Converge Update

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Office of Participant Services
June 28th, 2022

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Thrift Savings Plan

How Were We Operating?

FRTIB provided recordkeeping functions to participants by:
- Developing processes and procedures
- Owning and maintaining IT systems and applications
- Managing vendors that provide labor resources to execute the work

FRTIB leveraged relationships with **multiple service providers** through a variety of internal offices to deliver recordkeeping services to the participants and beneficiaries

The Agency spent much of its time **focused tactically** on **delivering infrastructure** to support recordkeeping services

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Why We Made A Change

FRTIB's recordkeeping operations posed some growing challenges.

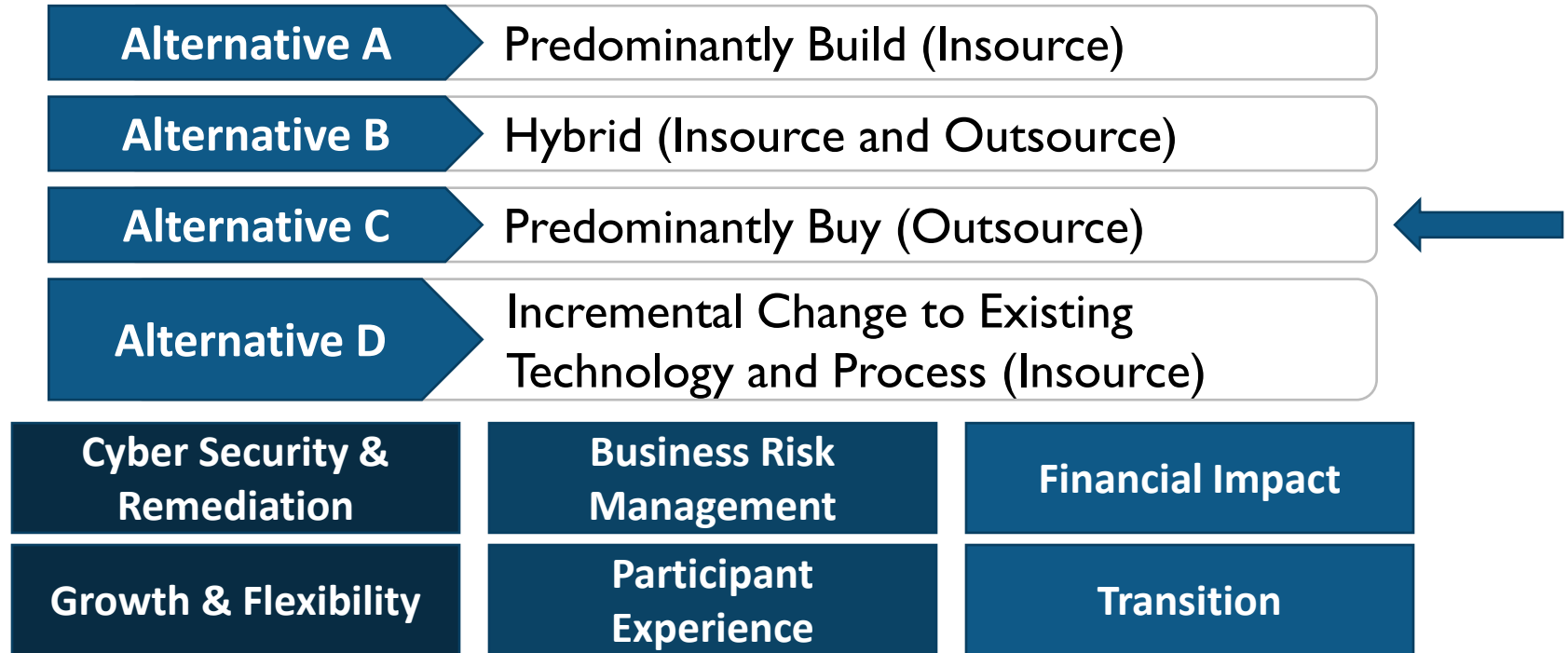Recordkeeping **processes were labor intensive** and time consuming

Many of FRTIB's tools and services provided to participants were based on **legacy technology**

Existing technology infrastructure was **not agile and difficult to change and scale**

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Analysis of Alternatives (AoA)

FRTIB conducted an AoA to compare four potential alternatives against six criteria and provide a recommendation.

