

# **ANNUAL CHECKLIST**

For 401(k) Plan Sponsors

The IRS recommends that plan sponsors annually review all retirement plans for compliance purposes. Review the following key items to ensure proper plan administration:

## **GOVERNANCE**

**TASK** 

#### **KEY COMPONENTS**



Review eligibility for a church plan, if applicable. Has your organization **changed** ties with a church, association or denomination? If so, you may no longer be eligible for a church plan. Contact GuideStone® if you think this applies to you.

# **OPERATIONAL COMPLIANCE**



**TASK** 

#### **KEY COMPONENTS**

Confirm you have written procedures to help plan administrative personnel administer the plan correctly.

- Have you updated your retirement plan written procedures to correspond to your overall Human Resources processes?
- Have you compared your administrative procedures to your plan document to ensure they align? If not, do you need to amend your plan or make plan corrections?
- Have you developed strong internal controls for plan administration?

Confirm you use the plan's definition of "compensation" when calculating contributions.

Confirm eligibility

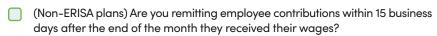
for contributions.

Confirm employee

contributions are remitted timely and in

correct amounts.

- Have you recently read the definition of "compensation" in your plan document?
- Are you including or excluding any part of an employee's wages that does not align with the definition of "compensation"?
- Are you limiting compensation, as defined by the plan, to \$330,000 (for 2023, indexed) for the purpose of calculating all contributions? See the <a href="IRS.gov">IRS.gov</a> for annual changes.
- Have you recently reviewed the requirements for eligibility, such as service, age or classification?
- Are all employees in the plan eligible according to internal policies? Are any employees active in the plan who are not eligible?
- Are participants enrolled for employer contributions as of the Plan Entry Date?



- (ERISA plans) Are you remitting employee contributions as soon as assets are segregated from your general assets?
- Do you recalculate contribution amounts when an employee's compensation changes?
- Do you run the "Contribution History by Payroll End Date" report in GuideStone's Employer Access® Program (EAP) to reconcile contributions actually credited to participant accounts with your own payroll records?

Provide automatic enrollment notices, if applicable. Have you reviewed the <u>Annual Checklist for Plans with Automatic Enrollment</u> to monitor compliance?



**KNOW** 

administering

compensation

incorrectly is the #1 problem found in IRS

**DID YOU** 

**KNOW** 

eligibility and

plan entry are the #2 and #3 problems found in IRS audits?

# **OPERATIONAL COMPLIANCE** (CONTINUED)

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TASK	(KEY COMPONENTS	<b>Y</b>
Review new employee orientation process for retirement plan education.	Do you emphasize plan participation during onboarding to encourage greater saving your employees?	gs for
	Do you provide new employees with a <i>Summary Plan Description</i> (SPD), including an <i>Summary of Material Modifications</i> (SMM), and appropriate forms in their hire packethese are available in EAP.	
	If your plan is a safe harbor plan or has automatic enrollment, do you provide the requestion of the retirement material to new employees?	uired
	Do you follow up with new employees who do not enroll to encourage retirement savi	ngs?
Develop an annual education strategy for your employees to increase savings and participation.	Do you provide required applicable annual notices, such as safe harbor or automatic enrollment notices?	
	Do you emphasize retirement savings to increase overall participation?	
	Have you asked your GuideStone relationship manager to help you develop education strategies?	nal
	Have you reviewed <u>member educational material</u> and informed members of appropr resources?	riate
	Have you assessed the effectiveness of prior educational campaigns?	
	Have you documented your educational efforts in case of audit?	
		e the
TASK  Comply with Department	le vour tidolity bond cutticiont based on plan accets as of the end of the	e the
of Labor (DOL) fidelity bonding requirements.	prior plan year?	vebsite re ERISA mpliance ements.
Comply with DOL reporting requirements.	Have you filed Form 5500 with the DOL each plan year and maintained copies of all related records?	
	Have you reviewed the annual audit requirements to determine if your plan must have full audit?	e a
Comply with DOL notice requirements.	Do you provide notices to new hires within 30 days of their hire date?	
	<ul><li>SPD with SMM, if applicable</li><li>Participant fee disclosure with addendums</li></ul>	
	Do you provide annual participant notices once every 14 months?	
	Do you provide the Summary Annual Report to participants by the DOL deadline?	
OTHER		
TASK	KEY COMPONENTS	
Maintain records of key forms and documents.	Do you retain original signed plan documents and service agreements, including board resolutions authorizing the provisions?	j any
	Have you kept all policies and provisions that govern the plan (e.g., employee handboor employer policies records)?	ok
	Do you keep enrollment forms and Retirement Contribution Agreements for participa	nts?
	Have you maintained hardship and loan documentation?	

# **OTHER** (CONTINUED)

# Correct any errors found in your review. Use the IRS Employee Plans Compliance Resolution System (EPCRS): IRS.gov/Retirement-Plans/Correcting-Plan-Errors. Review plan provisions to see if they meet your organization's goals for the retirement plan. Would you allow GuideStone's experts to walk you through your retirement plan to determine if changes are needed?



### If you have any questions,

please contact one of our customer solutions specialists at **1-888-98-GUIDE** (1-888-984-8433) Monday through Friday between the hours of 7 a.m. and 6 p.m. CT.

This checklist is not intended to be an all-encompassing list of items you must monitor as part of your fiduciary responsibility. For more information, GuideStone has prepared an electronic *Qualified Retirement Plan Administration Manual* as well as other resources made available through EAP.

This information should not be considered tax or legal advice. GuideStone stands ready to assist your organization as you work with your legal and tax advisors by providing resource information that you and your advisor may find beneficial.

