



*Let us help you manage your benefits cost and risk.*

## Plan Administrative Review

In May 2006, the IRS updated its Employee Plans Compliance Resolution System (EPCRS) and EBSA updated its Voluntary Fiduciary Correction Program (VFCP). The updated EPCRS features new correction methods for improper exclusions of participants from 401(k) plans, plan loan failures, and failure to obtain proper spousal consents. It also provides more streamlined processes and enhanced compliance fee flexibility.

These revised IRS and DOL voluntary compliance initiatives encourage plan sponsors to correct errors in the administration of their employee benefit programs. Both agencies have simplified the procedures for receiving approval of the corrections as well as streamlined procedures for the application process. In light of the expanded programs, plan sponsors are encouraged to voluntarily correct these errors prior to an audit. Plan sponsors who fail to identify and voluntarily correct errors will be subject to increased fines and penalties on audit.

Our plan administrative review (PAR) mirrors the IRS and/or EBSA audit work programs. Therefore, we are able to identify errors prior to a government audit of your plans. Our report will provide you with the necessary information to correct the errors as well as recommendations for process improvements to prevent further errors. This enables you to voluntarily correct the errors under the applicable voluntary compliance program and avoid the imposition of significant fines and penalties.

### A Plan Administrative Review

Bartlett O'Neill Consulting delivers substantial benefits by analyzing the processes and procedures that are utilized in plan administration:

#### **THE REVIEW IS AN OUTSOURCED SOLUTION**

The employer-sponsor need only participate to the extent necessary to obtain cooperation from its administrator to provide the necessary data, allow interviews of company personnel that interface with the plan administrator, and for meetings to discuss the results of the review. No other use of valuable internal resources is required.

#### **THE REVIEW IDENTIFIES ANY INCORRECT DATA THAT IS BEING USED IN PLAN ADMINISTRATION**

By utilizing the correct data, the employer-sponsor may be able to reduce its funding costs for a pension plan or reduce its voluntary contributions to a defined contribution plan. In addition, the correct data may mean that there are fewer refunds to the highly compensated employees in a 401(k) plan.

#### **THE REVIEW IS A PROCESS IMPROVEMENT SOLUTION**

The errors discovered in our review trigger corrective action by your administrator resulting in future compliance.

Bartlett O'Neill Consulting's Plan Administrative Review is a comprehensive approach to ensuring your retirement plans are being administered in accordance with the plan provisions and that the plan(s) will continue to retain their tax qualified status. It will also assist in the defense of any class action lawsuits that are brought by plan participants and beneficiaries alleging that the employer-sponsor has not operated a plan solely in the interest of the plan participants and beneficiaries and in a prudent manner.