

Request For Proposal for 401(k) Audit Services

ABC Company

Date

Section I: Introduction

- A. Nature of Request
- B. Timeline for Providing Information
- C. Contacts with Company Personnel
- D. Background Information

Section II: Instructions for Completing and Submitting Responses

- A. Schedule of Important Dates
- B. Submission of Responses
- C. Response Format and Content

Section III. Selection Process and Evaluation Criteria

- A. Review Process
- B. Evaluation Criteria

Section IV: Questionnaire

- A. Questionnaire

SECTION I—INTRODUCTION

A. Nature of Request

ABC Company is soliciting information from qualified firms to provide audit services for the ABC COMPANY 's 401(k) Retirement Plan.

You will be provided the most recent audited financial statements and Form 5500. All of the assets of the plan are held in trust by XYZ Recordkeeper. Our most recent audit was conducted by Acme Auditors.

However, in the opinion of the Audit Committee and Management, ABC COMPANY will be better served by a firm that specializes in the audit of Employee Benefit Plans. For this reason we are inviting a select group of audit firms that specialize in the audit of benefit plans to provide services to ABC COMPANY beginning with the year ended December 31, 20xx.

B. Timeline for Providing Information

Contact information (e-mail and phone number) for candidates for this RFP must be received by Insert Date. E-mail communication will be used during the information period. The information period will extend for 3 weeks. During this time candidates may ask questions (by e-mail) and all respondents will receive the same answer to any inquiry. At the end of the information period, candidates who wish to respond to the proposal must submit an electronic response by 5:00 p.m. PST on **Insert Date**.

Finalists will be interviewed by members of the Audit Committee (Committee) and Management between Insert Dates. The final candidate will be selected by December 31. Once the candidate is selected, the effective date will be determined. See time table below.

C. **Contacts with ABC COMPANY Staff**

Contacts with ABC COMPANY staff regarding this RFP and all inquiries and requests for information shall be directed to:

Jane Smith, Position
Phone Number
Email Address

D. **Background Information**

The following information is available for all candidates:

- Summary Plan Description - distributed
- 20xx Audited Financial Statements – available on line
- 20xx form 5500 – available on line

SECTION II—INSTRUCTIONS FOR COMPLETING AND SUBMITTING RESPONSES

A. Schedule of Important Dates

Dates	Action
Insert Date	Issue RFP
Date + 30-45 Days	Response Due Date
Date + 10-14 Days	Audit Committee and Management Interviews
Date + 10-14 Days	Auditor Selected

B. Submission of Responses

The Respondent shall submit on electronic response. The responses must be received by 5 PM (PST) on Insert Date. Please address to:

Insert Email Address

C. Response Format and Content

Responses should be designed so as to cover the content requirements identified within this RFP. All pages of the response must be numbered. Each response must be organized in the manner described below:

1. Transmittal Letter

The transmittal letter should briefly identify the respondent and specify that it is submitted in response to the RFP issued by ABC COMPANY . General information should be included such as: 1) the name, mailing address, phone number, fax number, and email of the firm and the primary contact; and 2) the location(s) of the facility from which the respondent will operate.

2. Fee Information

Please submit a fee outline for current year plus two additional years.

3. References

Please provide three references, preferably with plans similar to ours.

SECTION III—PROCESS AND EVALUATION CRITERIA

A. Review Process

Management and the Committee will review responses submitted by respondents. One or more firms may be selected to participate in an oral interview with Management and or Members of the Committee. The selection will be made based on the written and oral response.

B. Evaluation Criteria

Responses to this RFP may be accepted as submitted, or may be used as a basis for further requests, consultant interviews and on-site due diligence visits. In evaluating responses, Management and the Committee will consider.

- ❖ the demonstrated competence, knowledge, reputation, and qualifications of the firm as a whole and of the biographies of professional staff provided;
- ❖ the firm’s technical expertise and experience in working with corporate defined contribution plans, specifically expertise in auditing 401(k) Plans;
- ❖ the firm’s compatibility with ABC COMPANY ’s culture, and
- ❖ the reasonableness of the fee estimates given the services proposed.

SECTION IV—QUESTIONNAIRE

Organization – Reputation – Experience

- A. Give a brief history of your firm’s experience including the year of organization, current ownership, and affiliations. Please list number of professional staff in total and the geographical area that you serve. Describe annual billings and number of clients served. Approximately how much of your practice is dedicated to the audit of Employee Benefit Plans (EBP)?
- B. Indicate how long your firm has been active in auditing Employee Benefit Plans. Describe in detail the number of partners, managers and staff that are dedicated to EBP audits.
- C. Of the EPB practice, approximately how many 401(k) Plans are in your portfolio? Approximately how many are sponsored by non-profit organizations? Explain how the audit of 401(k) Plans fit into your EPB practice?
- D. What is the size of a typical 401(k) Plan that you audit? Number of participants, value of assets, number of trustees?
- E. How much of your client base retains your services for EPB services only?

Professional Staff – Engagement Team

- A. List the name(s) of the individual(s) who would be directly responsible for our account and provide brief biographies including titles, functions, academic credentials, and relevant experience.

Name	Title	Office/Yrs with Firm/EPB Exp

- B. Briefly summarize your firm’s philosophy regarding your relationship with the Investment Committee, Audit Committee, ABC COMPANY Staff and TPAs.
- C. Which of the following do you have on staff internally?
 - 1. ERISA Attorney
 - 2. Compliance Attorney
 - 3. Pension Actuary

Education – Training – Audit Methodology

- A. Describe how you ensure that our auditors have received current training to perform EPB audits? When does this training occur?
- B. Describe your audit methodology. How is staff assigned, trained and supervised using the methodology to conduct an efficient and effective audit?
- C. Do you offer training and education seminars to your clients?

Timing and Communication

- A. Describe the timeline to ensure that our audit meets or exceeds filing Form 5500 on or before Insert Date.
- B. Describe your communication plan to ensure you receive all the information required to perform our audit, to identify and resolve findings and exceptions timely, and to prepare information for the audit committee well in advance of the semi-annual meeting.

Client Satisfaction

- A. Please provide client retention statistics for each of the last three years. For those who left, what percentage left due to issues pertaining to services provided by your organization? What is the average client relationship duration?
- B. Describe your procedures for monitoring client satisfaction.
- C. Describe your organization's commitment to quality and your approach to client service.

Other Services

- A. Describe the steps you take to assist a client who has been notified of a Department of Labor or IRS plan audit?
- B. Describe how you help a client resolve an operational error that has been discovered in their plan.
- C. Can you refer other service providers who can assist us to cure operational errors, supplemental filings or other matters beyond the scope of the audit?

Insurance and Liability

- A. Please describe the levels of coverage for errors and omissions insurance, and any fiduciary or professional liability insurance your firm carries. Is the coverage on a per client basis, or is the dollar figure applied to the firm as a whole?

Subcontracting

- A. Does your firm use the services of a subcontractor? If so, please describe. Please also explain what costs, if any, would be passed on to ABC COMPANY.

Conflicts of Interest – Peer Review

- A. Please affirm your independence with respect to ABC COMPANY. Explain any potential conflict your firm may have in servicing the Plan. What procedures are in place that would identify, mitigate or eliminate potential conflicts of interest?
- B. Please provide your most recent peer review including any letters, responses and comments.