



**INVESTING
BYNUMBERS**
SERVICES FOR FIDUCIARIES®

What You Need to Know About Fiduciary Risk

Under ERISA, a **FIDUCIARY** is someone who exercises discretionary authority with respect to the management of plan assets or in the administration of the plan. In addition, a person who receives compensation for providing investment advice or has any authority or responsibility to do so is also a fiduciary.

It is not uncommon for a fiduciary to **DELEGATE RESPONSIBILITY** to someone else, such as an investment manager or investment consultant. It is important to have third parties **ACKNOWLEDGE** their role as a fiduciary **IN WRITING**.

Delegating responsibility is a **FIDUCIARY ACTION** and the appointing fiduciary is **OBLIGATED** to not only prudently **SELECT** but also **MONITOR** the performance of their appointees at reasonable intervals.

FIDUCIARY LIABILITY is not determined by investment results, but on whether decisions were made using a prudent process.

The cornerstone of demonstrating sound fiduciary governance and prudent decision-making is **DOCUMENTATION**. A properly documented investment program is the best way for fiduciaries to **INSULATE** themselves from potential **FIDUCIARY LIABILITY**.

InvestingByNumbers' *HealthCheckSM* is an easy way to ensure an investment program is sound and you are fulfilling your fiduciary responsibilities. **Contact us for an appointment today!**

To schedule a *HealthCheckSM*, please contact:

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or Visit us at our Website:

www.InvestingByNumbers.com