

Fiduciary Checklist

Reference guide to ensure compliance with
ERISA and industry best practices

Retirement Plan Committee

Membership

- Assign committee members with industry experience in HR, Finance, Business Affairs, and Legal – and assign roles and responsibilities accordingly
- Ensure fiduciaries are educated about their roles, including providing ongoing education and training

Committee Procedures

- Include procedures in the plan charter to help ensure the rules are followed
- Conduct quarterly or semi-annual meetings
- Create meeting agendas
- Document committee meeting attendance
- Document issues considered and decisions made
- Have a system for storing minutes

Plan Legal Documents

- Plan document—including adoption agreement and prototype document—and summary plan description (SPD), both of which should reflect all legislative changes
- Loan policy (if applicable)
- IRS determination or opinion letter (if applicable)
- Copies of Form 5500 and summary annual report (SAR)

- Any required tests, such as actual deferral percentage (ADP) and actual contribution percentage (ACP) tests
- Fidelity bond
- Any qualified domestic relations orders (QDROs) submitted to the plan
- Investment policy statement (IPS) (if applicable)
- Fee policy statement (if applicable)
- Signed agreements with all plan service providers, outlining responsibilities, fee disclosures, and service standards
- All required (and properly distributed) participant notices, including plan rules, financial information, and documents on the operation and management of the plan

Plan Investments

- Choose investment funds, including a qualified default investment alternative (QDIA), in accordance with the terms of the IPS (if applicable) or other prudent standards
- Conduct regular—most often quarterly—meetings for in-depth review of plan investments, addressing fund performance, investment risk, operating costs, and management turnover
- Document all meetings and decisions

Plan Design

- ▶ Monitor plan eligibility requirements
- ▶ Monitor participant plan entry dates
- ▶ Complete company match and/or profit-sharing contribution calculations
- ▶ Monitor employer contribution vesting period
- ▶ Review loan or hardship withdrawal requirements
- ▶ Monitor mandatory distributions and automatic rollovers
- ▶ File IRS Form 5500 by filing date
- ▶ Review plan contribution limits
- ▶ Complete and correct nondiscrimination testing (if applicable)
- ▶ Meet required minimum distribution (RMD) rules
- ▶ Submit participant deferrals and deposit loan repayments in a timely manner
- ▶ Send summary annual report to participants

Participants

- ▶ Confirm default investment and distribute QDIA notice (if applicable)
- ▶ Plan and hold education meetings
- ▶ Satisfy specific investment menu requirements to achieve 404(c) compliance
- ▶ Satisfy the DOL 404(a)(5) fee disclosure rule requiring plan sponsors to disclose to plan participants and beneficiaries certain fee and investment information about their ERISA-governed plan
- ▶ Receive and monitor 408(b)(2) provider fee disclosure
- ▶ Send annual notices—safe harbor 401(k) notice, automatic enrollment notice, and QDIA notice—to participants 30 to 60 days before beginning of the plan year
- ▶ Review performance of providers—including record-keepers, retirement plan advisers and consultants, and third-party administrators (TPAs)—and the fees and services they offer, by benchmarking against similarly sized plans

Operations

- ▶ Complete annual financial statement audit, required as part of the Form 5500 return/reporting processes
- ▶ Meet annually with record-keeper to ensure conformity with plan documents
- ▶ Meet with financial adviser and TPA

