Do You Know Where All Your Retirement Accounts Are?

The risks of scattered retirement accounts

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If you misplaced $66,000, you'd probably go looking for it.

Yet many investors have retirement accounts they haven't reviewed in years. One analysis estimates the average forgotten 401(k) balance exceeds $66,000.[1]

Even when an account isn't truly lost, a long career, job changes, rollovers, address changes, and new financial relationships can push it out of sight and out of mind. It may be an old workplace plan, a rollover IRA, or an account opened with a previous financial professional.

Forgetting an account is one problem. Letting it sit for years without knowing whether it still fits your plan can create others.

The average forgotten 401(k) balance exceeds

$66,000

Source: The True Cost of Forgotten 401(k) Accounts, hicapitalize.com, 9/25

What we'll cover:

1. Taking Inventory
2. Seeing the Bigger Picture
3. Avoiding Costly Gotchas

First, Taking Inventory

The starting point is simple: know what you own. Identify each retirement account and understand where it's held, how it's invested, what it costs, and whether important details, such as beneficiary designations, are up to date.

If you're not sure where all your accounts are, start by retracing your steps. Review your employment history, old account statements, tax records, and past emails. Think back to financial professionals you've worked with over the years. Former employers and plan providers may also help you locate retirement assets you may have lost track of.

If you want to be especially thorough, government resources may help locate certain workplace retirement benefits. The Department of Labor's Retirement Savings Lost and Found database (lostandfound.dol.gov) or the Pension Benefit Guaranty Corporation (pbgc.gov) to find official tools that may help identify forgotten retirement assets.

Americans held an average of nearly

13 jobs

between ages

18 and 58

creating plenty of opportunities for retirement accounts to be left behind or overlooked.

Source: Number of Jobs, Labor Market Experience, Marital Status, and Health for those Born 1957-1964

Second, Seeing the Bigger Picture

Once you've identified all your accounts, your financial professional can review your accounts as part of one retirement strategy, rather than a collection of separate accounts.

That matters because each account may have a different role. This matters because each account may have a different role, which may seem fine on an individual basis. But viewed together, they can reveal gaps, overlap, unnecessary risk, or assets that aren't being used as effectively as they could be.

Decisions in one account can also affect another

Since a withdrawal from one account vs. another might influence your tax situation, or your newly combined investment mix may drastically change your exposure, reviewing everything together can help ensure your accounts work in sync rather than against one another.

With that big-picture perspective, you and your financial professional can decide next steps. Some accounts may be best left where they are. Others might benefit from updated beneficiaries, a revised investment approach, or closer coordination with your income plan. In some cases, consolidation may make sense, but the goal isn't simply to have fewer accounts—it's to make sure each account is positioned to support your retirement goals.

Third, Avoiding Costly Gotchas

Investment choices and portfolio allocations are only part of the story. Beneficiary designations, required withdrawals, fees, and other account details also need careful attention.

Yesterday's beneficiary could override today's wishes

For example, you may have three accounts that are up to date, but an older account that still lists a former spouse as beneficiary. Even if your will or estate plan has been updated, that account could still pass according to the beneficiary named on the account. Issues like this can go unnoticed until it's too late to correct them.

Required withdrawals can create another challenge

Required Minimum Distributions, or RMDs, are the minimum amounts many retirement account owners must take each year once they reach a certain age, generally age 73. If you have multiple IRAs and one is left out of the calculation, you could withdraw too little and face a penalty in addition to any taxes owed. For example, if your total required withdrawal from multiple IRAs was $20,000 but you withdrew only $15,000, the $5,000 shortfall could trigger a penalty of up to $1,250.[1, 2]

More accounts can mean more charges

Accounts held in different places can also make it harder to see what you're paying overall. A $50 annual fee on one account may not seem like much, but similar fees on several accounts can add up. Reviewing everything together can help reveal whether any costs are unnecessary, avoidable, or worth addressing.

To Summarize

First, take inventory so you know what retirement accounts you have and where they're held. Second, look at how those accounts fit together within your retirement plan. Third, watch for details that can create problems if overlooked, such as outdated beneficiaries, miscalculated RMDs, duplicate fees, or investments that no longer match your timeline.

Bring Everything Into View

Life gets busy, and with so many demands competing for our attention, old retirement accounts rarely make the list. Over the years, it's easy for an old 401(k) or IRA to become an afterthought.

Unfortunately, missed information in scattered or forgotten accounts can have real consequences. Taking stock of all your retirement assets and reviewing them with your financial professional can help uncover issues before they become costly mistakes.

Next Steps

1. Look for accounts that may have slipped through the cracks

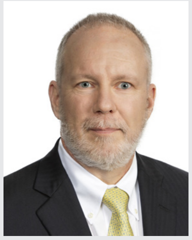
Review old statements, tax records, past emails, and accounts from former employers or financial professionals.

2. Use available search tools if needed

Government resources may help locate certain workplace retirement benefits, including some old 401(k)s and pensions.

3. Review what you find with your financial professional

Share any accounts they may not be aware of so you can decide whether each one should stay where it is, be updated, moved, or consolidated.



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Mike educates financial professionals and their clients on a variety of financial topics. He translates the expertise of our various partnering experts—such as psychologists, physiologists, and practice-management specialists—into practical, actionable ideas and tools to make sense of a rapidly evolving financial and demographic landscape.

[1] RMD comparison chart, irs.gov, 12/25
[2] Retirement topics - Required minimum distributions (RMDs), irs.gov, 4/26

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