

# How to unlock the full potential of your K-12 retirement plan with vendor consolidation

Reducing the number of retirement plan vendors is proving to be an effective approach for many K-12 public school districts looking to reduce costs, achieve efficiencies, improve participant engagement, and attract and retain talent.

If your district is considering consolidation or is ready to make the move, here are some key steps to achieving success with this modernized approach.



## Thinking about consolidation? Here are your action steps:

### How can these action steps help my district?

- Get clarity on district goals
- Identify areas of enhancement
- Determine cost savings
- Choose what the right number of providers is for your district

### Define your goals

Identifying the specific outcomes you want to achieve—such as improved participant services, streamlined administration, cost savings, enhanced investment options, and increased plan efficiencies—can help guide your decision-making process.

### Evaluate vendor performance

Evaluating the performance of your existing vendors—with an eye on participant satisfaction, plan costs, investment options, and administrative processes—can help identify areas where consolidation can deliver enhanced results.

### Analyze costs and fees

Conduct a thorough analysis of costs and fees associated with keeping multiple vendors vs a single vendor. Look closely at the total administrative fees, investment management fees, and recordkeeping costs. Then consider potential fee reductions or cost savings resulting from consolidation.

### Determine depth of consolidation

When determining the correct number of vendors—or the single best vendor—consider experience, expertise, technology platforms, participant services, and fee structures.

## Ready to consolidate? Here are your action steps:

### Include the school board

The school board plays a key role in setting policies and making decisions that impact the school district. As such, it's critical to help board members understand why the changes are taking place and how they will benefit the district's employees. Be sure to bring them into the discussions as early as possible to ensure their collective voice is heard.

### Engage union representatives

Unions play a significant role in advocating for the interests of the teachers and other staff members. Similar to discussions with the school board, it's important to hear their collective voice early in the process to help ensure they understand the "why" and "how," and become advocates for change.

### Work with a retirement plan consultant

Consolidating retirement plan vendors is a complicated process. Retirement plan consultants can provide valuable expertise and guidance to ensure the streamlined plan is designed and implemented so it meets your fiduciary responsibilities and legal obligations. A consultant also plays a key role in selecting and monitoring investments, maximizing employee engagement, managing plan costs, and providing ongoing evaluation.

### Communicate clearly and consistently

Embrace the power of communication. Streamlining vendors can be confusing or upsetting to some employees, so it's important that you take steps to ensure they have a clear understanding of why and how the plan is changing. Be sure to offer group meetings, one-on-one meetings, online resources, and print materials. If possible, have a communications team that includes board members, union representatives, and employees.

**Vendor consolidation can be complex, but taking smart action steps can help deliver a smooth transition to an improved retirement plan centered on your district's unique needs and requirements.**

**Action today can lead to great things tomorrow. Action is everything.**



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VC39936 (09/2023) J1186205 ER

### How can these action steps help my district?

- Across-the-board buy-in
- Enhanced communications
- Trusted partner expertise
- Reduced costs