

Trends in Advisor Compensation

Luke Vandermillen, Jr.

Director, Business Development

Common Questions

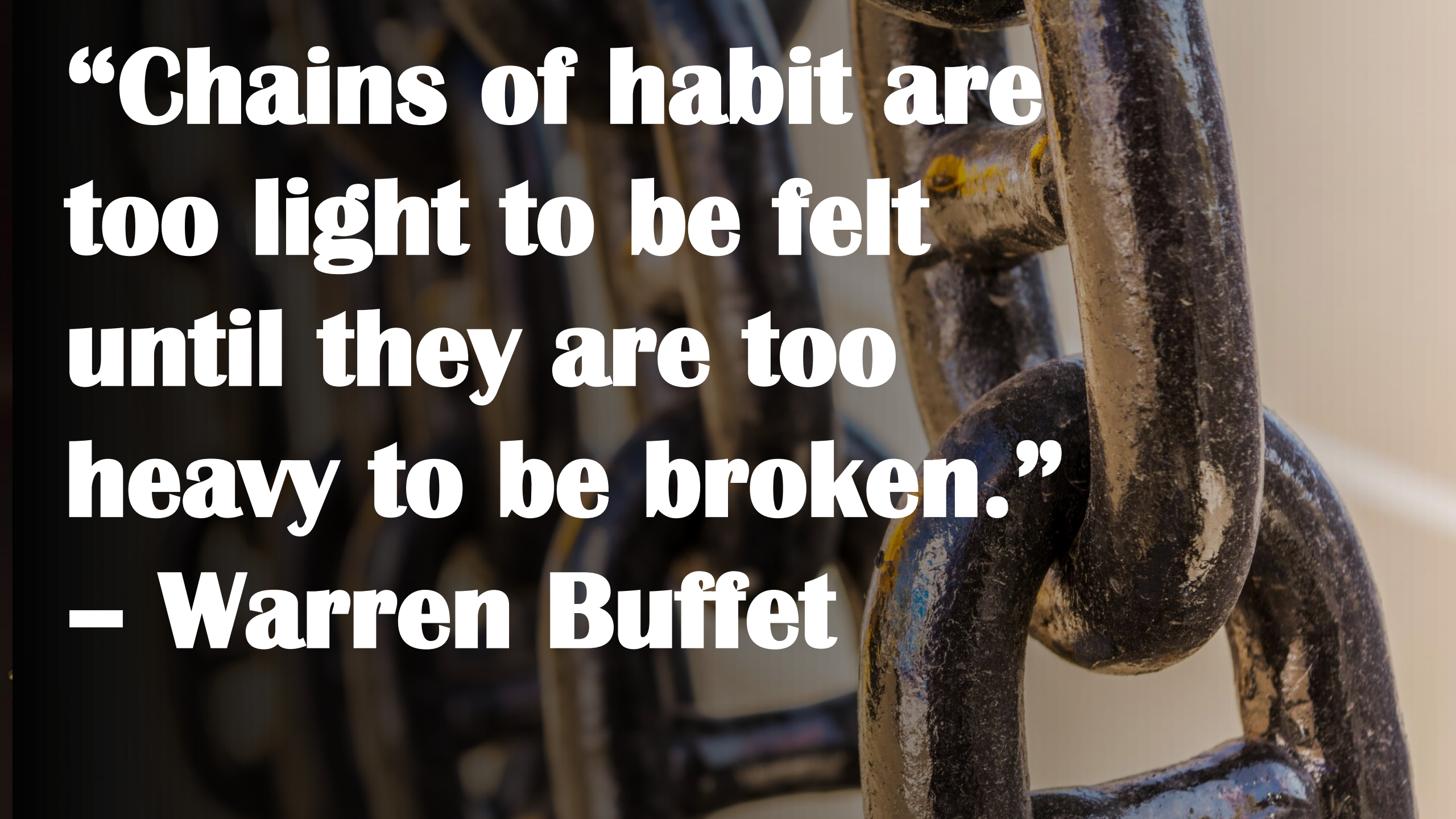
How much should I charge for a plan that has \$XXXm in assets?

When should I charge a flat-fee?

How much should I charge for employee education/participant services?

How often should I meet with a plan?

Should the meetings be in-person or virtual?



