



OUR DIFFERENCE IS YOUR ADVANTAGE

# PENTEGRA SUCCESS STORY

## Webster First Federal Credit Union, Worcester, Massachusetts

When Webster First Federal Credit Union began the due diligence process for a new retirement provider last year, they weren't intent on making a change. It was during their review process that they realized Pentegra could offer them specific advantages that not only delivered substantial cost savings, but also significantly reduced a major administrative and compliance burden for their staff.

What made the Credit Union ultimately choose Pentegra as their retirement provider? **"Pentegra's expertise in working with the credit union industry and unique retirement programs designed specifically for financial institutions presented a clear advantage for our organization,"** said Michael Lussier, President & CEO, Webster First Federal Credit Union.

### THE CHALLENGE

Like many credit unions, Webster First Federal Credit Union performed a due diligence review of third party vendors every three to five years. They were concerned about fiduciary responsibility and compliance, as well as plan audit burdens. Each year, their Human Resources staff was tasked with the challenge of working with outside auditors to prepare their annual plan audit—typically spending between \$6,000 to \$10,000 dollars a year in addition to the administrative fees they were already paying to sponsor their retirement plan.

Fiduciary responsibilities were also a concern—investing time and resources to stay up to date with regulatory developments was critical to eliminating potential costs resulting from inappropriate or noncompliant operation of the Credit Union's retirement plans. In looking for a new provider, one of the credit union's key objectives was to find a provider that could streamline plan administration—in particular, the plan audit function—and reduce the fiduciary obligations and compliance burdens associated with running a retirement program.

### WEBSTER FIRST FEDERAL CREDIT UNION OBJECTIVES

- Streamline plan administration and management
- Reduce plan audit costs
- Secure fiduciary relief

## THE PENTEGRA SOLUTION

Pentegra's multiple employer 401(k) plan provided Webster First Federal Credit Union with the total retirement plan solution they were looking for.

The plan's unique structure also delivered significant advantages for the credit union. Only a single plan audit, 5500 filing and plan document are required—resulting in significant cost savings and eliminating the Credit Union's annual audit expense. **“Annual retirement plan audits can be costly and onerous for credit unions—often costing up to \$15,000 annually, along with the significant time and energy required of your staff. By eliminating our annual plan audit expense, Pentegra has saved us \$6,500 per year,”** said Webster First President & CEO Michael Lussier.

Pentegra offered another key benefit for Webster First Federal Credit Union—their assumption of full fiduciary liability. With Pentegra as the ERISA named plan administrator and plan fiduciary, the Credit Union's management and Board are relieved of the principal legal and fiduciary responsibilities associated with running a retirement plan.

**“As a credit union retirement plan specialist, Pentegra's products and services are designed to meet the unique needs of our industry,”** said Lussier. **“Like the community-based financial institutions that Pentegra has built a legacy serving, their commitment is not simply to provide retirement products, but products that make a difference to the people they serve.”**

## THE PENTEGRA ADVANTAGE

- A 65+ year history of serving community-based financial institutions
- Comprehensive retirement plan administration and management capabilities
- Unique fiduciary role
- Significant retirement plan cost savings
- The benefit of working with a credit union retirement plan specialist

Established as a not-for-profit cooperative in 1943 to provide retirement benefits to employees of the Federal Home Loan Bank System, today Pentegra has grown to manage more than 1,000 retirement programs for financial institutions nationwide and over \$6.5 billion in retirement plan assets. For more information, please contact us at 800.872.3473, or visit us at [www.pentegra.com](http://www.pentegra.com).