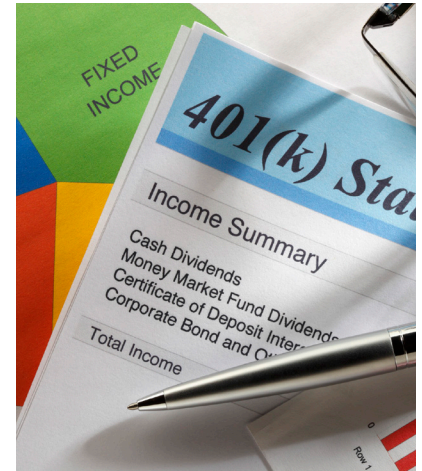


# Is your qualified plan increasing your personal liability?

## FIDUCIARY AND RISK MANAGEMENT SERVICES THAT KEEP YOUR COMPANY IN COMPLIANCE, AND REDUCE YOUR PERSONAL LIABILITY

The Department of Labor (DOL) and the Internal Revenue Service (IRS), the primary regulators of employee benefit plans, are on the prowl and actively looking to raise revenue from plan compliance violations. Over 900 auditors have been deployed in the field to look for gaps in process, policies and procedures. Three out of four plans that go into audit result in fines. The average fine is estimated at \$400,000. This applies to companies of all sizes, and the fines scale with the size of the plans.

The Employee Retirement Income Act (ERISA) is a personal liability statute that applies to all individual fiduciaries that exercise discretionary control over the plan. Many plan administrators don't realize that they are also personally liable for plan noncompliance and discrepancies in documentation. The DOL has the authority to assess civil penalties of up to \$1,100 per day against plan administrators.




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**ERISA is all about process, protocol and procedure. The question is: have you been continually, procedurally and substantively due diligent? That is the issue."**

– Marcia Wagner, Principal Wagner, Law Group and ERISA Expert

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### Key IRS plan audit questions

So how do you know if you are at risk? Below is a list of questions the IRS will ask during an audit. Asking yourself these questions can help you better understand your risk.

- Do you have an investment policy statement?
- Are the fees fair and reasonable?
- Have you been benchmarking?
- Are you served by a fiduciary?

If you answered no to any of these questions you may not be in trouble, but your plan may not be adhering to best practices.

## Aprio has you covered

As your tax advisor, our job is to keep your company in compliance, and your 401(k) plan compliance is a natural extension of the tax work we are already doing for you. We want to serve as your qualified plan's fiduciary and your tax consultancy to proactively ensure that you remain in compliance and avoid increased scrutiny and audit.

Aprio provides guidance to your plan to build the necessary processes and procedures to minimize fiduciary risk and personal liability. We apply a comprehensive process that ensures that your plan remains in lock step with best practices as regulations and your company continue to evolve.

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**We apply a comprehensive process that ensures that your plan remains in lock step with best practices as regulations and your company continue to evolve.**

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**Our fiduciary services provide ongoing coverage in three key areas of your plan: investment, risk mitigation and education.**

Investments	Inventory Management	Value-Add Processes
Investment Policy Statement (IPS)	Fee Policy Statement (FPS)	Education Policy Statement (EPS)
Investment option selection	Fiduciary risk monitoring	Employee education and communication
Investment performance evaluation	Strategic sourcing planning	<ul style="list-style-type: none"> <li>• 404(c) compliance</li> </ul>
Benchmarking	Plan design review	<ul style="list-style-type: none"> <li>• Asset allocation strategies for employees</li> </ul>
Investment category diversification	Regulatory updates	<ul style="list-style-type: none"> <li>• Enrollment meeting coordination</li> </ul>
Investment fee and expense analysis	Compliance testing	<ul style="list-style-type: none"> <li>• Ongoing employee education</li> </ul>

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## About Aprio

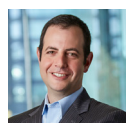
Since 1952, clients throughout the U.S. and across more than 40 countries have trusted Aprio for guidance on how to achieve what's next. As a premier, CPA-led professional services firm, Aprio delivers advisory, assurance, tax and private client services to build value, drive growth, manage risk and protect wealth. With proven expertise and genuine care, Aprio serves individuals and businesses, from promising startups to market leaders alike.

[Aprio.com](http://Aprio.com)

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**For a complimentary 401(k) plan risk assessment, contact:**



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