

FEE MANAGEMENT

Plan Sponsor's Guide to Revenue Credit Accounts and Plan Servicing Credits



What is a Revenue Credit Account?

A Revenue Credit Account (RCA) is an unallocated suspense account that can hold any excess revenue that may be generated by your plan.

Where does excess revenue come from?

- Excess revenue realized by the plan as a result of a reconciliation
- Missed Service Level Agreement (SLA)
- Direct fees allocated to the RCA

The funds in your RCA are considered a plan asset. You may use this money to pay “reasonable and necessary plan expenses,” and you can allocate these funds to your plan participant’s retirement accounts as Plan Servicing Credits (PSCs).

What are reasonable and necessary plan expenses? You can use the funds in your RCA to pay:

- Expenses incurred from auditing your plan
- Fees for compliance monitoring services
- Fees to third-party plan consultants who provide services to your plan
- Other non-settlor expenses

Under applicable law, defined contribution plans cannot indefinitely maintain unallocated suspense accounts. We encourage you to deplete the RCA funds within the plan year in which they’re deposited. As a courtesy, we will notify you about eight weeks prior to the end of your plan year to remind you to check your RCA balance and to take action. Notification alerts are displayed on the PlanFocus® home page and displayed on the RCA “Balances and Activity.” As always, TIAA strongly encourages you to consult with your legal counsel to ensure that you timely and appropriately utilize the plan’s RCA assets.

Don’t have a Revenue Credit Account?

Contact your TIAA representative or call the Administrator Telephone Center at **888-842-7782**, weekdays, 8 a.m. to 8 p.m. (ET) to learn more.

Our RCA User Guide provides a deep dive into everything you need to know to better understand your RCA and to manage all aspects of your RCA on PlanFocus.

What are Plan Servicing Credits?

Plan Servicing Credits (PSCs) are credits that can be allocated to your participants' retirement plan accounts. There are five available methods for allocating PSCs to your participants, either equally or prorated based on participant's share of assets. The allocation of available credits is based on the eligible assets in your RCA at the time of transaction. PSCs should be allocated by the end of the plan year, and they do not take into consideration any direct participant fee leveling. You may need to check the balance of your RCA throughout the plan year to ensure you utilize all of its assets.

PSC allocation methods

There are five available methods for allocating PSCs to your participants. As a reminder, available PSCs are based on the eligible assets in your RCA at the time of the transaction and should be allocated by the end of the plan year. Please note that PSCs from the RCA do not take into consideration any direct participant fee leveling currently being utilized.

TIAA does not provide legal or tax advice. We strongly encourage you to consult with your legal counsel to ensure you select the appropriate method for utilizing and/or allocating PSCs.

Equal allocation method

1. Per participant: All participants receive the same credit amount. The required minimum per transaction request is \$1,000

Asset-based methods

2. All investments: Participants receive a credit that is proportionate to their plan balance when compared to total plan assets. The required minimum per transaction request is \$2,500
3. Revenue-generating investments only: Participants receive a credit that is proportionate to their plan balance when compared to total plan assets in revenue-sharing investments only. The required minimum per transaction request is \$2,500
4. Proportionate to investment revenue share: Participants receive a credit that is proportionate to their plan balance when compared to total plan assets in revenue-sharing investments only and in proportion to the amount of the investment revenue shares. The required minimum per transaction request is \$2,500
5. Proportionate above revenue requirement: Participants receive a credit that is proportionate to their account balance when compared to total plan assets in revenue-sharing investments only and in proportion to the amount of the investment revenue shares if the revenue share is above the plan's revenue requirement. Note: This method may not be available to certain plans. The required minimum per transaction request is \$2,500

Five Methods for Distributing Plan Service Credits goes into more detail and has examples for how each method works.

Managing your RCA on PlanFocus

PlanFocus automates the process of managing your RCA and provides a convenient central location where you can view your account balances, see how much is available to pay plan expenses, monitor transactions, submit payment requests and manage service providers. Pages 5–9 of this guide provide an overview of how to use PlanFocus to pay expenses, pay service providers, distribute PSCs and to create reports.

Real-time status snapshot

At-a-glance dashboard shows the current status of your account:

- Total RCA balance
- Amount available to pay expenses
- Change in RCA balance over last three calendar months
- Posted and pending transactions with ability to filter by time frame

Framework for your fiduciary responsibilities

Easily document and analyze activities to help manage your RCA:

- View and manage pending and posted transactions
- Access a variety of plan financial reports
- View history of requests that have been rejected, declined or canceled
- Access two years of transaction history, including uploaded invoices
- Download transactions for further analysis

Faster, more efficient processing

Paperless requests save time and help expedite payments:

- Select from list of approved service providers
- Enter payment request information online
- Upload invoices to document requests
- Add new service providers and upload W-9 forms electronically
- Pay service providers through electronic funds transfer (EFT)

Accessing PlanFocus to manage your RCA

To assist you with the administration of your plan, your colleagues as well as any third-party providers you might engage for your plan may need access to PlanFocus, but not everyone needs access to everything. PlanFocus allows you to control what different users can see and do on the site by setting up authorized users.

