

PAPER 03 / 08
Fiduciary Documentation Series

Fiduciary Documentation Series

GOVCON + WORKFORCE EMPLOYERS
Evidence File | Decision Records | Funds Flow | Audit
Readiness

Evidence File | Decision Records | Documents | Audit Readiness

Building the Fiduciary File

How Archer Jordan Health turns authority, plan documents, trust records, vendor economics, funding activity, and fiduciary decisions into audit-ready evidence.

IN THIS PAPER

Paper 01 proved the outcomes. Paper 02 defined the fiduciary governance framework. Paper 03 shows where proof lives: a fiduciary file that records authority, documents, trust-controlled funds flow, vendor compensation, exceptions, and year-round governance.

Paper 01 proved the outcomes. Paper 02 defined the fiduciary governance framework. Paper 03 shows where the proof lives: the fiduciary file that records authority, plan documents, trust-controlled money flow, vendor compensation, approvals, exceptions, corrections, and the evidence required to defend the plan without reconstruction.

RELEVANT FOR

Government contractors · Service Contract Act employers · prevailing wage employers · Davis-Bacon contractors · workforce-intensive employers · CFOs · HR leaders · boards · private equity sponsors

Authority who governs who decided	Documents what controls what controls	Money what moved what moved	Evidence what proves it what proves it
---	---	---	--

If it is not written into TrustFirst™ Architecture, it does not exist for governance purposes. The fiduciary file is where governed decisions become institutional proof.

EXECUTIVE SUMMARY

Paper 03 turns governance into evidence.

Paper 01 showed what TrustFirst™ Architecture can produce: measurable labor-cost reduction, stronger compliance posture, and audit-ready outcomes. Paper 02 explained the fiduciary governance framework that makes those outcomes repeatable. Paper 03 answers the next question: where does the proof live?

The answer is the fiduciary file. Not a loose folder, a renewal binder, a vendor portal, or a collection of emails. The fiduciary file is the structured record of authority, decisions, documents, funds flow, vendor compensation, exceptions, corrections, and ongoing governance activity.

For regulated workforce employers, this distinction matters. A health plan can function, pay claims, enroll employees, and generate reports while still leaving leadership unable to prove who governed the system, how plan sponsor money moved, why vendors were paid, or whether decisions were made under a disciplined fiduciary process.

OPERATING PREMISE

Trust is not memory. Trust is a record.

Most organizations do not lose control of a plan all at once. They drift. A payroll exception becomes normal. A vendor fee remains unclear. A renewal decision is remembered but not documented. A plan document says one thing, employee communication says another, and the money moves according to a third version of reality.

When a Department of Labor inquiry, DCAA review, prime contractor audit, employee complaint, stop-loss dispute, board review, contract transition, or private equity diligence request arrives, explanations are not enough. The organization needs evidence that existed before pressure was applied.

The TrustFirst™ principle is direct: if it is not documented inside TrustFirst™ Architecture, it does not exist for governance purposes. That standard is not bureaucracy. It is executive protection. It turns trust from a relationship into an institutional record.

THE FIDUCIARY FILE

The file is the operating spine of the plan.

A fiduciary file should not be limited to compliance documents. Compliance is one part of the record, but TrustFirst™ requires a broader file: the documents that control the plan, the authority that governs it, the money that moves through it, the vendors that serve it, and the decisions that shape it over time.

For Archer Jordan Health, the fiduciary file has to prove alignment. It must show that the plan document, summary plan description, trust documents, administrative services agreement, vendor contracts, fee schedules, eligibility rules, payroll activity, claims funding, PBM arrangements, and actual operation are not separate stories. They are one governed system.

File section	What it proves	TrustFirst™ record
Authority file	Who holds discretion, what has been delegated, and what authority remains with the sponsor.	Plan sponsor resolutions, fiduciary acceptance, delegation records, authority matrix, committee or governance records.
Plan document file	What the plan promises and how it is supposed to operate.	Plan document, SPD, amendments, notices, eligibility rules, contribution schedules, benefit summaries, employee communications.
Trust and funds-flow file	How plan dollars are held, disbursed, approved, and reconciled.	Trust agreement, trust bank setup, ASA, payment rules, claims funding records, vendor disbursements, PBM credits/rebates where applicable, stop-loss records.
Vendor and fee file	Who serves the plan, what they do, and how they are paid.	Service agreements, fee schedules, compensation disclosures, PBM terms, TPA

		agreements, stop-loss documents, performance reviews.
Decision and exception file	Why material choices were made and how drift was corrected.	Decision memos, renewal rationale, vendor selection support, funding assumptions, issue logs, correction approvals, governance minutes.
Year-round governance file	Whether the plan was monitored before renewal, audit, or diligence pressure arrived.	Monthly reviews, quarterly governance records, annual strategy file, benchmarking, fiduciary file certification, audit-ready evidence.

AUTHORITY RECORDS

The first file proves who governs.

Fiduciary governance begins with authority. In many legacy arrangements, practical authority is spread across a broker, carrier, TPA, PBM, payroll vendor, HR team, finance team, and internal memory. Everyone performs a function, but no single record explains who governs the plan as a system.

TrustFirst™ requires authority to be explicit. Where authorized by the plan sponsor and documented in the governing instruments, Archer Jordan Health assumes delegated fiduciary governance responsibilities related to plan design, vendor oversight, plan economics, funds-flow governance, documentation, and day-to-day operating discipline.