Alternative A	Predominantly Build (Insource)
Alternative B	Hybrid (Insource and Outsource)
Alternative C	Predominantly Buy (Outsource)
Alternative D	Incremental Change to Existing Technology and Process (Insource)

| Cyber Security & Remediation | Business Risk Management | Financial Impact |
| Growth & Flexibility | Participant Experience | Transition |

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Benefits We Looked To Achieve

Greater Focus on Retirement Outcomes

A greater focus on the mission by Agency staff and a single vendor providing recordkeeping services, and a **greater range of services and tools** to participants will allow FRTIB to further improve retirement outcomes

Top-Tier Participant Services

FRTIB will be able to provide top-tier services to participants via the new vendor that are **on par with leading retirement providers,** agile and adapted to trends in the defined contributions industry

Agile and Scalable IT Infrastructure

The **vendor will own and operate all IT infrastructure**, allowing it to **easily adapt and scale** and eliminating the need for FRTIB to invest in and maintain recordkeeping databases, application servers, and hardware
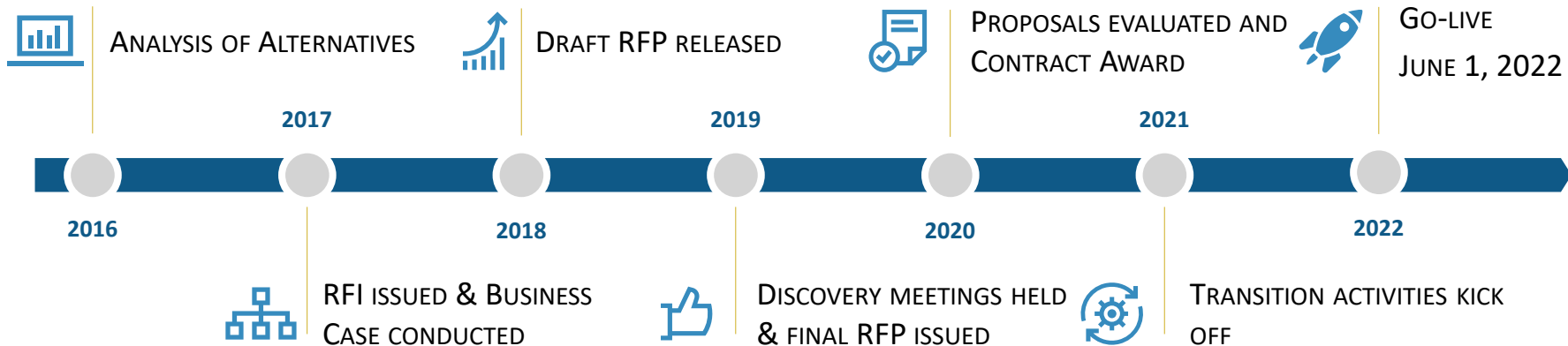
Increased Resource Efficiency

Agency resources that were previously occupied with recordkeeping processes will now be focused on improving participant experiences, retirement outcomes, and executing the Agency's mission

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Converge Award History

Converge Go-Live was a cumulation of over six years of research and preparation to identify the best path forward for FRTIB and its participants.

ANALYSIS OF ALTERNATIVES

DRAFT RFP RELEASED

PROPOSALS EVALUATED AND CONTRACT AWARD

GO-LIVE JUNE 1, 2022

2017

2019

2021

2016

2018

2020

2022

RFI ISSUED & BUSINESS CASE CONDUCTED

DISCOVERY MEETINGS HELD & FINAL RFP ISSUED

TRANSITION ACTIVITIES KICK OFF

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Converge Delivery Milestones

