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Conquer Record Retention Complexities for Retirement Plans

Throughout the life of your organization's retirement plan you'll likely accumulate a great number of documents. That's especially true for plans that have been around for a while—and when it comes to retaining these documents, volumes can quickly swell.

Document retention for retirement plans is a fiduciary matter. After all, it's regulated by the Department of Labor through the [Employee Retirement Income Security Act of 1974 \(ERISA\)](#), with stipulations surrounding document type, duration of retention, readability, and more. The Internal Revenue Service has stated that files must be readily accessible until "the trust or IRA has paid all benefits, and enough time has passed that the plan won't be audited." Employers are required to maintain all files used to determine participants' benefits; that includes:

- Plan documents and all amendments
- Summary plan descriptions and summaries of material modifications
- Payroll records (which should include dates of birth, dates of hire, dates of termination, and compensation)
- Enrollment forms, beneficiary designation forms, and distribution election forms
- Form 5500 series for the past six years

- Participant benefit/account statements and all related records

It's also important to note that original paper documents may be discarded after being transferred to an electronic record-keeping system that complies with Department of Labor regulations.

At First American Bank, we maintain stringent document-keeping practices, securely retaining all records throughout each client relationship. Upon termination of that relationship, we hold onto records for an additional seven years (versus the six-year period mandated by Section 107 of ERISA). These records may include materials we receive from the client, such as census data, signed investment applications, signed plan documents, and amendments, along with internally prepared materials, including valuation reports and 5500 filings. Although First American Bank retains these records, plan sponsors should also keep their own complete set.

Effective retirement plan record management is crucial: it supports compliance with ERISA, as well as the determination of employees' benefits. Failure to comply can trigger steep fines, along with possible litigation.

When it comes to retirement plans, the right partner makes a major difference. First American Bank's retirement specialists include:

- Certified public accountants (CPAs)
- Qualified pension administrators (QPAs)
- Qualified 401(k) administrators (QKAs)
- Enrolled actuaries (EAs)
- Enrolled retirement plan agents (ERPAs)

With flexible service and pricing models, our goal is to provide the best and most cost-effective solution for your plan. First American Bank works hard and smart to give your company peace of mind and enable your employees to prepare for the future with

confidence. If you have any questions, the Retirement Plan Services Group will be happy to assist you at [\(847\) 392-2999](tel:8473922999) or RSAdmin@firstambank.com.

First American Bank investment products are Not FDIC Insured, Not Bank Guaranteed, and May Lose Value.

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