

## *From The Corner Office*

Here's what we've been working on...

The retirement industry continues to evolve at a rapid pace, bringing new complexities, fresh opportunities, and a greater demand for thoughtful strategies. In this issue of The Iron Chronicles, we are proud to share insights from our team that highlight both the challenges and the innovations shaping the road ahead.

Margie Brown explores how outsourcing retirement plan administration can strengthen compliance, increase efficiency, and drive measurable savings. Richie Ambrose draws timeless lessons from old sayings—reminding us why expertise and thoughtful modernization are critical for sustainable growth. Robert Holman sheds light on one of the most overlooked yet vital areas of 401(k) Recordkeeping Migrations: Cash Reconciliation, and its role in protecting both fiduciaries and participants.

We are also featuring a timely thought leadership piece from Adrienne Ryan Pinto on the newly proposed Keep Call Centers in America Act of 2025. This legislation could significantly reshape compliance, trust, and customer experience across the Financial & Retirement Services landscape—turning regulatory shifts into opportunities for competitive advantage.

At Enterprise Iron, our mission remains clear—to help organizations navigate complexity with confidence, while building resilient and future-ready operations. We hope these articles spark new ideas and equip you with practical strategies for the year ahead.

As always, we welcome your thoughts, questions, and conversations—together, we can shape the future of retirement services.

Warm regards,

**John Crocker**  
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## ***Old Sayings, New Lessons: What the Retirement Industry Can Learn from the Past***

By **Richie Ambrose**, Principal Consultant

They say, "You get what you pay for." And another classic: "Don't throw the baby out with the bath water." While these sayings may sound quaint, their lessons are strikingly relevant in today's retirement and consulting industries. As the landscape becomes more complex, organizations face increasing pressure to do more with less—often leading to costly missteps that could be avoided with the right guidance and investment.

### **"You Get What You Pay For"**

The drive to cut costs has led many organizations to reduce experienced staff in favor of lower-cost, less seasoned alternatives. Unfortunately, this often backfires—leading to delayed timelines, regulatory risk, reduced service levels, and even failed implementations.

At Enterprise Iron, we believe quality matters. Our clients benefit from working with industry veterans who understand the complexities of Retirement Systems, Operations, Technology and Regulations. We deliver execution you can count on—on-time, within scope, and aligned with your goals.

Whether it's executing a major system transition, driving operational efficiencies, modernizing call center operations, or navigating complex compliance initiatives, our team brings the right blend of experience, strategic insight, and practical execution.

### **"Don't Throw the Baby Out with the Bath Water"**

The retirement industry has its fair share of legacy systems, outdated processes, and overlapping tools. And yes, some of it needs to go. But that doesn't mean you need to start from scratch.

A smarter strategy is to clean the water—to modernize, optimize, and realign your operations. That might mean replacing outdated technology, sunseting redundant tools, eliminating expensive customizations, or streamlining staffing models.

Enterprise Iron helps clients do exactly that!

Our offerings span:

- **Operational Efficiency & Strategic Planning:** Rethink processes, reduce overhead, and build scalable growth models.
- **Expert Consulting:** Fill critical gaps with professionals who hit the ground running.
- **Technology Enablement & Modernization:** Select, implement, or optimize platforms for today and tomorrow.
- **Compliance & Regulatory Strategy:** Navigate a shifting regulatory landscape with confidence.
- **Call Center Transformation:** Boost performance, reduce cost, and improve participant experience.

#### **Smarter Investments, Sustainable Growth**

If your team is constantly focused on cost-cutting just to stay afloat, there's a better way. With the right partner and a thoughtful plan, it's possible to shift from reactive decision-making to proactive, strategic growth. We believe that when you stop repeating history—you start shaping it.

We're committed to helping our clients build efficient, resilient, and future-ready organizations. Explore our real-life Case Studies to see the impact firsthand, then connect with a team member to start your path forward!

Contact: [info@enterpriseiron.com](mailto:info@enterpriseiron.com)



### ***Navigating the Minefield: Cash Reconciliation in 401(k) Recordkeeping Migrations***

By **Robert Holman**, Enterprise Solution Architect

#### **Why does this matter?**

Migrations between 401(k) recordkeepers are inherently complex. While much of the focus is placed on the successful transfer of participant data, investment funds, and loan balances, cash reconciliation is often the area where operational risk quietly surfaces. Failing to fully reconcile cash inflows, outflows, and trades during the transition can lead to service disruptions, uninvested funds to audit findings and potential compliance breaches.

