

# MidAmerica 403(b)ulletin

MONDAY, MARCH 30, 2009 – VOL. XIV

## TRANSACTION PROCESSING

We are pleased to announce that we are now caught up with transaction processing and are now within two – three business days for plan transactions to be reviewed and approved. Please note that, if we are forced to deny a transaction such as a loan or hardship, we will notify the employer as well as the employee as to the reason for the denial.

## PLAN PAPERWORK

In an effort to meet the significant demand for plan transactions over the past several months we have delayed sending final binders that include the plan document, adoption agreement, plan highlights, contracts and ISAs/PPSAs. We are now caught up with day to day transactions and are devoting resources to finalizing plan implementation paperwork.

## COMMON REMITTING

We have had several difficulties as we implemented common remitting for many of our clients. These primarily fell into two classes, which have now largely been worked out.

- Many vendors have very similar or even the same names, but have different internal fund groups that require deposits to go to different physical locations. As well, separate ISA/PPSAs may also be required. Examples include Fidelity Advisor versus Fidelity Institutional, ING Institutional versus ING ReliaStar, etc. As well, some of the vendors have altered where funds need to be remitted as a result of the new regulations requirements. We do feel that this has been worked out for current contributions but there are still some outstanding prior contributions that we, and GWN, are reconciling. As we implement new common remitting cases, it is critical that we obtain the exact addresses of where funds are being submitted to the various vendors to ensure that contributions are deposited on a timely basis.
- Many vendors, primarily the mutual fund companies, discontinued accepting contributions unless an ISA/PPSA was in place, typically their agreement. Though this was not legally required, the particular organizations internally required it. In many of these cases, funds were returned to us until the agreement was put in place and then we re-issued the contribution to the vendor. In order to allow our clients to retain as many of their vendors as possible, we have worked very diligently to ensure that these agreements and the specific requirements of the many vendors are met. We appreciate your patience as we have obtained all of the agreements, which have changed from time to time and are still coming in to some degree.

To assist us in checking on the status of a given payroll or contribution we, in conjunction with GWN, have significantly enhanced our internal systems to allow us to check on the status of an outstanding check to a vendor on a timely basis to determine whether it has been cleared or not. As well, we have modified common remitting procedures to cut specific checks per employer per vendor. We found that consolidating checks at the vendor level was resulting in some rejections. The vendor would deny the entire check if any given employer without appropriate paperwork was part of the check.

## PRESIDENT'S NOTE

The first quarter of this year has been very difficult as we have adapted to the new regulatory environment and the changing requirements that are evolving within the industry. Though we fell somewhat behind, we have devoted significant resources both within MidAmerica and GWN to ensure that our clients receive the very best service possible. On behalf of MidAmerica, I sincerely apologize for the delays. We did not fully anticipate the amount of paperwork, transaction volume, and unique vendor needs that would be required. We have adapted and where we have identified a problem or issue, we have corrected it and built procedures to ensure that the problem does not arise again. We are a very strong organization and are confident that we will fulfill your needs and continue to be a major player within this marketplace. Thank you for your business and continued support.



**MidAmerica**

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