
Checklist for Employee Benefit Plan Sponsors

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Companies have a responsibility to serve employees by protecting their retirement benefits as best as they can. This responsibility is the main role of a retirement plan fiduciary. Fiduciaries are obliged to act according to prudent financial standards, and there are penalties associated with negligence. This is especially true in today's environment, in which fiduciaries are closely scrutinized on a daily basis by government agencies, such as the IRS and Department of Labor.

This checklist will help you operate your plan in accordance with the terms of your plan documents, reduce opportunities for operational defects, and fulfill your fiduciary responsibilities to your employees.

About Our Employee Benefit Plans Team

Created in 1974, the same year ERISA was established, our employee benefit plans team has grown in size and complexity to meet the emerging needs of our clients. Our specialists annually audit more than 1,600 benefit plans, ranging in size from small plans to those with more than 100,000 participants and over \$5 billion worth of assets.

To learn more, visit mossadams.com/benefitplan.

About Moss Adams

With more than 2,900 professionals across 25-plus locations in the West and beyond, Moss Adams provides the world's most innovative companies with specialized accounting, consulting, and wealth management services to help them embrace emerging opportunity.

Ongoing

	Yes	No	Notes
1. The board of directors has formally authorized a plan oversight committee to delegate the fiduciary responsibilities of plan management.	<input type="checkbox"/>	<input type="checkbox"/>	
2. Employees serving as plan fiduciaries have been identified and educated on their roles and responsibilities.	<input type="checkbox"/>	<input type="checkbox"/>	
3. Parties-in-interest and related transactions have been identified and any conflicts of interest resolved. Any identified prohibited transactions have been corrected as necessary.	<input type="checkbox"/>	<input type="checkbox"/>	
4. The plan oversight committee has developed and approved an investment policy to help monitor plan investment performance.	<input type="checkbox"/>	<input type="checkbox"/>	
5. The plan oversight committee or board of directors has approved and documented any discretionary benefits under the plan, such as discretionary matching or profit-sharing contributions.	<input type="checkbox"/>	<input type="checkbox"/>	
6. A policy for timely transfers of participant contributions and loan repayments has been considered and developed.	<input type="checkbox"/>	<input type="checkbox"/>	
7. Covered service providers have provided required 408(b)(2) fee disclosures.	<input type="checkbox"/>	<input type="checkbox"/>	
8. Fiduciary file is maintained and includes the following items: <ul style="list-style-type: none"> • Plan documents, including any amendments • Determination or opinion letters from the IRS • Summary plan description (SPD) and any summaries of material modifications (SMMs) • Trust or recordkeeping agreements, including any amendments • Investment advisor agreements • Investment policy • Fidelity bond • Plan oversight committee minutes and board minutes pertaining to the plan • Past years' filed Forms 5500 and accompanying plan financial statements • Plan audit correspondence • Service provider 408(b)(2) notices • Correspondence from regulatory bodies (IRS and DOL) 	<input type="checkbox"/>	<input type="checkbox"/>	



Annually or Quarterly

	Yes	No	Notes
<p>1. Plan oversight committee meets at least quarterly to discuss the plan, including the following items:</p> <ul style="list-style-type: none"> • Industry developments and regulation • Plan administration issues • Plan compliance issues • Investment performance and fair value measurements for financial reporting purposes • Participant education • Annual audit results, findings, and recommendations • Decisions affecting the plan, such as amendments and changes in service providers 	<input type="checkbox"/>	<input type="checkbox"/>	
2. Plan oversight committee meetings are documented with minutes to support decisions and actions affecting the plan.	<input type="checkbox"/>	<input type="checkbox"/>	
3. Plan management reads the SOC 1 reports for plan service providers—custodians, recordkeepers, and payroll providers—and considers and addresses the plan’s required internal control procedures and documentation detailed in the reports.	<input type="checkbox"/>	<input type="checkbox"/>	
4. Plan management understands and regularly discusses and addresses fraud risk in the plan, whether from fraudulent financial reporting or theft.	<input type="checkbox"/>	<input type="checkbox"/>	
5. Qualified plan management, including accounting or finance and benefits personnel, reviews Form 5500 and related audited financial statements; extends them properly, if necessary; and files them properly and on time.	<input type="checkbox"/>	<input type="checkbox"/>	
6. Form 8955-SSA is extended properly, if necessary, and filed on time.	<input type="checkbox"/>	<input type="checkbox"/>	
7. The summary annual report is distributed to participants, including terminated participants, each year.	<input type="checkbox"/>	<input type="checkbox"/>	
8. A safe harbor notice for safe harbor plans only is distributed to participants.	<input type="checkbox"/>	<input type="checkbox"/>	
9. The 404a-5 fee and investment performance disclosures are provided quarterly and annually to participants as required.	<input type="checkbox"/>	<input type="checkbox"/>	



