


# **10 BIG Mistakes**

Involving Employee 401(k) Plans



An anti-fraud campaign by the Department of Labor uncovered a small fraction of employers who misused employee contributions. The top 10 mistakes that lead to employee dissatisfaction and possible investigation include:

**ONE**

401(k) or individual account statements are consistently late or are distributed at irregular intervals

**TWO**

Account balances do not appear to be accurate

**THREE**

Employers fail to transmit employee contributions to the plan on a timely basis

**FOUR**

Significant drops in employee account balances occur and cannot be explained by normal market ups and downs

**FIVE**

401(k) or individual account statements show paycheck contributions were not made

**SIX**

Investments listed on employee statements were not authorized

**SEVEN**

Former employees have trouble getting their benefits paid on time or in the correct amounts

**EIGHT**

Unusual transactions are recorded such as loan to the employer, a corporate officer, or one of the plan trustees

**NINE**

Frequent and unexplained changes in investment managers or consultants occur

**TEN**

Your organization has recently experienced severe financial difficulty

Let the experts at RotenbergMeril help you identify and AVOID these mistakes.

**Contact the RotenbergMeril ERISA partners today: John Guttilla at [jguttilla@rmsbg.com](mailto:jguttilla@rmsbg.com) or Tony Torchia at [ttorchia@rmsbg.com](mailto:ttorchia@rmsbg.com), (201) 487-8383.**