

401(k) Fiduciary Checklist

Do you know everything you need to about your fiduciary responsibility as the sponsor of a retirement plan? Prepare yourself by using this checklist that covers 401(k) plan administration, plan documents, employee communication, and plan investments.

If you answer **“no”** to any of these, or are unsure, consider letting Paychex help you stay in compliance with ease.

PLAN ADMINISTRATION		Yes	No	I don't know
1	Do you maintain important documents for the oversight of plan operations and administration (sometimes called a fiduciary audit file)?			
2	Do you define an eligible employee in the plan document and is it consistent with the way the plan is administered?			
3	Have you always filed IRS Form 5500 on time?			
4	Have all penalties and/or excise taxes been paid, and excess deferrals or contributions returned, if 401(k) nondiscrimination testing failed?			
5	Do you have an automatic enrollment arrangement, a Safe Harbor plan, or a QDIA? If so, are annual notices distributed to participants on time?			
6	As defined in the plan document, are you sending correct compensation amounts to service providers for the calculation of plan contributions and annual non-discrimination testing?			
7	Do you perform regular process reviews for: collecting employee contributions and loan repayments, forwarding them to the provider, investing the contributions and loan repayments?			
8	Do you monitor the performance of all plan service providers?			
9	Do you maintain copies of service contracts with all plan fiduciaries and service providers? Are responsibilities and fees well-defined?			
PLAN DOCUMENTS		Yes	No	I don't know
1	Have plan fiduciaries been determined, and roles defined and documented? Are responsibilities understood?			
2	Are plan fiduciaries, advisors, and employee representatives meeting regularly and documenting the results of these meetings?			
3	Does the plan carry a fidelity bond to protect the plan's assets?			
4	Has the IRS approved the plan document and is a copy of the determination letter or opinion letter on file?			
5	Does the plan document meet all legislative requirements (PPA and EGTRRA) and is it updated regularly?			
6	Compliance with applicable laws, regulations, and guidelines is required. Does a third party service review the creation, maintenance, filing, and updating of plan documents to ensure this?			
7	Do you operate the plan according to the provisions indicated in the plan documents?			
EMPLOYEE COMMUNICATION		Yes	No	I don't know
1	Have participants been provided with a 404(a) Participant Fee Disclosure which outlines plan provisions, investments, and other fees and expenses?			
2	Are the fees deducted from the participant's account included in their quarterly statement?			
3	Are employees educated on the benefits of participation and do they have access to resources that explain terms like tax deferral, dollar cost averaging, and compound interest?			
4	Are current Summary Plan Descriptions and Summary Annual Reports distributed to all eligible employees?			
PLAN INVESTMENTS*		Yes	No	I don't know
1	Is there a formal process for evaluating the plan's investment options?			
2	Is a review of the plan's investment options done on a regular basis to ensure a well-diversified lineup?			
3	Are reviews documented and are proper meeting minutes taken?			

Let Paychex help guide you through fiduciary responsibility.
Contact us for a plan assessment.

855-588-4775

PAYCHEX
Payroll • HR • Retirement • Insurance

For plan sponsor or financial advisor use only. Not for distribution to the general public.

*Paychex does not provide investment advice or recommendations. Please contact your financial advisor to review your plan's investments.