

Retirement Plan Operational Compliance Checklist

A Practical HR Tool to Prevent Retirement Plan Errors



Quarterly Operational Reviews

- Reconcile payroll deferral reports with recordkeeper reports
- Confirm employee deferral percentages match payroll deductions
- Verify employer match calculations
- Confirm contributions were deposited promptly after payroll
- Spot check several employees to confirm accurate contributions

Monthly Operational Checks

- Review new hires for eligibility and enrollment
- Confirm automatic enrollment triggered correctly
- Review payroll compensation codes used for plan contributions
- Verify loans and distributions follow plan rules

Semi-Annual Governance Review

- Confirm roles of recordkeeper, advisor, TPA, and payroll provider
- Ensure operational processes align with the plan document
- Review eligibility rules and compensation definitions

Annual Plan Review

- Confirm all eligible employees were offered participation
- Review employer match calculations
- Coordinate nondiscrimination testing with TPA
- Review Form 5500 before submission

Key Operational Risk Areas

- Payroll integration errors
- Incorrect compensation definitions
- Missed eligibility
- Late deposit of employee contributions
- Late deposit of employee contributions



Tip: Most retirement plan compliance failures originate in payroll and operational processes. Quarterly operational reviews dramatically reduce regulatory risk.