

2021 Employee Benefit Plan Checklist

Form 5500

Client name and number _____

Plan name _____ Plan number _____

Prepared by _____ Date _____ Reviewed by _____ Date _____

100) General: All plans	Yes/ Done	No/ N/A
▶ 101) Obtain a signed engagement letter. Make sure the engagement letter is clear about which services you/your firm will perform.		
▶ 102) Verify that the current plan document, summary plan description (SPD) and adoption agreement, if applicable, are on file (note the date of the latest amendment to the plan document and the date of the latest plan document restatement).		
▶ 103) Verify that plan documents, amendments and adoption agreements, if applicable, are signed and approved by the appropriate people, noting the date of signature.		
▶ 104) Determine if the plan qualifies for an exclusion from the Form 5500 filing requirements. Consider filing the applicable notice and statement with the Department of Labor (DOL) for top hat, apprenticeship and training plans, if within applicable time frames, or by filing under the Delinquent Filer Voluntary Compliance Program (DFVCP).		
▶ 105) Determine if Form 5500-EZ, <i>Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan</i> , can be filed in lieu of Form 5500 or Form 5500-SF, <i>Short Form Annual Return/Report of Small Employee Benefit Plan</i> . Note for plan years beginning after 2019, a one-participant plan or a foreign plan required to file an annual return can file Form 5500-EZ electronically using the EFAST2 filing system in place of filing Form 5500-EZ on paper with the IRS. Form 5500-SF is no longer used by a one-participant plan or a foreign plan in place of Form 5500-EZ.		
▶ 106) Determine if Form 5500-SF, which is available generally for plans with fewer than 100 participants as of the beginning of the plan year, can be filed in lieu of Form 5500. Note that some small plans must still file Form 5500. Also, note that if utilizing Form 5500-SF, most of the schedules or attachments listed in Section 500 of this checklist are required (Schedule SM or MB may be required). Certain information contained in this checklist is required to be disclosed on Form 5500-SF.		
▶ 107) Review the prior years' Form 5500 or Form 5500-SF, including schedules and attachments, reviewer comments, workpapers and correspondence files.		

▶ 108) Determine if the plan name, as set forth in the plan document, the SPD and any summary of material modification (SMM) is the same as shown on the prior year's Form 5500 or Form 5500-SF (including schedules and attachments) and on the accountant's opinion.

▶ 109) Verify if the employer's name, address or employer identification number (EIN) has changed from last year's report.

▶ 110) Was there any change in ownership structure? If so, obtain the necessary information.

▶ 111) Determine if the plan sponsor maintains other qualified benefit plans. If so, obtain details on the plan.

▶ 112) Has the plan sponsor or plan changed its tax year end? Note that a change in the plan sponsor's year end may not necessarily mean that the plan year end has changed. If yes, verify that all implications of this change have been considered (e.g., automatic approval versus a request for change, moving the plan's annual actuarial valuation date and managing changed deadlines for contributions, notices and reporting).

▶ 113) Verify the accuracy of any short plan year's filing and filings for the plan years prior to and after the short plan year.

▶ 114) Confirm that no filing is for a plan year which exceeds 12 months.

▶ 115) Determine if the plan sponsor is a member of a controlled group of corporations, a group of businesses under common control or an affiliated service group.

▶ 116) Determine if the plan is subject to the multiemployer or multiple employer plan filing requirements. If so, provide an attachment listing participating employers and the percentage of the total contributions made by participating employers.

▶ 117) Review the plan document and SPD to identify benefits and features provided by or allowed under the plan (e.g., welfare benefits, fringe benefits, pension benefits, death benefits, total or partial participant-directed accounts, default investments, participant contributions, automatic enrollment, master trust, frozen plan, floor-offset, cash or deferred arrangements, employer securities and a U.S.-based plan covering Puerto Rico residents that is qualified under both Sec. 401(a) and Sec. 1165 of the Puerto Rico Code).

1. Review the list of plan characteristics codes (see the Form 5500 instructions) and compare them to the features of the plan.

2. Review the terms of the plan for compliance with ERISA Sec. 404(c).

3. Review codes listed on the prior year's Form 5500 and determine if any changes need to be made.

▶ 118) Determine whether there are reporting requirements and different due dates for investment arrangements that are direct filing entities (DFEs) and that the related schedules are included as appropriate (e.g., Schedule A or Schedule D).

1. Common/collective trust (CCT)

2. Pooled separate account (PSA)

3. Master trust investment account (MTIA)

4. 103-12 investment entity (103-12 IE)

5. Group insurance arrangement (GLA)

► 119) Determine the due date for the type of return that is being filed. A single employer plan will have a due date that is seven months after the end of the plan year, while a DFE (other than GLAs) will generally have a due date that is 9½ months following the end of the year. If the plan is terminated and all assets have been distributed, the due date will be the last day of the seventh month after all assets have been distributed.

