

# FRS Equity Strategies

A Consulting, Outsourcing, and Educational Institute for Equity Compensation

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## ESPP Purchase Audit Checklist

Review	Notes	Sign & Date
Distribution Setting	Plan Doc - fixed or rolling	
Subscription Dates	Identify what they are. Check for re-sets from prior purchase periods.	
Audit Roll-forwards	Contribution Detail Report before Purchase - Roll forward reconciled in database – save file before purchase	
Audit Contributions for each Payroll Location	Compare contribution source file to Contribution Detail report, distinguish roll-forward from current contributions. Contributions from each location should not include roll-forwards.	
Audit Total Contributions	Contribution Detail report, total roll forwards & total contributions	
Audit Purchase	Distribution Summary grouped by location	
Large Refunds	Make sure they are correct and that you can explain them.	
Spot-check	Choose several random purchases and confirm that the number of shares purchased is correct.	
Number of Purchases	Check if number of Purchases = number of contributions	
Zero Share Purchases	Confirm that any zero share purchases are correct.	
Rounding	If plan does not allow for partial shares, check ESPP settings to be sure rounding is set to zero.	
FMV Word doc		
Audit Purchase Price	Distribution Summary – check definition of purchase price in plan documents.	
DWAC Letter		
Purchase Announcement to Participants		