#### **What Makes Cash Reconciliation So Complex During a Migration?**

- **Multiple Moving Parts:** Payroll deposits, participant investment trades, loan disbursements, and plan fees may all be in transit or pending settlement at different stages.
- **Two Books of Record:** For a period of time, both the outgoing and incoming recordkeepers maintain partial views of cash activity, increasing the risk of inconsistent reporting.
- **Third-Party Involvement:** Custodians or Trust Companies (e.g., Matrix, Charles Schwab Trust) often serve as intermediaries for cash movement, adding layers of approval and timing dependencies.
- **Timing Mismatches:** Payrolls processed by the outgoing record keeper may not settle before the new provider begins accepting new transactions, causing temporary "cash in limbo".

#### **Key Reconciliation Areas to Manage**

##### ***1. Pre-Migration Balancing***

- Confirm the ending cash balance at the custodian matches the old recordkeeper's book.
- Validate that pending trades, fees, and loan activity are fully accrued or carried forward.

##### ***2. Blackout Period Monitoring***

- Track all participant contributions and loan repayments received during the blackout.
- Identify stale trades or unmatched cash awaiting allocation post-migration.

### 3. Post-Migration Validation

- Reconcile the initial cash-opening balance in the new recordkeeping system with the actual settled cash at the custodian.
- Match each post-cutover transaction to its corresponding cash flow and fund movement.

### 4. Trade-Linked Cash Movement

- Ensure each trade's proceeds or purchases align with both the custodian's confirmation and the internal system's investment accounting.

### Tools & Techniques for Accuracy

- **Mirror Environment Testing:** Use a shadow ledger to test the cutover and simulate cash activity before the go-live event.
- **Automated Matching Software:** Leverage AI-enabled tools to highlight unmatched transactions between recordkeepers, custodians, and trading platforms.
- **Daily Cash Tie-Outs:** During the first 30 days post-migration, perform daily cash reconciliations to identify and resolve discrepancies quickly.

### Common Pitfalls to Avoid

- **Ignoring Source-Level Detail:** Relying solely on fund-level totals without reconciling individual contribution sources (e.g., employee deferrals, employer match, rollovers).
- **Misclassifying Funds in Transit:** Treating cash not yet settled as final balances can lead to shortfalls or misallocations.
- **Overlooking Blackout Activity:** Contributions or loan repayments made during the blackout period may be missed if not tracked and manually posted.
- **Blind Trust in Custodian's Statements:** Custodian reports may contain pending adjustments or manual errors—trust but verify.

### Cash Reconciliation Is More Than Accounting – It's Risk Management

Accurate cash reconciliation during a 401(k) migration is not just a behind-the-scenes technical accounting task. It's a critical component of fiduciary oversight and participant protection. A disciplined, transparent reconciliation process

helps ensure that participant funds are fully invested, records remain accurate, and plan sponsors meet their compliance obligations. The smoother the reconciliation, the more confident all stakeholders can move forward, knowing the transition upheld the highest standards of integrity.

### Expert Support for a Risk-Free Migration

At Enterprise Iron, we specialize in critical components that make 401(k) migrations successful—trade and cash reconciliation, recordkeeper transition strategy, and precise data mapping. Our team brings deep experience and proven methodologies to help plan sponsors and providers navigate complex transitions with confidence and control.

Contact us today at: [info@enterpriseiron.com](mailto:info@enterpriseiron.com) to learn how we can support your next migration.



## CALENDAR OF EVENTS

### SPARK Advisory Board Meeting

September 9-10 | Washington . D.C.

### ASPPA Annual 2024

October 26-29 | San Diego, CA

### SPARK Forum

November 2-4 | Palm Beach, FL

### SPARK Advisory Board Meeting

November 4-5 | Palm Beach, FL



## WHITEPAPER

### **Compliance Without Compromise: Unlocking Savings Through Outsourcing**

By **Margie Brown**, Principal Consultant

Due to the increasing complexity of managing and recordkeeping employer-sponsored retirement plans, some organizations are leaning towards outsourced solutions for their administration. By outsourcing, this allows recordkeepers to have a smarter, leaner path to risk management, improve plan compliance, enhance employee satisfaction, and reduce administrative burdens.