► 120) Annual report identification information: Based on the above information, review Part I of Form 5500 and complete the appropriate check boxes.

► 121) Determine if a resolution to terminate the plan or to merge it with or consolidate it into another plan has been adopted by the plan sponsor during the plan year for which you are preparing Form 5500 or Form 5500-SF and, if so, obtain a copy of the signed resolution and any related plan amendments for the permanent file. See Disclosures on Schedule H or Schedule I.

► 122) Determine if the plan may have incurred a partial plan termination. Review the information in IRS Sec. 604 and analyze any participant terminations for any 20% reduction in participant population reported. Consider if partial plan termination relief due to Covid-19 applies under the Consolidated Appropriations Act of 2021.

► 123) Determine whether the plan held assets that had a fair market value that is not readily determinable and, if so, whether an appraisal by an independent third-party appraiser was performed.

► 124) Determine whether any contributions made/benefits paid are subject to the collective bargaining process.

100A) General: Benefit pension plans

► 125) Verify that a copy of the Internal Revenue Service (IRS) opinion letter or advisory letter (type of pre-approved plan) or determination letter (individually designed) is on file. If neither is available, obtain a representation from the plan's Employee Retirement Income Security Act (ERISA) counsel or other service provider to the plan that the plan satisfies the Internal Revenue Code (IRC) qualification requirements.

► 126) Determine whether there have been any changes to the content required to be provided in the SPDs and, if so, whether an SMM was furnished. Make note if any of the changes affect the plan characteristics codes to be listed on Form 5500.

► 127) If the latest IRS determination letter contains a caveat relating to the adoption of proposed plan amendments submitted during the application process, determine whether such amendments were adopted within the remedial amendment period described in IRC Sec. 401(b).

Yes/
Done No/
N/A

- 128) Determine if the plan is a prototype, volume submitter plan or an individually designed plan (plan characteristic code 3D).

Comments/explanations

200) Examination considerations

Yes/
Done No/
N/A

- 201) Has the plan been examined by the IRS, the DOL or the Pension Benefit Guaranty Corporation (PBGC) within the last three plan years?
- 202) Consider the following:
1. Obtain copies of the examination report and closing letter and any client or third-party service provider correspondence, including submissions under the IRS Employee Plans Compliance Resolution System (EPCRS), DOL Voluntary Fiduciary Correction Program (VFCP) or Delinquent Filer Voluntary Compliance Program (DFVCP).
 2. Verify that examination adjustments have been entered on the plan's records.
 3. If any examination adjustments affect the plan sponsor's income tax returns, Forms 5500 or 5500-SF, consider the preparation of amended returns for all tax or plan years affected, or advise the preparer of the recommended changes.

Comments/explanations

300) Basic administrative filing considerations

Yes/
Done No/
N/A

- 301) Determine whether to file Form 5500 or Form 5500-SF electronically by using the web-based filing application available on the DOL's EFAST2 website or by using an approved third-party software.
- 302) Determine the individual who will be signing the return. Note that the law permits either the plan sponsor/employer or the administrator to sign the filing, but any Form 5500 that is not electronically signed by the plan administrator will be subject to rejection and civil penalties under Title I of ERISA.
- 303) Determine if the plan administrator/plan sponsor will electronically sign the return or use the alternative method of manually signing.
- 304) Obtain authorization if using the alternative method for signatures. Confirm that the appropriate attachments have been remitted.

► 305) As the preparer, determine if you plan to complete the preparer's information at the bottom of page one of Form 5500 as shown on the 2021 Form 5500 instructions. For the 2021 plan year, the IRS does not require plan sponsors to enter the preparer's name (including the firm's name, if applicable), address and telephone number at the bottom of the first page of Form 5500. Plan sponsors should skip these questions when completing the form.

► 306) Determine if it will be necessary to extend the time to file Form 5500. Determine the following:

1. Is there any special extension of time to file made available by the IRS, DOL or PBGC (for example, disaster relief circumstances) that would extend the due date for filing Form 5500 or Form 5500-SF? See the IRS's website, EFAST and PBGC for announcements regarding such special extensions.
2. Will an extension of time to file the federal income tax return of the plan sponsor result in an automatic extension of time to file Form 5500 or Form 5500-SF? Note that any such extended due date will probably differ from the due date obtained by filing Form 5558, *Application for Extension of Time To File Certain Employee Plan Returns*. An extension granted by using this automatic extension procedure cannot be extended further by filing a Form 5558, nor can it be extended beyond a total of 9½ months beyond the close of the plan year.
3. Is it necessary to file Form 5558 to extend the time to file? Note that Form 5558 is filed with the IRS at Ogden, Utah and not with the DOL. No signature is required to extend a Form 5500 series return or Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*. A signature is required to extend Form 5330, *Return of Excise Taxes Related to Employee Benefit Plans*. Form 5558 need not be attached to the Form 5500 filing. A Form 5558 will need to be filed for each plan needing to be extended.

a) Determine whether payment is necessary with Form 5330.

