
From: Michael Lafond [Michael.Lafond@corbel.com]
Sent: Wednesday, May 05, 2004 7:55 PM
To: efast2@dol.gov
Subject: EFAST2 RFC

Attached, please find my comments with regards to the Request For Comment pertaining to EFAST2. If I can be of further assistance, please feel free to contact me.

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In response to the Department of Labor's Request for Comment with regards to the ERISA Filing Acceptance System, we would like to respond with the following comments.

Rationale for Change:

We agree with the rationale for change as described in the Request for Comment, and agree that use of the Internet and Web-Based technologies should be a compelling factor in the development of EF AST2. Because many vendors of software for the completion of Form 5500 also develop record-keeping software for plan administration, a more efficient work-flow should result if software providers are encouraged to provide their own Web-Based technologies which integrate with their record-keeping packages.

1. Method of Filing:

SunGard Corbel has always provided software allowing its customers to file their 5500s by all available means, and wishes to continue to do so. The proposed prohibition of software vendors to provide customers a means to complete cut sheets printed through the Government Printing Office (GPO), or to file by any other means allowed, would be undesirable. Our goal as a software vendor is to provide our customers the greatest flexibility possible.

2. Simplification of the Electronic Signature and Authentication Procedure:

The means by which Form 5500 filings are signed must be streamlined to insure wider acceptance of electronic filing under EF AST2. Many digital signature and verification methods are available that might be incorporated into the new system. Such signatures must also extend to the schedules which also require a signature, such that the entire filing may be processed electronically in a "paperless" fashion.

3. Mandatory Electronic Filing:

Mandatory electronic filing can be made less burdensome if enough advance notice of the requirement to file electronically is provided. Also, a manageable system for electronic filing must be in place allowing for a smooth adaptation of business processes over time to accommodate electronic filing. Mandatory filing should be required no sooner than 2 years following the implementation of an Internet-based electronic filing system.

4. Charging of Filing Fees:

We believe that the imposition of filing fees for paper filings will provide a catch-22 for many administrators. On one hand, if they adapt their business processes to allow for electronic filing of Form 5500, they may face increased costs while making the transition. On the other hand, if they don't adapt, they may be charged filing fees for sticking with paper filings. A more desirable course of action would be to encourage electronic filing by providing an incentive to electronic filers, such as instant acceptance of the filing or an automatic extension of time to file.

5. Use of Internet Filing Data Standards Such As XML:

SunGard Corbel has long been a proponent of XML, and its use as both a standard and a vehicle for data interchange. The self-descriptive nature of XML facilitates its use and minimizes annual maintenance.

6. Improved Handling of Third-Party Attachments and Attestations:

A broad range of document types and attachments should be accepted for filing with Form 5500, but as a general rule, all defined schedules and attachments should have a specified format to which administrators, contributors (e.g. actuaries, auditors, accountants, trustees, etc.), and software vendors can conform. This will allow for structured storage and retrieval of the information contained in these documents, as well as validation of the data contained therein.

7. Improved Consistency of Treatment for Paper and Electronic Forms:

All Form 5500 filings **MUST** be handled by the same set of validation and acceptance rules, regardless of the means of filing and/ or subsequent communication between the Agencies and administrators.

8. Centralized Web-Based Dissemination and Public Disclosure of Form 5500 Series Data:

Any utilization of the Internet or Web-Based technologies for filing of Form 5500 should easily be able to accommodate Web-Based dissemination of same data.

9. Require Each Plan Filing Form 5500 Series to Obtain a Unique EIN:

We have no opinion with regards to this proposed change.

10. Separation of Certain Information from the Form 5500 Series Package:

The separation of information not open to public disclosure should not prove necessary, as it can be logically separated from information open to public disclosure at the time of insertion into the database. Separating the data could create considerable additional work and expense for those third-party administrators that prepare hundreds or thousands of plans for their clientele, and will potentially create additional correspondence between the Agencies and administrators if one half of the filing is filed with one Agency, but the remainder is not filed with the other.

As the industry leader in Form 5500 preparation software, SunGard Corbel is very interested in working with the DOL to provide a smooth transition between EFAST and EFAST2.