This whitepaper explores why outsourcing retirement plan administration and recordkeeping services for a strategic smart business model that is a cost-effective move for retirement plans of all sizes.

#### **Some Challenges of In-House Retirement Plan Administration and Recordkeeping Obligations**

Managing administration and recordkeeping retirement plan documents, ensuring compliance with contractual agreements and obligations, and overseeing the operations of services internally encompasses a broad spectrum of roles and responsibilities.

- **Plan Design & Optimization:** Ensuring plan documents are timely updated with regulatory and discretionary amendments.
- **Regulatory Compliance:** Keeping up with the DOL, Internal Revenue Code and ERISA requirements is time-consuming and requires specialized expertise.

- **Client and Participant Support:** Clients and participants expect timely and accurate assistance on meeting deadlines, understanding plan features, and retirement readiness.

These responsibilities can be overwhelming and a challenge to hire and retain staff with the expertise, necessary experience, focus, and dedication to support a successful organization in this industry.

#### **Key Benefits of Outsourcing Retirement Plan Administration**

##### **Improved Compliance and Accuracy**

A professional outsource organization is equipped with experts to ensure plans meet Department of Labor and Internal Revenue Service standards, including timely preparing and filing of the Form 5500, performing nondiscrimination testing, plan restatements and discretionary and mandatory amendments.

##### **Operational Efficiency**

Outsourcing providers streamline operations and provide dedicated plan support. This reduces time and cost of training internal staff, decreases human resources overhead, and frees internal teams to focus on strategic initiatives and company objectives.

##### **Predictable Cost and Savings**

While there is a cost for outsourcing, they are often offset with the cost of internal labor and staffing readiness. Services are customized to the economies of scale from an experienced outsourcing provider that can offer competitive pricing and flexible costing models.

##### **Outsourcing Model Scenarios**

Your organization can choose from various levels of outsourcing to meet your needs. Below are a few scenarios:

Model	Description	Benefits
Plan Design Team	Manages the plan design team, including mandatory and discretionary plan amendments, and restatements.	Full-service support or an extension of your existing team from a cost-benefit perspective.
Recordkeeping Only	Basic administration processing and reporting.	Pathway for ongoing assistance and support along with a gateway to continued solution deliverables.
Seasonal Compliance Team	Nondiscrimination testing and Form 5500 preparation during peak periods.	Full-service support or extend your existing team for resource-efficient readiness.

### Considerations Before Outsourcing

- **Vendor Due Diligence:** Description of the role(s) as part of the outsourcing services needed. Evaluate what experience, expertise, and service level agreements (SLAs) you are seeking to meet your objective.
- **Transparent Fee Structure:** Understand costs and descriptions in the statement of work (SOW).
- **Scalability:** Choose an outsource provider who can grow with your business. This provider should be an open channel for continuous support and collaboration, enabling the ongoing delivery of tailored solutions that evolve with your organization's needs.

### Conclusion

Outsourcing retirement plan administration and recordkeeping services offers a strategic advantage for organizations seeking to reduce risk, control costs, and improve retirement outcomes for their clients. In this highly regulatory industry, partnering with an experienced outsourcing organization can lead to both financial and operational value.

This document is intended to inform recordkeepers, plan platform administrators, and business owners about the benefits and practicalities of outsourcing 401(k) plan work. Enterprise Iron's **Retirement Plan Compliance Services** provide expert guidance and staff support ensuring a smooth transition and assurance of quality service and experienced talent in this industry.

Email our experts at [compliance@enterpriseiron.com](mailto:compliance@enterpriseiron.com) to prepare your organization for success.



### **Anticipating Change: Turning Propsed Legislation Into Strategic Insight**

A new bipartisan bill could shake up how Financial & Retirement Services handle compliance, trust, and customer experience. In New Legislation, New Demands, **Adrienne Ryan Pinto** reveals how firms can turn these looming changes into a powerful competitive edge.

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