From the Top

By Aaron Venouziou, President

Is There a 'Doc' in the House?

January 31st was a very big day for the Document Team here at DATAIR. That day was the deadline for the IRS submission of our EGTRRA documents. The project was truly a monumental task involving over a year of planning, preparation and just plain hard work.

We began the process by determining what was needed to restate all of our DC prototypes, core document, trust agreements and volume submitters to comply with the new laws, regulations and LRMs. After many months of work, we completed all of the technical changes to the existing documents. We then asked ourselves what we could do to improve our product. What new features would help our users efficiently implement their plans? We felt a new short form prototype containing a more simple adoption agreement to facilitate a no-frills, basic plan design would be desirable. Maybe a prototype-format for our popular volume submitter document would be useful. More months passed by…

The final result:
- Documents for a multitude of plan types, including 401(k), profit sharing, money purchase and target benefit.
- Restated EGTRRA compliant standardized and non-standardized prototypes.
- Restated EGTRRA compliant volume submitter plans (individually designed plan format);
- New EGTRRA compliant volume submitter plans (prototype format).
- New short form EGTRRA compliant standardized and non-standardized prototypes.
- Updated supporting documents, including SPDs, Loan Procedures, employee notices and designations and ancillary forms.

When the January IRS submission deadline arrived we were ready. Our training room was transformed into a print shop. Over 50 pounds of documents, forms and applications covered the tables. The filing contained 15 adoption agreements, a core document, 11 trust documents, 8 volume submitter documents, 23 sets of filing forms, and nearly 1,000 sets of applications for word-for-word adopters. But all was ready to go and a day to spare!

We may have won the first battle but the real war now begins with the IRS approval process. We'll keep you posted on the campaigns!

DATAIR Profile

Meet Vicky Javurek, who joined DATAIR's Administration Department in January of 2002. Vicky worked for a communications company in downtown Chicago until they went through a downsizing phase. After saying goodbye to her co-workers of 17 years, she realized that this change may be for the best, after all. Now, instead of a 30-minute commute, she can walk to work and have more time to spend with her family.

Vicky is responsible for mailing out system releases, accounting statements, processing credit card payments from clients and other jobs in and around the building as they arise. She is always ready and willing to pitch in wherever help is needed.

After hours, you can find Vicky playing BINGO once or twice during the week, but her true adrenaline rush comes when playing the slot machines in Las Vegas with her husband, Paul. She claims, "The noisier the better!" When they have a lucky streak, you can catch Vicky smiling all the way to the bank. She attributes her love of games to being one of nine children where family card games were always part of their holiday traditions.

What do you enjoy most about working at DATAIR, Vicky? "The new friends I met and work with here at DATAIR. They're people who have a heart and really show it."

☞ Important Reminder

Support for Windows 98 and ME will be discontinued as of July 1, 2006. See the Operating System Support topic in the *Technology Publications* section on our web site at www.datair.com.

SIMPLE! SIMPLE! SIMPLE! (Import, That Is)

By Kristina Kananen, QPA, QKA, APA

Several years ago we observed that "unreporting" (Code D) for separated participants previously reported on the **Schedule SSA** was becoming mandatory for some plans and a matter of avoiding litigation for others. Many Plan Administrators found themselves in the position of proving that benefits had been distributed to terminated participants when the Social Security Administration would inform a new applicant of benefits earned under a previous employer's plan.

Our solution was to create a Simple Import feature for accurate and complete Schedule SSA reporting on a plan-by-plan basis. While our "native import" has always been available, some users were uncomfortable with the format. The simplified format for the Schedule SSA Simple Import can be found on page 35 of the Help| Release Notes with instructions for the import beginning on page 32. It is much easier to update the SSA for changes in account balances/units, transfers of liabilities to another plan or reporting of those no longer entitled to distributions or benefits. Once the spreadsheet has been created, it can be copied the next year with all prior year A codes changed to

B, individuals coded C and D deleted from the current spreadsheet, and new terminees (Code A's) added to the current spreadsheet.

