

# CCO Checklist

March 2021		Date Completed
<p><b>Correspondence and Email Review-</b> Review staff correspondence, including email. - <i>Monthly</i></p>	<input type="checkbox"/>	
<p><b>Review of Company Financials-</b> Review accounting records to confirm the company complies with its home state's net capital requirements. If the firm is SEC registered, please make sure the company is solvent at all times. -<i>Monthly</i></p>	<input type="checkbox"/>	
<p><b>Review Trade Blotter-</b> Download Report from Custodian and review for any irregular trading patterns or trade discrepancies. -<i>Monthly</i></p>	<input type="checkbox"/>	
<p><b>Update Compliance Manual with revised Rollover Analysis</b> – Refer to sample procedures from CRP to tailor to your Firm and its practice.</p>	<input type="checkbox"/>	
<p><b>Review Cash Balance Report-</b> Review cash balance report to determine if there is enough cash for fees or if there is too much cash and funds need to be invested. Be mindful of scheduled distributions. Perform random performance reviews and take note and action on any abnormal or unusual balances. – <i>Quarterly/Monthly Review based on the billing frequency</i></p>	<input type="checkbox"/>	
<p><b>Mutual Fund Share Class Review</b> -Are your firm’s mutual fund holdings in the lowest available share class? If not, be sure to there is documentation on the rationale for holding the higher share class. - <i>Quarterly</i></p>	<input type="checkbox"/>	
<p><b>Supervised Person Review-</b> CCO should maintain an up-to-date list of access persons pursuant to the firm's Code of Ethics. This list/roster of access persons should be reviewed. – <i>Semi-Annually</i></p>	<input type="checkbox"/>	
<p><b>For State Advisors Only*</b> - For each state your firm is registered, review state requirements on submitting year end financials. Each state varies for year-end requirements. Work with your CRP representative to ensure you are complying with the state rule(s). For states that do require financials, submissions are due 120 after fiscal year end. -<i>Annually</i></p>	<input type="checkbox"/>	

## MARCH FOCUS: ROLLOVER RATIONALE

### CCO TIPS:

- **UPDATE:** Policies and procedures on rollover rationale – Refer to attached sample language
- **DOCUMENT:** the review using the Rollover rationale form – Refer to the attached with language added on options and risks
- **TRAIN:** your IARs to use *Rollover Rationale Form* – make sure your IARs are aware of the requirements, document training
- **TEST:** conduct random sampling of the Completed Rollover rationale forms

### Let's take a look at a recent SEC Exam Request – Is your Firm prepared?

**Retirement Account Disclosures.** Copies of written disclosures made to clients during the Examination Period regarding:

- a. distribution options regarding clients' retirement plans (e.g., maintaining assets in a former employer's plan, transferring assets to a new employer's retirement plan, rolling assets over to an IRA or similar account type, or taking a lump sum distribution), the tax implications of those options, and other considerations (e.g., required minimum distribution requirements and availability of penalty-free withdrawals).
- b. conflicts of interest or financial interests that the Adviser has in recommending any specific product or investment related to retirement accounts;
- c. types of account options available to clients (e.g., IRA Rollover), including account-level fees and expenses and services provided under those account options;
- d. retirement account investment options available to clients (e.g., variable annuities and/or mutual funds), including information regarding (i) account-level fees and services, and (ii) investment-specific fees, expenses, revenue sharing, loads, commissions and other charges.