

# Retirement Plan Correction File Checklist



Use this checklist to document retirement plan corrections and demonstrate fiduciary diligence if reviewed by auditors, the IRS, or the Department of Labor.

## Error Discovery Documentation

- Error discovery memo describing the issue
- Date the error was discovered
- Time period the error occurred
- Number of participants affected
- Initial estimate of financial impact

## Root Cause Analysis

- Explanation of why the error occurred
- Identification of the operational breakdown (payroll, eligibility, compensation definition, etc.)
- Determination whether the error was isolated or systemic

## Plan Provision Reference

- Relevant sections of the plan document
- Adoption agreement provisions
- Summary Plan Description (SPD) references
- Highlighted provisions related to the failure

## Correction Method Documentation

- Identification of correction program used (SCP, VCP, DOL correction, VFCP)
- Written rationale for correction method selected
- Description of how the correction follows EPCRS or DOL guidance

## Participant Impact Analysis

- List of affected participants (or employee IDs)
- Compensation used for calculations
- Missed deferrals or contributions identified
- Employer match impact

## Correction Calculations

- Missed deferral calculations
- QNEC calculations (if applicable)
- Employer match correction calculations
- Lost earnings calculations

## Proof of Correction Deposits

- Recordkeeper transaction confirmations
- Contribution allocation reports
- Payroll adjustment documentation
- Evidence funds were deposited to participant accounts

## Regulatory Filings (If Applicable)

- Form 5330 and proof of excise tax payment
- IRS VCP submission package
- IRS compliance statement (if issued)
- VFCP filing documentation
- DOL "No Action" letter

## Participant Communications

- Participant notification letters
- Auto-enrollment failure notices (if applicable)
- Copies of employee communications regarding corrections

## Service Provider Communications

- Emails or letters from the TPA
- Recordkeeper correspondence
- Advisor recommendations
- ERISA counsel guidance (if applicable)

## Fiduciary Oversight Documentation

- Committee meeting minutes documenting the issue
- Committee approval of the correction approach
- Fiduciary review of calculations and implementation

## Operational Fix Documentation

- Description of the operational fix implemented
- Payroll process updates
- Updated eligibility or reconciliation procedures
- Documentation of new monitoring controls

## Final Correction Summary

- One-page summary describing the correction
- Date correction was completed
- Total financial impact
- Preventive actions implemented

## Contact Information



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