► 307) Determine whether the filing represents a "final" return or report for the plan.

► 308) Determine if the plan sponsor is filing Form 5500 or Form 5500-SF under the DOL DFVCP. If so, address the following:

1. Electronically file a complete Form 5500 and check the box labeled "DFVC program" in Part I, Line D, of the Form 5500.
2. Use the online calculator to compute the correct penalty amount.
3. Remit the payment electronically.
4. More information can be found on the DOL's website (www.efast.dol.gov).

► 309) Determine that Social Security numbers do not appear on Form 5500 or Form 5500-SF (or any schedules or attachments) or Form 5558.

► 310) Consider disclosure requirements for written tax advice under Circular 230.

► 311) When ready to submit Form 5500, check to make sure that all schedules and attachments are included with the electronic file (audited financial statements, schedule of assets held for investment, etc.).

Comments/explanations

400) Penalties

Yes/ No/
Done N/A

► 401) Consider if any of the following penalties may apply:

1. A penalty of up to \$2,233 (2021 amount) for each day a plan administrator fails or refuses to file a complete and accurate report. See ERISA Sec. 502(c)(2) and 29 CFR 2560.502c-2.
2. A penalty of \$250 per day (up to \$150,000) for not filing returns for certain plans of deferred compensation, trusts and annuities and bond purchase plans by the due date(s). See IRC Sec. 6652(e).
3. A penalty of \$1,000 for each failure to file an actuarial statement (Schedule MB, Form 5500, or Schedule SB, Form 5500) required by the applicable instructions. See IRC Sec. 6692.
4. Any individual who willfully violates any provision of Part 1 of Title I of ERISA shall on conviction be fined not more than \$100,000 or imprisoned not more than 10 years, or both. See ERISA Sec. 501.
5. A penalty up to \$10,000, five years imprisonment, or both, may be imposed for making any false statement or representation of fact, knowing it to be false or for knowingly concealing or not disclosing any fact required by ERISA. See Sec. 1027, Title 18, U.S. Code, as amended by Sec. 111 of ERISA.

► 402) Determine if the requirements for avoiding penalties for improper disclosure or use of taxpayer information by the tax return preparers imposed under IRC Sec. 6713 and Sec. 7216 have been met.

Comments/explanations

500) Determine the appropriate schedules to file

Yes/ No/
Done N/A

► 501) Determine which additional schedules and attachments are required from the following:

1. Schedule A – Insurance Information (required if any benefits are provided by an insurance company or similar organization)
2. Schedule C – Service Provider Information (required for a large plan, MTIA, 102-12 IE or GIA if any service provider who rendered services to the plan or DFE during the plan or DFE year received \$5,000 or more in compensation, or an accountant and/or enrolled actuary has been terminated)
3. Schedule D – DFE/Participating Plan Information (required for a plan or DFE that invested or participated in any MTIAs, 102-12 IEs, CCTs and/or PSAs, or if the Form 5500 is filed for a DFE)
4. Schedule G – Financial Transaction Schedules (required for a large plan, MTIA, 102-12IE or GIA when Schedule H, Lines 4b, 4c and/or 4d are checked “yes”)
5. Schedule H – Financial Information (required for large plans, DFE)
6. Schedule I – Financial Information Small Plan (required for plans filing a Form 5500 report rather than a Form 5500-SF, except for certain pension benefit plans and arrangements described in 29 CFR 2520)

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7. Schedule R – Retirement Plan Information (required for a pension benefit plan that is a defined benefit plan or is otherwise subject to IRC Sec. 412 or ERISA Sec. 302)
 8. Schedule SB – Actuarial Information (for single-employer defined benefit plans) (required for most single-employer defined benefit plans, including multiple-employer plans)
 9. Schedule MB – Actuarial Information (for multiemployer defined benefit plans and certain money purchase plans) (required for most multiemployer defined benefit plans and for defined contribution pension plans that amortize a waiver of the minimum funding requirements specified in the instructions)
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► 502) Determine if Form 8955-SSA must be filed with the IRS for the plan year.

