solutions@pentegra.com or 855-549-6689.



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