Get started

Authorized users can log in to PlanFocus using their existing user ID and password. To navigate to the RCA home page, hover over the Administration tab and select Manage Revenue Credit Accounts under Plan Accounts. From the RCA home page, you can view and monitor balances, manage transactions, make payments to service providers, view available RCA funds and apply Plan Servicing Credits.

The screenshot displays the 'Revenue Credit Accounts: Manage Revenue Credit Accounts' page in PlanFocus. The navigation bar includes HOME, ADMINISTRATION (highlighted), REPORTING, COMPLIANCE, RESOURCES, and DOCUMENT CENTER. The page title is 'Revenue Credit Accounts: Manage Revenue Credit Accounts' with a PRINT icon. A brief instruction states: 'You can manage your Revenue Credit Account online: view account balances and monitor transactions, pay and add new service providers, and request Plan Servicing Credits to your participants.' Below this is a section for 'Important Fiduciary Information about Revenue Credit Accounts'. A dropdown menu shows 'Select Plan: ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 11111'. The main content area is divided into columns: 'TOTAL BALANCE' (\$55,382.75 AS OF 08/16/2021), 'PENDING TRANSACTIONS' (\$33,006.92 AS OF 08/17/2021), 'AVAILABLE BALANCE' (\$22,375.83 AS OF 08/17/2021), and 'ACTIONS' (Make Payment to Service Provider, Apply Plan Servicing Credits). Below these are 'CHANGE IN BALANCE' (up \$299.84 SINCE 04/30/2021) and 'INVESTMENT' (TIAA Stable Value Fund, Units/Shares: 22,342.7513). At the bottom, three panels provide quick links: 'Payments to Service Providers' (View Available Service Providers, Add New Service Provider, Access Payment Requests not in Activity History), 'Plan Servicing Credits' (Apply Plan Servicing Credits to Participants, Access Plan Servicing Credits to Participants not in Activity History), and 'Reports' (Revenue Credit Account Report, Plan Economics Reconciliation Reports) and 'More Information' (Revenue Credit Account Forms, PlanFocus Reference Series: Revenue Credit Accounts).

Section two of the RCA User Guide walks you through the steps to authorize users in PlanFocus.

Pay plan expenses on PlanFocus

HOME ADMINISTRATION REPORTING COMPLIANCE RESOURCES DOCUMENT CENTER

Revenue Credit Accounts: Manage Revenue Credit Accounts PRINT

You can manage your Revenue Credit Account online: view account balances and monitor transactions, pay and add new service providers, and request Plan Servicing Credits to your participants.

+ Important Fiduciary Information about Revenue Credit Accounts

Select Plan: ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 111111

TOTAL BALANCE \$55,382.75 AS OF 08/19/2021	PENDING TRANSACTIONS \$33,006.92 AS OF 08/17/2021	AVAILABLE BALANCE \$22,375.83 AS OF 08/17/2021	ACTIONS Make Payment to Service Provider Apply Plan Servicing Credits
CHANGE IN BALANCE ^ \$299.84 SINCE 04/30/2021	INVESTMENT TIAA Stable Value Fund Units/Shares: 22,342.7513		

1. Log in to PlanFocus.
2. Navigate from the Administration tab to Manage Revenue Accounts (under Plan Accounts).
3. Click Make a Payment to Service Provider to use the money in your RCA to pay plan expenses.

Revenue Credit Accounts: Payments to Service Providers PRINT

GO TO RCA BALANCES AND ACTIVITY PAGE

Add a Service Provider, view information on an existing Service Provider, or request a new payment to a Service Provider.

Select Plan: ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 111111

AVAILABLE BALANCE
\$22,375.83
AS OF 08/25/2014

Results 1-20 of 300

Results Per Page: 20 | Page 2 of 15 | GO | Next

[Download](#) [Add New Service Provider](#)

Available Service Providers		In Progress Service Providers		
SERVICE PROVIDER NAME	PAYMENT DESTINATION ADDRESS	PAYMENT METHOD	TAX IDENTIFICATION NUMBER	ACTIONS
TIAA		Auto Pay		ACTIONS
ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 111111	16 Random St. Chicago, IL 60290	EFT XXXXXX6227	XX-XXX3374	ACTIONS
ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 111111	16 Random St. Chicago, IL 60290	Check	XX-XXX3374	ACTIONS

Revenue Credit Accounts: Pay Invoice

ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 111111

Payee Information
Payee: TIAA

Payment Information

Fields with asterisks (*) are required.

