

8 Things every Plan Sponsor should have before their Retirement Plan Audit Begins

When it comes time for your annual retirement plan audit, the last thing you want is a time-consuming hassle. Your audit should be quick, thorough, and organized. Your best defense to a long, drawn out audit is organization. Proactively organizing and collecting all your important documents prior to your audit is the first step towards a quick and painless process. Here is a checklist of the 8 things every plan administrator should have before their audit begins.

Top Heavy and Discrimination Testing

Remember to start early (January/February), since some of the later work cannot be completed until the top heavy and discrimination testing is complete.

Certified Auditor Package

Your auditor's ability to receive the certified auditor's package from your Plan Custodian or Trustee can be held up if your top heavy and discrimination testing has not been completed.

SOC 1 Report

Make sure you collect the SOC 1 report from your Plan Custodian or Trustee.

Plan Documents and Amendments

Make sure to have all plan documents ready for your auditor. Turnaround on the audit can be delayed if the plan documents are not ready for your auditor when they arrive.

IRS Form W-3

(W-2 summary form)

Make sure you have a copy of the IRS form W-3 for your auditor.

Completed Form 5500

(If a Third Party Administrator prepares the 5500)

Make sure you get a completed form 5500 from your Plan Custodian or Trustee.

Employee Enrollment Forms

Make sure all employee enrollment forms are up to date prior to your audit.

Deferral Rate and Pay Rate Authorizations

Make sure all documentation regarding participants' deferral rate and pay authorization is up to date. The audit cannot be completed without all proper documentation.

For more information on retirement plan audits, or how MRPR can assist you, please contact:

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