



## Understanding Your Retirement Plan Fees

For many years, fees and expenses have been confusing elements of employer-provided retirement plans. In some instances, with the Orthodox Presbyterian Church retirement plan, we've heard feedback that participants didn't realize they were paying fees. We'd like to take this opportunity to clear up any confusion, and help you better understand your retirement plan fees.

In every retirement plan, there are several different fees to account for: the recordkeeper, the third-party administrator (TPA), the custodian, the advisor and the fund cost. Additionally, the OPC 403(b) retirement plan has a trustee fee to cover the work of the Committee on Ministerial Care related to the retirement plan.

**1. Recordkeeper and Third-Party Administrator (TPA)** – This role is filled by Wipfli LLP. As the recordkeeper, Wipfli is responsible for daily administrative functions of the plan, such as: trading, disbursement requests, administering contributions, quarterly statements, etc. As the TPA, Wipfli is responsible for the plan's compliance-related items. The cost for these services is included on your quarterly statement under "Administration" or "Plan Recordkeeping Fees."

**2. Custodian** – The custodian for this plan is Mid-Atlantic Trust Company. Mid-Atlantic is responsible for holding the assets of the plan and executing trades per the direction of Wipfli, Wipfli Financial, and the plan's trustees. The cost for this service is included on your quarterly statement under "Legal Fees."

**3. Investment Advisor** – This role is filled by Wipfli Financial. As the investment advisor, Wipfli Financial is responsible for the management of the Pathfinder Portfolios, ongoing due diligence of the investment program, participant education, coordination with the Committee on Ministerial Care, etc. The cost for this service is included on your quarterly statement under "Investment Advisory Fee."

**4. Fund Costs** – These costs refer to the operating expense ratio (OER) of the underlying mutual fund investments with Dimensional Fund Advisors and PIMCO. These are expenses paid to the fund managers for day-to-day management of the mutual fund. These costs are assessed prior to performance reporting and setting the daily NAV of the fund. These expenses do not show up on your quarterly statement; however, they are noted on the Monthly Investment Performance Report provided on the OPC Resource Center website.

**5. Trustee Fees** – The trustee fee within the plan covers the costs of the Committee on Ministerial Care (CMC) related to the retirement plan. Some of the CMC's duties include: providing oversight of the 403(b) plan operations, oversight of the retirement plan



providers (i.e Wipfli, Wipfli Financial, Mid-Atlantic Trust Company, etc.), informing presbyteries and local sessions of tools available for the care of their ministers, and continually assessing options to help improve the employee experience with the retirement plan. The cost for the Committee on Ministerial Care is included on your quarterly statement under "Administration."

#### Plan Fees (as of 01/01/2019)

<b>Expense</b>	<b>Cost %</b>
Recordkeeping and Third-Party Administration*	0.07%
Custodian	0.02%
Investment Advisor	0.20%
Fund Costs**	0.47%
Trustee Fees – Committee on Ministerial Care	0.10%
<b>Current Plan All-In Fees</b>	<b>0.86%</b>

These costs are applied to your individual account pro-rata, based on the size of your account relative to the size of the overall OPC 403(b) retirement plan.

\*For individuals who request specific items on their accounts – i.e. disbursement requests, installment payments, etc. – they will be subject to certain, one-time additional administrative fees for their individual accounts.

\*\*Based on Operating Expense Ratio (OER) of the Moderate Portfolio. Aggregate fund costs may vary slightly depending on individual portfolio or fund manager selections.

If you have any questions about how fees are calculated or charged, please feel free to reach out to your advisor, Benjamin Hayes, at [bhayes@wipflifinancial.com](mailto:bhayes@wipflifinancial.com) or (920) 662-2866.

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