Milestone	Date		Milestone	Date
Program Governance Model Created	12/11/20		**UAT Executed**	12/31/21
Approve and establish governance model for Converge transition.			Execution of User Acceptance Testing, not including findings or remediations.	
Transition Planning Complete	02/26/21		**Recordkeeping Data Conversion Round 3**	02/03/22
Finalize planning activities, including initial meetings, standup of PMO, and establishing transition governance.			Initial data conversion of non-anonymized system data in preparation for go-live.	
Recordkeeping Data Conversion Round 1	06/30/21		**ATO Granted**	02/28/22
Initial data conversion test including partial data and additional anonymized data sets to validate functionality.			FRTIB validates compliance with H.27 and grants ATO for the contractor.	
Recordkeeping Data Conversion Round 2	09/30/21		**Business Continuity Exercise**	04/08/22
Secondary data conversion test featuring anonymized data sets for the full scope of Converge.			Validation of business continuity exercises outlining FRTIB operations including physical recovery, communications, and alternate logistics.	
System Test Complete	11/30/21		**Recordkeeping Data Conversion Round 4**	04/15/22
Final validation of the data conversion round two success and technical approval for data conversion round three (Completed 2/25/22).			Final data conversion of non-anonymized system data in preparation for go-live.	
ATO Submitted	11/30/21		**Performance Targets Achieved**	05/13/22
ATO submission by the contractor for FRTIB approval.			Validation final configuration of Converge meets the pre-agreed upon performance targets prior to go-live.	

Go-Live   06/01/22

Operational go-live for Converge including delivery of all promised features.

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Converge Scope

- Replacing FRTIB's core recordkeeping system

- Opening new Thrift line contact centers with new technology

- Establishing new Agency/Payroll secure processes and portal

- Introducing new services and features, security standards, and plan changes

- Introducing a new web site to support new functionality

- Enhanced data analytics and reporting

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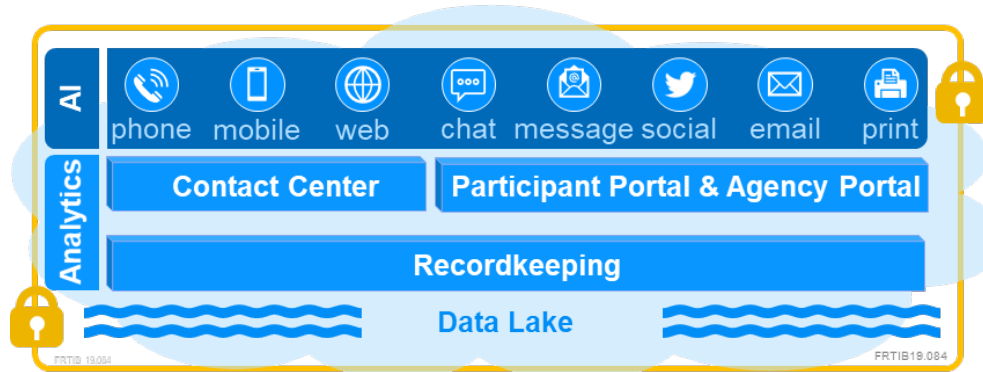
Converge Accomplishments

Converge has successfully completed its transition to a Managed Services Provider (MSP), Accenture Federal Services (AFS), in order to deliver value to participants, provide innovative services that keep current with industry and government-wide standards, and allow the Agency to focus on outcomes.
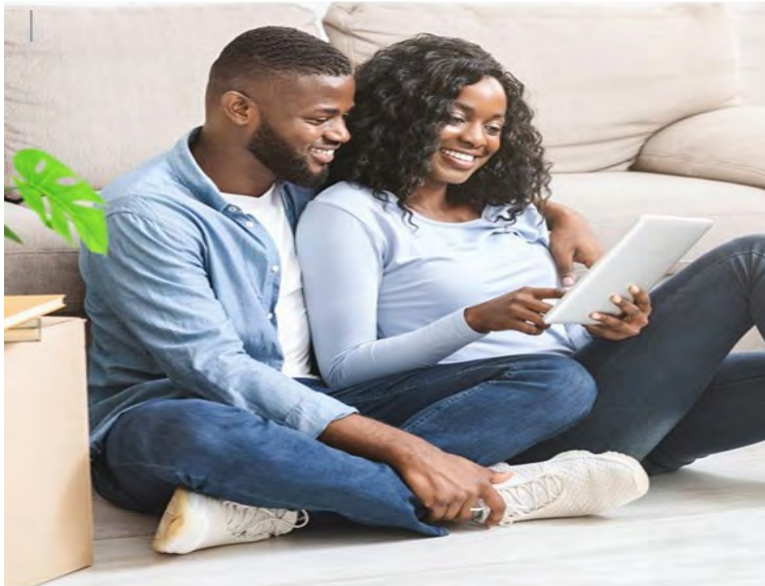

WHAT HAS CONVERGE ACHIEVED?

