



## THE GUIDE TO SUMMIT CPA'S 401K AUDIT

*At SummitCPA, we have had years of experience performing 401k Audits. We've gotten it down to a science. Are you considering working with SummitCPA for your 401k Audit? If so, here is what you can expect out of an engagement with us.*

1

### REVIEW YOUR COMPANY'S FORM 5500

**Why is it important?** Use this document to determine the number of eligible participants in the plan. This will allow you to determine the cost of the 401K Audit based on eligible participants located on Form 5500.

**What to expect?** You will find a simple and easy to read pricing matrix with no hidden costs.

2

### QUESTIONNAIRE

**Why is it important?** This document provides us with important contact information related to the plan.

**What to expect?** Less than 20 quick questions relating to contact information for all parties in interest such as the TPA, Trustee, Company Contact, etc. It also includes general questions related to the plan.

3

### ENGAGEMENT LETTER

**Why is it important?** This document provides in writing a mutual understanding of services performed as well as the representations and responsibilities of management for the agreed upon price.

**What to expect?** A two page document detailing what services we will performed, management responsibilities, cost of the service, and an estimated completion date. In addition, you will receive a copy of our most recent peer review and supplemental information regarding the plan sponsor's fiduciary responsibilities to the plan.

4

### REQUEST FOR PLAN CENSUS

**Why is it important?** The Census contains key details of employee information.

**What to expect?** A list of sample employees that we will need to test for compliance. Specifically, items such as I-9s, W-4s, plan enrollment forms, etc.

5

### REQUEST FOR AUDIT PACKAGE

**Why is it important?** The Audit Package contains key information such individual participant statements, discriminatory testing, SOC report, and the trust report.

**What to expect?** The TPA can send us the Audit Package directly. From there only minimal follow-up questions to the plan sponsor.

6

### INTERVIEWS AND WALKTHROUGHS

**Why is it important?** The auditor is required gain an understanding of the internal controls, subsequently test controls, and gain a better overall understanding of the plan, its process and people involved in the plan.

**What to expect?** 2 to 4 one-hour pre-scheduled meetings with the Plan Sponsor, Office Manager, and/or Human Resource Director.

7

### PRELIMINARY AUDIT REPORT ISSUED

**Why is it important?** The Plan Sponsor will have the opportunity to review the Audit report before the report is finalized.

**What to expect?** The full audit report, financial statements, and disclosures.

8

### FINAL REPORT AUDIT REPORT ISSUED

**Why is it important?** The Audit Report is required to finalize the submission of Form 5500.

**What to expect?** An electronic copy issued via our secured client portal as well as a bounded copy mailed to the Plan Sponsor.

### NEXT STEPS

Are you looking to take the next steps with SummitCPA?

Click here to get in touch with one of the members of our team.