



Vendor Selection Checklist For Executive Benefits

VENDOR QUALIFICATION

As your organization considers the development and potential installation of an executive benefit plan (or additional participants added to an existing plan), there are a number of considerations that you will be evaluating in order to select your vendor. The National Credit Union Administration (NCUA Guidance Letters #07-01 and #08-CU-09, dated October 2001 and April 2008 respectively) requires that Credit Unions conduct due diligence on potential vendors. This also extends to vendors currently providing benefits to you and your Credit Union.

DESIGN

Date Completed:

<input type="checkbox"/>	Does the vendor have the consulting expertise to provide the institution with all necessary considerations and evaluations to make a decision that will affect the performance of the institution?
<input type="checkbox"/>	Can they accurately model the financial impact of how the purchase of institutional products to informally fund benefit expenses will affect the institution's financial statements?
<input type="checkbox"/>	Are they able to spend the time and talent to provide a resource to the institution?

INSTALLATION

Date Completed:

<input type="checkbox"/>	Does the vendor have qualified legal and accounting expertise to ensure that all regulatory, accounting and IRS guidelines are fully met?
<input type="checkbox"/>	Does the vendor have sufficient staff to support the institution during the complex implementation phase of the plan?
<input type="checkbox"/>	What summary reports are provided by the vendor?

ONGOING ADMINISTRATION

Date Completed:

<input type="checkbox"/>	Does the vendor have the financial strength to provide the institution administrative support services for the long-term? What are their sources of income and expense?
<input type="checkbox"/>	Does the vendor provide administrative support directly or "farm it out" to a third party?
<input type="checkbox"/>	Does the vendor have sufficiently trained support staff to provide the institution with all regulatory and accounting support into the future?

This material was created to provide accurate and reliable information on the subjects covered, but should not be regarded as a complete analysis of these subjects. It is not intended to provide specific legal, tax or other professional advice. The services of an appropriate professional should be sought regarding your individual situation.

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