

## Benefit Compliance Tip: Be Sure to Sign on the Dotted Line

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Benefit plan administration can be complicated and challenging, but sometimes it is not the complex issues that cause the biggest problems; it's the simplest, such as remembering to ensure plan documents and amendments are actually signed. Far too often, when new plans or plan amendments are adopted, the board or a plan committee will adopt resolutions approving the new plan or amendment, but the actual documents are never signed.

Unfortunately, this area of non-compliance may go unnoticed until an IRS or DOL audit or the sale of the plan sponsor, where signed documents are requested but the plan sponsor cannot find them.

To avoid being caught with unsigned plan documents, plans sponsors should:

- Adopt procedures so that immediately after new plans or amendments are adopted, the documents are signed and dated by an authorized signer;
- After documents are signed, maintain the executed documents in an easy to find location, and consider providing outside counsel with signed copies so that even if there is turnover internally, someone will have a signed copy available if requested;
- Annually review what plans or amendments have been approved and ensure the corresponding documents have actually been signed;
- Keep a list of all plans and amendments that includes a notation of where the document is stored (for instance, a document number if the document is saved in a document management system); and
- Maintain a record of all board and/or committee minutes that approved new plans and amendments so that the plan sponsor can produce the corporate approval, if necessary.

Adopting and complying with procedures to ensure that plan documents and amendments are timely signed and can be readily located will help prevent future headaches for plan sponsors. Also, don't forget to date those signed documents!