

**FORM 5500 PREPARATION**

---

**CLIENT ADMINISTRATION MANUAL**





# Form 5500 Preparation

## Welcome to TASC Form 5500 Preparation services!

The Internal Revenue Service (IRS) Form 5500 is used to report information concerning employee benefit plans. This **Client Administration Manual** will walk you through the IRS Form 5500 process, how to send TASC the needed information, and how to submit your IRS Form 5500. Please retain this manual for future reference. If you have questions please email [5500@tasconline.com](mailto:5500@tasconline.com) or call Customer Care at 1-800-422-4661.

**Interested in learning more?** Visit our TASC news site at [www.tasctracker.com](http://www.tasctracker.com) and subscribe to receive news and important updates via email.

For technical and customer support, TASC has a team of employee benefit experts to assist you with your plan. Our experts can give you guidance and expertise to help ensure you remain compliant with all regulations.

## IRS Form 5500

In general, employers with 100 or more employees (including former employees, COBRA participants and retirees) who are participating in any health and welfare benefits plan as of the first day of a plan year must complete an IRS Form 5500 with applicable Schedules for that plan year, and must do so within seven months of the end of the plan year.

*The 100-or-more participant requirement applies to those employers with a fully-insured benefit plan, an unfunded benefit plan (self-insured with benefits paid from general assets), or a combination thereof. Employers with a benefits trust in place must file a Form 5500 even if they have fewer than 100 participants).*

The employer must electronically file these returns with the Employee Benefits Security Administration (EBSA). Penalties for failure to submit an IRS Form 5500 can be costly. In addition to possible criminal penalties for willful IRS Form 5500 failures, the plan administrator may be penalized **up to \$2,233 per day** during which time an IRS Form 5500 is missing or incomplete. To fulfill this requirement and avoid penalties, TASC prepares an IRS Form 5500 and applicable Schedules each year, then returns these to you so you can then electronically sign and submit these to the EBSA.

At the end of your plan year, TASC will send you a *Request for Information Form* via email. Return the completed form along with all applicable Schedules to TASC as soon as possible. Upon receipt of the form and necessary Schedules, TASC will prepare an IRS Form 5500 and all Schedules, along with filing instructions and deadlines for submission to the EBSA. Filed and processed under the Department of Labor's (DOL) EFAST2 filing system, your IRS Form 5500 must be filed electronically.

Certain employee health and welfare benefits plans are exempt from the annual reporting requirements or are eligible for limited reporting options. The major classes of plans thus exempt or eligible are described in the IRS Form 5500 instructions.

The IRS Forms 5500 that must be filed by plan administrators are due by the last day of the seventh calendar month after the end of the plan year. See the IRS Form 5500 instructions for information on extensions.

## Summary Annual Report

Once the IRS Form 5500 and appropriate Schedules are completed, TASC will prepare and return to you a Summary Annual Report (SAR) for each IRS Form 5500 filing. By law, you must distribute a copy of the SAR(s) to each participating employee within nine months of the end of the plan year.

Additionally, an employee has the right to receive from the plan administrator, upon request, a copy of the full annual report, *i.e.*, the Form 5500 itself. An employee also has the legally protected right to examine the Form 5500 at the main office of the plan administrator.

## Document Disclosures

As part of your plan administration, each time TASC completes an IRS Form 5500, you will be provided (along with the document itself) clear instructions on how to proceed. These will include:

- Who should receive a copy of the document;
- How the document must be delivered; and
- The time frame during which the document must be delivered.

ERISA documents have varying disclosure requirements. This means you should pay careful attention to the specific directions accompanying each document.

All clients are obliged to maintain up-to-date contact information in MyTASC. This includes email and mailing addresses and phone numbers. TASC periodically sends important plan notifications (regarding balances, deadlines, and/or plan changes). We are not responsible for any consequences resulting from communications not received due to inaccurate contact information.

## Annual Plan Renewal

Near the end of the plan year, you will have the opportunity to renew for the upcoming plan year.



# TASC Invoicing Practices

TASC strives to foster a clear understanding of administrative fee invoices by communicating expectations to all customers. This allows us to deliver the best service possible without unnecessary administrative delays or interruptions.

## Philosophy

To ensure that TASC operations continue to run smoothly, administrative fee invoices are delivered and payments are due prior to the beginning of a service period. Payment of administrative fees in advance of the service period ensures there will be no delay or interruption in services to our customers. Additionally, it affirms an employer's commitment to their employee benefit programs.

