



# Fiduciary Checklist

The following are areas of review that retirement plan fiduciaries may want to consider when fulfilling their fiduciary responsibilities. Plan sponsors and plan officials are encouraged to consult their ERISA counsel for additional guidance and information.

## MY ROLE AS A FIDUCIARY

*Consider reviewing this information annually*

---

- Consider if your duties cause you to exercise discretion over plan assets or administration (hiring service providers, making investment choices, spending plan assets, etc.). If so, you are a fiduciary and need to make sure you understand and comply with your duties.
  - Consider establishing procedures for delegating fiduciary authority, including consideration of whether you should make a written delegation clearly identifying the scope of delegated authority; for example, using a third party.
  - Provide fiduciary education for new fiduciaries as well as continuing education for all fiduciaries.

## BASIC FIDUCIARY DUTIES

*Consider reviewing this information annually*

---

- Keep records of meetings and decisions so that you can demonstrate your compliance with a prudent process.
- Develop written procedures for routine fiduciary decisions. For example, do you have a process for making investment decisions or hiring service providers?
- Consider asking plan counsel to make sure you are complying with any prohibited transaction exemptions that might be necessary.
- Act in accordance with the documents and instruments governing the plan.

## OVERSEEING INVESTMENTS

*Timing of review is dependent upon the facts and circumstances of each plan and service arrangement*

---

- Find out who is responsible for directing investments in your plan.
- Consider setting up a formal investment committee if you don't have one.
- Consider developing an investment policy statement documenting all of the plan requirements and processes.
- Review company stock options (if any) for compliance and consider engaging an independent fiduciary to help monitor the appropriateness of company stock as an investment option.
- Consider engaging an independent fiduciary to help monitor the appropriateness of all investment options.

## OVERSEEING SERVICE PROVIDERS

*Timing of review is dependent upon the facts and circumstances of each plan and service arrangement*

---

- Conduct a periodic review of service providers to ensure that service and performance standards are being met.
- Document the review/meetings and issues discussed as well as any decisions made during, or as a result of, the review/meetings.
- Familiarize yourself with the requirements of Section 408(b)(2).
  - Review the fees (direct and indirect) of service providers to assess the reasonableness of fees and whether any conflicts exist.
- Conduct an in-depth review of service providers periodically to ensure that your fees and arrangements are consistent with current practices and costs and to determine whether a new request for proposal process is warranted.

## HELPING PARTICIPANTS

*Consider reviewing this information annually*

- Talk to your service providers about providing required participant disclosures.
- Provide ongoing communications on investments and plan features (e.g., loans, distributions, or contributions).
- Make sure all communications are accurate.
- Distribute information to all eligible employees regarding the investment options available under the plan.
- Consider conducting educational meetings and providing general financial/investment information.
- Consider using automatic enrollment with a qualified default investment alternative (QDIA).

## PLAN ADMINISTRATOR BASICS

*Consider reviewing this information annually*

- Develop a compliance plan or calendar\* to keep track of the various deadlines throughout the plan year.
- Periodically review the plan documents to ensure that they reflect current practices and have been updated for legal and regulatory changes.
- Complete and file all required government reporting, such as the Form 5500.
- Comply with the applicable Internal Revenue Code nondiscrimination tests.
- Review the process for achieving the following in a timely manner:
  - collecting employee contributions and loan repayments,
  - forwarding contributions and loan repayments to the service provider, and
  - investing the contributions and loan repayments.

\*Review a comprehensive compliance calendar on the following page.

## FIDUCIARY LIABILITY/DOL AUDIT

*Consider reviewing this information annually*

- Maintain a well-documented, prudent fiduciary process for decision-making.
  - Consider including documentation that decisions were actually made.
- Consider obtaining liability insurance that protects plan fiduciaries from the costs associated with litigation (including unfavorable judgments).
- Designate a point person (often an in-house or outside attorney) to coordinate and work with the Department of Labor (DOL) in the event of an investigation.

