
To attract youth, TIAA's new robo offers socially-responsible investments

By Editorial Staff Thu, Jun 8, 2017

The service requires a minimum account balance of \$5,000 and charges annual advisory fees of just 30 basis points (0.3%).

TIAA has launched a new online managed account service called TIAA Personal Portfolio, which the non-profit investment and insurance provider is calling the first service to deliver digital access to socially responsible investments (SRI) along with traditional investment options.

TIAA Personal Portfolio offers passive, active and SRI options at five risk levels, ranging from conservative to aggressive, including:

- Basic: A passive investment strategy comprised of a mix of low-cost index funds and ETFs
- Insight: An active investment approach comprised of funds that seek to outperform the market
- Impact: An active investment strategy that prioritizes funds that meet socially responsible investing criteria without sacrificing returns

The service requires a minimum account balance of \$5,000 and charges annual advisory fees of just 30 basis points (0.3%). Once the minimum is satisfied, new contributions can be made in any amount.

According to a release, TIAA Personal Portfolio lets new clients establish accounts "in less than 10 minutes, by inputting their financial objectives and risk levels. They receive personalized portfolio recommendations, down to the specific fund, before financing their account."

TIAA Personal Portfolio offers:

- Professional investment management, including asset allocation and ongoing strategy research, resulting in an investment portfolio aligned to individual goals, risk tolerance and investing preferences
- Access to professionals to provide more extensive support, when and if it's wanted
- Automatic rebalancing and daily account oversight to help keep investment strategy on track
- Account summary and detailed reporting to track progress towards goals and investment performance
- Online account setup and performance management optimized for mobile
- The offering expands on TIAA's personalized investment services and other managed accounts. The organization also offers in-person financial services at more than 160 offices across the country in addition to phone representatives who are licensed, registered and trained to provide advice.