Annually or Quarterly, Continued

	Yes	No	Notes
10. Annual nondiscrimination testing is performed, including the following actions: <ul style="list-style-type: none"> • Reviewing employee and payroll data for accuracy prior to use • Completing all required testing by applicable due dates • Maintaining employee and payroll data used in testing • Completing any required refunds on time 	<input type="checkbox"/>	<input type="checkbox"/>	
11. The fidelity bond is renewed for at least the minimum amount required.	<input type="checkbox"/>	<input type="checkbox"/>	
12. The deferral amount, compensation, and annual addition limits are changed or applied properly.	<input type="checkbox"/>	<input type="checkbox"/>	
13. The required regulatory plan amendments are adopted and executed on time.	<input type="checkbox"/>	<input type="checkbox"/>	

Day to Day

	Yes	No	Notes
1. Plan management understands and consistently applies employee eligibility requirements as detailed in the plan documents.	<input type="checkbox"/>	<input type="checkbox"/>	
2. SPD and SMM are distributed to all eligible participants, including terminated participants.	<input type="checkbox"/>	<input type="checkbox"/>	
3. Payroll personnel understand compensation eligible for deferral as detailed in the plan documents, program it correctly into the payroll system, and monitor regularly for changes in payroll codes or the plan documents.	<input type="checkbox"/>	<input type="checkbox"/>	
4. Participant contributions, including the following actions: <ul style="list-style-type: none"> • Plan management understands and consistently applies autoenroll and autoescalation provisions, if applicable, as detailed in the plan documents. • Plan management considers and consistently applies deferral rate limits as detailed in the plan documents. • IRS regulated deferral amount limits are updated accordingly in the payroll system. • Different types of contributions, such as Roth, catch-up, and after-tax, are allowed to be made only as detailed in the plan documents. 	<input type="checkbox"/>	<input type="checkbox"/>	

Day to Day, Continued

	Yes	No	Notes
5. Automatic enrollment notices—if the plan allows automatic enrollment—are provided to participants at least 30 days but not later than 90 days prior to the automatic enrollment date and annually thereafter.	<input type="checkbox"/>	<input type="checkbox"/>	
6. Qualified default investment alternative (QDIA) notices—if the plan allows automatic enrollment—are provided to participants at least 30 days prior to automatic investment in the QDIA and annually thereafter.	<input type="checkbox"/>	<input type="checkbox"/>	
7. Timely transfers of participant contributions and loan repayments are monitored regularly and any deposits considered late are identified and corrected as necessary.	<input type="checkbox"/>	<input type="checkbox"/>	
8. Employer contributions, including the following actions: <ul style="list-style-type: none"> • Plan management understands and consistently applies eligibility requirements for employer contributions as detailed in the plan documents. • IRS-regulated compensation limits for calculation of employer contributions are understood and annually updated. • Calculation and timing of employer matching policy as detailed in the plan documents is understood and consistently applied, and true-up contributions are calculated and made if required. • The IRS-regulated 415 annual addition limit is considered and updated annually. 	<input type="checkbox"/>	<input type="checkbox"/>	
9. Participant loans, including the following actions: <ul style="list-style-type: none"> • Loan term, interest rates, and loan default criteria as detailed in the plan documents are understood and consistently applied. • Loan repayments are started in payroll in accordance with loan amortization schedules and end according to the loan term. 	<input type="checkbox"/>	<input type="checkbox"/>	

Day to Day, Continued

	Yes	No	Notes
10. Distributions, including the following actions: <ul style="list-style-type: none"> • Plan management understands and consistently applies types of distributions allowed under the plan, such as 59.5 and rollovers. • Eligibility for distribution type—termination or age-based, for example—is reviewed before payment is approved. If process is outsourced, management has identified the internal controls in place to ensure accuracy of eligibility criteria. • Form of distribution as detailed in the plan documents, such as lump sum, installments, and annuities, are understood and consistently applied. • Vesting calculation as detailed in the plan documents is reviewed and properly applied. 	<input type="checkbox"/>	<input type="checkbox"/>	
11. Hardship distributions, including the following actions: <ul style="list-style-type: none"> • The plan’s eligibility requirements and approval process for a hardship withdrawal are understood and consistently applied. • A minimum six-month suspension of employee pretax, Roth, and after-tax contributions has been imposed following a hardship withdrawal, if applicable. This is required only if plan sponsor elected safe harbor reasons. • Proper support for reason for hardship withdrawal is maintained. 	<input type="checkbox"/>	<input type="checkbox"/>	
12. Administrative expenses, including the following actions: <ul style="list-style-type: none"> • Management understands the types of fees allowed to be paid by the plan and participants. • Expenses are reviewed and properly authorized. 	<input type="checkbox"/>	<input type="checkbox"/>	