

## FOREWORD

“Fiduciaries have the most important, yet most misunderstood role in the investment process: *to manage the investment practices*, without which the other components of the investment plan can be neither defined, implemented or evaluated...”

- Foundation for Fiduciary Studies  
2003 Prudent Investment Practice Handbook

In an industry where the retirement plan participants have become increasingly skeptical of those who are managing their financial assets, there is a real need for clarity on how best to ensure that a prudent investment process is being followed. As spectacular as the scandals like Enron, WorldCom, and Tyco were; the money lost through the illegal activity and greed that was prevalent in these cases pales in comparison to that which is lost regularly through simple mismanagement of retirement plan assets. In the vast majority of cases, it is not a matter of willful misconduct on the part of the fiduciary, but simply a lack of understanding of how best to manage their responsibility.

The Practices developed by the Foundation for Fiduciary Studies provide the framework for a prudent investment process. They were written with the expectation that forward-thinking organizations like Financial Service Standards, LLC would provide more specific guidance on how best to implement them. The 401k Service Solution applies practical experience and expertise to provide detailed, comprehensive guidance on how to establish and properly maintain a retirement plan. It is information that is critical to both the plan fiduciaries and the professionals that advise them. We are very pleased to be associated with Don Settina and Sharon Pivrotto as they work to advance proper fiduciary conduct. I encourage all who have or share responsibility for the management of retirement plan assets to become familiar with their message and heed their advice.

J. Richard Lynch  
Executive Director, Foundation for Fiduciary Studies

