

Audit Summary 457(b) Plan

2016-2017

Finding 1: Contribution in inappropriate years based on certified normal retirement age

Year	Individual	Corrective Action	Responsible For Corrective Action
2016	Participant 1	Form Corrected for 2016	Mike Green
2016	Participant 2	Form Corrected for 2016	Mike Green
2016	Participant 3	Form Corrected for 2016	Mike Green
2016	Participant 4	Form Corrected for 2016	Mike Green
2017	Participant 1	Form Corrected for 2017	Mike Green
2017	Participant 2	Form Corrected for 2017	Mike Green

Auditor Recommendations:

- 1). Coach participants on how to complete form and self-certify.
- 2). Utilize excel sheet to help track those using the special catch up to address deficiency

Action Plan:

Action Steps:

- 1). Centralized operations for how the participant can select of the special catch up option
- 2). Created new election form for special catch up contribution option
- 3). Leverage Excel tracking sheet to monitor participants, track years of benefit and verify paperwork upfront

Status:

Completed
 Completed and Implemented in 2018
 Completed and Implemented in July 2018

Finding 2: Special catch up contribution exceeding three year limit

Year	Individual	Corrective Action	Responsible For Corrective Action
2016	Participant 1	Participant no longer in plan; working with Auditor on reclassification plan	Mike Green
	Participant 2	Working with Auditor on possible reclassification of deferrals	Mike Green
2017	Participant 1	Working with Auditor on possible reclassification of deferrals	Mike Green
	Participant 2	Working with Auditor on possible reclassification of deferrals	Mike Green

Auditor Recommendations:

- 1). Review all special catch up calculations to verify accuracy and determine if deferral reclassification is possible
- 2). Consult with Ice Miller on reclassification of fourth year deferrals

Action Plan:

Action Steps:

- 1). Established a report of all participants on Voya platform that have an active deferral source code for the special catch up to monitor for compliance
- 2). Create and use an Excel tracking sheet to manage participants and their special catch up eligibility
- 3). Consult with Ice Miller on source code reclassification plan

Status:

Completed
 Completed
 Need to Schedule

Finding 3: Total deferrals larger than maximum deferral limitation

Year	Individual	Corrective Action	Responsible For Corrective Action
2016	Participant 1	No longer in the plan.	Mike Green
2016	Participant 2	Need Ice Miller opinion	Mike Green
2016	Participant 3	Need Ice Miller opinion	Mike Green
2016	Participant 4	No longer in the plan.	Mike Green
2017	Participant 1	Need Ice Miller opinion	Mike Green
2017	Participant 2	Corrected deferral for 2017	Mike Green
2017	Participant 3	No longer in the plan.	Mike Green
2017	Participant 4	Corrected deferral for 2017	Mike Green

Auditor Recommendations:

- 1). Review all inputs for special catch up calculations to verify data accuracy
- 2). Legal counsel for excess deferrals

Action Plan:

Action Steps:

- 1). Consult with Ice Miller on whether permissible to reclassify source code in Findings #2 (2016 -17)

Status:

TBD

- 2). Review existing participants with special catch up source code from Voya report to to monitor participants
- 3). Create and start using Excel file to manage and monitor excess deferral calculation to verify limits
- 4). Review bi-weekly Excess Deferral Limit Report from Voya and confirm with Director

Implemented and Ongoing
 Implemented and Ongoing
 Implemented and Ongoing

Finding 4: Dual catch up contribution source code types used

Year	Individual	Corrective Action	Responsible For Corrective Action
2016	Participant 1	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 2	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 3	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 4	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 5	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 6	No longer in the plan	Mike Green
2017	Participant 1	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 2	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 3	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 4	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 5	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 6	Journal adjustment Voya	Voya correction complete- Mike Green
	Participant 7	Journal adjustment Voya	Voya correction complete- Mike Green

- Auditor Recommendations:**
- 1). Work with recordkeeper to reclassify contributions to source code type
 - 2). Consult with counsel if additional correction needs to be made

- Action Plan:**
- Action Steps:**
- 1). Contact recordkeeper to reclassify contributions to source code type
 - 2). Discuss with Ice Miller the scenario if a participant is active on the over 50 catch up and then switches to special catch up and subsequently retires - would the original over 50 catch up be adjusted to the special catch up source code?

Status:
 Completed
 Outstanding