

Plan Sponsor / Fiduciary 401(k) Plan Review

Information necessary to provide a Request for Proposal:

**Purpose: Match your goals, objectives, demographics, and philosophy with the plan provider who delivers the highest possible quality products and services at the most competitive total plan cost.*

- Full plan name
- Desired goal / objectives of the plan
- Total plan assets
- Total # of eligible employees
- Total # of active participants with balances
- Total # of active participants without balances
- Annual contributions to the plan
- Current / desired fund line up

Fiduciary Checklist: Are you meeting your Fiduciary duties? Do you ensure that:

- You understand the full cost for your plan and how the fees are broken down among the plan service providers.
- The fees being paid by the plan are reasonable and competitive based upon the investment options and services being provided.
- You review your service provider contracts at least every three years and document your findings.
- An up-to-date plan document is being used.
- The plan document is amended for all legislatively required changes.
- The plan is being operated in accordance with its terms and new legal requirements that may not yet be reflected in plan documents.
- The plan's trustees have been properly appointed and the plan's trust agreement has been properly executed.
- All fiduciaries have been identified and the scope of their responsibilities have been defined and documented.
- All plan fiduciaries have been made aware of and understand their fiduciary responsibilities.
- Service contracts exist with all plan fiduciaries and service providers, clearly outlining their responsibilities.
- A fidelity bond is maintained covering fiduciaries and all persons handling plan assets.
- If deemed appropriate, fiduciary liability insurance coverage has been purchased as a protection against personal liability.
- You are operating every aspect of the plan in compliance with plan document provisions.
- All salary reduction deferrals and loan repayments are being collected and invested in the plan as soon as administratively practicable.
- The plan maintains and abides by a written Investment Policy Statement.
- The plan fiduciaries have selected a broad range of investment options for the plan.
- The plan fiduciaries monitor the investment options periodically to ensure that the funds continue to meet the requirements set out in the plan's Investment Policy Statement.
- You document your review and the decisions made with respect to the investment options to be deleted or retained by the plan.
- All experts and providers retained to provide services to the plan are monitored periodically to ensure they are meeting the performance standards set for them.
- You document each of your meetings, the results of your review and monitoring of investments and service providers, and the decisions made with respect to the plan.

- You maintain a due diligence file containing documentation supporting your fiduciary process and decision making.
- You comply with ERISA section 404(C), if applicable.
- No plan fiduciary has used assets of plan for his or her personal interests.
- All of your plan's Covered Service Providers have provided you with required disclosures about their fees and services and provide timely updates of those disclosures in the event of a change.
- You have provided an up-to-date Summary Plan Description to all employees, redistribute the Summary Plan Description or distribute a Summary of Material Modification whenever plan design changes dictate, and provide Summary Annual Reports and any required notices based on the plan design.
- You have provided all eligible recipients with the initial, quarterly and annual disclosures required by the participant disclosure rule and have responded timely to requests for additional information.
- You have effective, easy-to-understand participant communications on all important aspects of the plan and hold seminars to educate participants about the plan, the importance of saving for retirement and the basics of investing.
- Periodic meetings are held with all plan fiduciaries to review their fiduciary responsibilities and provide fiduciary training as appropriate.
- You have reviewed plan success metrics such as participation rates, salary deferral rates, investment diversification and retirement income readiness on a periodic basis.
- You have filed an accurately completed Form 5500 in a timely manner.
- If you are a large plan filer (generally a plan with 100 or more participants) you have included an accountant's opinion with your report.
- You review and consider changes to plan design, plan services, or investment options as warranted in order to improve plan success metrics.
- If you are utilizing multiple service providers for your plan, you have a defined communication process to ensure that services are integrated in a timely, accurate and cost-efficient manner.
- Any employee acting as a fiduciary has received sufficient training and assistance to fulfill their responsibilities in accordance with ERISA's fiduciary status of conduct.
- You have conducted all required testing for your plan based on plan design and have addressed any testing results that require action.
- You have a process in place, which is in compliance with ERISA, to respond to participant claims against the plan.
- If the plan utilizes a Plan Expense Account (also referred to as an ERISA Spending Account) you have ensured that all payments were for allowable expenses and have determined the appropriate treatment of any assets remaining in the account.
- The plan has not engaged in any financial transaction with a party-in-interest (i.e. a fiduciary, service provider, employer, owner, employee or officer) that is not exempt.

Waterford Advisors has the knowledge and resources to assist you as the Plan Sponsor in fulfilling these fiduciary duties. If you have concerns regarding your 401(k) plan or if you'd like your plan reviewed please feel free to contact our office at any time at 716-580-3906.