

ANNUAL RETIREMENT PLAN CHECKUP



Proactive checkups and preventive care are the keys to identifying and addressing health issues early, before they become catastrophic. The same principles can be applied to the management of a 401(k) plan. Many plan sponsors find that a thorough annual plan review is the best way to make sure their plan is both operating in compliance with plan documents and current regulations, and providing strong, valued employee savings benefits.

Plan sponsors rely on retirement plan professionals to identify the appropriate metrics that should be part of a plan's annual review. No checkup is complete without an analysis of how the plan's metrics compare to those of other companies. Retirement plan professionals are the best resource for this critical benchmarking information.

This worksheet lists some of the topics that may be appropriate to include in a plan's annual checkup.

Participation and Contributions	
Participation Rate	Percentage of eligible employees participating _____ %
	Participation rates across different employee demographics (e.g., age, salary)
	Demographic _____ % _____ % _____ %
Automatic Enrollment	Percentage of employees automatically enrolled _____ %
	Opt-out rate _____ %
	Percentage who increase deferrals above default rate _____ %
	Percentage of employees re-enrolled _____ %
Employee Contributions	Percentage of eligible employees making contributions _____ %
	Average deferral percentage _____ %
	Deferral percentage across different employee demographics (e.g., age, salary)
Demographic _____ % _____ % _____ %	
Employer Contributions	Contribution costs year over year _____ %
	Percentage of employees receiving maximum match _____ %
Plan Limits and Nondiscrimination Testing	Types of excess contributions (if applicable) _____ _____
	Confirm timely correction (if applicable) <input type="checkbox"/> Yes <input type="checkbox"/> No

This list has been developed as an educational resource and identifies some of the issues that plan fiduciaries may want to monitor. It is not intended to be all-inclusive and should not be used as a substitute for competent ERISA counsel and other plan administration and investment support.

Distribution and Loans		
Loans	Number and dollar amount of outstanding loans	No. ____ \$ _____
	Percentage of participants with loans	____ %
	Number and dollar amount of defaulted loans	No. ____ \$ _____
Hardship Distribution	Number and dollar amount of hardship distributions	No. ____ \$ _____
	Percentage of participants who took a hardship distribution	____ %
Required Minimum Distributions (RMDs)	Identify participants subject to RMD rules	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Confirm all RMDs are timely distributed	<input type="checkbox"/> Yes <input type="checkbox"/> No
Terminated Participants	Review list of terminated participants	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Confirm cashouts of small balances (per plan document)	<input type="checkbox"/> Yes <input type="checkbox"/> No

Investments		
Number and Types of Investment Options	Confirm number is appropriate based on participants' level of investment expertise	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Consistent with current Investment Policy Statement (IPS)	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Identify any appropriate changes to IPS	_____
	Aligned with plan investment objectives	<input type="checkbox"/> Yes <input type="checkbox"/> No
Investment Fees	Average expense ratio	____ bps
	Reasonableness of fees (benchmarks)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Investment Allocations	Percentage of assets in each investment type	_____ % _____ % _____ % _____ % _____ %
	Level of diversification, by participant	<input type="checkbox"/> Low <input type="checkbox"/> Med. <input type="checkbox"/> High
	Qualified Default Investment Alternative (QDIA) eligible	<input type="checkbox"/> Yes <input type="checkbox"/> No
Default Investment	Percentage of participants defaulted (no investment election)	____ %
	Investment Education for Participants	Topics and dates _____ _____
Investment Education for Participants	Delivery methods (e.g., live, online)	_____
	Costs	\$ _____
	Additional training needs	_____
	Investment Advice for Participants	Percentage of usage by participants
Fees		\$ _____
Satisfaction with service provider		<input type="checkbox"/> Low <input type="checkbox"/> Med. <input type="checkbox"/> High

Fiduciary Considerations	
Timely Deposits	Confirm employee deferrals and loan repayment deposited timely <input type="checkbox"/> Yes <input type="checkbox"/> No
	Corrective actions for any late deposits <input type="checkbox"/> Yes <input type="checkbox"/> No
Education for Plan Fiduciaries	Dates and topics addressed _____
	Vendor satisfaction <input type="checkbox"/> Low <input type="checkbox"/> Med. <input type="checkbox"/> High
	Costs \$_____
	Additional training needs _____
Fiduciary Meetings	Dates and agenda _____
	Minutes maintained <input type="checkbox"/> Yes <input type="checkbox"/> No
Fee Oversight	Received all required service provider fee disclosures <input type="checkbox"/> Yes <input type="checkbox"/> No
	Reviewed and benchmarked all plan service fees <input type="checkbox"/> Yes <input type="checkbox"/> No
Participant Concerns	Addressed all plan participant questions, concerns <input type="checkbox"/> Yes <input type="checkbox"/> No
	IRS or DOL corrective actions outstanding <input type="checkbox"/> Yes <input type="checkbox"/> No
Fidelity Bond	Bond provides required level of coverage <input type="checkbox"/> Yes <input type="checkbox"/> No

To learn more about the retirement resources available from Virtus, visit [virtus.com/retirement-center](https://www.virtus.com/retirement-center).



For Financial Professional Use Only

This material is provided by Virtus Investment Partners for informational and discussion purposes only. Plan sponsors and others should consult their own counsel and designated retirement professional, if applicable, for specific guidance on their particular circumstances. The analysis and opinions provided may not be relied upon as investment advice and may change without notice. Statements of fact are from sources considered reliable but no representation or warranty is made as to their completeness or accuracy. Unless otherwise noted, the opinions provided by the authors and other sources are not necessarily those of Virtus Investment Partners. Information provided is general and educational in nature. It is not intended to be, and should not be construed as, investment, legal, estate planning, or tax advice. Virtus Investment Partners does not provide legal, estate planning, or tax advice. Laws of a specific state or laws relevant to a particular situation or pensions in general may affect the applicability, accuracy, or completeness of this information. Federal and state laws and regulations are complex and are subject to change. Consult with an attorney or a tax or financial professional regarding your specific legal, tax, estate planning, or financial situation. All investments involve risk.

Registered representatives of a broker-dealer and employees of registered investment advisers are subject to their firm's policies.