



## Top Three Reasons Financial Advisors Should Partner With A Third-Party Administrator

By Patrick M. Shelton, GBA

ST. LOUIS (July 7, 2010) Whether you've been in the retirement plan business for decades or you're just getting started, current regulatory, enforcement and competitive environments indicate the time is right to make sure you have the expertise required. A retirement plan Third Party Administrator (TPA) has the knowledge and experience you need.

With so many choices, how can you be sure you're working with the right TPA? The stakes are high: uninformed decisions about plan design, investments, and administration can leave employees at all levels short on retirement funds. Mistakes can also result in significant financial penalties or legal consequences for plan sponsors. Facing new rules and continued scrutiny, many plan sponsors seek local help with plan design and administration. There are many TPAs but they are not all created equal. To make finding the right expert easier, remember these three important tips:

### **1. Your interests and those of the TPA should align with your clients' interests.**

When the TPA is more focused on selling products than on servicing their clients, quality suffers. A TPA's revenue should come from providing high quality service to their clients, not from force-feeding a specific product line. Choose a non-producing TPA with product neutrality that can work with virtually any provider, allowing a more consultative approach to plan design and administration.

### **2. Capacity, variety and planning are key.**

Has the TPA worked with a variety of client situations, from the simple to the complex? Find a firm whose depth of experience means they can identify problems and resolve unusual situations. Choose a partner with an established consulting unit. Experience is crucial. Require the TPA to be an ASPPA /CEFEX certified recordkeeper. Make sure your TPA partner's staff maturity aligns with your own business model. Taking a long-term view is critical: turnover of key employees could interrupt business continuity for you and your clients; also your TPA partner should have the capacity to take on a block of business, not just a plan here and there.

### **3. An ideal TPA partner should provide business development support.**

Growing your business doesn't just happen. Look for a TPA that offers sales support, like the ability to research prospects; works with a wide variety of plan types and situations; has a reputation as a problem-solver; and is recommended by other business professionals, like CPAs and investment advisors

Never has the expertise of plan advisors been more important. To help your clients maximize contributions, minimize taxes, or offer employees a chance at a secure retirement, you need the right partner. Ask around. Benefit Plans Plus makes A Measurable Difference.



### **About Benefit Plans Plus**

Benefit Plans Plus, LLC (BPP) offers customized retirement plan design, plan administration, fiduciary compliance management and consulting services for retirement plans. Through unique offerings including the Fiduciary Health Check™ and the SBO 401k BPP serves nearly 750 retirement plans throughout the Midwest. BPP holds the Centre for Fiduciary Excellence, LLC (CEFEX) recordkeeper certification for third party administrator services and the American Society of Pension Professionals and Actuaries (ASPPA) seal of service for provider excellence -- the top recognitions in the industry. BPP is a member of NIPA, ASPPA and ICEBS. Our credentialed teams of retirement plan specialists averages at least 17 years of experience each and have earned numerous professional designations. For more information about Benefit Plans Plus, a subsidiary of Brown Smith Wallace, LLC, visit [www.bpp401k.com](http://www.bpp401k.com) or call 314.824.5200.

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