

# PUBLIC SUBMISSION

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**Docket:** EBSA-2021-0006

PROPOSED IMPLEMENTATION OF SECURE ACT REVISIONS TO FORM 5500  
EMPLOYEE BENEFIT PLAN REPORTS

**Comment On:** EBSA-2021-0006-0002

Annual Information Return/Reports

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## Submitter Information

**Organization:** Little John Transportation Services

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## General Comment

On behalf of Little John Transportation Services a small company 401(k) sponsor, I support revising the the requirement for a CPA audit from 100 total participants including active employees not participating, to a CPA audit only being required if your plan has over 100 active participants. We strongly encourage each of our employees to participate in our 401(k) for their sake, but even still we have topped out at around 50% participation with only 80 active participants. I feel it would be fair to relieve some of the cost burden associated with these audits.

As a company we were subject to our first audit this year crossing over the 100 employee mark due to a merger of companies. While the cost of the audit was not cheap (a hefty \$10,000 unbudgeted cost), more so the burden ended up being involving multiple administrative staff in putting together the reports and files needed to conduct the audit. Running a total span of 3+ months from commencement to final audit opinion being issued, the time plus cost of an audit to issue a clean and clear opinion did not feel beneficial. Having multiple checks and balances in our Safe harbor 401(k) processes, while also contracting 3rd party administrator and record keeper, I feel we incur enough costs and deploy enough resources that the audit should not be mandatory each year.

I feel that the requirements of these audits could steer other companies away from

offering retirement plans based on the burdens of sponsoring a plan for its employees, burdens of which include the 401(k) CPA audit.