

SUCCESS STORY

THE COMPANY

Acuff & Associates

WEBSITE

acuff.net

CLIENT TYPE

Retirement Plan Consulting
and Administration

CONTACT

Linda Green
Relationship Manager

PenChecks provides very timely and efficient services. They are very responsive to questions, and the help is always there when you need it. If you get stuck on something PenChecks doesn't expect you to figure it out all on your own. Someone is there to walk you through the whole process and make it as easy as possible for you.

Objective

Streamline and simplify the time and effort it took to administer the force-out process for clients who had large numbers of terminated participants with small balance accounts.

Company Situation

Acuff performed small account closeouts for two clients. One had a small plan with about 100 accounts. The other, a big retailer with automatic enrollment and a very large plan, had sizeable numbers of small accounts. Forcing out those accounts involved time-consuming manual work that required participant searches, preparing and sending out letters, and making force-out distributions. Participants who didn't respond became uncashed checks that lingered on with no resolution. Processing hundreds of mandatory force-outs every year created an administrative burden for Green and staff members.

The PenChecks Trust[®] Solution

PenChecks simplifies the force-out process using its Enhanced IRA service. This includes all features in their [Express IRA service](#) plus missing participant address searches and mailing the mandatory 30-day participant distribution notice. When participants don't respond, PenChecks moves the accounts to an Automatic Rollover IRA, eliminating the need to manage uncashed checks. PenChecks conducts advanced participant searches for missing participants, performs all IRA administration and participant interaction, including 1099-R and 5498 filings, and processes required minimum distributions.

Results

Acuff now easily moves hundreds of small accounts out of client plans each year with little to no involvement from the plan sponsor. All Green has to do is upload participant data to PenChecks so they can pay out the account balance, and upload missing participant data to the recordkeeper so PenChecks can establish the Rollover IRA. Plan sponsors can keep their plans clean and no longer have to manage uncashed checks. Green estimates PenChecks reduces her administrative workload by 100 hours a year.

» Save time,
lower costs,
and reduce risk.

Other PenChecks Services

Acuff has also used PenChecks' Premier Distributions services with an ESOP company that terminated its plan. Green sent all the plan assets to PenChecks for processing. PenChecks seamlessly handled all participant contact, collected benefit elections, processed the distributions and tax reporting, and established Automatic Rollover IRAs for non-responsive participants. PenChecks completed all payouts before year's end, allowing the Form 5500 to be filed in the year the client terminated the plan.

Working with PenChecks makes everyone happy – plan sponsors, participants, our staff, and especially me – because everything is done in a timely, efficient manner. Plan sponsors especially like it when PenChecks makes the uncashed check problem disappear. I look like the hero to our clients but it's PenChecks doing all the work.

About Us

PenChecks Trust Company of America (PenChecks Trust) is a state-chartered, non-depository trust company and the largest independent provider of outsourced benefit distribution services and Automatic Rollover/Missing Participant IRAs in the country. With almost 30 years in business, the PenChecks family of companies is an expert and industry-leading provider of unique and comprehensive solutions for a myriad of trust resolution issues. Services include automated and branded solutions for benefit payment processing, uncashed / stale dated checks, Abandoned Plan/QTA services and Taxable Savings Accounts. Customers include financial institutions, third party administrators, plan advisors, and plan sponsors.

Complete.
Cost-Effective.
Compliant.