

Pentegra's Plan Audit Support Services

The value of a professional fiduciary on board

What is a retirement plan audit?

A retirement plan audit is an examination of a qualified plan's financial statements, as required by the Internal Revenue Service and Department of Labor. The audit demonstrates that your plan is in compliance with Government regulations.

What does an audit include?

An audit generally includes:



Participant Level Testing

The audit will include a review of all participant level testing, including a review of loans and distributions that occurred during the year.



Plan Contributions

The audit will review employee and employer contributions and reconcile the contributions to the company's payroll records. In addition to reconciling the contributions, the auditor will also review the timeliness of contributions.



Non-Discrimination Testing

The audit will review the non-discrimination performed by the recordkeeper/third-party administrator. If the plan failed any of the required testing, the auditor will confirm the failure was corrected appropriately.



Plan Administrative Expenses

The audit will review plan administrative expenses for accuracy and reasonableness.

Does my plan need an audit?

With recent changes from the SECURE Act, the determining factor for whether your qualified retirement plan is required to undergo an audit is the number of plan participants with an account balance. Generally, if your plan has 100 or more participants with an account balance at the beginning of the plan year, then your plan is required to undergo an audit. Of course, there are exceptions to the rule, which Pentegra can help explain.

How does a plan hire an auditor?	What challenges does a plan Sponsor face in an audit?	As an administrative fiduciary, how does Pentegra help solve these challenges?
 <p>The Plan Sponsor is responsible for hiring an independent auditor. If you are unsure of where to start, then Pentegra may introduce you to accounting firms experienced with retirement plan audits.</p>	 <p>Audits require a significant amount of time from employers who already have ongoing day-to-day responsibilities. Audits are also specific and time sensitive. The information discussed and requested is often overwhelming.</p>	 <p>With Pentegra's Audit Support Services, Pentegra works directly with the independent plan auditor. Pentegra's Account Manager is the dedicated contact for the auditor. The Pentegra Account Manager will answer questions and provide the requested materials to the auditor.</p>

On average we save clients between 4 to 12 hours on plan audits. As the 3(16) fiduciary, Pentegra takes as much of the audit work off the client's plate as possible. In fact, we prefer to work with the auditors directly to make the process that much easier. Our clients have found having an expert on their side results in a far more efficient experience, and a far less intimidating audit.

With Pentegra's 3(16) fiduciary services, you'll have a level of comfort that key retirement plan responsibilities—including the plan audit—are being handled for you.

A trusted fiduciary partner means peace of mind that having a professional on board provides.

For more information on Pentegra's Plan Audit Support Services, contact the Pentegra Solutions Center at solutions@pentegra.com or 855-549-6689.