1. Note that this form must be filed if at least one person participated who has terminated from employment and is still owed a vested benefit. This form also must be filed to report a change in the status of a terminated participant who has received his or her benefit or is no longer entitled to his or her benefit.
 2. Confirm that the form is filed separately from the Form 5500.
 3. Note that the filing of Form 8955-SSA can be extended by filing Form 5558 or by relying on the extension of time to file the federal income tax return of the plan sponsor.
 4. Note that Form 8955-SSA must be filed electronically if the filer is required to file 250 returns of any type during the calendar year that include the first day of the plan year.
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► 503) If the plan is filing a final Form 5500, make sure all participants previously reported as needing a benefit are reported on the Form 8955-SSA as being paid.

► 504) Determine if the accountant's report is required.

► 505) Determine that Pension Benefit Guaranty Corporation Form 1, Form 1 with Schedule A, Form 1-EZ and Form 1-ES, as applicable, have been filed for a defined benefit pension plan during the plan year for which the Form 5500 is being prepared.

1. Determine the filing due dates for Form 1, Form 1 with Schedule A, Form 1-EZ and Form 1-ES, as applicable, and for installment premium payments.
 2. Determine if the plan is subject to variable rate premiums.
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► 506) Consider requirements for avoiding preparer penalties.

Comments/explanations

600) Basic plan information

Yes/ Done	No/ N/A
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► 601) Review the following annual report identification information:

1. Review the plan sponsor's name, address, EIN, telephone number and business code. Also, review the name, number and effective date of the plan and plan year of the filing.
2. Note changes in the above information from the prior year.
3. If any of the items noted above have changed since the last return or report filed for the plan, make the appropriate entries on Form 5500 or Form 5500-SF.

► 602) Review the plan administrator's name, address, EIN and telephone number. If they are different from those of the plan sponsor, note any variations from the prior year.

► 603) Determine if the plan was established pursuant to one or more collective bargaining agreements.

► 604) Participant counts:

1. Determine the number of participants (consider the definition of "eligible participant" in the case of an IRC Sec. 401(k) plan) as follows:
 - a) Active participants at the beginning of the plan year
 - b) Active participants at the end of the plan year
 - c) Retired or separated participants receiving benefits (Form 5500 only)
 - d) Retired or separated participants entitled to future benefits (Form 5500 only)
 - e) Deceased participants whose beneficiaries are receiving or are entitled to receive benefits; this does not apply to welfare benefit plans (Form 5500 only)
 - f) Participants at the end of the plan year (Form 5500-SF only)
 - g) Participants at the beginning of the plan year (Form 5500-SF only)
 - h) Participants with account balances (does not apply to defined benefit plans or welfare benefit plans)
 - i) Participants who terminated employment during the plan year with accrued benefits that were less than 100% vested (does not apply to welfare benefit plans)

► 605) Ascertain the plan's funding and benefit arrangements.

► 606) Consider that plans that provide benefits wholly or partially through a multiple employer welfare arrangement (MEWA) and certain entities claiming exception (ECE) are now required to file Form 5500 regardless of the plan's size or type of funding.

1. If the plan is a welfare benefit plan, determine if the plan was subject to the Form M-1 filing requirements during the year. See the Form 5500 instructions.

Yes/ Done	No/ N/A
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2. If subject to the Form M-1 filing requirements:

- a) Determine whether the plan is currently in compliance with the Form M-1 requirements. Note the Form M-1 must be filed no later than March 1 following any calendar year for which a filing is required.
- b) Enter the receipt confirmation code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the receipt confirmation code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. Failure to enter a valid receipt confirmation code will subject the Form 5500 filing to a rejection since it is incomplete.

Comments/explanations

700) Schedule A

Yes/ Done	No/ N/A
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- ▶ 701) Schedule A (Form 5500) must be attached to the Form 5500 filed for every defined benefit pension plan, defined contribution pension plan and welfare benefit plan required to file a Form 5500 if any benefits under the plan are provided by an insurance company, insurance service or other similar organization.
- ▶ 702) Note that information on Schedule A should pertain to the insurance contract or policy year ending with or within the plan year.
- ▶ 703) Contact plan providers for copies of Schedule A information.

Comments/explanations

800) Schedule C

Yes/ Done	No/ N/A
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- ▶ 801) Determine if any person who rendered services to the plan received directly or indirectly \$5,000 or more in compensation from the plan during the plan year. If so, compile the appropriate information to complete Schedule C, Parts I and II.
- ▶ 802) Collect various Schedule C information from the plan's service providers.
- ▶ 803) Determine if an accountant or enrolled actuary who provided services to the plan was terminated during the plan year and, if so, compile the necessary information to complete Schedule C, Part III.

Yes/ Done	No/ N/A
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- 804) If an accountant or an enrolled actuary who provided services to the plan was terminated during the plan year, determine if the required notice to terminated accountant or enrolled actuary was filed. A sample notice can be found in the Schedule C (Form 5500) instructions. Report the appropriate information on Part III.

