

**From:** GMJones@dtsystems.com  
**Sent:** Tuesday, November 01, 2005 12:36 PM  
**To:** EBSA, E-ORI - EBSA  
**Subject:** Form 5500 E-filing Regulation RIN 1210-AB04

**Attachments:** Opinion of proposed 5500 process.doc



Opinion of  
proposed 5500 proce.

(See attached file: Opinion of proposed 5500 process.doc)

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October 19, 2005

Office of Regulations and Interpretations  
Employee Benefits Security Administration N-5669  
US Department of Labor  
ATTN: RIN 1210-AB04

Delivered Electronically to [e-ori@dol.gov](mailto:e-ori@dol.gov)

Dear DOL/EBSA:

DST Systems, Inc. offers the following comments in response to the Request for Comments on the ERISA Filing Acceptance System (EFAST) as published in the Federal Register (vol. 70, no. 167 on Tuesday, 8/30/05). DST provides sophisticated information processing, computer software services and business solutions to the financial services, communications, and healthcare industries. Additionally, DST provides Third Party Administrative services to over 4,000 small 401(k) plans (under 50 employees).

***Comments Regarding Electronic Filing:***

DST welcomes the move to electronic filing of the Form 5500 via the Internet. DST appreciates the effort to move towards electronic filing to improve sponsors' monitoring of their plan's compliance. The current process to prepare and provide a signature ready 5500 for our clients is manual and time consuming.

Due to the complicated process for plan sponsors to obtain a PIN and then provide it to us, we've not pursued filing the forms electronically. Our current electronic efforts are limited to gathering data and providing files of the 3D bar code forms for the sponsors to print and mail. The issuance of PINs to electronically sign the Form 5500 and related schedules should be instantaneous. A process similar to filing an individual's Form 1040 would be ideal. The process should be integrated into the Form 5500 signature process. Plan sponsors will be frustrated with a process that takes time or is separate from the actual submission of the Form 5500. The current, paper-heavy process to obtain a PIN is the sole reason that we did not electronically file the 2,900 Form 5500s we produced for the 2004 plan year.

Ideally, the multiple parties should be able to submit information electronically for any given Form 5500. For Example: 1) Schedule H for plans with over 100 employees requires an independent auditor's signature and 2) Schedule B must be signed by an actuary (generally not the trustee signing the form). The auditor and actuary should be able to access the Form 5500 and provide approval as needed. If all of the filing requirements cannot be achieved in one process, the plan sponsors are likely to experience increased costs to accommodate two separate filing requirements. Our experience tells

us that sponsors will use electronic solutions that are intuitive and easier than the manual paper based process.

The electronic process should also incorporate the filing of Form 5558 for an extension and eliminate the need to attach a copy of Form 5558 with the original 5500. An electronic process should incorporate the Form 5558 with the submitted Form 5500.

The plan sponsor is likely to review the instructions without a third-party administrator present. The current electronic process can be confusing to the majority of small businesses that do not have a human resource department. Therefore, the language of the Form 5500 instructions should be revised so that the plan sponsors can more clearly understand the requirements, expectations and data requested. For example: the wording for Schedule I, Part II, Question 4a has been revised more than once, but still does not indicate that “as soon as administratively feasible” really means within 2-3 business days after a pay date.

Please feel free to contact us regarding these comments at 816-843-4013 or 816-843-4017.

Sincerely,

Theresa M. Van Ackeren  
Division Manager,  
Qualified Plan Administration

Gary Jones, QKA  
Qualified Plan Administrator