

MidAmerica 403(b)ulletin

THURSDAY, DECEMBER 10, 2009 – VOL. XVIII

NEW SRA PROCEDURES

MidAmerica has automated SRA procedures. Rather than sending SRAs to plan sponsors on a daily basis, we've begun sending a secure report of SRA changes to plan sponsors once a week for all SRAs received the preceding week. Along with the report, we can provide scanned copies of the SRAs if desired. The purpose of the change is to increase security and avoid ad-hoc reporting that could potentially be lost. Under the new procedures, plan sponsors can have a specific time to expect to receive SRA changes each week. If you experience difficulty in working within the new procedures, please contact Amber Stalans at 866-873-4240 ext. 129.

COMPLIANCE TESTING

MidAmerica will be performing compliance and plan limits testing for your plan for the calendar 2009 plan year. For those plans that we have been performing common remitting, we should have all necessary data to perform the testing. However, we will need plan year-to-date data for all other plans. At the beginning of next year, you should expect to receive a formal data request so that we can test your plan and ensure that it remains in compliance with the various IRS rules and regulations.

UNIVERSAL AVAILABILITY NOTICE

In order to remain compliant with the new IRS regulations, beginning in 2009, each Plan Sponsor is required to distribute a Universal Availability Notice on an annual basis to all eligible employees. If you implemented your plan with us in 2009, the Employee Notice that we used to communicate the changes to your employees satisfies the 2009 requirement. If you implemented your plan with us prior to 2009, you must distribute a Universal Availability Notice to your eligible employees before December 31, 2009. The model notices are available online at

www.midamerica.biz/employers/retirement/403b-tpa-services/403b-general-information-and-bulletins.

Once you've customized the notice for your plan, please email it to Cheryl.Thall@midamerica.biz and we will post the notice to your plan's MidAmerica and Spokeskids web pages.

HAPPY HOLIDAYS FROM MIDAMERICA!

On behalf of the MidAmerica team, we would like to wish you all a very happy and safe holiday season. We thank you for the confidence you have bestowed upon us and look forward to continuing to serve you in 2010.

APPROVED VENDORS

As we are approaching year end, most all of our clients now have final lists of approved vendors. If you are performing your own common remitting, please ensure that checks are not sent to vendors who are not approved for your plan. To verify your approved vendors, please check your Plan Highlights or Spokeskids section on our website, or refer to page 25 of the Adoption Agreement from your plan document.

SALARY REDUCTION AGREEMENTS

Sometimes we receive SRAs instructing us to send funds to an approved vendor; however, the participant has not yet established an account with that vendor. This results in refunds and delays in processing until an account is formally established. Though the SRA makes it clear that an account must be established, we request that you reinforce this with your plan participants.

VENDOR REFUNDS

From time to time, we receive a refund from a vendor for various reasons, such as those discussed above. Our process when we receive a refund is to reach out to the employer and plan participant to resolve the discrepancy and reprocess the contribution as soon as possible. If we are unable to resolve the discrepancy within two-weeks of initial notice, we will then refund the contribution to the plan sponsor. Plan sponsors should reinstate the contribution into payroll as earnings.



MidAmerica

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