- ✓ Successful data conversation during blackout weekend
- ✓ Migration of Contributions from Payroll to the new system
- ✓ New daily transaction processing and investment is working as expected
- ✓ Operational features are working as expected
- ✓ Enhanced features (e.g., eSignature, Document Upload, Mobile Push Notifications)
- ✓ TSP Mobile App launch & Virtual Agent (AVA)
- ✓ Participant access to the Mutual Fund Window
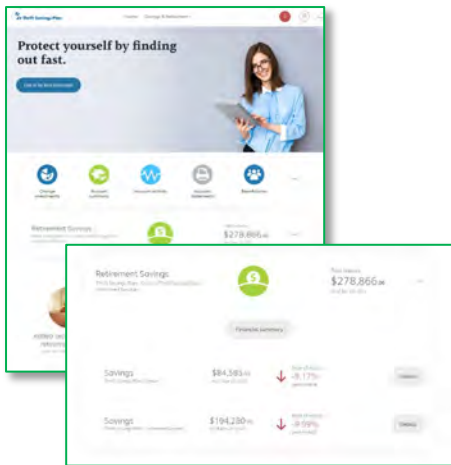- ✓ More modern, cohesive, agile, and secure recordkeeping platform

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New Features

The Converge program focused on delivering new features and a more digital participant experience.
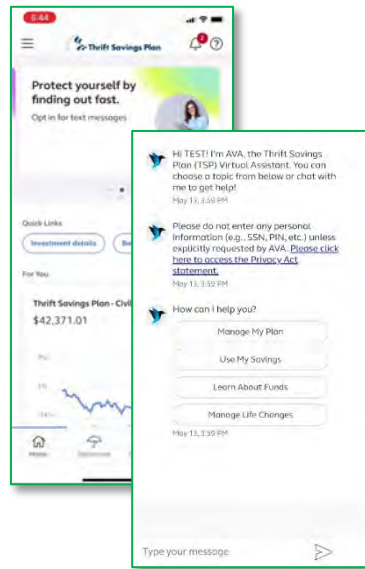
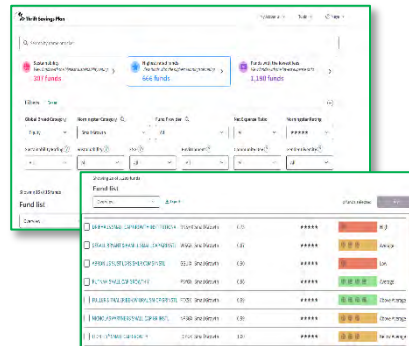**Multiple Options for Secure Online Access**
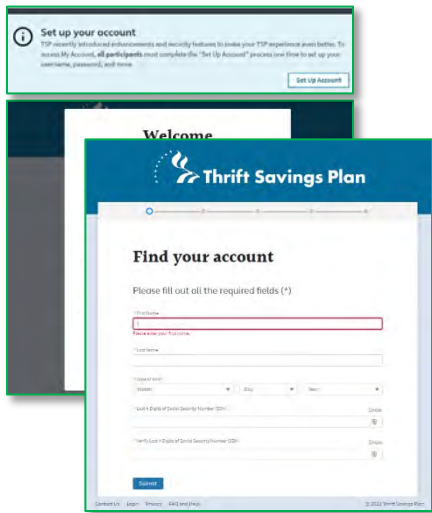
Redesigned My Account

Mobile App and New Self-Service Tools
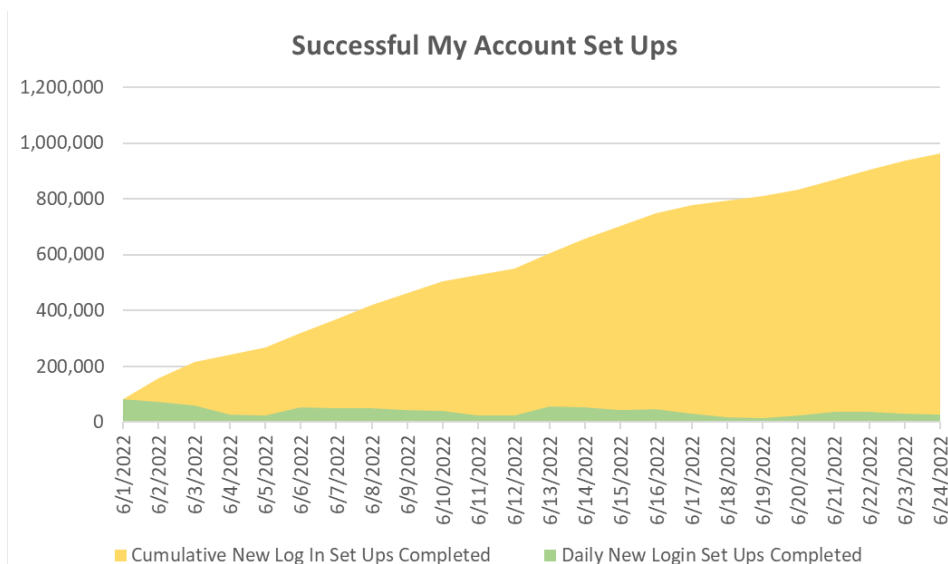
TSP Mutual Fund Window