- 805) If any fiduciary or service provider failed or refused to provide information, contact the fiduciary or service provider to request the necessary information and tell them that you will list them on the Schedule C as a fiduciary or service provider who failed or refused to provide such information. Report on Part II, Line 4.

Comments/explanations

900) Schedule D

Yes/ Done	No/ N/A
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- 901) Consider that Schedule D must be attached for:

1. Employee benefit plans: Schedule D (Form 5500) must be attached to a Form 5500 filed for an employee benefit plan that participated or invested in one or more CCTs, PSAs, MTIAs or 103-12 IEs at any time during the plan year (even if the dollar value at the end of the year is zero).
2. DFEs: Schedule D (Form 5500) must be attached to a Form 5500 filed for a CCT, PSA, MTIA, 103-12 IE or GIA as a DFE (i.e., when a DFE is checked on Part I, Line A, of the Form 5500). For more information, see the instructions for DFE filing requirements.

- 902) If a Form 5500 was not filed for a CCT or PSA, enter the EIN for the CCT or PSA and enter 000 for the plan number.

- 903) Do not use a Social Security number in Line D in lieu of an EIN. The Schedule D and its attachments are open to public inspection and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a Social Security number on the Schedule D, or any of its attachments, may result in the rejection of the filing.

- 904) Complete as many repeating entries as necessary to enter the information specified.

Comments/explanations

1000) Schedule G

Yes/ Done	No/ N/A
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► 1001) Prepare Schedule G if during the plan year the plan:

1. Had loans or fixed income obligations in default or determined to be uncollectible as of the end of the plan year. Generally, this does not include participant loans in an IRC Sec. 401(k) or other types of individual plans if they are secured by the participant's vested account balance.
2. Had leases (to which the plan was a party) that were in default or classified as uncollectible.
3. Had nonexempt party-in-interest transactions, regardless of whether disclosed in the accountant's report, unless the nonexempt transaction is:
 - a) Statutorily exempt under Part 4 of Title I of ERISA
 - b) Administratively exempt under ERISA Sec. 408(a)
 - c) Exempt under IRC Sec. 4975(c) or Sec. 4975(d)
 - d) A transaction of a 103-12 IE with parties other than the plan
 - e) The holding of participant contributions in the employer's general assets for a welfare plan that meets the conditions of ERISA Technical Release 92-01
 - f) A delinquent participant contribution or a delinquent participant loan repayment reported on Schedule H, Line 4a

► 1002) Attach the following schedules, if applicable:

1. On a separate attachment, provide an explanation of what steps have been taken or will be taken to collect overdue amounts for each loan listed and label the attachment "Schedule G, Part I – Overdue Loan Expiration."
2. On a separate attachment, provide an explanation of what steps have been taken or will be taken to collect overdue amounts for each lease listed and label the attachment "Schedule G, Part II – Overdue Lease Explanation."

► 1003) If the plan is a qualified pension plan and a nonexempt prohibited transaction occurred with respect to a disqualified person, Form 5330 may be required to be filed with the IRS to pay the excise tax on the transaction.

Comments/explanations

1100) Schedule H (large plan filers and DFEs only; small plan filers skip to Schedule I)

Yes/ Done	No/ N/A
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- 1101) Obtain a draft of the financial statements including the balance sheet and income statement to use in preparing Schedule H. Obtain a copy of the trust statements and compare them to the financial statements. Compare any reconciliation footnotes with the Form 5500, Schedule H and the audited financial statements.
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► 1102) Prepare a reconciliation of contributions made to the plan, deductions claimed on the plan sponsor's income tax return and contributions recorded by the plan according to the trustee's records.

► 1103) Identify any contributions (designated as contributions for the plan year) made after the plan year end but before the due date of the employer's income tax return, including extensions of time to file.

► 1104) Determine if participant contributions (both pretax and after-tax) and participation loan repayments were timely remitted to the plan in the current and prior plan years. If not, additional information may need to be presented on Schedule H, Part IV, until the year after the violation has been fully corrected. These situations may require disclosure in the plan's financial statements. Additionally, Form(s) 5330 may have to be filed with the IRS, or an application may have to be submitted to the DOL under its VFCP, and lost earnings to plan participants should be addressed.

► 1105) Will corrective actions (e.g., refunds of contributions, additional employer's contributions or forfeitures) be required to pass the average deferral percentage (ADP) or average contribution percentage (ACP) tests?

1. Determine when they were made.

2. Determine what other corrective measures may be necessary.

► 1106) Were any loans by the plan or fixed income obligations due to the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance. Also report on Schedule G.

► 1107) Report on Line 2g a participant loan that has been deemed distributed during the plan year under the provisions of IRC Sec. 72(p) and Regs. Sec. 1.72(p)-1 only if both of the following circumstances apply:

1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account.

