

Response to TIAA Transition issues for Faculty Senate

General: There is a dedicated webpage regarding the transition on the Penn HR web site. The link is here: <https://www.hr.upenn.edu/PennHR/benefits-pay/saving-for-retirement/penns-retirement-savings-plans-transitioning-to-tiaa>

Q. Please Explain the Retirement Choice, or a Retirement Choice Plus, Accounts I have never heard of either of these and there is no explanation in the brochure.

A. Depending upon whether the individual is a Retiree or an active employee, they may not have the new contracts. For all active employees who are still contributing the new contracts at TIAA are RC or RCP accounts. And there is one for the Basic Plan one for the Matching plan and one for the Supplemental Plan. They are explained on pages 6-8 of the first Guide, but these are really just new labels to distinguish the new accounts from the legacy accounts. Below is a typical example of how the legacy accounts and new accounts will display. In this example there are 3 legacy accounts at TIAA, and 3 new accounts. Participants will need to add the beneficiary to the new accounts they remain in place for the Legacy accounts.

Supplemental Retirement Annuity Plan of The University of Penn

GSRA Beneficiary info will display This is the legacy account

Supplemental Retirement Annuity Plan of The University of Penn

RCP Beneficiary info did not display This is the new account

Default to Plan/Product Provisions

The University of Pennsylvania Matching Plan

GRA Beneficiary info will display This is the legacy account

The University of Pennsylvania Matching Plan

RC Beneficiary info did not display This is the new account

Default to Plan/Product Provisions

The University of Pennsylvania Basic Plan

GRA Beneficiary info will display This is the legacy account

The University of Pennsylvania Basic Plan

RC Beneficiary info did not display This is the new account

Default to Plan/Product Provisions

Q. Concern regarding the instructions and the guidance regarding making changes on the new platform. There are detailed guides available on the HR web site.

A. Some have said the platform is intuitive some have said it is not intuitive, however here are 2 documents (found on the HR webpage shown above, the first is a document that provided detailed instructions regarding how to make changes to the investment allocation. The second is for designating the beneficiary.

Guide for Making Investment Allocations

<https://www.hr.upenn.edu/docs/default-source/benefits/saving-for-retirement/tiaa-transition---enrollment-how-to-instructions.pdf>

Guide for making Beneficiary Designation

https://www.hr.upenn.edu/docs/default-source/benefits/saving-for-retirement/how-to-name-your-beneficiaries-in-the-new-tiaa-platform.pdf?Status=Master&sfvrsn=4cca9156_5/How-To-Name-Your-Beneficiaries-in-the-New-TIAA-Platform.pdf

- Q. **Why are beneficiaries not transferring and how do we get documents notarized when notaries are closed.**
- A. Beneficiary information is specific to each financial service provider and or to each type of contract. As a result, new beneficiary information should be entered on the TIAA site for the new accounts. As a general rule under spousal protection provisions, if a participant wishes to designate more than 50% of their Penn retirement account to a beneficiary other than their spouse, a spousal waiver is required. The waiver does require the signature be notarized. Many notaries may still be closed, however TIAA has partnered with an online notary service, here is the link: <https://www.notarize.com/TIAA>
- Q. **Participants being told by Advisors that they can't get advice regarding Vanguard funds until after the transition.**
- A. Again, it depends upon the situation, however if the participant is looking for specific advice regarding funds available in the brokerage window. The TIAA advisors can't give specific advice regarding brokerage funds. They can give advice regarding the funds in the core line up. This also could be a timing issue, as TIAA recently changed the advice model to prevent it from directing participant funding to mutual funds that were scheduled to be closed.
- Q. **Why are participants being send so many documents/guides in the mail?**
- A. First this is a major undertaking that impacts over 40,000 current and former participants and billions of dollars. It has been our experience that mailing to homes gets the most attention by participants. That said, there are additional requirements under ERISA and securities law for notice periods, and account openings. This combined with the fact that the Penn Plan is structured as 3 separate accounts, further multiplied the number of documents that were required to be mailed. As a participant in TIAA you can set your account to receive require notices electronically via the profile.