

POOLED EMPLOYER PLAN: BIG BENEFITS FOR YOUR BUSINESS

A Pooled Employer Plan (PEP) is a multiple-employer plan designed to reduce the administrative burdens for employers.

PEPs offer several benefits to both employers and employees, including streamlined administration, reduced costs and improved retirement outcomes.

However, there are two benefits employers find most impactful.

Reduced Fiduciary Risk and Responsibility

Many employers don't have the time, technology or expertise to carry out the duties associated with offering a retirement plan. A PEP is managed by a pooled plan provider (PPP) who relieves employers of the day-to-day burden of administering the retirement plan. The PPP is responsible for selecting and monitoring the plan's vendors. The PPP files the annual Form 5500 with the Department of Labor. The PPP is also responsible for communicating with plan participants about plan features, investment menu options and investment performance, as well as any plan updates or changes. With the PPP taking care of the retirement plan, the employer can take care of running their business.

Annual Audit Expense Eliminated

Employers who adopt a PEP eliminate the burden associated with the annual plan audit. The PEP removes the annual independent audit requirement and cost for the plan sponsor. The average time required by a plan sponsor to support an audit is 20 hours, however with a PEP the PPP handles much of the administrative work associated with the audit. Eliminating the time and cost of a 401(k) audit can save employers hours of time and thousands of dollars.

Learn more about how a PEP can save you time and money.

Let's talk.

For more information email example@email.com.