RESOURCES

Roles & Responsibilities

Third-Party Administrator (TPA) services include many facets of retirement plan administration: maintaining required plan documents, processing loans and distributions, performing annual non-discrimination tests, preparing required annual reports like Form 5500, and understanding how the ever-changing ERISA laws impact the plan.

The 3(16) fiduciary services supplement TPA services, simplifying dramatically reducing the risk of violating complicated regulations while minimizing the plan sponsor's workload.

INITIAL PLAN SET-UP	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Collaborate and consult on plan design	●	●			
Prepare plan document		●			
Confirm plan document and disclosures include role of 3(16) administrator			●		
Execute plan document	●				
Submit IRS package (if applicable)		●			
Produce Summary Plan Description (SPD)		●			
Deliver SPD electronically to eligible employees			●		
Select plan investment options					●
Prepare enrollment kits				●	
Conduct enrollment meeting					●

PLAN ADMINISTRATION	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Remit payroll contributions	●				
Operate as named 3(16) Administrator			●		
Upload payroll submissions and monitor employer contribution funding			●		
Provide year-end employee census data and questionnaire responses	●				
Determine Highly Compensated Employees (HCE) and Key Employees		●			
Determine eligibility dates, notify employer and/or newly eligible employees			●		
Deliver enrollment materials, SPD & notices electronically to eligible employees			●		
Manage automatic enrollment programs, increases and opt-outs			●		
Allocate contributions to participant accounts				●	
Track and monitor plan and participant allocations		●		●	
Perform all required nondiscrimination testing		●			
Ensure required annual nondiscrimination testing is completed and documented			●		
Determine top heavy status		●			
Calculate top heavy minimum contributions *(as required)*		●			

** Assumes Plan Sponsor elects 3(16) Administrative Services*

PLAN ADMINISTRATION (CONT.)

	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Provide day-to-day support for plan sponsors and advisors		●			
Provide day-to-day support for participants				●	
Provide ongoing enrollment and education support				●	
Determine and monitor participant account vesting		●		●	
Review vesting after close of plan year			●		
Calculate annual employer contributions		●			
Allocate forfeitures		●			
Monitor forfeiture allocations annually			●		
Ensure compliance with plan document and ERISA		●			
Monitor the timeliness of plan amendments and restatements			●		
Reconcile individual participant accounts *(as needed)*		●		●	
Determine plan audit status		●			
Prepare audit package and provide assistance to auditor		●		●	

PLAN CONVERSION

	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Gather historical data	●				
Coordinate transfer of assets	●			●	
Reconcile plan data		●		●	
Ensure plan compliance with ERISA		●			
Provide employee census data and investment allocations	●				●

REPORTING & DISCLOSURES

	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Provide participant and plan sponsor website				●	
Prepare and deliver quarterly participant statements				●	
Complete Form 5500 and applicable attachments		●			
File Form 5500 and applicable attachments		●			
Review and sign Form 5500, related schedules and attachments			●		
Review and sign Form 8955-SSA *(as required)*			●		
Provide Summary Annual Report (SAR)		●			
Deliver SAR to participants electronically			●		
Provide Annual Trust Report				●	
Provide participant fee disclosure notices			◐	◐	
Provide black-out notices *(as required)*			◐	◐	
Report on plan performance				●	●
Review required notices and distribute electronically to participants			●		

** Assumes Plan Sponsor elects 3(16) Administrative Services*

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ONGOING CONSULTING

ONGOING CONSULTING	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Consult on ongoing plan design and compliance solutions		●			
Prepare plan amendments and Summary of Material Modifications (SMM)		●			
Confirm revisions to SPD and participant disclosures			●		
Execute plan amendment	●				
Deliver SMM to participants electronically			●		
Provide legislative updates		●		●	●
Address plan considerations for mergers and acquisitions		●			
Review Qualified Domestic Relations Orders (QDRO)		●	●		
Provide assistance to auditors for IRS and DOL plan audits		●			
Conduct annual review of the plan with the plan sponsor			●		

DISTRIBUTIONS

DISTRIBUTIONS	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Calculate vested benefits		●			
Review and sign participant distributions and loans			●		
Distribute 402(f) notice				●	
Prepare loan documents including amortization schedule		●		●	
Review loan administration compliance (semi-annually)			●		
Monitor loans		●	●	●	
Issue distribution/loan checks				●	
Send tax withholding/remittance to IRS and state				●	
Prepare and submit Form 1099-R				●	
Prepare and submit Form 945				●	

GOVERANCE

GOVERANCE	PLAN SPONSOR	TPA	3(16)*	RECORD-KEEPER	ADVISOR
Verify plan's Investment Policy Statement is established			●		
Verify plan's Investment Education Policy Statement is established			●		
Produce and maintain a library of quarterly investment committee minutes			●		
Provide a comparison of plan investments and certain market average indexes			●		
Verify adequate bond coverage as required by ERISA			●		
Represent the plan, at no charge, in the event of an IRS or DOL audit			●		

** Assumes Plan Sponsor elects 3(16) Administrative Services*