

Multiple Employer Plans

Joining forces for better value

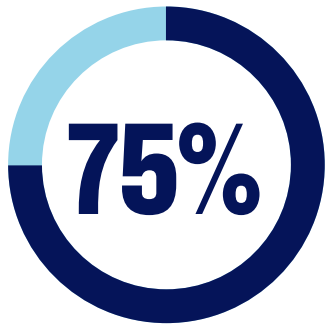
How to offer a robust retirement plan and better manage your budget, resources and administration.

Preparing for, and living comfortably in retirement continues to be a concern for the American workforce. Employees often find it difficult to save while balancing other financial demands. Employers wrestle with how to maintain a retirement benefit given the demands on budgets and staff.



Sponsoring your own retirement plan comes with challenges.

Volatile markets, fear of inflation and balancing the needs of an evolving workforce can be daunting—especially when it comes to retirement benefits.



of institutions
fear offering a retirement plan due to potential lawsuits¹

Institutions face high retirement plan costs, low administrative bandwidth and broad fiduciary exposure, in addition to weighing the costs and responsibilities of sponsoring a retirement plan.

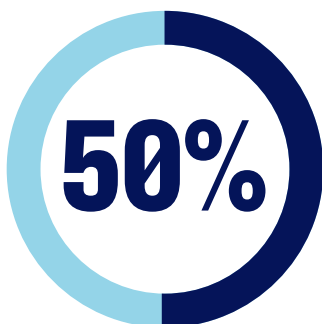
For smaller institutions, finding trusted retirement plan providers to help keep up with administration, coordinate recordkeeping and tailor employee engagement is critical. Small HR teams and an evolving workforce consisting of a broader spectrum of ages, roles and incomes are making this more difficult.

With lawsuits against high-profile institutions in the headlines, these concerns are all well-founded. Litigation, fines and excessive fees stemming from 403(b) financial management can mean even more administration headaches, along with higher costs that eventually weigh on both the plan sponsor and plan participants.

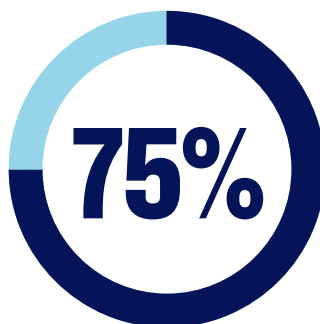
Reducing liability and ramping up buying power

“ Multiple employer plans (MEPs) have broad appeal, shifting most of the plan sponsor liability to third parties and giving employees access to robust financial planning services. ”

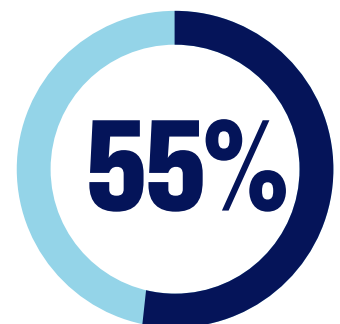
What do Plan Sponsors find appealing about a MEP?²



report a reduced administrative burden



see a reduction in plan costs



they can focus on other tasks

Bold solutions with less administration.

With a MEP, the collective power of the member institutions gain the ability to negotiate lower costs than they might incur through a stand-alone plan, as well as access to other potentially higher-quality service providers. Teaming up with other employers opens the door to a breadth of services that help your organization in the following ways:



Administer benefits more easily

Gain a team of professionals who can assist with plan design, investment selection and monitoring. This includes being able to choose plan features like vesting, eligibility requirements, matching contributions, profit sharing, automatic enrollment and general plan design.



Share plan costs

Streamline offerings, improve efficiencies and potentially lower prices, including reductions in fixed administrative costs, investment pricing and staff time involved. Plus, any fees paid to an auditor, advisor or consultant for monitoring plan investments can be shared by member institutions.



Reduce fiduciary exposure

Manage fiduciary risk and stay protected by delegating certain legal responsibilities, including investment policy statement development, lineup assistance, selection and monitoring, ongoing reporting, and payroll integration.



Meet employee needs

Provide robust retirement plan options that give participants more choices for responsible retirement saving, in addition to comprehensive, multigenerational communication, education and advice programs.



Access tools and resources

- Form 5500 filing
- Nondiscrimination testing
- Tracking contribution limits
- Tracking catch-up contributions
- Required communications
- Oversight of hardship requests
- Oversight of distribution processing
- Monitoring of pending legislative actions

Aligning and streamlining providers.

MEP providers not only bear some of the responsibility of managing member institution retirement plans, they help deliver the resources, tools and services plan sponsors need.

