

# 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:** Retirement Plan Audit Services, LLC

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## General Comment

RIN 1210-AB97

III. Discussion of Proposed Changes

G. Change to Participant-Count Methodology for Determining Independent Qualified Public Accountant Audit Requirement for Individual Account Plans

Hello,

I am a CPA and retirement plan auditor, or also properly described as an Independent Qualified Public Accountant (IQPA).

I believe that the proposed change will have a negative impact on saving for retirement. This change may create an incentive for plan sponsors to limit participation in order to avoid an audit. Plan sponsors may make the plan less attractive to its employees, not provide non-elective contributions, not provide automatic enrollment, delay enrollments, and in general not actively offer the plan.

I do not believe that the example provided of two plans with 85 account holders with one subject to an audit and the other not, is an appropriate comparison. The plan subject to an audit is a much larger employer that is failing to enroll a significant

portion of its employees. Therefore, under the proposed change, they would be rewarded for doing so.

IQPA audits are designed to review non-contributing employees to ensure that they are properly not contributing in accordance with the provisions of the plan. A plan's provisions may include automatic enrollment, however, if the plan sponsor failed to apply that provision, they may avoid a plan audit under the proposed change which is where that issue would have been discovered.

Also, under the SECURE Act, certain plans now have an option to reduce costs (including audit costs) by joining a pooled employer plan (PEP). Already in 2021, I have noticed many audited plans with under 100 participant account balances joining PEPs. Therefore, these small, audited plans are already taking advantage of the new laws already in place.

However, I believe that this proposed change would come as a detriment to participants and saving for retirement.