When you are ready to perform the Simple Import, all you have to do is save the spreadsheet as a .csv file, open the plan to the correct plan year in Pension Reporter, open the Schedule SSA and click the Import button at the bottom right of the screen. Then follow instructions. Be careful to perform the Simple Import one-time only...it is possible to duplicate individuals.

When Pension Reporter for Windows was first developed, we provided you with the ability to copy out form **5500 Schedule D** information for a specific financial institution from one plan and then copy it into all of your plans using that financial institution for plan investments. It was useful and eliminated the repetitive typing of items, a, b, c and d on pages 1 and 2 of the Schedule D, but it did result in zero entries from one year to another, or cumbersome copying from one field to another when some investment choices were deleted from a plan.

To simplify your administration, we added the Schedule D Simple Import. It allows you to import fund information for only the plan that is open in PR. The format for the Schedule D import can be found on pages 25 and 26 of the Release Notes (version 1.19). The process is the same as that for the Schedule SSA. The Release Notes refer to the Simple Import as applying to John Hancock downloads, but as long as the information is put in the appropriate columns within the parameters for the columns, Schedule D information can be imported for any financial institution. John Hancock is the only financial institution providing the Schedule D information as a download, to our knowledge.

If you had a Schedule D for the plan for the prior plan year, you will find that when the current plan year is opened, information from the prior year carried forward automatically (or by the use of the Activities command of Prior Year Carry-Forward). If you are using the Simple Import for the current year, and this is the same financial institution as last year, we suggest you delete all the Schedule D pages by highlighting the "all pages" line on the Schedule D screen list and use Shift|Page Down to highlight all pages and then click the Delete button at the bottom of the screen to delete all pages before you use the Simple Import.

Since the Schedule D and Schedule SSA Simple Imports have worked so well, we looked for other areas in Pension Reporter where we could save you time and effort. Every year we wait and wait and wait for the IRS to release the current **Form 1099-R**. Administrators often find themselves holding distribution information until the current year form is released and the information can be input into Pension Reporter. Some administrators find themselves playing catch up in December and January while trying to beat the 1099-R mailing deadline. By using the Simple Import spreadsheet format shown on pages 19 and 20 of the Help|Release Notes, you can accumulate information for all participants receiving distributions from a plan throughout the year when the information is most readily available. Using the Distribution Date column as an indicator that the distribution actually occurred can save you time trying to determine later in the year if the distribution occurred or not. If there's a date, then yes it did. If no date, then an inquiry must be made of the Plan Trustee. It is also possible to forward the spreadsheet to your client for easy verification that distributions were actually made before you prepare the actual 1099-Rs.

Simple Import. Another Pension Reporter feature to make your administration just a little easier. ⊛

Help Us Help You at DATAIR.com

By Gary Saake, VP/Systems

We have a variety of features on our web site to help you maximize your use of our systems and services.

The **DATAIR Discussion Forums** allow you to interact with other DATAIR clients about topics of interest to the benefits community as a whole and better utilize DATAIR's products. At a minimum, consider subscribing to the Support Announcement Forum to receive immediate e-mail notification of software updates and important support-related announcements. For step by step instructions on how to sign up, go to Software Updates at www.datair.com and click on the "click here" link.

The forums are designed for topics that encourage and benefit from group discussion. They are not intended as a replacement for product support issues. Your entire staff may register, each with their own User ID and password. Participation in the forums has been outstanding with over 1,600 persons currently registered. If you're not registered, do so today at www.datair.com!

Periodic updates to the DATAIR systems can be found on the **Software Updates** section of our web site. You will find a list of the most recent updates and the current updates for each system. Subscribe to the Support Announcement Forum and you will receive immediate e-mail notification of new software updates.

