

Update from your Third Party Administrator

MidAmerica 403(b)ulletin

THURSDAY, JANUARY 29, 2009 – VOL. X

COMMON REMITTING DIFFICULTIES

It has come to our attention that a large percentage of vendor changes that have been requested by plan participants via Salary Reduction Agreements (SRAs) have not yet been processed in our common remitting system with GWN. This impacts SRAs that were received in the months of December and January. The issue was identified early this week and was the result of e-mails with SRAs that were not received by GWN.

Participants' vendor changes for this period have now been corrected in the system and future payroll deductions will be sent to the appropriate vendors. For the few payrolls that were potentially affected, contributions would have been sent to the participant's previous vendor and MidAmerica will monitor these contributions for compliance with the regulations as we would for all plan contributions. We are identifying the affected individuals so that we are able to address specific participant inquiries and any requests for transfer to the new vendor.

As a result of this issue, MidAmerica and GWN have initiated additional internal controls and procedures to prevent this processing delay from happening in the future. The new procedures include reconciling the vendors identified on each payroll deposit from our clients with the vendor identified in the common remitting system, and requiring e-mail confirmation of all requested changes. In addition, MidAmerica will be retaining a full-time GWN employee for the sole purpose of coordinating common remitting activities with MidAmerica's clients to speed responsiveness.

Please note that this delay in processing vendor changes in no way jeopardizes our ability to ensure that your 403(b) plan remains in compliance with the new regulations.

A second issue that we are experiencing is an increase in call volume from participants who are stating that their funds have not yet been deposited into their account. Though some of these calls are likely related to the above problem, many of the others are the result of the vendors taking additional time to process contributions due to the compliance requirements of the new regulations. We are diligently working with these individuals to verify that their funds have been received by the applicable vendor.

On behalf of MidAmerica and GWN, we sincerely apologize for any inconvenience the delay in processing SRAs may be causing. We have chosen not to begin billing for common remitting services until we are comfortable that this issue is resolved. I encourage you to reach out to me directly if you have any specific questions or concerns.

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