

ERISA Quick Compliance Checklist



Information provided in partnership with [401khelpcenter.com](https://www.401khelpcenter.com), LLC.
THIS ARTICLE IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT
INTENDED AS LEGAL, TAX OR INVESTMENT ADVICE.

Compliance with the Employee Retirement Income Security Act (ERISA) begins with knowing the rules. Plan administrators and other plan officials can use this checklist as a quick diagnostic tool for assessing a plan's compliance, but remember, it is not a substitute for a comprehensive compliance review.

If you answer "No" to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Have you provided plan participants with a Summary Plan Description, summaries of any material modifications of the plan, and annual summary financial reports?
2. Do you maintain copies of plan documents at the principal office of the plan administrator for examination by participants and beneficiaries?
3. Do you respond to written participant inquires for copies of plan documents and information within 30 days?
4. Does the Plan operate in accordance with the Plan/Trust Documents?
5. Does your plan have a written investment policy statement?
6. Do the plan fiduciaries periodically monitor plan investments and prudently evaluate whether to keep or replace them and maintain adequate documentation of their reviews?
7. Are the plan investments compared to its peer group over varying periods of time?
8. Are the plan's investments diversified so as to minimize the risk of large losses?
9. Has a plan fiduciary determined that the investments are prudent and solely in the interest of the plan's participants and beneficiaries, and evaluated the risks associated with plan investments before making the investments?
10. Is your plan covered by a fidelity bond against losses due to fraud or dishonesty?
11. If the plan permits participants to select the investments, has the plan provided them with enough information to make informed decisions?
12. Does the plan provide and track ongoing employee investment education?
13. Are the service provider arrangements reasonable and is the cost and quality of those services in line with the industry?
14. Do the plan fiduciaries meet regularly and keep well documented minutes of those meetings?
15. Is there a prudent fiduciary decision making process and is there sufficient documentation to support their decisions?
16. Did the employer or other plan sponsor send participant contributions to the plan on a timely basis?
17. Did the plan pay participant benefits on time and in the correct amounts?

If you answer "Yes" to any of the questions below, you should review your plan's operations because you may not be in full compliance with ERISA's requirements.

1. Has the plan engaged in any financial transactions with persons related to the plan or any plan official? (For example, has the plan made a loan to or participated in an investment with the employer?)
2. Has the plan official used the assets of the plan for his/her own interest?
3. Have plan assets been used to pay expenses that were not authorized in the plan document, were not necessary to the proper administration of the plan, or were more than reasonable in amount?

If you need help answering these questions or want additional guidance about ERISA and fiduciary requirements, a plan official should consult with the plan's legal counsel or professional employee benefit advisor.