



403(b) Plan Bulletin

April 2010

Plan Document Requirements

403(b) plans were required to have a written plan document in effect for all of 2009. The plan documents were required to be signed by December 31, 2009 and are to include all material plan provisions.

Plan Audits

The new plan audit requirements for 403(b) plans will bring those plans under the pre-existing audit requirements for most defined contribution and defined benefit plans. In general, plans with 100 or more participants on the first day of their plan year will require an audit. The audit of the plan must be completed by a qualified independent public accountant. The American Institute of Certified Public Accountants Employee Benefit Plan Audit Quality Center provides helpful information for plan sponsors pertaining to benefit plan audits.

Transitional Reporting Relief

Historically, 403(b) plans have been a collection of individual contracts, often with multiple vendors. The new reporting and audit requirements could make it difficult or impossible for employers to obtain financial information for certain pre-2009 contracts. The Department of Labor's Employee Benefits Security Administration issued Field Assistance Bulletin 2009-02 in July of 2009. This bulletin affords some relief to plans that make a good faith effort to transition to the new 2009 reporting requirements by allowing certain pre-2009 annuity contracts to be excluded from plan assets.

Please contact Barbara M. Kromer, Director of our ERISA Audit Group, at 301-652-6700.

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