



## What should a Plan Review consist of?

---

Retirement plan sponsors should meet with their 401(k) plan investment advisor and review the plan at least once each year. In these 401(k) reviews, the advisor typically reviews the plan's performance and discusses any proposed changes to the fund line-up. This meeting can also be a precursor to your next investment committee meeting.

Here are the categories that we recommend each plan review contain:

### Operational Compliance Checklist

- Were all Participant disclosures and notices delivered in a timely manner
- Were all new and terminated employees provided with the correct information and in a timely manner
- Were all contributions, loans, and vesting schedule handled correctly
- Was the Form 5500 and audit filed on time

### Investment Checklist

- Review investment performance
- Review Investment Policy Statement (IPS)
- Discuss possible changes to investment options

### Fiduciary Review

- Are all fiduciaries aware of their fiduciary status
- Review responsibilities
- Review Fiduciary file
- Is the plan still in compliance with ERISA section 404(c)

### Expense Review

- Are investment fund expenses in line with market
- Is plan getting adequate services from Advisor for fees being charged
- Is recordkeeper providing adequate services

In addition to the above mentioned review categories, there are 4 metrics that are crucial in evaluating the overall health of the plan:

- Employee Salary deferral rate
- Employee Participation rate
- Investment diversification
- Coverage tests (Highly Compensated vs. Non-Highly Compensated)

A thorough evaluation of your plan health may be performed during your annual 401(k) review with your financial advisor, or the review can be done internally. However, you may need the advisor or record keeper to provide some key data for a meaningful evaluation of plan health.

*Contact one of our Advisors to help you perform a Review of your Company Sponsored Retirement Plan.*

## ALLEGIS RETIREMENT

7180 SW Fir Loop, Suite 210 | Portland, OR 97223 | Tel 503.906.2268 | Fax 503.906.6480

**“Creating Retirement Strategies for the Small Business”**

10.6.18

