

401(k) Plan Audit Checklist

PREPARE FOR A SMOOTH AUDIT EXPERIENCE

Retirement plan audits can be stressful, but the process is much smoother when you're prepared in advance.

Organizational and Plan Documents

- ☐ **Plan Document:** Current signed version (and all restatements and amendments)
- ☐ **Summary Plan Description:** Ensure it includes updates, and is distributed to participants
- ☐ **Adoption Agreements:** If applicable, for pre-approved plans
- ☐ **Board/Committee Minutes:** Records of retirement plan committee meetings and decisions
- ☐ **Service Provider Agreements:** Contracts with TPAs, recordkeepers, custodians, and advisors
- ☐ **Fiduciary Policies:** Investment policy statement (IPS), fidelity bond policy, fee review policies, etc.

Compliance and Testing

- ☐ **Annual Compliance Testing Results:** ADP/ACP testing, top-heavy test, coverage testing
- ☐ **Corrective Actions:** Documentation of any failed tests and corrective measures taken
- ☐ **Contribution Records:** Employee deferrals and employer contributions with deposit dates
- ☐ **Loan Policy and Records:** Active loans, amortization schedules, and evidence of policy compliance
- ☐ **Plan Amendments:** Proof that changes (e.g., per SECURE 2.0) were timely adopted.

Financial and Operational Data

- ☐ **Payroll/HR Records:** Employee compensation data used for deferrals and employer matches, including YTD and prior year payroll registers
- ☐ **Contribution Timing Logs:** Evidence that employee contributions were deposited promptly
- ☐ **Trust/Custodial Statements:** Year-end and monthly statements from the plan's custodian
- ☐ **Form 5500:** Filed copies for the past 3–5 years and supporting schedules
- ☐ **Plan-Level Financial Reports:** Annual plan financial statements (if applicable) and plan-related expenses

Participant-Level Records

- ☐ **Eligibility & Enrollment Records:** Proof of participant eligibility and timely enrollment
- ☐ **Beneficiary Designations:** Current forms for all participants
- ☐ **Distribution & Withdrawal Records:** Documentation for loans, hardships, and rollovers
- ☐ **Participant Notices:** Copies of fee disclosures (404a-5), QDIA notices, safe harbor notices, etc.

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Fiduciary Oversight

- ☐ **Fiduciary Committee Charter:** If a formal committee oversees the plan
- ☐ **Meeting Minutes:** Documentation of decisions on investments, fees, and plan changes
- ☐ **Investment Reviews:** Periodic evaluations of plan funds per the IPS
- ☐ **Fee Benchmarking:** Evidence of reviewing and assessing plan fees for reasonableness.

Service Provider and Vendor Coordination

- ☐ **Third-Party Administrator (TPA) Reports:** Annual and compliance reports
- ☐ **Recordkeeper Data:** Plan transactions, participant account balances, and statements
- ☐ **Auditor Access:** Ensure auditors have access to all vendor systems as needed

Recent Regulatory Updates

- ☐ **SECURE 2.0 Adjustments:** Documentation of changes
- ☐ **CARES Act or Other Relief Actions:** Records of any pandemic-related distributions or loans

Other Auditor Requests

- ☐ **Contact List:** Key internal and external contacts (HR, payroll, recordkeeper, TPA)
- ☐ **Data Room:** Create a secure folder for all requested documents
- ☐ **Pre-Audit Review:** Conduct an internal mock audit or review with your TPA/advisor

Pro Tips for a Smooth Audit

- ✓ **Start early:** Collect documents at least 60–90 days before the audit.
- ✓ **Communicate with providers:** Loop in your TPA, recordkeeper, and payroll team early.
- ✓ **Review contributions:** Ensure deferral deposits match payroll records and are made timely (within DOL standards).
- ✓ **Document everything:** If corrections were made (e.g., late deposits, failed tests), keep proof of corrective action.

Connect with the 401GO sales team.