Fiduciary Log Report

As a retirement plan fiduciary, you've got a big job. You need to not only understand your responsibilities, but ensure the plan and its assets are properly managed. Plus you'll want to have detailed documentation to prove you've followed the rules of your plan and the Employee Retirement Income Security Act (ERISA) in the event of a Department of Labor (DOL) or Internal Revenue Service (IRS) audit.

We want to help. That's why we've created the following checklist and log to **record the activities you complete in 2017 for your company's defined contribution plan.** Because your specific fiduciary responsibilities will vary based on your plan procedures, investment provisions and objectives, **use this list of activities as a starting point.** Then work with your legal counsel, financial professional and third party administrator (TPA) (if you have one) to develop a specific list of activities for your plan.

Note: ERISA requires you to store fiduciary documents for at least six years. **For the 2017 calendar year, save documents until at least 2023.** (Select documents may need to be retained longer.)

Activity	Notes
Create a file to store completed forms and documents.	Completed — Using the 2017 Annual Fiduciary File from Principal®
Identify and document who's responsible for performing the duties of the plan. Then document the actions and decisions of the plan and ensure proper operation of the plan and the management of plan assets.	
Review your plan and contract documents (including plan documents, trust documents, charter statements and bargaining agreements) to ensure the provisions are being followed.	
Review plan goals to ensure the plan continues to meet stated objectives.	
Follow loan rules as set out within the plan document and any participant loan program that has been adopted. If repayment rules are not followed, loans may need to be defaulted and treated as a taxable distribution.	
Follow the hardship distribution rules set out within the plan document.	
Deposit participant contributions, salary deferrals and participant loan payments into the plan in a timely manner. This should occur at the earliest date these amounts can be reasonably segregated from the employer's general business assets (or within the Department of Labor safe harbor time period).[1]	
Establish formal procedures for determining the reasonableness of the fair value of plan investments and the preparation of the fair value measurement disclosures. The Financial Accounting Standards Board's Accounting Standards Codification Sub-Topic 820 (ASC 820) requires this in the plan's financial statements. Evaluate the price sources and methodologies used by the current investment sponsor(s) compared to independent sources. Confirm or challenge the reasonableness of the fair value. And demonstrate understanding of valuation process through documentation.	
Review (or consider adopting, if not already in place) an investment policy statement (IPS). Evaluate investment options on a regular basis to ensure a proper range of investment options are available, they each continue to meet the objectives of the plan and they are appropriate investments for your plan participants. Document this review and any decisions made. Communicate any changes with the appropriate parties.	

Activity	Notes
Ensure participant notice requirements such as Qualified Default Investment Alternative (QDIA), 404(c), automatic enrollment and safe harbor are satisfied.	
Communicate plan, fee and investment information plus any changes to the information to participants as required by the ERISA 404(a) participant disclosure regulations.	
Consider adopting an Education Policy Statement and providing participant education or offering investment advice through a third party registered advisor.	
Submit appropriate regulatory filings (e.g., Form 5500 Annual Report.)	
Ensure IRC Section 402(g) contribution limits are monitored. Section 402(g) limits an employee's elective deferrals into a 401(k) or 403(b) plan.	
Complete nondiscrimination tests to ensure your plan keeps its qualification status.	
Use the ERISA section 408(b)(2) disclosure checklist[2] or a consider adoptiong a Fee Policy Statement to review and evaluate service providers and evaluate the costs of operating the plan and the amounts received by financial professionals[2] and service providers to the plan. Determine if these costs and compensation are reasonable and appropriate relative to the services being provided. Consider doing this in conjunction with monitoring the services received by service providers.	
Review your fidelity bond coverage for appropriateness. A fidelity bond covers against losses due to fraud, theft or embezzlement.	
Consider liability insurance to provide protection for the plan from losses due to breaches related to investment decisions or plan operation. Another option to consider is indemnification of plan fiduciaries from personal liability.	
Stay informed about news and regulations that can affect your plan. Log in to principal. com regularly for updates.	
Train new committee members and conduct ongoing training for all fiduciaries.	
Extra	**Extra**
Extra	**Extra**

[1] If applicable.

[2] You can find the ERISA 408(b)(2) checklist through the employer login at principal.com.

Principal®

principal.com