

How To Avoid A DOL Audit

The term “audit” has a tendency to strike fear into the hearts of those who hear the word. Anyone with a hand in a company’s financial operations are aware that audits are [used by the federal government](#) to monitor and ensure that company is in compliance with applicable laws and regulations. Government audits examine past performance to ensure that funds have been properly administered in the appropriate manners.

Technically, any entity is at risk of being audited, but there are certain mistakes that organizations often make that put them at a higher likelihood for scrutiny. Companies hoping to avoid the dreaded threat of audit should ensure they are fulfilling the following requirements:

- **Submit reports to the DOL on time and accurately.** This includes things like filing Form 5500 reports, as well as 1095/1094s. Companies should also be submitting completed annual employee notifications (Medicare Part D, for instance, or Patient Protection and Affordable Care Act or HIPAA information).
- **Implement Summary Plan Descriptions (SPDs).** Not only do SPDs help companies set standards for their employees, but they also ensure that they are compliant with ERISA, HIPAA, and the ACA regulations.
- **Develop a Summary of Material Modification (SMM).** Whenever changes are made to a plan, federal regulations require that organizations create an SMM to document alterations or amendments - and also retain these documents for the future.
- **Retain necessary documents appropriately.** Items such as Section 125 Premium Only Plan and flexible spending accounts require that employers hold onto these documents and maintain their accuracy.

Following these few steps in remaining compliant and current are sure to help companies reduce their risk of receiving an audit. But amidst the intricacies of the DOL’s requirements, it’s certainly easy to lose track of which regulations organizations need to be concerned with. A company [should avoid making a common mistake](#) when it comes to filing paperwork, but should also not grow anxious about learning the subtleties of regulatory concerns. These details are important to know and understand, but there are experts who can help.

The experienced experts at [Cowden Associates, Inc.](#), for instance, can provide a simple solution to staying compliant and decreasing the likelihood of getting audited. The team of professionals is well-versed and experienced fulfilling DOL regulations and is capable of assisting companies of all industries and sizes. Learn more today!

[Please share your thoughts!](#)