

MidAmerica 403(b)ulletin

WEDNESDAY, JULY 8, 2009 – VOL. XVI

TRANSACTION PROCESSING

We are pleased to announce that processing times are approximately 3 business days for loans, hardships, transfers, distributions and Salary Reduction Agreements. We continue the process of reaching out to plan participants once we have approved and sent out a form for processing by the respective vendor.

CUSTOMER SERVICE

MidAmerica has a team of dedicated customer service representatives to assist with participant inquiries. If participants ask, it is important to direct them to our dedicated toll-free number (**866-873-4240**) versus a specific extension or individual within MidAmerica. Our customer service representatives will assist the participant or route the call as appropriate.

ADDING VENDORS

Some of our clients have requested that we add a vendor to their plan. This is okay as long as we are notified in writing and then we will go through the process of having the vendor execute a PPSA/ISA.

QUARTERLY REPORTING

We ask that all clients, who are not utilizing our common remitting service, please provide MidAmerica with participant data at least quarterly. This facilitates the billing process as well as allows us to monitor plan limits and activity. All transactions are noted in our systems and participants need to be set up. Ideally, an Excel file that includes: social, name, address, date of birth, hire and termination dates, and contribution breakdown by vendor should be provided. The file can be uploaded to the following secure site:

<https://www.midamerica.biz/content/employers/uploadform403b.aspx>

LEGISLATIVE/INDUSTRY DEVELOPMENTS

The IRS is evaluating updates to the model plan language and is considering a prototype plan approval process. Please be assured that we will keep your plan documents up to date with any changes and if an approval process does become available we will pursue it on your behalf. The IRS is also considering various correction methods in the event of plan or operational errors.

We recently attended an industry conference designed around developing best practices and streamlining procedures and approval processes related to the new regulations. The IRS was represented as well as many TPAs and vendors. We are hopeful that the outcome will be some “best practices” for processing certain types of transactions and recommendations for the IRS to consider as they update the regulations.

VENDOR ISAs/PPSAs

Believe it or not, we still do not have all agreements in place for all of our clients. We have reached out on several occasions with you and vendors. At this point, if we have not already, we will be requesting that vendors who still have not executed the paperwork be removed from your plan.

PLANS WITH EMPLOYER CONTRIBUTIONS

We ask that all employer contributions be reported to MidAmerica and remitted through our common remitter (if applicable). We have noticed that, at times, these types of contributions are remitted directly to the vendor. Employer contributions are subject to certain plan limits, specifically IRC Section 415.



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