

Operations Department Insights



In this issue

An in-depth look at data collection

The Importance of Accurate and Timely Data Collection

- By Arik Miller, Operations Manager

The ability to provide our clientele with the various yearly forms, documents, and submissions for which we are responsible, is wholly dependent upon having accurate and timely data provided to us from our many clients, TPA's, and advisors. That this is the backbone of our entire system cannot be overstated.

The list of the forms, documents, and submissions we produce every year includes, but is not limited to:

1. Actuarial Valuation
2. Year End Report
3. Benefit Statements
4. 5500/5588
5. PBGC

In support of the above list, we begin our data collection activity during the second week of January. We begin by asking for the Plan Asset Value as well as the Census Data of 12/31 for Calendar year plans. Where off-calendar year plans are concerned, we ask for this data as of the plan year end date.

Asset data should include:

1. Yearend Trust account balance
2. Yearend Bank account balance (where applicable)
3. Yearend dividend statements (where applicable)

In short, any data related to the plans entire value as of the end of the year.

Census data should include:

1. Employee name





2. Employee birth date
3. Employee hire date
4. Employee termination date (if applicable)
5. Employee wages
6. Employee hours worked
7. Employee bonus (if applicable)
8. Employee deferrals (if applicable)
9. Any change in employee status, i.e. Marriage etc.
10. Dates and amounts of pay-outs made to terminated participants

As we move forward through the year, around April, we will start asking for Plan Contribution Information. We will be asking for Contributions made for the plan during the plan year and those contributions made after the end of the plan year, but prior to September 15th (contributions receivables).

The contribution information we will need is the following:

1. Date of each contribution
2. Amount of each contribution
3. Contribution's applicable year (if a contribution receivable)
4. Tax year contribution applied to

Due to the nature of the IRS Form 5500 and its associated forms submitted along with it, we must have all the contribution information in hand before creating. Therefore, we encourage all our clientele to be aware of their data submittal responsibilities and ask them to make the attempt to stay ahead of the game by sending us the required data as soon as it becomes available. Thus, we assign each client's needs to the rota based on a first-come-first-served basis. The sooner the client provides the necessary data to us, the sooner we can produce and provide the required yearly forms, documents, and submissions. The following list outlines the governmental timeline with which we must comply:



1. IRS/DOL Form 5500 must be submitted by July 31 (October 15th if an extension, Form 5558, is filed)
2. IRS/DOL Form 5500 for off-calendar year plans must be submitted no later than 7 months after the plan year end date, (2 ½ months added if an extension, Form 5558 is filed)
3. Plan contributions must be completed no later than September 15th following the end of the plan year.
4. Plan contributions for off-calendar plans must be completed 8 ½ months after the plan year end.
5. PBGC filing must be accomplished by September 15th of the current plan year.
6. PBGC filing for off-calendar year plans must be accomplished 9 ½ months after the beginning date of the current plan year.

It is hoped that the above information brings a clearer picture of the yearly cycle of forms, documents, and submissions that are needed to keep the plan's administration accurate and on time. Also, one should now be able to understand how having all the needed data sent in at the last-minute causes tremendous difficulty in meeting the required deadlines.