

U.S. Defined Contribution Plans Overview Program

Online Core Curriculum

Detailed Outline

The basics of the retirement industry are presented in three online courses which make up the core curriculum of the U.S. Defined Contribution Plans Overview Program. The three courses in the core curriculum include:

Retirement Plans and Industry Overview

This course reviews the essential characteristics and fundamental differences of defined benefit and defined contribution plans and examines their benefit structures and funding mechanisms. The history of employee benefit plans focuses on key legislation and the market response including industry and product trends. The course consists of three modules:

- ▶ Characteristics of Retirement Programs
- ▶ Retirement Industry Stakeholders and History
- ▶ Market Trends

Plan Features and Design

This course is designed to give you an appreciation of the value of retirement savings plans to the employer by examining the factors that drive the design and purchase of a plan. The requirements for legally establishing a plan and the roles and responsibilities of the parties involved with a plan are reviewed. This course is organized into four modules:

- ▶ Selecting a Plan
- ▶ Key Plan Features
- ▶ Plan Strategies
- ▶ Setting Up and Modifying a Plan

Participant Communications, Education and Advice

The value of retirement savings plans to employees and the factors that drive enrollment and investment decisions are examined. This course then explores the requirements and options for providing employees with initial and ongoing plan information and investment education and advice. This course is made up of two modules:

- ▶ Legal Retirements
- ▶ Communications, Education and Advice

Upon successful completion of all three courses, the learner will be awarded 2 CEUs based on 20 contact hours and become eligible to take a classroom session to complete the requirements for the SPARK Accredited Retirement Plan Consultant (ARPC) or Accredited Retirement Plan Specialist (ARPS) designation.

For more information, contact Professional Development Solutions at inquiries@profdevsolutions.com

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Key Audiences

The core curriculum provides basic training for new employees and professional development for employees with specialized expertise.

Administrative

- ▶ Customer Service
- ▶ Plan Administration and Recordkeeping
- ▶ Investment Management
- ▶ Enrollment and Communications
- ▶ Back Office Operations
- ▶ Systems Support
- ▶ Plan Sponsor Staff

Sales and Marketing

- ▶ Brokers
- ▶ Agents
- ▶ Wholesalers
- ▶ Institutional Sales Staff
- ▶ Sales Support Staff

Key Benefits

Successful completion of the course will ensure that employees:

- ▶ Gain an understanding of the retirement savings plans currently available in the market.
- ▶ Learn about the retirement plan market, its history and the issues currently facing industry stakeholders.
- ▶ Acquire a solid understanding of industry concepts and vocabulary.
- ▶ Gain an understanding of the issues and challenges facing plan sponsors.
- ▶ Become familiar with regulatory requirements and the legislative environment.
- ▶ Develop a practical understanding of participant communications and education requirements

Outline

Retirement Plans and Industry Overview

Characteristics of Retirement Programs

- Sources of Retirement Savings
 - Mandated Savings
 - Government Subsidized Savings
 - Nonsubsidized Savings
- Social Security and IRAs
 - Social Security
 - Traditional IRAs
 - Roth IRAs
- Employer Sponsored Plans
 - Tax Qualification
 - Nondiscrimination
 - Limitations
 - Social Security Integration
 - Survivor Benefits
 - Taxability of Distributions
- Qualified Defined Benefit Plans
 - Pension
 - Cash Balance
- Qualified Defined Contribution Plans
 - Profit Sharing
 - Employee Stock Ownership Plan
 - 401(k)
 - SIMPLE 401(k)
 - Money Purchase
 - Target Benefit
- Other Tax-Advantaged Plans
 - 403(b)
 - 457(b)
 - Simplified Employee Pension (SEP)
 - Salary Reduction Simplified Employee Pension (SARSEP)
 - SIMPLE IRA
- Non-Qualified Plans

Retirement Industry Stakeholders and History

- Stakeholders
 - Government
 - Employers
 - Individuals
 - Service Providers
- History
 - 1900-1939
 - 1940-1959
 - 1960-1979
 - 1980-Present

Market Trends

- Industry Trends
 - Asset Growth
 - Participant Directed Plans
 - Individual Retirement Plans
 - Shift to Individual Responsibility
 - Rollover Impact
- Industry Issues
 - Customer Expectations
 - Competitive Environment
 - Investment Market
 - Legislative Environment
 - Looking to the Future
 - Worker Confidence and Other Issues

Plan Features and Design

Selecting a Plan

- Influences on Plan Selection
 - Corporate Culture
 - Employee Demographics
- Sponsoring Organization
 - Self-Employed
 - Nonprofit
 - Corporation
- Plan Objectives
 - Primary or Supplemental Vehicles
 - Replacement Plans
 - Executive Compensation
 - Employee Ownership and Savings
 - Tax Benefit for Owners
 - Fiduciary Protection

Plan Features

- Plan Compliance and Design
 - Coverage Tests
 - Top Heavy Determination
 - Limits
 - General Nondiscrimination Test
 - ADP/ACP
- Employee Eligibility
 - Age
 - Service
 - Plan Entry Dates
 - Break In Service
 - Coverage Exclusions
 - Automatic Enrollments
- Vesting
 - Nonelective Employer Contributions
 - Employer Matching Contributions
 - Mandatory 100% Vesting
- Contributions
 - Sources
 - Limitations
 - Compensation
 - Weighted and Cross-Tested Formulas
 - Social Security Integration
 - Eligibility for Employer Contributions
 - Timing of Deposits

- Benefit Payments
 - Distributable Events
 - In-Service Withdrawals
 - Hardship Withdrawals
 - Distributable Events
 - Minimum Required Distributions
 - Payout Issues
- QDROs and Loans
 - QDROs
 - Loans-DOL Regulations
 - Loans-IRS Regulations
 - Loans-Plan Design Decisions

Plan Strategies

- Plan Fees and Plan Administration
 - Types of Fees
 - Fee Payment
 - Plan Year
 - Valuation Options
- Investments and Communications
 - Investment Policy and Objectives
 - Investment Options
 - Communications Considerations

Setting Up and Modifying a Plan

- Document Preparation
 - Individually Drafted Plans
 - Master or Prototype Plans
 - Volume Submitter Plans
- The Process
 - Selecting Plan Officials
 - Managing the Process
 - Plan Roles and Responsibilities
- Modifying a Plan
 - Plan Terminations
 - Plan Mergers
 - Plan Spin Offs
 - Separate Plan Maintenance

Participant Communication, Education and Advice

Legal Requirements

- Required Participant Communications
 - Summary Plan Description
 - Summary Description of Material Modifications
 - Summary Annual Report
 - Benefit Statements
- Other Documents Participants May Request
- ERISA Section 404(c) and Education vs. Advice
- 404(c) Compliance Requirements
- Investment Education vs. Investment Advice

Communications, Education and Advice

- Plan Communications
 - Objectives
 - Communication Guidelines
 - The Media
 - Laying the Foundation
 - Plan Enrollment
 - Critical Messages for Enrolling Participants
 - Ongoing Information
- Investment Education and Advice
 - Investment Education Programs
 - Advice and the Evolving Product