

The dual benefits of consolidation

Consolidating your retirement plan administration can save your institution time and resources while also making it easier for your employees to be prepared for retirement. Having a single provider is simplest, but you can still streamline even if you're required to offer more than one provider. When making this decision, you'll want to understand the efficiency and employee satisfaction gains associated with a change. The chart below highlights the differences of each recordkeeper model for you and your employees, followed by other factors to consider.

Model	Experience for you	Experience for your employees
Multiple providers	<p>You offer choice for your participants, but need to manage separate relationships, procedures, data and reporting sources.</p> <p>You have fiduciary oversight responsibility for each provider.</p> <p>Employee enrollment is decentralized.</p> <p>It is difficult to outsource functions to simplify processes and reduce costs.</p>	<p>Employees have to first decide which provider to choose and then what to invest in.</p> <p>The enrollment process varies by provider.</p> <p>Communication and education vary by provider.</p>
Multivendor coordinator (MVC)	<p>You offer choice for your participants while delegating some reporting, administration and compliance procedures.</p> <p>You still retain some remittance, distribution, audit and reporting functions.</p> <p>You have fiduciary oversight responsibility for each provider.</p>	<p>Employees enroll with either provider through one central portal.</p> <p>Transactions are completed in real-time because providers share data with the (MVC).</p> <p>Employees visit separate provider websites for investment and account information.</p> <p>Communication and education vary by provider.</p>
Sole recordkeeper	<p>You offer choice for participants and streamline fiduciary oversight through a single investment menu through an open architecture platform.</p> <p>You have a single source for reporting, administration and compliance management.</p> <p>You can provide centralized, coordinated and consistent employee retirement communications.</p>	<p>Enrollment is centralized.</p> <p>Single sign-on provides a 360 view of all plan accounts.</p> <p>There is one website and one point of contact for questions and advice.</p> <p>Employees receive consistent, focused communication and education.</p>

Other factors for recordkeeping consolidation

Experience and not-for profit expertise matter

As you evaluate providers for either model, look for one that offers fiduciary expertise, regulatory guidance and industry experience. At a minimum, your provider should deliver these benefits:

- A diverse menu of low-cost, high-quality investment options
- Competitive fees
- A suite of solutions to support compliance responsibilities
- Objective, personalized advice for participants
- Financial strength and stability

62%

of TIAA participants receiving advice made changes to their portfolio.¹



You can fulfill some of your fiduciary duty with in-plan annuities.

Give participants access to true advice

Education and investment advice drive different outcomes. Some providers offer only education about asset classes such as equities, fixed income and cash. With retirement plan advice, employees receive detailed recommendations for specific investments based on their future goals, which encourages positive action. In fact, among TIAA participants who received advice from financial consultants, 62% made changes to their portfolio, either saving more, adjusting their allocations or rebalancing.¹

Be sure to offer an in-plan lifetime income option

Annuities are an important choice for retirement planning that participants increasingly are seeking in their retirement plan. In fact, 54% of participants are highly interested in investing in a guaranteed lifetime income annuity if offered in their plan.² Participants who choose in-plan annuities address two goals: principal & income guarantees they can't outlive in retirement (through fixed annuities³) and the potential to build savings (through variable annuities). Adding in-plan annuities and lifetime income can help you fulfill some of your fiduciary duty. Be aware that some providers cannot recordkeep annuities and, therefore, cannot offer them on their platforms.

Transitioning to a sole recordkeeper can create an opportunity for holistic plan assessment

A sole recordkeeping provider will help you evaluate your plan rules, automation capabilities and data accuracy, and set key plan administration criteria. Together, you will also develop and launch an effective education, communication and rollout strategy.

Limited investment for long-term results

Dedicating time and effort to streamline recordkeeping today can help increase plan efficiency and employee engagement for the long term. TIAA is ready to help you adopt the best model for your plan

For more information, contact your TIAA representative.

¹ Source: TIAA advice analysis of 47,650 participants who received retirement plan advice by working with a financial consultant and took action in the 12 months ending 12/31/20. The overall action rate of 62% included 57% who reallocated their future contributions, 56% that rebalanced their portfolio, and 5% who chose to save more. Advice provided by TIAA financial consultants is based on independent third-party methodology.

² The 2022 TIAA Retirement Insights Survey, February 2022.

³ Subject to the claims-paying ability of the insurer.

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