

OverWatch

Fiduciary Liability Exposure Check-up

ERISA Pension and 401K Plans – Non-Profit Organizations

Private Trusts - Other Fiduciary Issues

Service Overview

Individuals who assume the role of trustee/board member for an ERISA pension plan or 401K, a not-for-profit organization, or a revocable or irrevocable trust, also assume the role of fiduciary. Failure to follow established prudent practices for the management, monitoring and oversight of brokerage/investment advisory accounts increases the risk of a lawsuit against the trustee. Despite good intentions, a breach in fiduciary duty could result in the trustee being held personally and financially accountable.

The *Fiduciary Liability Exposure Check-up* service helps your client assess whether the policies and guidelines in place for managing, monitoring, and overseeing brokerage/ investment advisory accounts follow established prudent practices, or represent a potential breach of fiduciary duty.

Note: If your client is the grantor/settlor and the trustee of a private trust, their fiduciary liability exposure may be relatively low. This does not reduce the value or appropriateness of this service. Following prudent practices will show evidence of sound stewardship in managing and monitoring the trust's brokerage/advisory accounts and will establish a sound basis for future trust management.

Services

(available bundled or separately)

- A written report on each check-up component with recommendations on how to address potential shortfalls or gaps in investment policy.
- Review, revise or update your Investment Policy Statement (IPS).
- Create a written IPS if your organization/trust does not have one.
- Vetting and ongoing due diligence of your organization's/trust's financial advisor.
- Develop an RFP (Request for Proposal) for evaluating and selecting a financial advisor and assist in evaluating RFP submissions.
- Assessment of whether your diversification policy complies with prudent diversification standards or represents a fiduciary breach.

Support From a Subject Matter Expert (SME)

Stewart Frank CPA/PFS AIFA is SME for the American Institute of CPAs for investment fiduciary matters and adviser to their Audit and Forensic Divisions. Assistance is available by email to sfrank@precisionfiduciary.com or by phone at 248-227-8308.



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