We're constantly adding new articles to the **DATAIR Knowledge Base.** It allows you to search for answers using keywords and phrases and searches can be limited to specified DATAIR systems. You can also view the most recent articles.

The **Frequently Asked Questions** section of our web site helps you to quickly find answers to the most commonly asked questions, by system.

The **Technology Publications** provides you with valuable guidance on hardware and software trends and requirements for the DATAIR systems. We also share our own thoughts and experiences with the technology currently available.

We're always interested in ideas on how we can improve our web site to provide the information and services you need to better serve your clients. If you have any suggestions or comments, please pass them on to webmaster@datair.com. Help us help you! ✺

🖥 Internet Connectivity

Various systems have begun to require internet connectivity for certain features to operate. Examples of ways we have already integrated the internet into our systems include:

- Help files link to online content
- Internet-based license file acquisition system to replace diskettes
- Internet-based Document Sponsor Reporting for the 2006 reporting cycle

Beginning July 1, 2006, some form of internet connectivity will be required on at least one machine per database or data location. Later this year we will be instituting an internet-based software update system which will automatically download and install updates as they are released (with administrator approval, of course). We will also be implementing internet-based tools to help us provide better technical support to you. ✺

Café Corner

By Delwyn Horton, CFC

We continue to focus on upgrades here at DATAIR. We are updating the **cafeteria document system** by adding plan design options and improvements to the Summary Plan Description. We are also moving the program from a DOS-based system to a Windows platform. The **cafeteria administration system** is also being updated in many ways. We are making changes to better process Health Reimbursement Accounts and will continue to make improvements to many of the reports. When you receive a new release or download an update, please review the Release Notes carefully (they can be accessed from the <Help> option on the tool bar). The notes inform you of system changes and describe new features that help you achieve optimal use of the system. We are also updating the manual to include all new system features and enhancements. This, too, is accessed from the <Help> option.

The compensation threshold for officers that is used in determining Key Employees has increased to $140,000. The look-back year compensation for the 55% Average Benefits test will be $100,000 for the 2006 year (will apply when testing for 2007 plan years).

For 132(f) Transportation benefits, the monthly parking maximum expense for 2006 has been increased to $205. The monthly Transit/vanpool maximum expense remains at $105. The reimbursement rate in 2006 for mileage due to an eligible health FSA expense will be .18 cents. If gas prices rise significantly, the rate could increase mid-year, as it did in 2005.

Because dependent care reimbursement programs now allow for reimbursement of claims after the Plan Year end date, but during the grace period, IRS Form 2441 has been revised to address this issue. If you are assisting your clients with this form, the new instructions should be read carefully. A copy of the form and instructions are available on the IRS website at www.IRS.gov. ✺

DATAIR Employee Benefit Systems, Inc.
735 North Cass Avenue
Westmont, IL 60559-1100
(630) 325-2600 Fax (630) 325-2660
http://www.datair.com
E-mail: info@datair.com

Did You Know...

EBSA has changed the mailing addresses for submissions under the Delinquent Filer Voluntary Compliance Program effective 4/11/06. The new addresses are:

By USPS:
DFVC Program – DOL
P.O. Box 70933
Charlotte NC 28272-0933

By private delivery service:
DFVC Program – DOL
QLP Wholesale Lockbox NC 0810
Lockbox #70933
1525 West WT Harris Blvd.
Charlotte NC 28262

Current Software Versions

CA/Win Cafeteria Admin............................ 1.06c	QP Qualified Plan Distribution 2.01
CD Cafeteria Plan Document 1.25a	PA Plan Accountant........................... 2.03
CM/Win Client & Task Manager 1.05	PE Pension Administration............. 3.27a
DC/WIN Defined Contribution 1.00g	PR/WIN Pension Reporter 1.21
DE Data Entry & Review 1.13a	PT Participant Term. Calc 2.05
DS/Win Document 1.14	RW Report Writer 3.27a
FA FAS 132 Reporting................................ 2.03	