

Jennifer Williamson, CPA

October 29, 2021

Office of Regulations and Interpretations
Employee Benefits Security Administration
Room N-5655
U.S. Department of Labor
200 Constitution Ave. NW
Washington, DC 20210

Attention: Proposed revision of Annual Information Return/Reports RIN1210-A97

Thank you for this opportunity to provide feedback on the above proposed revisions of Annual Information Return/Reports of RIN1210-A97. In particular, I would like to address “Plans affected by change in participant-count methodology for determining large plan versus small plan status and related filing requirements” of Section 1.2.

My name is Jennifer Williamson and I have held various positions within several public accounting firms over my 23+ years in public accounting, including performance and review of employee benefit plan audits as well as quality control roles. This experience has allowed me to be witness to numerous sizes of employee benefit plans and the errors and challenges that come along with them.

In my experience, most of the errors identified in an employee benefit plan audit occur in smaller plans who have less resources and/or knowledge related to plan requirements, many of which have less than 100 participants with balances. Because of these limitations, the audit is an integral tool in monitoring these plans and most importantly protecting plan participants.

One specific area where I have experienced numerous errors in smaller plans is with a plan’s auto-enrollment feature. Errors noted most often include excluding participants from the plan by not auto-enrolling them into the plan when required by the plan’s provisions. When this is the case, the number of participants with balances in the plan could be well under the 100 participants with balances threshold, but only because of improper exclusion of eligible participants from the plan. These errors may never get discovered if it weren’t for the plan’s audit requirement and as a result could have an adverse impact on plan participants and their related benefits for many years.

Other frequent errors that harm participants, such as incorrect employer matching, incorrect allocation of employer contributions, untimely remittance of deferrals, incorrect calculation of vested balances, incorrect definition of plan compensation, and errors in processing employee deferral percentage requests, would all likely go undetected if it weren't for the plan's audit requirement. If they do get caught, many times it is years later, and the cost of correction to the plan sponsor and the harm to plan participants may far exceed the cost of the annual audit.

I firmly believe that changing the threshold for a required audit, as defined in the Proposed revision of Annual Information Return/Reports RIN1210-A97, would lessen oversight of employee benefit plans and is not in the best interest of plan participants.

Thank you for your consideration of the above comments.

Sincerely,

A handwritten signature in black ink that reads "Jen Williamson". The signature is written in a cursive, flowing style.

Jennifer Williamson, CPA