2. As of the end of the plan year, the participant is not continuing repayment under the loan. Do not report these loans on Schedule G.

► 1108) Determine if there are any leases to which the plan was a party in default or classified during the year as uncollectable. Also report on Schedule G.

► 1109) Determine if there were any nonexempt transactions with any party-in-interest? Report on Schedule G.

► 1110) Determine if the plan is subject to bonding requirements and, if so, the amount of fidelity bond covering the plan.

► 1111) If the plan has assets held for investment, complete the schedules pursuant to the instructions.

► 1112) Were any plan transactions or series of transactions in excess of 5% of the current value of the plan assets? If so, complete the schedules pursuant to the instructions. Note that transactions under an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account (including a negative election authorized under the terms of the plan) should not be treated as reportable transactions.

► 1113) Determine if the plan held any assets whose current value was neither readily determinable on an established market nor set by an independent third-party appraiser.

► 1114) Determine whether the plan received any noncash contributions whose current value was neither readily determinable on an established market nor set by an independent third-party appraiser.

► 1115) Determine if any benefits under the plan were not timely paid or not paid in full, including any outstanding amounts that missed minimum required contributions in previous years and have continued to remain unpaid.

► 1116) If this is an individual account plan, was there a blackout period? Obtain a copy of the blackout notice.

► 1117) Was the plan for which the Form 5500 series is being prepared involved in a merger with or consolidation into another plan or an asset or liability transfer or spin-off during the plan year?

1. Determine the name of the other plan(s), the name of the plan sponsor(s), the plan's EIN and the plan number(s) of the recipient plans.
2. Determine whether Form 5310-A, *Notice of Plan Merger or Consolidation, Spinoff, or Transfer of Plan Assets or Liabilities; Notice of Qualified Separate Lines of Business*, was required to be filed.
3. Make any necessary disclosures of the plans in Schedule H, Part IV, Paragraph 5(b).

► 1118) Has there been a resolution to terminate the plan during the plan year or any prior plan year?

1. If so, has there been any reversion of plan assets to the employer?
2. Make any necessary disclosures of the plan assets in Schedule H, Part IV, Paragraph 5(a).
3. Determine if Form 5310, *Application for Determination for Terminating Plan*, was filed (not required).

► 1119) If the plan is a defined benefit plan, is it covered under the PBGC insurance program? See ERISA Sec. 4021.

► 1120) Attach the following schedules, if applicable:

1. Schedule of assets (held at end of year)
2. Schedule of assets (acquired and disposed of within the year)
3. Schedule of reportable transactions
4. Schedule of delinquent participant contributions

Comments/explanations

1200) Schedule I (small plan filers)

Yes/
Done No/
N/A

- ▶ 1201) Obtain a copy of the trust statements to use in preparing Schedule I.
- ▶ 1202) Prepare a reconciliation of contributions made to the plan, deductions claimed on the plan sponsor's income tax return and contributions recorded by the plan according to the trustee's records.
- ▶ 1203) Identify any contributions (designated as contributions for the plan year) made after the plan's year end, but before the due date of the employer's income tax return, including extensions of time to file.
- ▶ 1204) Determine if participant contributions (both pretax and after-tax) and participant loan repayments were timely remitted to the plan in the current and prior plan years. If not, additional information may need to be presented on Schedule I, Part II, until the year after the violation has been fully corrected. These situations may require disclosure in the plan's financial statements. Additionally, Form(s) 5330 may have to be filed with the IRS, or an application may have to be submitted to the DOL under its VFCP, and plan participants may be entitled to lost earnings.
- ▶ 1205) Will corrective actions (e.g., refunds of contributions, additional employer's contributions or forfeitures) be required to pass the ADP or ACP tests?
 - 1. Determine when they were made.
 - 2. Determine what other corrective measures may be necessary.
- ▶ 1206) Were any loans by the plan or fixed income obligations due to the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance. Also, report on Schedule G.
- ▶ 1207) Report on Line 2g a participant loan that has been deemed distributed during the plan year under the provisions of IRC Sec. 72(p) and Regs. Sec. 1.72(p)-1 only if both of the following circumstances apply:
 - 1. Under the plan, the participant loan is treated as a directed investment solely of the participant's individual account.
 - 2. As of the end of the plan year, the participant is not continuing repayment under the loan. Do not report on Schedule G.
- ▶ 1208) Determine if there were any leases to which the plan was a party-in-default or that were classified during the year as uncollectable. Report on Schedule G.
- ▶ 1209) Determine if there were any nonexempt transactions with any party-in-interest? Report on Schedule G.
- ▶ 1210) Determine if the plan is subject to bonding requirements. If so, confirm the amount of fidelity bond covering the plan and that the bond was provided from an approved vendor by the treasury. See [Department Circular 570](#).
- ▶ 1211) Determine if the plan held any assets whose current value was neither readily determinable on an established market nor set by an independent third-party appraiser. Report on Line 4g.

