

# COMPLIANCE CLASSROOM NOTES

## The 411 on Form 5500

### What the h\*ck is it?!

- “Annual Report” with attachments and schedules.
- Filed with the DOL.
- NOT a tax return.

### What’s the point?!

- Functions as a plan disclosure document to: participants & beneficiaries.
- Provides data to the DOL

### Who has to file it?!

- Plans with >100 employees
  - Applies to fully insured and self-insured plans alike
- FUNDED plans
  - Funded = plan must hold assets in a trust  
\*(i.e., they collect money from participants to pay for a part of coverage)
  - <100 ees doesn’t exempt from filing if funded
  - Most small plans are unfunded  
\*(i.e. plans pay claims with general assets of the employer)

### When’s it due?!

- Must be filed online within 7 months of the close of the plan year
- May extend by 2.5 months with Form 5558

### How do I file it?!

- Electronically via EFAST2
- Don’t forget the Schedules & Attachments!
  - Schedules: based on the type of plan
  - \*Note: Unfunded Self-Insured plans often file fewer schedules

### What’s the Schedule?!

- A: Insurance Information (fully insured plans)
- C: Service provider Information: (funded plans)
- D: Direct Filing Entities/Participating Plan Info. (NOT required for a welfare plan)
- G: Financial Transaction Schedule (NOT required for a welfare plan)
- H: Financial Information (large plans; funded plans)
- I: Financial Information (small plans; funded plans)

### What if I don’t comply?!

- Late filing: Use Form 5558
  - Automatic extension to file Form 5500 (max is 2.5 months)
  - Filed via PAPER by plan administrator
  - Must be filed BEFORE original deadline for Form 5500
  - Delinquent Filer Voluntary Correction Program (DFVCP)
- Penalty: \$2,194 per day for failure or refusal to file

### 3 Types of of Form 5500

1. Form 5500
2. Form 5500 SF
  - Short Form for <100 ee funded plans.
3. Form 5500 EZ
  - Single participant plans (not subject to ERISA).
  - MUST be filed on paper with the IRS.
  - Late filing must be via IRS penalty relief.

### Helpful Links!

- [EFAST Filing](#)
- [Info Page on Form 5500 EBSA](#)
- [2018 Form 5500](#)
- [2018 Form Instructions](#)

# COMPLIANCE CLASSROOM NOTES

## The SAR Requirement

### What the h\*ck is it?!

- Summary Annual Report
  - Narrative Statement of important plan information  
AKA: The NOTICE to participants
- Basic plan financial information
- DOL provides SAR templates

### What's the point?!

- Provides all participants with:
  - A summary of the financial information on the Form 5500
  - A statement of the right to receive an annual report
  - What plans your company offers

### Who has to do this?!

- Everyone EXCEPT self-insured unfunded plans that provide NO benefits via insurance.

### What do I have to do?!

- Requirements
  - Distribution: MUST be distributed to all plan participants.
  - Timing: Within 9 months after the close of the plan year
  - Rights to additional information
    - \* [Non-English Language](#)

### What if I don't comply?!

- MUST provide a copy to participants within 30 days of written request.
- Penalty: \$110 per day per employee