



The EJReynolds Compliance Review

Is your 401(k) operating up to today's standards?

With defined contribution plans continuing to assume greater importance in employees' achieving retirement security, 2026 is shaping up as a year when many sponsors should take a fresh look at their plans' objectives, investment options and communications with participants. These days, it's no longer a situation where plan sponsors can simply "set it and forget it." The trend is for defined contribution plan sponsors, along with advisors, to regularly evaluate whether their plans are successful for both the organization and its employees.

Once you have totaled your score from this assessment, the legend below will help you to understand if changes are required.

Total Score:

- 126 or more – Good plan and no current review is needed
- 125 to 86 – Will benefit from a review in the next three months
- 85 or less – A review is immediately needed

If a plan review is required, EJReynolds, along with your advisor, can assist you in examining and defining your plan objectives, help you be more prescriptive with your investment options, and more easily communicate with employees who want to understand how to achieve their own retirement income goals.

In addition, appointing an advisor to provide discretionary delegated solutions for a plan in its entirety, or for select investment options within a plan, transfers more fiduciary responsibility to the advisor and may result in time savings for management, as well as the potential for increased diversification, improved performance and decreased costs. Determining which governance structure is right for you is a critical component of the direct-contribution plan management process.

Call us today with any concerns or questions you may have.