Available Balance: \$22,375.83

* Amount: Specific date

* Dollar Amount:

* Payment Date:

* Billing Period Start Date:

* Billing Period End Date:

* Service #:

* Service:

* Attach Document: [Upload](#)

You are required to provide a copy of the invoice. You can upload a total of 5 documents including any required documentation.

Section three of the RCA User Guide provides easy-to-understand instructions for using PlanFocus to pay your reasonable and necessary plan expenses. In addition, you can pay service providers.

Allocate PSCs on PlanFocus

Funds from your RCA can be allocated to your participants' plan accounts as PSCs.

You can use PlanFocus to allocate these credits equally to all participants or to prorate them based on a participant's share of assets. There are five methods you can use to distribute PSCs, each is outlined on page 3 of this guide. PSCs are based on the eligible assets in your RCA at the time of the transaction and that they should be allocated by the end of the plan year.

Get started

1. Log in to PlanFocus.
2. Navigate from the Administration tab to Manage Revenue Accounts (under Plan Accounts).
3. Click Apply Plan Servicing Credits to distribute the money in your RCA to your participants.

HOME ADMINISTRATION REPORTING COMPLIANCE RESOURCES DOCUMENT CENTER

Revenue Credit Accounts: Manage Revenue Credit Accounts

You can manage your Revenue Credit Account online: view account balances and monitor transactions, pay and add new service providers, and request Plan Servicing Credits to your participants.

Important Fiduciary Information about Revenue Credit Accounts

Select Plan: ABC ORGANIZATION 403(B) DEFINED CONTRIBUTION RETIREMENT PLAN - 111111

TOTAL BALANCE	PENDING TRANSACTIONS	AVAILABLE BALANCE	ACTIONS
\$55,382.75 AS OF 08/19/2021	\$33,006.92 AS OF 08/17/2021	\$22,375.83 AS OF 08/17/2021	Make Payment to Service Provider
CHANGE IN BALANCE	INVESTMENT		Apply Plan Servicing Credits
^\$299.84 SINCE 04/30/2021	TIAA Stable Value Fund Units/Shares: 22,342.7513		

Section four of the RCA User Guide provides easy-to-understand instructions for using PlanFocus to distribute PSCs to your participants.

Reporting on PlanFocus

Once the money is paid out of your RCA, you'll receive an online alert reminding you to review your available reports, which might include:

- Revenue Credit Account Report
- Plan Economics Reconciliation Report
- Plan Service Fees and Credit by Participants Report
- Plan Servicing Credit Summary Report

Reviewing and understanding your reports can help you to:

- Identify opportunities to make your fee structure more efficient
- Pay down your RCA balance within the plan year that the revenue was deposited into your RCA
- Answer participant questions

Scroll to the bottom of the Manage Revenue Credits screen to access available reports.

[Click to learn more](#)

Understanding your Plan Economic Reconciliation Report

Payments to Service Providers

- View Available Service Providers >
- Add New Service Provider >
- Access Payment Requests not in Activity History >

Plan Servicing Credits

- Apply Plan Servicing Credits to Participants >
- Access Plan Servicing Credits to Participants not in Activity History >

Reports

- Plan Servicing Fees Report
- Plan Servicing Credit Report
- Revenue Credit Account Report
- Plan Economics Reconciliation Reports

More Information

- Revenue Credit Account Forms
- PlanFocus® Reference Series: Revenue Credit Accounts

Section five of the RCA User Guide provides easy-to-understand instructions for accessing PlanFocus to view your available reports.

Resources

LEARN MORE

RCA User Guide

Comprehensive guide to managing your Revenue Credit Account and Plan Servicing Credits on PlanFocus

Five Methods for Allocating Plan Servicing Credits

Descriptions and examples for each available method for allocating PSCs to participant accounts from your plan's Revenue Credit Account (RCA)

REPORTING

Understanding Your Plan Economic Reconciliation Report

PLANFOCUS GUIDES

Managing Site Users

Reporting Capabilities

Contact your TIAA representative for more information about your Revenue Credit Account and how to use PlanFocus to manage your RCA. If your plan is served by the Administrator Telephone Center, please call 888-842-7782, weekdays, 8 a.m. to 8 p.m. (ET) to learn more.

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TIAA does not and cannot provide legal advice, and we strongly encourage you to consult with your own legal counsel for guidance with respect to your plan and the disposition of assets therein.

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