



Rating Your 401k

The Honorable Eric H. Holder, Jr.
Attorney General of the United States
Office of the Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

**RE: President Barack Obama's Memorandum on Transparency and Open Government,
January 21st 2009**

Dear Mr. Holder:

The new administration has been called upon by Barack Obama to be open and transparent:

Government should be transparent. Transparency promotes accountability and provides information for citizens about what their Government is doing. Information maintained by the Federal Government is a national asset. My Administration will take appropriate action, consistent with law and policy, to disclose information rapidly in forms that the public can readily find and use. Executive departments and agencies should harness new technologies to put information about their operations and decisions online and readily available to the public. Executive departments and agencies should also solicit public feedback to identify information of greatest use to the public. (Presidential Memorandum, Barack Obama, January 21st 2009)

One of the primary tools the government has to promote transparency is the Freedom of Information Act (FOIA) and particularly the FOIA programs at the agency and department level. On behalf of the 55 million Americans who actively invest in a 401k plan, we respectfully urge the Attorney General to carefully consider the following suggestions for how to improve the Freedom of Information Act (FOIA) process.

BrightScope™, Inc. is a provider of 401k ratings and financial intelligence to plan sponsors and participants. Our mission is to increase the retirement security of America's workforce by bringing transparency and efficiency to the 401k plan market. As a part of our work we submit hundreds of FOIA requests every year to the Department of Labor, Internal Revenue Service, Securities and Exchange Commission and several other government agencies. We are in a unique position to share our experience with the current process and ideas about how the process can be made more efficient.

How to improve FOIA

1. Facilitate Adoption of Extensible Business Reporting Language (XBRL) for Business Data

We applaud the Securities and Exchange Commission (SEC) for mandating the use of XBRL for companies filing financial statements with the SEC (release No. 33-9002). The XBRL language will make it significantly easier to disseminate financial disclosure data. The XBRL language has an identifying XML tag for each unit of data such that even complex documents can be “machine-readable” allowing information to be processed and shared quickly and efficiently.

According to the SEC the advantages of XBRL are numerous:

Interactive data can create new ways for investors, analysts, and others to retrieve and use financial information in documents filed with us. For example, users of financial information will be able to download it directly into spreadsheets, analyze it using commercial off-the-shelf software, or use it within investment models in other software formats. Through interactive data, what is currently static, text-based information can be dynamically searched and analyzed, facilitating the comparison of financial and business performance across companies, reporting periods, and industries. Interactive data also provide a significant opportunity to automate regulatory filings and business information processing, with the potential to increase the speed, accuracy, and usability of financial disclosure. Such automation could eventually reduce costs.

The SEC has moved aggressively towards the adoption of the XBRL standard and we believe that their adoption lays the groundwork for widespread adoption of XBRL by other agencies and departments. As corporations come into compliance with this rule they will develop the skills and expertise to file disclosure documents in the new format. To push this process further, we encourage the Attorney General to suggest that all government agencies collecting financial data mandate the use of XBRL beginning in 2010.

2. Encourage Quick Turnaround of Disclosure Data

In some cases disclosure data filed with a government agency has a long time lag before it is made available to the public. This time lag reduces the value of the disclosure considerably. Decreasing the turnaround between when the data arrives at a government agency and when it becomes available to the public should be a top priority.

One example of this delay is the Form 5500 Series data that is filed with the Department of Labor (DOL) annually by retirement plans. Unfortunately these documents are not made available to investors in retirement plans until a year or more after they are first filed with the DOL. This time delay drastically decreases the utility of the disclosure. The disclosure time for this particularly important financial information must be sped up dramatically. For example, the SEC makes mutual fund and public company disclosure filing available within minutes of their being filed. This speed of availability makes the SEC disclosure data much more useful for the financial community.

3. Expanding Electronic Submissions

Most FOIA requests require a written submission. The extra printing and mailing costs make it prohibitive for the public to request data, particularly when making a high volume of requests. In addition, if the FOIA data could be sent to the requester electronically rather than on disk or on paper, it would ease the burden even further. If there was an online submission process that enabled the public to check on its submission after it was submitted it would make the process more user-friendly.

4. Expand the Use of Online Reading Rooms

Most government agencies currently put frequently requested data in an “online reading room” to make it easier to access the data and also keep the FOIA team from reproducing the same data over and over again. We believe it makes sense for some departments and agencies to push more and more data to the “online reading room” rather than waiting for the public to request the data. In our experience much of the frequently requested data is already pre-packaged, but is hard to find without advanced knowledge of what is available.

5. Establish a Public FOIA Advisory Committee

To ensure that the voice of the public is being heard, we suggest that a FOIA advisory committee be established that would allow private sector businesses and concerned citizens to share their experiences with the FOIA process with the FOIA officers at departments and agencies of the US government. We feel that if both sides have a chance to communicate freely, progress can be made towards creating a more efficient process that benefits everyone.

We welcome a more in-depth discussion of these proposals. We are encouraged by President Obama’s transparency memorandum and are interested in discovering how committed the Attorney General’s office is to make changes to the Freedom of Information Act (FOIA). If you have questions or concerns, please do not hesitate to contact us at info@brightscope.com.

Sincerely,



Ryan S. Alfred, CEO



Mike Alfred, CEO



Dan Weeks, President



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