

Can Smaller Plan Sponsors Dream Big? Yes! A Case Study on the Anglican Church in North America

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At Cammack Retirement Group, a common concern we hear from plan sponsors with less than \$25 million in plan assets is the difficulty in enhancing their retirement programs due to the lack of purchasing power. However, with commitment from the plan sponsor and the right partners, these hurdles can often be overcome. In fact, in 2016, one of North America's newest churches, the [Anglican Church in North America](#) (ACNA) proved that smaller retirement plan sponsors can achieve some of the same outstanding accomplishments as plans many times their size.

At the end of 2015, the ACNA's \$22 million in retirement plan assets was fragmented into two plans with two different recordkeepers and a traditional small-plan broker-dealer model. It was also burdened by outdated investment menus and fees to match. Unfortunately, this is not an unusual situation for small plan sponsors. To complicate matters, since the ACNA was not yet large enough for a centralized pension board, nearly all of the 150+ churches within the program individually remitted contributions to the recordkeepers the "old fashioned way," via paper roster and check. Needless to say, this did not make the church an attractive candidate for recordkeepers!

Fast-forward to the end of 2016: with the help of their newly-hired consultants, Cammack Retirement Group, a customized recordkeeper-TPA partnership (Mass Mutual and ADMIN Partners), uniquely suited for

such complex church plans, was selected to service a single, newly-merged retirement plan. Recordkeeping fees were cut in half and a new best-in-class investment menu with a low cost index tier was implemented, along with transparent, direct-billed participant fees to replace revenue sharing (a unique arrangement for a 403(b) plan of this size).

How did a plan sponsor such the size of ACNA accomplish so much and so quickly? By appointing a dedicated task force of senior leadership, swift decisions were made as to the desired type of retirement plan—a single merged plan with one low-cost recordkeeper and an outsourced solution to their remittance issues. Additionally, the process necessary (hiring a prudent expert, completing a request for proposal process, etc.) to implement the plan was established quickly. At some organizations, it can be difficult to arrive at a consensus to make such prudent decisions, but the ACNA rose to the challenge. Plan sponsors that make decisive decisions are a consultant's best friend, and Cammack Retirement Group was able to work with senior leadership to transform the retirement program in a relatively short period of time.

And what about those 150+ churches that were remitting the "old fashioned way" to two different plans/recordkeepers? That number has now grown to nearly 200 participating churches with over **70%** that **remit electronically**, which is an incredible

accomplishment, given that many church business officials are part-time employees or volunteers and not necessarily technology savvy. The massive popularity of the new retirement program has catapulted assets to \$26 million, a nearly **20% increase in just nine months!**

It was not a bad year for the ACNA retirement program, proving that focused and determined retirement plan sponsors of all sizes can not only dream big, but achieve their dreams as well!

Note: Past performance is not indicative of future returns. No representation or warranty is made that any returns indicated will be achieved.

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Cammack Retirement Group is a leading provider of investment advisory, consulting and actuarial services. We work with the nation's leading healthcare providers, academic and research institutions, corporations, non-profit organizations and public sector employers to help them manage fiduciary risk.

For more information on our services, please contact **Mike Volo**, Senior Partner, at **781.997.1426** or **mvolo@cammackretirement.com**.

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