T. ROWE PRICE  
**FiduciarySource**<sup>®</sup>

*Continue to the next page to see an in-depth calendar outlining 2017 compliance and notice requirements.*

## Reference for 2017 compliance and notice requirements

### FIRST QUARTER

#### January 31:

- Confirm with nondiscrimination testing provider that all requirements have been met for plans requiring ADP/ACP testing prior to March 15.
- Mail IRS Form 1099-R to participants who received a distribution in the prior year.
- File Form 945 (Annual Return of Withheld Federal Income Tax).

#### February 28:

- File Form 1099-R on paper with the IRS (or March 31, 2017, if filing electronically).

#### March 1:

- In order to meet the March 15 deadline, consider submitting refund requests for ADP and ACP nondiscrimination testing failures to your nondiscrimination testing provider (for calendar year plans).

#### March 3:

- In order to meet the March 15 deadline, best practice is to make sure your service provider has received the approval necessary to process excesses.

#### March 15:

- IRS deadline for issuing refund checks for ADP and ACP nondiscrimination testing to avoid the 10% excise tax for calendar year plans. (Note: Plans that satisfy the requirements of an eligible automatic contribution arrangement (EACA) have a June 30 deadline.)
- File corporate tax returns, and deposit employer contributions—unless there is a corporate filing extension—for companies that operate on a calendar year.

#### March 31:

- File Form 5330 (Return of Excise Taxes Related to Employee Benefit Plans).

### SECOND QUARTER

#### April 15:

- Distribute excess deferrals.

#### June 30:

- Issue refund checks for ADP and ACP nondiscrimination testing failure for EACA plans looking to avoid the 10% excise tax for calendar year plans.

### THIRD QUARTER

#### July 28:

- Issue summary of material modifications (SMM) for calendar year plans.

#### July 31:

- File the Form 5500 return (unless filing for an extension).
- File Form 5558 for automatic extension of time to file Form 5500.
- File Form 5330 (Return of Excise Taxes Related to Employee Benefit Plans).

#### September 15:

- File corporate tax returns, and deposit employer contributions (extended deadline).

#### September 30:

- Distribute the summary annual report (SAR) (unless Form 5500 filing extension was requested).

### FOURTH QUARTER

#### October 16:

- File Form 5500 return (for extended filers).

#### December 1:

- Distribute applicable participant notices: automatic contribution arrangement (ACA) notice, EACA notice, qualified automatic contribution arrangement (QACA) notice, qualified default investment alternative (QDIA) notice, and/or safe harbor notice.<sup>1</sup>
- Distribute 404a-5 Plan and Investment Disclosure.<sup>2</sup>

#### December 15:

- Distribute the summary annual report (SAR) (for extended filers).

#### December 30:

- Issue checks for annual required minimum distributions (RMDs).
- Address 2016 ADP/ACP failures.
- Adopt discretionary amendments for the current plan year.

Visit [troweprice.com](http://troweprice.com)

<sup>1</sup>This date is applicable for plans that follow a December 31 plan year-end date. It will vary for plans that follow different year-end dates.

<sup>2</sup>Plan fiduciaries are required to distribute their 404a-5 Plan and Investment Disclosures at least once in any 14-month period.

This material has been prepared by T. Rowe Price for informational purposes only. T. Rowe Price, its affiliates, and its associates do not provide legal, tax, or investment advice. Any tax-related discussion contained in this material, including any attachments, is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding any tax penalties or (ii) promoting, marketing, or recommending to any other party any transaction or matter addressed herein. This material does not provide fiduciary recommendations concerning investments or investment management; it is not individualized to the needs of any specific benefit plan or retirement investor, nor is it directed to any recipient in connection with a specific investment or investment management decision. Please consult your independent legal counsel and/or professional tax advisor regarding any legal or tax issues raised in this material.

T. Rowe Price Investment Services, Inc.