**“Chains of habit are
too light to be felt
until they are too
heavy to be broken.”**

– Warren Buffet

The Challenge



Leadership

Familiarity
with ERISA

Prudent
Expert

Expertise with
Plan Design

Documentation
Skills

SETTING THE STANDARD

Communication
Skills

Qualified Plan
Investment
Expertise

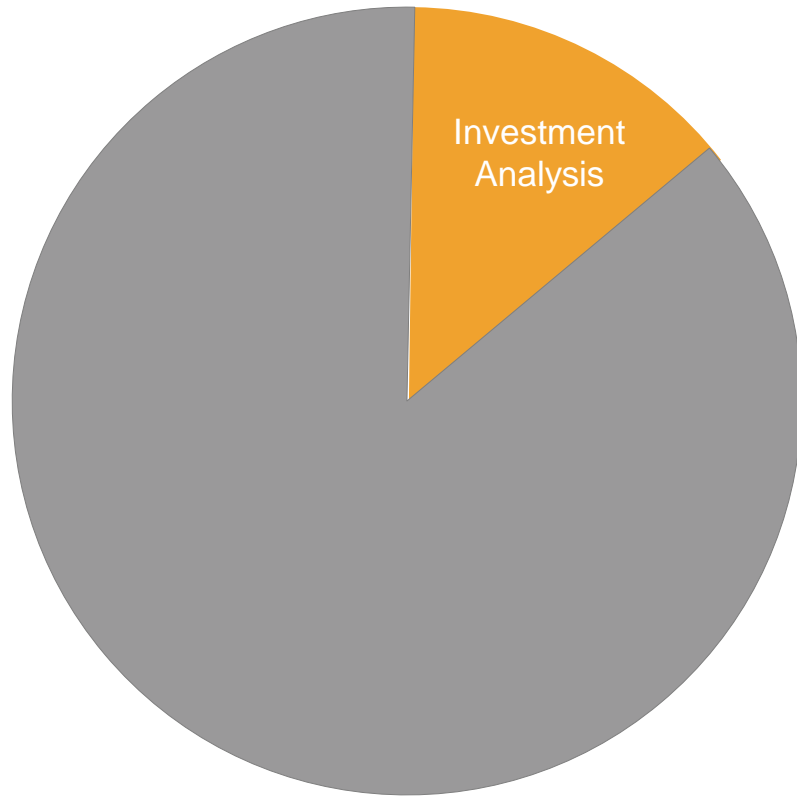
Acceptance
of Role as a
Co-Fiduciary

Full and Open
Disclosure

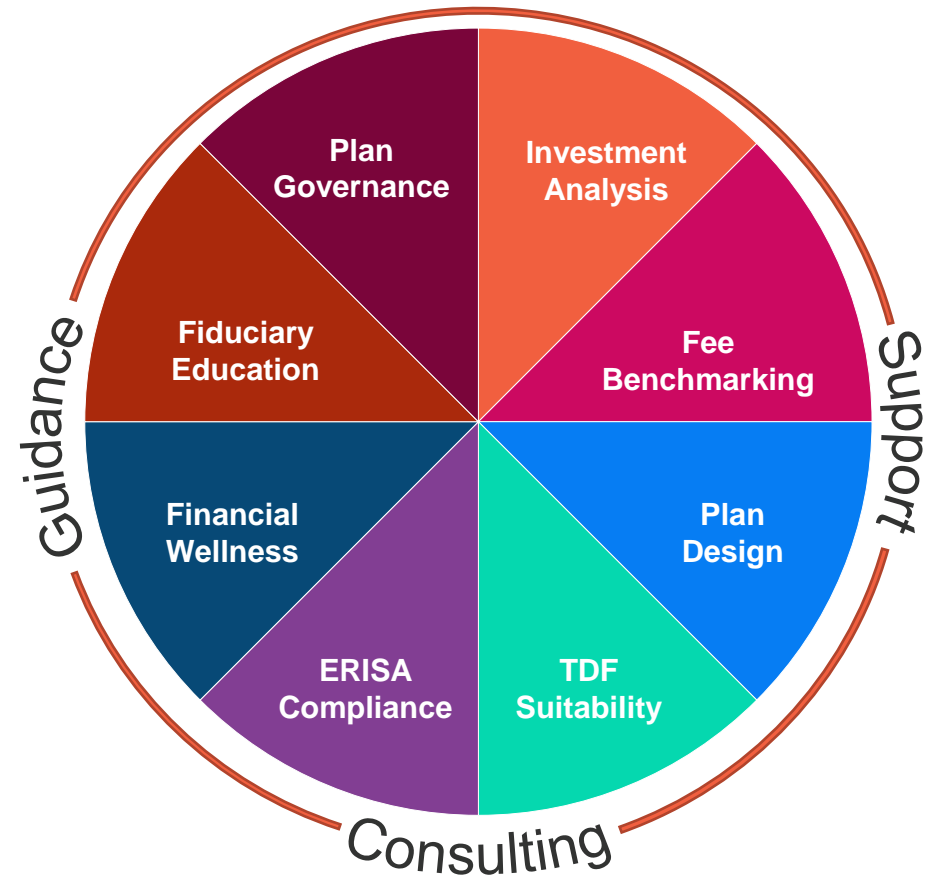
Knowledge of
the Provider
Marketplace

Why Should a Plan Hire Me?