Together, these providers ensure your retirement plan works like a well-oiled machine and the MEP structure eliminates many of the ongoing challenges.

Recordkeeper

Receives and applies plan contributions, maintains participant accounts and processes transactions

Third-party administrator

Acts as the ERISA 3(16) plan administrator, handles day-to-day fiduciary operations, and satisfies plan reporting, disclosure and compliance

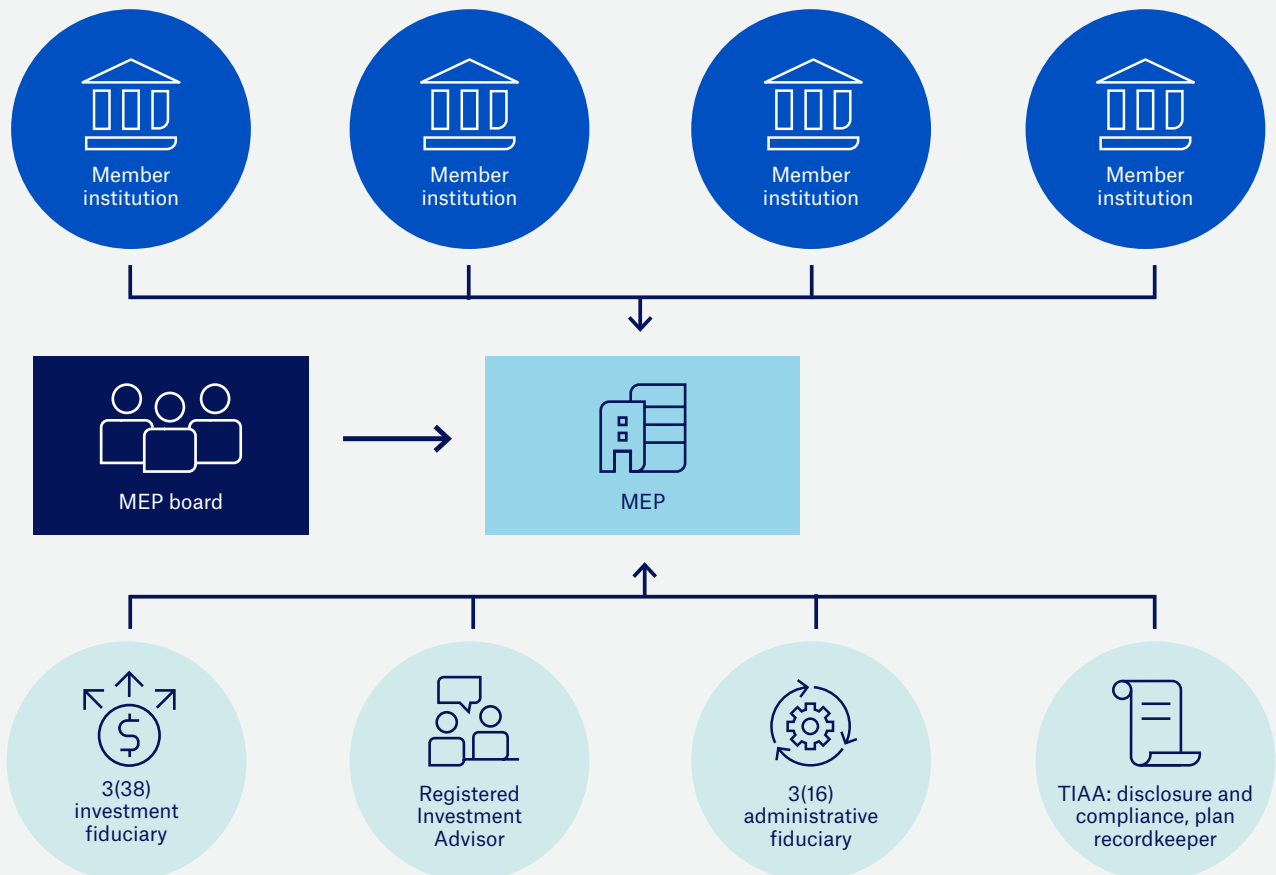
3(38) investment manager

Acts as investment fiduciary and investment manager responsible for the selection and monitoring of the funds in the investment menu

Registered Investment Advisor

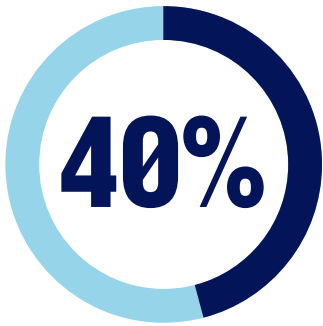
Provides participant advice and education

How it works

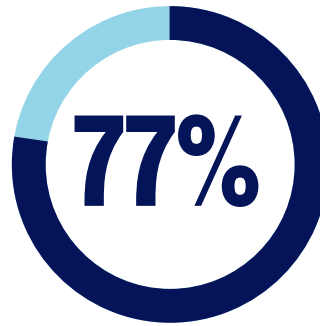


Promoting better outcomes.

