

PLANSPONSOR
RETIREMENT
PLAN ADVISER
MEGA TEAM
OF THE YEAR

Everhart Advisors



From left: Steven Reinsel, Brian Hanna, Scott Everhart, Matt Romeo and Frank Ciotola.

LOCATION: Dublin, Ohio

PLAN ASSETS UNDER ADVISEMENT: \$2 billion total
(\$1.5 billion sourced in 401(k)/employer-sponsored retirement plans)

MEDIAN PLAN SIZE, IN ASSETS: \$2.5 million

TOTAL PLANS UNDER ADMINISTRATION: 280

TOTAL PARTICIPANTS IN PLANS SERVED: 32,000

NUMBER OF ADVISERS: 9

SUPPORT STAFF: 14

ADVISER TEAM MEMBERS: Lisa Block, Frank Ciotola, Scott Everhart, Brian Hanna, Jonathan Hlavac, Steve Murlin, Steven Reinsel, Matt Romeo, Ian Schmidt

As of December 31, 2017

In 1995, adviser Scott Everhart had a vision to start a firm that focused on the emerging field of comprehensive financial planning. From the beginning, he was drawn to helping optimize retirement plans by being independent and free of conflict. He wanted fee transparency and cost control, open architecture investment flexibility, and prudent and documented processes. A decade after starting Everhart Financial Group, he decided to change the focus of the firm to 401(k) consulting and advising. With it came the name change to Everhart Advisors.

Ten years later, Everhart Advisors is one of the largest retirement plan advisers in Central Ohio, with 280 retirement plan clients serving 32,000 participants. Approximately 80% of Everhart's \$1.7 billion in assets under advisement (AUA) is related to 401(k) consulting and advisory services. Each day, the team of 25, which has its offices in the cities of Dublin and Dayton, strives to live out the firm's tag line: "Preparing Participants. Protecting Fiduciaries." The founder's vision has continued, with an emphasis today on fee transparency and cost control. If you ask the firm, its two best pathways to preparing participants and protecting fiduciaries are fee leveling and re-enrollment to a qualified default investment alternative (QDIA).

Everhart Advisors implements fee leveling when this is possible, with revenue sharing returned at the fund/participant level. And re-enrollment to a QDIA is nothing new for the firm, but it remains a focus because of how it can help participants with improved asset allocation and diversification, not to mention can benefit fiduciaries through the Pension Protection Act (PPA)'s safe harbor protection. After re-enrollment to the QDIA, the firm says, 90% to 95% of participants remain in it.

"In all we do, we simultaneously seek to prepare participants and protect plan fiduciaries," says Brian Hanna, senior plan consultant for Everhart Advisors. "We serve as a fiduciary without caveat or exception." As a fee-based registered investment adviser (RIA), Everhart prides itself on giving impartial advice, unrelated to any product, vendor or investment. "We are independently owned and not beholden to a bank or brokerage house—our sole focus is on the client," Hanna stresses.

Last year, Hanna and Everhart co-authored their first book, "The 401(k) Owner's Manual," which guides plan sponsors on how to create an elite 401(k) plan while maximizing fiduciary protection. Hanna says that by taking this approach, plan sponsors can give employees the greatest opportunity to achieve a secure retirement, adding that the book reflects Everhart's commitment to retirement success.

"We're told the first thing people notice about us is our passion," Hanna says. "We are driven by our desire for everyone to achieve the retirement they want. We love what we do, and we are good at it. We're not your typical 401(k) advisory team. We don't really fit that mold, at least not by our personality. In an industry known for stuffy offices, confusing jargon, inattentive service and dull presentations, we stand out. We call. We show up. We listen. We engage."

Thus, Everhart Advisors works with clients by way of a team-based method. Each client has a lead consultant, relationship manager and education specialist available to help it. The

relationship managers provide vendor coordination and advocacy, regulatory guidance and administrative support, while the education specialists—acting as fiduciaries—give recommendations and advice to participants rather than just information.

"We have found that our structure of assigning a highly skilled, experienced, and 401(k)-focused relationship manager to every client relationship in addition to a lead consultant is both rare and of significant value to the client," Hanna says. "This structure ensures that the daily needs of the client may be addressed at any moment, with an expert advocate and intermediary working with it continually, with our relationship managers often having weekly interaction with clients."

Automatic features are important to prepare participants for retirement, but Everhart Advisors is a firm believer in one-on-one advice for employees. "Employees must themselves understand the behavioral challenges they face, why behavioral change is vital, what aspects are within their control, and then embrace the work necessary," Hanna says. The firm also offers a series of on-site financial wellness workshops led by the education team, with topics including budgeting, saving for emergencies and reducing debt.

"We are all well-aware of the symptoms [of financial discomfort], including lower contributions, lower balances and higher loans, with this push of financial wellness helping solve the actual problems in addition to [the] behavioral challenges, such as the lack of budgets, extraordinary spending, consumer debt and school debt," Hanna says.

Besides the on-site workshops, employees can also access online and video-based resources including SmartDollar and Edu(k)ate. Further, Everhart provides a dedicated 800 number and email address to all participants to field their investment-related questions. The firm even provides personal assistance by way of executing action steps, such as coordinating conference calls with participants and the recordkeeper to implement changes to deferral

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amounts or investments.

Everhart Advisors also aims to combat participant inertia by encouraging employers to adopt automatic enrollment starting at 6%, as well as to always include automatic escalation up to 10%, or even 15%.

Hanna says all of these initiatives are indicative of the firm's courage to embrace emerging developments in the retirement planning industry. "There is no best practice we have yet to implement," he says. "There are no initiatives we have not led. There are no systems or resources we do not have. There are no fiduciary protection services or employee engagement services we do not provide.

"We have emphasized and implemented automatic enrollment, automatic escalation, match optimization and re-enrollment to QDIA strategies when appropriate, necessary and consistent with the client culture," he continues. "Our fee benchmarking, vendor search, fiduciary fitness and investment due diligence services are all driven by prudent process, robust tools and industry-leading technology. Most importantly, we place extraordinary emphasis on employee education and engagement, and have done so since our establishment." —Corie Hengst