► 1212) Determine whether the plan received any noncash contributions whose current value was neither readily determinable on an established market nor set by an independent third-party appraiser. Report on Line 4h.

► 1213) Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate or partnership/joint venture interest? Report on Line 4i.

► 1214) Were all plan assets either distributed to participants or beneficiaries, transferred to another plan or brought under the control of the PBGC?

► 1215) Is the plan claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? If the answer is no, attach an IQPA's report or 2520.104-50 statement. See the instructions on waiver eligibility and conditions.

► 1216) Determine if the plan has failed to provide a benefit when due.

► 1217) If this is an individual account plan, was there a blackout period? Obtain a copy of the blackout notice.

► 1218) Was the plan for which the Form 5500 series is being prepared involved in a merger with or consolidation into another plan or an asset or liability transfer or spin-off during the plan year?

1. Determine the name of the other plan(s), the name of the plan sponsor(s), the EIN of the sponsor(s) and the plan number(s) that are involved.
2. Determine whether Forms 5310-A were required to be filed.
3. Make any necessary disclosures in Schedule I, Part II.

► 1219) Has there been a resolution to terminate the plan during the plan year or any prior plan year?

1. If so, has there been any reversion of plan assets to the employer?
2. Make any necessary disclosures in Schedule I, Part II.
3. Determine if Form 5310 was filed.

► 1220) If the plan is a defined benefit plan, is it covered under the PBGC insurance program? See ERISA Sec. 4021.

► 1221) Do not use a Social Security number in Line D in lieu of an EIN. Schedule I and its attachments are open to public inspection and the contents are public information and are subject to publication on the Internet. Because of privacy concerns, the inclusion of a Social Security number on Schedule I, or any of its attachments, may result in the rejection of the filing.

Comments/explanations

1300) Schedule R

Yes/ Done	No/ N/A
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- ▶ 1301) Schedule R (Form 5500) reports certain information on plan distributions, funding and the adoption of amendments increasing or decreasing the value of benefits in a defined benefit pension plan, as well as certain information on employee stock ownership plans (ESOPs), multiemployer defined benefit plans and IRS compliance questions. Review Parts I (distributions), II (funding information) and III (amendments) and determine information to be reported.
- ▶ 1302) For single or multiemployer defined benefit pension plans, review the instructions regarding a required attachment if liabilities to participants or their beneficiaries under the plan at the end of the plan year consist of liabilities under two or more plans as of the last day of the plan year immediately before the 2021 plan year.
- ▶ 1303) For defined benefit pension plans with 1,000 or more participants, complete asset breakout information as described in the instructions. Use the participant count shown on Line 3d(1) of the Schedule SB or on Line 2b(4)(1) of the Schedule MB.

Comments/explanations

1400) Schedule SB or MB

Yes/ Done	No/ N/A
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- ▶ 1401) Is the plan for which the Form 5500 series is being prepared a defined benefit plan?
- ▶ 1402) Obtain a completed (and signed) Schedule SB or MB from the plan's actuary.
- ▶ 1403) Review Schedule SB or Schedule MB and determine whether there is a funding deficiency and, if so, advise the plan sponsor.
- ▶ 1404) Confirm that the contributions shown on Schedule SB or Schedule MB correspond to the contributions made for the plan year.
- ▶ 1405) If there is an accumulated funding deficiency or a nondeductible contribution to a qualified plan, advise the plan sponsor that Form 5330 (relating to excise tax) is required to be filed.

Comments/explanations

	Yes/ Done	No/ N/A
1500) Other requirements		
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▶ 1501) Consider notifying the plan administrator of requirements related to:		
1. Distribution to each participant of the plan's summary annual report (defined contribution and welfare benefit plans only). This is due 2½ months after the Form 5500 due date.		
2. Providing the annual funding notice for defined benefit plans to the PBGC, plan participants, each labor organization representing plan participants and, in the case of multiemployer plans, each employer with an obligation to contribute to the plan		
3. The availability of the current SPD and any applicable SMM and the distribution thereof to participants on a timely basis		
4. The preparation and distribution of the statements of participants' accrued benefits		
5. The preparation and distribution of statements of deferred vested benefits to separated employees		
6. The preparation and distribution of participant fee disclosures		
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Comments/explanations		
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	Yes/ Done	No/ N/A
1600) Basic plan administration qualification issues		
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Note: This section is not intended to be a comprehensive checklist of plan compliance matters; it serves to highlight major compliance/consulting issues.		
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▶ 1601) Confirm that the plan has met the coverage requirements under IRC Sec. 410.		
1. Determine that either the ratio percentage test or the average benefit percentage test has been passed or that an exception applies.		
2. Determine if all employees of the employer who are required to be aggregated (consider controlled group rules) are included in the testing data.		
3. Determine that leased employees have been properly considered. If the employer uses the services of a professional employer organization (PEO), determine how its employees are classified under the plan (see Rev. Proc. 2002-21).		
4. Determine whether highly compensated employees have been properly defined and identified. See IRS guidance .		
5. Determine if separate lines of business, aggregation, disaggregation or restructuring rules apply and, if the disaggregation rules apply, whether each disaggregated portion of the plan satisfied the ratio percentage test, or an exception applies.		
6. If the employer intends to have the separate lines of business rules apply, determine if a qualified separate lines of business notification was made by filing Form 5310-A with the IRS.		
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► 1602) Determine the plan's contribution allocation formula and whether the contributions were allocated in accordance with the terms of the plan.