That protects both sides. The plan sponsor does not rely on informal vendor coordination as the governance model. Archer Jordan Health does not operate through vague influence. The file must show what was delegated, what remained with the sponsor, what authority vendors have, and how decisions are reviewed and preserved.

TRUST AND FUNDS-FLOW RECORDS

The money record is the discipline record.

In self-funded TrustFirst™ health plans, the trust is the financial control point. Plan sponsor money and employee contributions should not disappear into vendor-controlled economics. Claims funding, administrative fees, PBM arrangements, stop-loss payments, rebates, credits, recoveries, and vendor compensation must move through documented authority.

The fiduciary file should show the governing rails: trust documents, trust bank records, administrative services agreement, plan documents, SPD, vendor agreements, approved fee schedules, payment approvals, funding records, disbursement records, reconciliation reports, stop-loss documentation, and pharmacy-related credits or rebates where applicable.

The point is not to bury the employer in financial minutiae. The point is control. Money should move because the governing documents authorize it, the fee has been disclosed, the payment purpose is clear, and the record can be reconciled. Every dollar follows the architecture.

VENDOR AND FEE RECORDS

Fee reasonableness must be documented before payment becomes habit.

The vendor file is where the plan proves that service providers are supervised, not merely trusted. Every carrier, TPA, PBM, stop-loss carrier, consultant, administrator, network partner, and service provider should operate inside the architecture, with role, compensation, performance expectations, data rights, and payment authority documented.

This is especially important because health plan economics often hide inside complexity. Direct fees may be visible. Indirect compensation, PBM spread, rebate treatment, pharmacy revenue, stop-loss commissions, overrides, data fees, and retained credits may be harder to see unless the plan sponsor requires a record before the relationship becomes routine.

A vendor should not be able to create a side economy from money generated by the plan sponsor health plan. If a fee is not disclosed, agreed upon, reasonable, and documented, it does not belong in the system. Vendors do not govern the plan. Vendors operate inside the plan architecture.

TRUSTFIRST™ SOFTWARE

The software preserves institutional memory.

TrustFirst™ software is the recordkeeping layer that supports the architecture. It preserves plan documents, trust documents, administrative services agreements, vendor agreements, fee schedules, compensation disclosures, fiduciary decisions, approvals, exceptions, funding records, claims funding records, vendor payments, stop-loss documentation, governance meeting records, and decision rationale.

The software matters because unmanaged records eventually become operational risk. If a document is trapped in a vendor portal, a decision lives only in an email, or a payment approval cannot be tied to written authority, the organization is relying on memory instead of governance evidence.

But software is not the whole system. TrustFirst™ Architecture is larger than the software: doctrine, delegation, trust structure, funds-flow discipline, vendor oversight, decision cadence, and the operating standard that tells the employer what must be recorded and why.

BUILDING THE FILE THROUGH THE YEAR

The file is built during the work, not after the crisis.

A fiduciary file cannot be created honestly at year-end by gathering whatever can be found. It has to be built as the plan operates. During evaluation, the file captures the starting point. During design, it captures options, assumptions, and rationale. During onboarding, it captures governing documents, vendor roles, trust setup, and implementation decisions.

During ongoing governance, the file becomes the record of the plan in motion. Monthly reviews may capture claims trend, pharmacy activity, funding status, trust activity, eligibility issues, payroll exceptions, and vendor service issues. Quarterly reviews may capture fiduciary governance, vendor performance, PBM economics, fee reasonableness, stop-loss exposure, documentation updates, and plan performance.

Annual review should not be the first time the employer understands the plan. It should be the moment the evidence is summarized: benchmarking, contribution strategy, stop-loss review, PBM review, plan document review, employee communication review, fiduciary file certification, and next-year governance priorities.

THE STANDARD

Evidence closes the gap between trust and defense.

The TrustFirst™ Evidence Library moves in a deliberate sequence. Paper 01 proves outcomes. Paper 02 explains the governance system. Paper 03 shows where proof lives. The remaining papers go deeper into vendors, data, money flow, workforce structure, and audit-ready governance cadence.

By the end of the series, the reader should understand the complete circle. TrustFirst™ does not ask employers to trust vendors, memory, or annual renewal presentations. It builds a system that can show who had authority, what documents controlled the plan, where money moved, why vendors were paid, what decisions were made, and whether the record existed before scrutiny arrived.

TRUSTFIRST™ FIDUCIARY FILE TEST

The questions every file should answer.

- Can the file show who held authority, what was delegated to Archer Jordan Health, what remained with the plan sponsor, and what authority vendors were allowed to exercise?
- Can the file produce the plan documents, trust documents, administrative services agreement, SPD, amendments, vendor agreements, compensation disclosures, and approved fee schedules that governed the plan?
- Can finance trace plan sponsor money into the plan, through the trust where applicable, and out to claims, stop-loss, PBM arrangements, administrative fees, and approved vendor payments?

- Can the plan prove that vendor compensation was disclosed, reviewed, reasonable, approved, and paid only through the documented structure?
- Can the organization produce fiduciary decisions, approvals, exceptions, corrections, reconciliation records, governance minutes, and year-round monitoring records without rebuilding the story from memory?

If the answer is yes, the file is not just documentation. It is governance evidence. That is the TrustFirst™ standard.