Most Advisors



RPAG Advisors



What's Changed?



Advisor Technology
Fiduciary Efficiency



Employee Education
Employees Need Help



Expectations
More for Less



Financial Wellness
Needs Beyond the Plan



Legislation
PTE 2020-02, SECURE ACT



Competition
Crowded Market

2024 RPAG Plan Fee Analysis



83,014

Plans Studied

\$500K - \$1.4B

Plan Size Range

552 Firms

Included



\$20,232,000,000

Combined AUM of Advisors Interviewed

AVERAGE FEE BY PLAN SIZE

Under \$2M	\$2M - \$5M	\$5M - \$10M	\$10M - \$25M	\$25M - \$50M	\$50M - \$100M
.55%	.35%	.26%	.23%	.16%	.10%

Fee vs. Asset Based Compensation

Out of 83,014

PLANS STUDIED

Plans with Asset-Based Comp.

70,109

(84% of plans studied)

Plans with Flat Fee-Based Comp.

12,905

(16% of plans studied)

Resources and Guidance



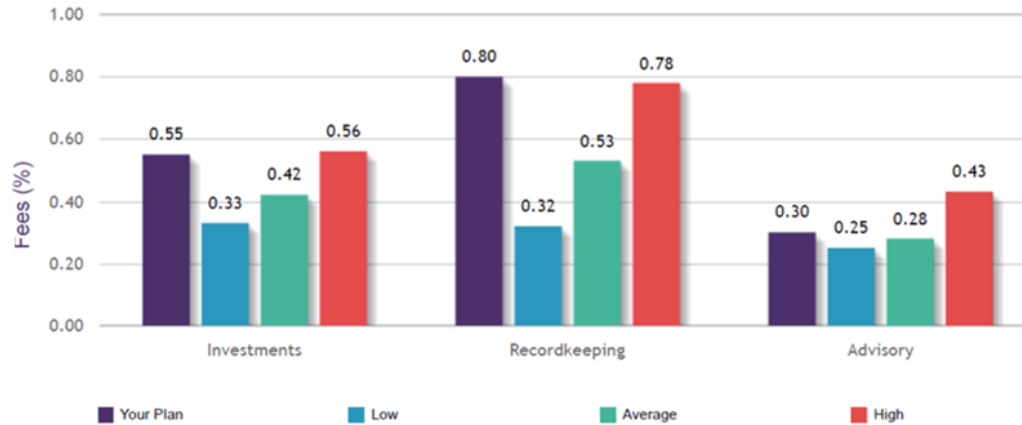
Prism Fee Benchmarking Analysis

PLAN INFO

Your Plan: ABC Company
Plan Assets: \$5,000,000
Total Participants: 50

BENCHMARK INFO

Universe: 2,278
Plan Asset Band: \$3,500,000 to \$6,500,000
Participant Band: --



PlanFees PRISM

PlanFees Prism365

Fee Benchmarking & Fiduciary Services

	Your Plan	Advisor Benchmark Universe		
		Included as part of Base Fee	Additional Fee	Not Offered
Provider & Fee Benchmarking				
Annual Fee Benchmarking	Part of Base Fee	83%	13%	4%
Live-Bid/RFP	Part of Base Fee	83%	13%	4%
Frequency of Live-Bid/RFP	Every 3 years	See Table 3 Below		
Fiduciary Services				
Plan Committee Education and Training	Part of Base Fee	83%	13%	4%
Fiduciary Process Review	Part of Base Fee	83%	13%	4%
Frequency of Fiduciary Process Review	Annually	See Table 4 Below		

Table 3
Frequency of Live-Bid/RFP



Table 4
Frequency of Fiduciary Process Review



Advisor Fee Calculator

Company Name
Sample Plan

Plan Assets
\$10,000,000

Annual Plan Contributions
\$75,000

Investment Due Diligence Frequency
Semi Annually

ERISA/Compliance Review Frequency(Fiduciary Fitness Program™)
Annually

Delivery of ERISA Compliance Benchmarking
Presented with another topic

Live-Bid Provider Analysis
Every 4 years

Employee Education Days
2

Travel Days
0

Same Day Overnight

Virtual Meetings
1

Investment Due Diligence

ERISA/Compliance Review(Fiduciary Fitness Program™)

Employee Education

Fee Projection



Year	Meetings per Year	Average Fee per Meeting
1	4.00	\$5,282
2	4.00	\$5,282
3	4.00	\$5,282
4	4.00	\$5,282
5	4.00	\$5,282

Content, Content, Content!

