



Qualified Plan Mechanic(k)s:

How to Give Your 401(k) Operations a Tune Up

IT'S TUNE UP TIME



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## **Overview:**

**Check Under the Hood - Review IRS Most Common Errors**

**Finding the Right Mechani(k)s**

**What Fuels 401(k) Plans**

**Shifting into Overdrive**



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# Common Errors in 401(k) Plans

## From IRS Fix-It Guide



- You haven't updated your plan document in the past few years to deal with recent law changes
- You didn't base plan operations on the terms of the plan document
- You didn't use plan's definition of compensation correction for deferrals and allocations
- Employer matching contributions weren't made to all appropriate employees
- The plan failed the 401(k) ADP/ACP Non-Discrimination Tests
- Eligible employees weren't given the opportunity to make an elective deferral
- Elective deferrals weren't limited by IRC Section 402(g) (ie, \$18,500 or \$24,500)
- You haven't timely deposited employee elective deferrals
- Participant loans don't conform to the requirements of IRC Section 72(p)
- Hardship distributions weren't made properly
- Plan was top heavy and the required minimum contributions weren't made to the plan
- You haven't filed a form 5500 Defined Contribution Plans Profit Sharing

**HOW I FEEL**



**WHEN I FIX SOMETHING**

# Find the Right Mechanic(s)



## Financial Advisor

- Investment Expert
- Provides Platform Comparisons
- Provides Periodic Reviews with Plan Sponsor/Fiduciaries
- Provides Education and Enrollment Services

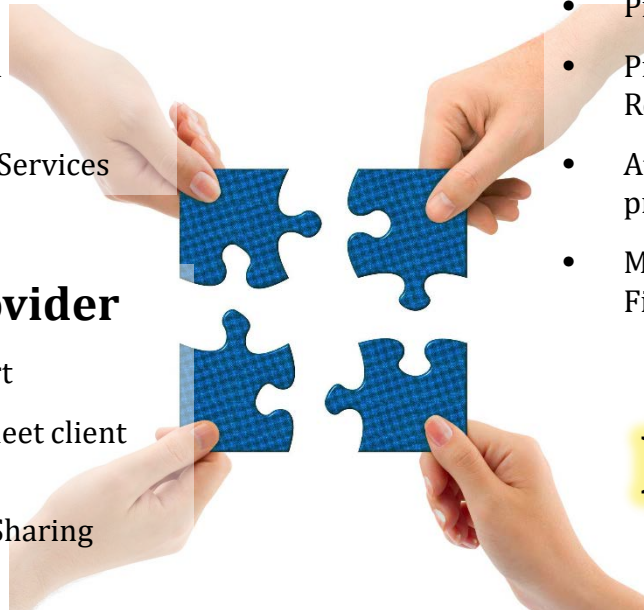
## Investment Platform Provider

- Technology and Connectivity Expert
- Provides Investment Packages to meet client needs
- Provides Recordkeeping and Data Sharing Platform
- Provides Participant Experience for Retirement Readiness

## TPA/3(16)

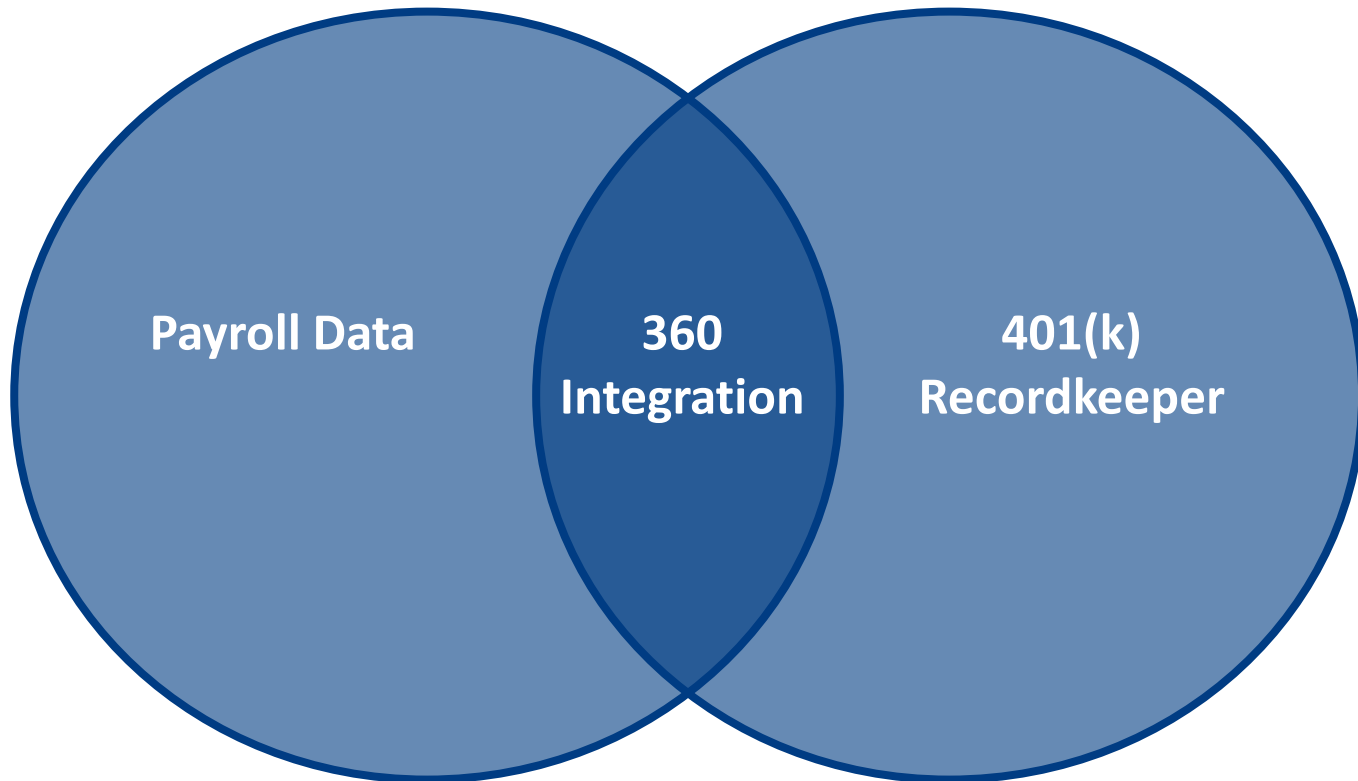
- Plan Design and Compliance Expert
- Provides Design Analysis
- Provides Comprehensive Testing and Reporting
- Attends Periodic Review Meetings to provide insights
- May Provide Additional Plan Administrative Fiduciary Support

**Employer**





# What is Payroll Integration



# 360 Fuels the Plan



A good 180 is better than a bad 360!



# 3(16) Shifts Into Overdrive



- Plan Document Maintenance
- Monitor for Newly Eligible Employees
- Approve Participant Distributions
- Loan Administration
- Forfeiture Account Management
- E-Signs Form 5500
- Distribution of all Required Participant Notices
- Monitor Timing of Plan Contributions You haven't updated your plan document in the past few years to deal with recent law changes

# Questions?



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