TIAA, a leader in the 403(b) retirement market, we've been helping plan sponsors provide their employees with retirement services since 1918, and we bring all that experience and financial strength to the table. As a service provider to a MEP, TIAA can assist participating organizations in helping provide the tools and resources necessary to continue the dialogue with employees about their retirement goals and how lifetime income options can strengthen a diversified retirement income plan.

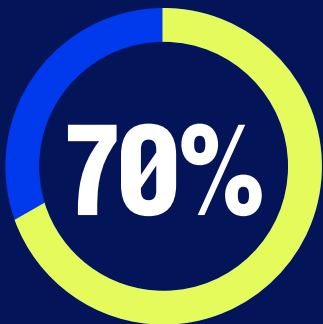


40%
of U.S. households
risk running short of
money after careers end³

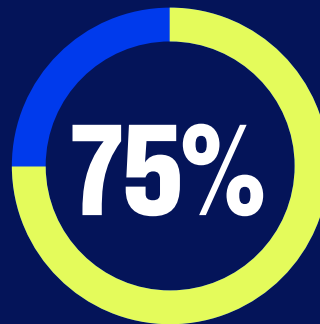


77%
of employees'
top financial goal continues
to be saving for retirement⁴

A balanced combination of fixed and variable annuity income payments and investment portfolio withdrawals—from options available through the MEP—can supplement Social Security payments to help employees feel more confident about retiring.



70%
of employees
believe guaranteed income
should be an option in their
Defined Contribution plan⁵



75%
of employees
are more likely to stay at their
current employer if a lifetime
income product is offered⁴

Any guarantees are backed by the claims-paying ability of the issuing company.

Making the transition with a proven leader.

With TIAA, you get an expert with more than 100 years of experience in the 403(b) marketplace and recordkeeper for \$5 billion in MEP assets.⁶ We help you develop a unique plan based on your needs, lay out all phases of the transition and develop a communication strategy to announce the new plan features to employees.

Our proven onboarding process is designed to be easy to execute:

1

- Focus on the specific products and services of your MEP
- Complete all vendor service agreements
- Review investment lineup and investment policy statement
- Finalize MEP charter, board resolution and establish committee members

2

- Keep the momentum going by completing a variety of tasks to keep the project on track.
- Approve fee-collection strategy for the MEP
- Confirm first wave of adopting employers
- Stay engaged and confirm your organization's readiness

3

- Use PlanFocus® to manage your services and access information such as 5500 data, reporting, contributions and more.
- Maximize employee benefits and engagement with educational tools
- Monitor outcomes such as participant trends, transactions and metrics



Getting started

Contact TIAA for more information on how a MEP can help you streamline administration, get individualized plan designs, manage fiduciary risks and better control your overhead costs.

1. "DC Plan Sponsors and MEPS," LIMRA Secure Retirement Institute. limra.com/siteassets/newsroom/fact-tank/fact-sheets/meps_flyer.pdf
2. LIMRA, "What's Old Is New Again," December 2019. https://www.limra.com/siteassets/research/publications/sri-review/2019/number-2/dupont_cover_meps_2019_2.pdf
3. Catherine Collinson, Patti Rowey and Heidi Cho, "What is 'Retirement'? Three Generations Prepare for Older Age," Transamerica Center for Retirement Studies, April 2019. https://transamericacenter.org/docs/default-source/retirement-survey-of-workers/tcrs2019_sr_what_is_retirement_by_generation.pdf
4. TIAA, "TIAA 2022 Retirement Insights Survey," April 2022. [TIAA.org/public/pdf/r/Retirement_Insights_Executive_Summary.pdf](https://tiaa.org/public/pdf/r/Retirement_Insights_Executive_Summary.pdf)
5. LIMRA, "Prediction: The In-Plan Annuity Market Will Grow Exponentially Over the Next Two Years," February 14, 2023. limra.com/en/newsroom/industrytrends/2023/prediction-the-in-plan-annuity-market-will-grow-exponentially-over-the-next-two-years
6. TIAA, as of August 2023.

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