

# Davis Food Co-op

## Serving the Community Means Serving Your Employees

As a full-service, collectively-owned grocery store, Davis Food Co-op knows that promoting wellness in your community starts with promoting wellness among your employees. That's why the co-op offers a 401(k). But with a combination of hourly team members and back-office administrative staff, each with differing needs, promoting financial wellness among employees is no simple task.



With a traditional 401(k), Davis Food's employees had to wade through stacks of confusing paperwork just to enroll. Once enrolled, they had to make expert-level investment decisions with a complex fund lineup. On top of that, Davis Food's administrators bore complete fiduciary liability for the plan. They had to spend countless hours each month tracking eligibility, reconciling their payroll and recordkeeping systems, and communicating with employees to stay compliant with the Department of Labor.

The 401(k) was supposed to be a recruiting and retention tool. At just 11% staff participation however, the 401(k) was all liability with little benefit. The few employees that did participate didn't see much value either, saving just 1% of their paychecks on average.

ForUsAll Results At-a-Glance		
82%	6.25%	57%
Employee participation rate <sup>1</sup>	Average employee deferral rate <sup>2</sup>	Reduction in fees <sup>3</sup>

<sup>1</sup> Participation is the actual Davis Food participation rate on the ForUsAll platform as of May 2018.

<sup>2</sup> Average savings rate of Davis Food's participants as of May 2018.

<sup>3</sup> Employee fee savings based on Davis Food's participant fee disclosure from prior recordkeeper as compared to fees on the ForUsAll platform.

With success dependent on a satisfied, motivated staff, Davis Food knew they needed the 401(k) to be better. The 401(k) needed to engage their employees, be easy-to-run, and not be a liability that could cost them big in the event of a DoL audit.

That's why Davis Food Co-op works with ForUsAll.

### **More Than Just a 401(k) – a Recruiting and Retention Tool That Employees Love**

“With 3(16) and 3(38) fiduciary services, ForUsAll takes the liability off our plates, which means we can spend our time on the important things – running our business and taking care of our employees,” said Brad Salmon, Finance Manager at Davis Food Co-op.

With 3(16) and 3(38) services, ForUsAll handles plan administration and investment advising, assuming liability and backing their services with a \$5M compliance guarantee.<sup>4</sup> ForUsAll's platform also reduces the administrative workload, automates eligibility tracking, synchronizes Davis Food's payroll and recordkeeping systems, handles the preparation and signing of Form 5500, and automatically archives important plan documents for easy access in the event of a DoL audit.

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*– Brad Salmon, Finance Manager at Davis Food Co-op*

ForUsAll also turns the 401(k) into a powerful recruiting and retention tool by promoting employees' financial wellness from day one. Davis Food's employees have access to holistic financial advice from ForUsAll's financial advisors. Employees can schedule one-on-one sessions to be advised on anything from credit card debt to mortgages to starting a business. And of course, employees receive education on successfully planning for retirement.

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<sup>4</sup> ForUsAll carries professional liability coverage of \$5,000,000 which covers our ERISA plan advisory services. See our standard plan services agreement for more details.

ForUsAll also makes the 401(k) accessible, simple to join, and easy to manage. After reaching eligibility, employees are automatically enrolled. They receive automated communications from ForUsAll's virtual advisor, DAVE, who onboards and educates employees using simple, everyday language that makes the 401(k) accessible and easy to understand. Employees then have 24/7 access to their 401(k) via ForUsAll's desktop and mobile platform, which communicates to them using email, SMS, and in either English or Spanish.

### **Driving 82% Participation and Delighting Employees – All While Lowering Fees by 57%**

Since partnering with ForUsAll, the response to the 401(k) has been quite positive. As one employee said, "I love how user-friendly the [platform] is. I'm normally someone who struggles with navigating financial terms... DAVE does a great job of making my retirement plan easy to understand."<sup>5</sup> With an improved employee experience, plan participation has risen to 80%, with employees saving 6.25% of their paychecks on average. ForUsAll also lowered investment costs and helped transition the plan to a new recordkeeping setup, dropping asset-based fees by 57%.

Perhaps most importantly? The financial support and education helps make employees more financially sound. As Brad put it, "I feel that we are a better employer now for having switched to ForUsAll!"

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*- Davis Food Co-op Employee*

Confidential – for illustrative purposes only – this case study is intended as an example and is not necessarily representative of every client's experience. This customer impact example was selected to show the effect of ForUsAll's reduction in fees and expenses. It was not chosen based on investment performance data. Actual fees and expenses or plan cost savings may vary.

<sup>5</sup> Quotes pulled from the participant survey administered through ForUsAll virtual advisor.