Plan Sponsor Guide

05

The QDIA Confirmation Checklist

A worksheet your committee fills in and files, recording which default your plan uses, when the notices went out, and where the reasoning behind the selection is written down.

Prepared by First Hill Trust

Why This Checklist Matters

01

Why this checklist matters

- Qualifying as a QDIA covers one decision, putting an employee who gave no investment direction into your plan default.
- **Choosing that fund and monitoring it afterward stay with your committee, and those are the two things a reviewer asks you to evidence.**

Most committees can name their plan default in a second. Producing the record behind it takes longer: who chose it, when, what else was considered, and when it was last reviewed. This worksheet collects that record in one place so the committee can see what it already has and what is missing.

Fill it in during a single meeting, file it with the minutes, and bring it forward at the next investment review. Where a line cannot be answered, that blank is the finding.

Industry practice, not a legal requirement. No rule names a specific document or a fixed review interval for a plan default. What the rules require is that the committee select and monitor prudently. A written record is how a committee evidences that it did.

Your Plan's Default Today

02

Record what your plan uses now. Your recordkeeper can confirm the first three lines. The last two come from your own file.

Item	Your answer	Where it is documented
Name of the default investment		
Which permitted type it falls under: target date, balanced, managed account, or money market and similar principal-preservation		
Date it became the plan default		
Who selected it: committee, investment manager, or trustee		
Whether the plan document or IPS names it		

One type carries a clock. A money market or similar principal-preservation fund counts as a QDIA only for the first 120 days after an employee's first payroll deferral. After that it stops counting, so a plan cannot rely on one as its standing default.

The Notice Record

03

Two notices carry a 30-day clock. Record when each went out and how it was delivered. A missing date is the single most common gap in this worksheet.

Notice	Date it went out	How it was delivered
Initial notice, at least 30 days before eligibility or before money first goes into the default		
Annual notice, at least 30 days before the plan year starts		
Prior plan year annual notice		
Who confirmed delivery, and where that confirmation is kept		

Confirm the notice covers all five required items. Mark each one.

Required content	In our notice	Page or section
When money goes into the default, and what puts it there	☐ **Yes** ☐ **No**	
That the employee can direct their own investments instead	☐ **Yes** ☐ **No**	
What the default is, including objectives, risk and return, and fees	☐ **Yes** ☐ **No**	
How to move money into another fund in the plan, and what that costs	☐ **Yes** ☐ **No**	
Where to find information on the plan's other options	☐ **Yes** ☐ **No**	

Selection and Monitoring

04

These are the two duties QDIA relief does not cover. Answer each line from the file rather than from memory, and note where the supporting document sits.

Question your file should answer	Answer	Where it is documented
Why was this fund chosen over the alternatives the committee considered?	☐ **Documented** ☐ **Not documented**	
What alternatives were compared at the time?	☐ **Documented** ☐ **Not documented**	
When was the default last reviewed by the committee?		
Is the default on the same review schedule as the rest of the menu?	☐ **Yes** ☐ **No**	
Who is responsible for managing it: investment manager, trustee, or a committee named as fiduciary?		
Has the committee documented each review as it happened?	☐ **Yes** ☐ **No**	

What Is Missing and Who Is Fixing It

05

Carry every blank and every unchecked box from the pages above into this table. Assign an owner and a date to each one, then bring this page to the next committee meeting.

What is missing	Who owns it	Target date

Bring this page forward. A finding with an owner and a date is a record of a committee acting on what it found. A finding with neither is a record of a committee that noticed and stopped.

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We work behind the scenes to support plans that value clarity, consistency, and confidence in how they are managed. If you'd like more information or a high-level review of how your retirement plan is structured today, click the link to schedule a brief review, or contact us (206) 625-1800.

Schedule a Brief Review

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