

OAK CREEK PARTNERS LLC



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**PLAN SPONSOR  
INFORMATION SERIES:**

**Finding Lost Participants**

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# Finding Lost Participants

Occasionally, plan sponsors cannot locate participants who terminate employment with a benefit due from a qualified plan. However, plan sponsors are required to take all reasonable means to locate a participant in an attempt to pay them any benefits due.

The IRS does not publish specific guidelines with regard to what constitutes all reasonable means or a diligent search. There are several alternatives available to locate lost participants. These are described below. Internet-based locator services are often the most effective and efficient. The Social Security Administration informs us their Letter Forwarding Program should be a plan sponsor's last resort.



# Internet-Based Locator Services

Probably the easiest and most effective method to locate missing participants is to use Internet-based locator services and directories. These sites conduct address and public record searches. You may try searching for websites via your browser. We have found the following to be helpful:

Free Site:

[www.infousa.com](http://www.infousa.com)

[www.WhitePages.com](http://www.WhitePages.com)

[www.theultimates.com/white/](http://www.theultimates.com/white/)

Fee-based Site:

[www.employeelocator.com](http://www.employeelocator.com)

[www.backgroundcheckgateway.com](http://www.backgroundcheckgateway.com)



# IRS Lost Participant Locator Program

The IRS administers a letter-forwarding program that could help plan sponsors and plan administrators contact missing retirement plan participants (or possibly their beneficiaries). To inform individuals of their rights to benefits under a retirement plan, the IRS will forward letters from plan administrators to the missing individuals if the administrators provide the names and social security numbers of the missing individuals. However, the IRS cannot disclose individuals' addresses or give confirmation of letter delivery. All undelivered letters are destroyed.

The Service's Disclosure Office can forward letters from plan administrators to missing individuals if the administrator provides the following information:

- A brief explanation why they want to use the program (for example, to locate a missing plan participant is sufficient);
- The name(s) of the missing individual(s);
- The social security number(s) (SSN) of the missing individuals; and
- The letters being forwarded. A separate letter should be addressed to each participant involved and it should include a statement asking the participant to contact the plan administrator **directly**.

***PLEASE SEE SAMPLE LETTERS ATTACHED.***



# IRS Lost Participant Locator Program (cont'd.)

**IMPORTANT:** The SSN is the key element used to access the right tax account and get a mailing address. The request cannot be processed if a SSN is not furnished.

If an address is located, the letter will be forwarded in an IRS envelope. The recipient (missing participant) will be advised that:

1. The IRS is forwarding the letter in accordance with current policy;
2. The IRS has not divulged the recipient's address nor any other tax information, or the fact that the letter has even been forwarded;
3. The IRS has no involvement in the matter aside from forwarding the letter; and
4. The decision of whether to respond is entirely up to the recipient.

Due to disclosure laws, the IRS cannot provide the requester with the results of the request. They will only state that they will forward the letter if an address for the individual is located. All letters returned undeliverable will be destroyed.

The IRS estimates that in 2001 alone, there were requests for nearly 800,000 letters to be forwarded. Because of the volume of requests, the response time is based on the overall workload of the Disclosure Officer. Based upon anecdotal information, it is possible that your request for forwarding could take up to a year.



# IRS Lost Participant Locator Program (cont'd.)

For requests involving less than 50 recipients, **there is no charge**. Each request should be sent to the attention of the Disclosure Officer at the Service's district office nearest the requester (it does not matter where the recipient last resided). To find the office nearest you, go to [www.irs.gov](http://www.irs.gov) and click on "About the IRS" and then "Contact My Local Office."

To assist you, following is a list of MN IRS Offices:

City	Street Address
Bloomington	2001 Killebrew Drive Bloomington, MN 55425
Duluth	515 W. First Street Duluth, MN 55802
Mankato	209 So. Second St. Mankato, MN 56001
Minneapolis	330 Second Ave. So. Minneapolis, MN 55401
Rochester	21 S.W. Second St. Rochester, MN 55902
St. Cloud	720 West St. Germain St. Cloud, MN 56301
St. Paul	316 No. Robert St. St. Paul, MN 55101

Requests involving 50 or more potential recipients, including multiple requests from a single entity that can be expected to total at least 50 recipients, are processed separate from the free program. **There is a charge for this service**. Plan sponsors who want to use this program should call the Disclosure Office in Washington, D.C. at (202) 622-3324 for additional information.



# Social Security Administration Letter Forwarding Program (Last Resort)

(Reprinted in part from the ssa.gov website)

About 25,000 people ask the Social Security Administration for help in locating a missing person each year. Social Security Regulations and federal law protect the privacy of all social security number holders. However, in some cases, the agency may attempt to forward a letter to a missing person. Social Security will try to forward a letter only if there is a compelling humanitarian or financial reason and it is reasonable to assume that the missing person would want to be notified.

If the missing person receives monthly benefits, Social Security will mail the letter directly. If the missing person is not receiving benefits, the letter is sent in-care-of the last employer on the missing person's Social Security earnings record.

After a letter is forwarded, it is up to the missing person to respond, or not. Social Security takes no further action on your request and will not guarantee delivery of the letter or that the missing person will respond.



# Social Security Administration Letter Forwarding Program (cont'd.)

Following is the procedure outlined by the Social Security Administration to locate a lost participant:

1. Write a letter to the missing individual (be sure to explain whom to contact and where or how to contact you for more information) and place in an unsealed unstamped envelope bearing the individual's name and Social Security Number.
2. Prepare a letter to Social Security that explains the circumstances that require you to locate the missing person. There is a \$25.00 charge per letter to cover the cost of a record search. Payment must be made by cashier's check or money order payable to the Social Security Administration.
3. Place both letters and the unsealed, unstamped envelope in a second envelope and take it to your local Social Security Office or mail it to:

Social Security Administration  
Wilkes-Barre Data Operations Center  
1150 East Mountain Drive  
P.O. Box 3150  
Wilkes-Barre, PA 18767-3150