RPAG Resource Center: Everything You Need (and more)



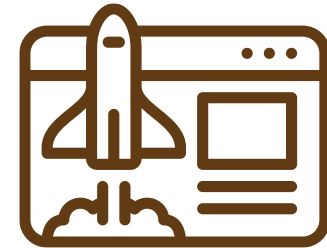
DIVERSE

Steady stream
of content



COMPELLING

Educational to drive
engagement

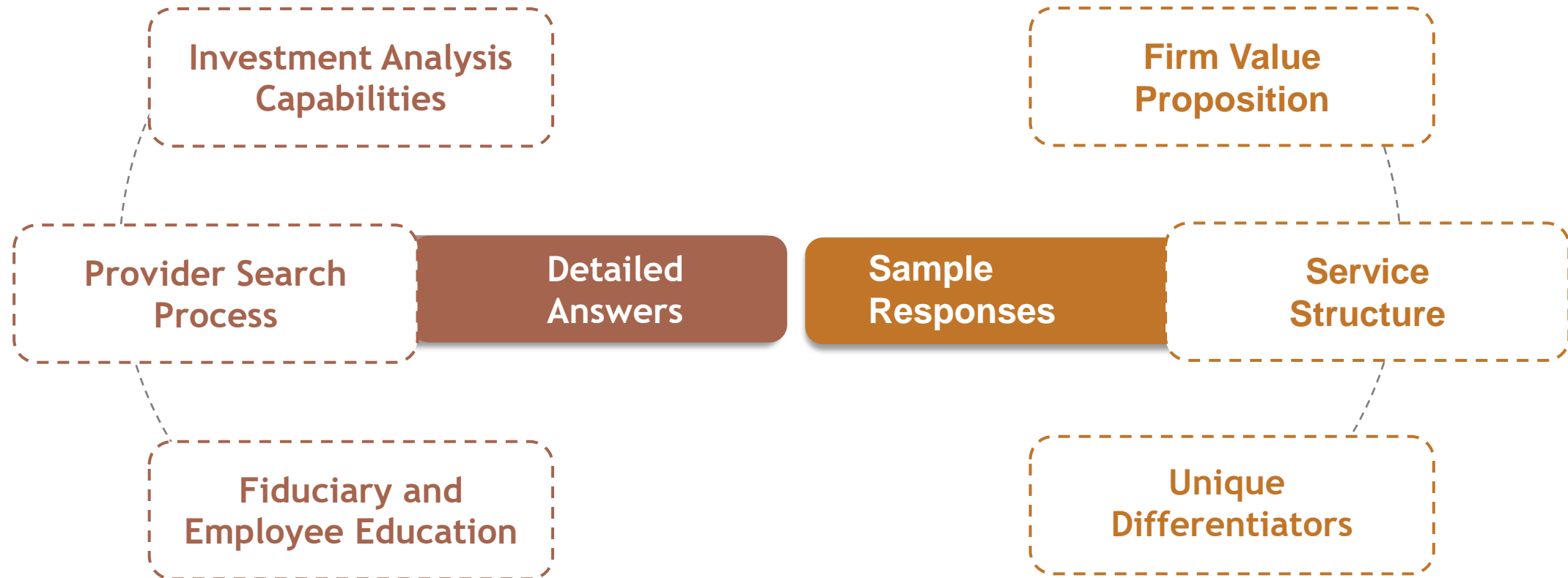


TIMELY

Topical pieces to
address current events

Advisor RFP Responses

Available in the RPAG Resource Center (Premium Content Marketing Members)



Key Takeaways

Be Proactive

Create Your Value Proposition

Set Expectations with Clients

Use RPAG Resources to Determine Reasonable Fees

Define Your Role and Leverage Partnerships

**Thoughtful Pricing + Strong
Value Prop. + Service Delivery
= Revenue Growth**