## Type of Payments

- **Check.** Clients may pay by check.
- **E-Pay Recurring ACH.** Clients may pay administrative fees electronically by opting into TASC's E-Pay program. Under this program, fees are debited seven days prior to the start date of the service period. For example, if a service period begins January 1, clients will be debited on December 23.
- **ACH Credit.** Clients may pay administrative fees invoices via an ACH credit transfer.
- **ACH Debit (Non-Recurring).** Clients may pay administrative fees via a one-time ACH debit transfer.

## Standard Procedures

**Invoices.** Invoices are emailed 45 days prior to the service period start. If no valid email address exists, invoices will be distributed via USPS.

**Due Date.** Invoices are due upon receipt. Invoice payments for clients that pay via E-Pay are drafted seven days prior to the beginning of the service period start date.

**Past Due Email Notification.** A past-due email notification will be sent 45 days after the original invoice date if an

invoice remains unpaid. This email will indicate that services will be placed on hold if the invoices are not paid within 60 days of the original invoice issue date.

**Hold Notification Email.** Client will receive a hold notification email indicating that administrative services are placed on hold if an invoice remains unpaid more than 60 days after the date of issue.

**Service Termination.** We reserve the right to terminate services if invoices remain unpaid beyond 90 days. There is no guarantee that services can be resumed by the client, even if past due invoices are subsequently paid.

**Collections.** We reserve the right to refer unpaid invoices to third-party collection agencies, even if services were placed on hold or terminated.

## Client Responsibilities

Administrative fees are the responsibility of the client. Payments for invoices should be sent to the address indicated on the invoice. To ensure that your payment is correctly applied, please ensure that the amount paid equals the amount invoiced and that payment for administrative fees are paid separately from contributions to benefits plans. Please contact us promptly if you have any questions regarding your invoice.

## Other Fees

**Extension Fee.** Generated if all information is not provided within 45 days of the DOL deadline and/or if the Form 5500 is not signed within 15 days of the DOL deadline.

*NOTE: If within 15 days of the due date, the extension may not be an option due to time allowance for new business entry and implementation. The client would be responsible for any fines or penalties that may result in the late submission.*

# Confidentially Speaking



The **Confidentially Speaking** program guarantees that TASC employees, customers, and vendors can safely and anonymously communicate with management regarding sensitive information.

## Why did TASC implement this program?

A renewed interest in corporate governance, spurred by the Sarbanes-Oxley Act, has motivated many organizations to implement an anonymous reporting hotline. Because TASC's Confidentially Speaking system helps employees, customers, and vendors voice their opinions and concerns, we're able to gain valuable feedback that otherwise might not be forthcoming. Finally, besides helping our efforts to mitigate risk, this information helps us maintain an ethical environment within TASC.

As part of our organization's core values and best practices, we expect to conduct business in a legal and ethical manner. We do not condone any illegal or unethical behavior. All members of our TASC team are asked to let us know immediately if they become aware of unacceptable activity occurring within the organization. TASC management in turn takes steps to appropriately address the issue.

## How does it work?

If you have knowledge about the occurrence of unethical activity, promptly report the situation to a Confidentially Speaking representative via website or phone. You may remain 100% anonymous, no matter the method of reporting.

**Reporting via web:** [tasconline.ethicspoint.com](https://tasconline.ethicspoint.com)

The user-friendly website makes reporting easy. It walks you through each step of the reporting process, which includes answering a few questions required as part of the feedback collection process. You may also upload supporting documents to the website.

If you wish to receive follow-up information, you may do so in two ways. You may create a custom website password to allow you to check the case status and communicate anonymously. Or, you may provide an email address to receive follow-up information anonymously.

**Reporting via phone:** 844-716-1734

If you would rather call, a highly trained representative will thoroughly interview you. It is advantageous to be as up front as possible with the interviewer. Once the report/call is complete, you will receive a unique code related to your report which will allow you to check the case status and/or to follow-up on the matter.

## What happens after reporting?

The issue will be investigated and escalated as necessary and appropriate. Besides helping our efforts to mitigate risk, this information helps us maintain an ethical environment within TASC. Comments and feedback are taken seriously and may directly affect the success and culture of our organization.

*Confidentially Speaking is administered by NAVEX Global, an independent organization that is contractually forbidden to disclose your personal information to TASC.*

### Possible Categories of Unacceptable Activities and Unethical Behavior

- » Accounting, Auditing and Financial Concerns
- » Conflict of Interest, Falsification of Information
- » Release of Proprietary Information Fraud, Deceit, and Embezzlement
- » Security Violations
- » Theft, Safety Concerns, Company Policy Violations