► 1603) Determine that contributions made, or benefits accrued, during the plan year comply with IRC Sec. 415 limits. The 2021 limit is \$58,000.

► 1604) If this is a 401(k) plan, confirm that no participant exceeded the limitation under IRC Sec. 402(g) unless the participant was eligible to make a catchup contribution as permitted by the plan. The 2021 limit is \$19,500.

► 1605) If the plan is subject to ADP and/or ACP testing, determine the results of the testing and confirm if any required corrections are necessary.

► 1606) If the plan does not use one of the safe harbor definitions of compensation, determine if the compensation definition meets the testing requirements under IRC Sec. 414(s).

► 1607) Determine current year forfeitures and confirm that the forfeitures were used in accordance with the terms of the plan.

► 1608) Is the plan "top heavy" for the current plan year?

1. Determine whether key employees have been properly identified.

2. If the plan is top heavy, determine whether top heavy minimum benefit or contribution provisions and top-heavy vesting requirements have been applied properly.

► 1609) Determine that the annual compensation considered for each participant does not exceed the [current year limitation of \\$290,000](#) for plan years beginning in 2021.

► 1610) Determine that income was allocated to the participant accounts in accordance with the terms of the plan.

► 1611) Determine that the participants' vested account balances were updated according to the plan's vesting schedule.

► 1612) Determine whether immediate distributions to plan participants and beneficiaries (or designated IRA custodians) comply with the \$5,000 de minimis rules and related plan provisions.

► 1613) Determine if the plan has made distributions of benefits to participants and beneficiaries as prescribed by the minimum distribution requirements of IRC Sec. 401(a)(9).

► 1614) Determine that, in the case of plan distributions with respect to married participants, the joint and survivor annuity requirements and preretirement survivor annuity requirements of IRC Sec. 401(a)(11) and Sec. 417 have been met.

► 1615) Determine that written explanations regarding rollover-eligible distributions have been provided in accordance with IRC Sec. 402(f).

► 1616) If the plan made any hardship distributions during the year, confirm that these distributions complied with the hardship reasons as provided under the terms of the plan. Note that the six-month suspension from making elective contributions is no longer allowed.

► 1617) If the plan made any loans during the year, confirm that the loans complied with IRC Sec. 72(p) and the terms of the plan.

► 1618) If the plan made any other in-service distributions, confirm that these distributions complied with the terms of the plan.

► 1619) Determine that the income tax withholding requirements of IRC Sec. 3405 (and applicable state or local income tax withholding requirements) have been met with respect to distributions not rolled over to an eligible retirement plan (and that Form 945, *Annual Return of Withheld Federal Income Tax*, and/or Form 1042, *Annual Withholding Tax Return for U.S. Source Income of Foreign Persons*, have been filed).

► 1620) If there is an accumulated funding deficiency or a nondeductible contribution to a qualified plan, advise the plan sponsor that Form 5330 (relating to excise tax) is required to be filed.

► 1621) Confirm that any requested change in beneficiary designation meets the requirements under the plan, including spousal consent, if applicable.

► 1622) Confirm that all appropriate distribution forms are provided to participants upon retirement (special tax notice, qualified joint and survivor annuities (QJSA), etc.) and confirm compliance with QJSA rules.

► 1623) Confirm any applicable death benefits are paid in accordance with the plan.

► 1624) If a participant becomes disabled, determine whether a disability benefit is due under the terms of the applicable plan and/or confirm payments are made in accordance with the terms of the plan.

► 1625) If an amendment significantly reduces or freezes future benefit accruals that implicates IRC Sec. 204(h), was a notice of future benefit reduction provided timely (in most cases, 45 days before the amendment is effective)?

► 1626) Determine if any participants took a COVID-19-related distribution or loan during the 2021 plan year.

Comments/explanations

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