Multiple Options for Secure Online Access

All participants are required to go through new Account Set Up process.

- The requirements balance ease of use with security

- Two Set Up options:
  - ➢ Online takes 10 minutes or less
  - ➢ One Time Passcode (OTP)

- Account Set Up includes:
  - ➢ Input basic information to find account and complete steps to verify identity
  - ➢ Create username and password
  - ➢ Enroll in multi-factor authentication
  - ➢ Set up ThriftLine PIN and communication preferences

More than 962K My Account set ups as of 6/24

Successful My Account Set Ups

Legend: 🟨 Cumulative New Log In Set Ups Completed 🟩 Daily New Login Set Ups Completed
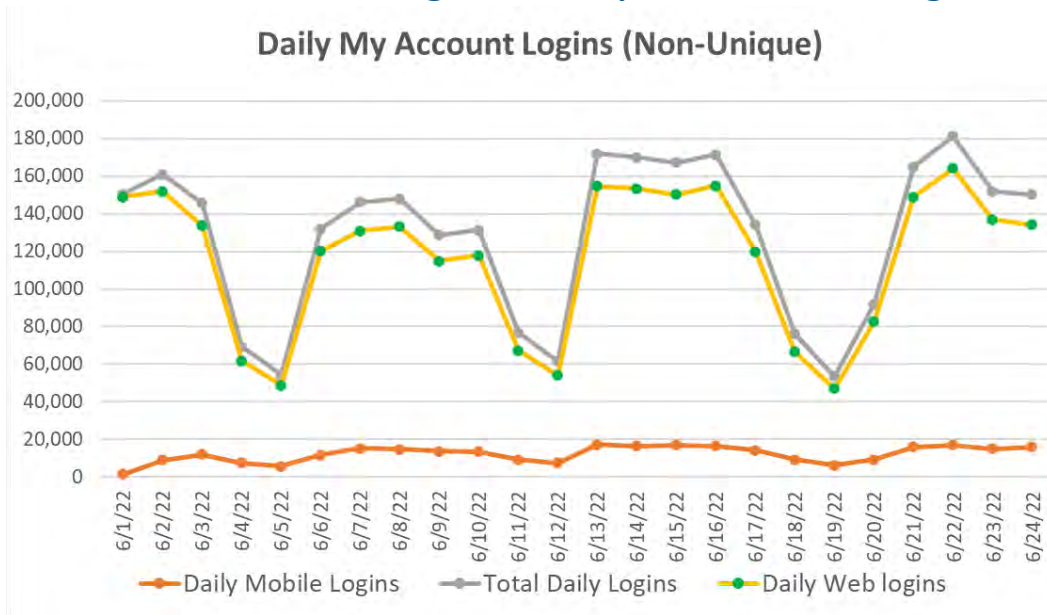
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Redesigned My Account

The new My Account uses a commercial product

- Modern experience with easy navigation
- Personalized dashboard with access to review and request transactions
- Easily check account balances and manage investments
- Save time by making most transactions requests entirely online

More than 3.09M log ins to My Account through 6/24

Daily My Account Logins (Non-Unique)

Legend: Daily Mobile Logins — Total Daily Logins — Daily Web logins

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Mobile App

With the TSP Mobile App on your device, you're able to do just about everything you can do if you were signed into My Account through the TSP website.

More than 126k downloads of the TSP App through 6/24

Daily Mobile App Downloads

Legend: Android downloads, iOS downloads
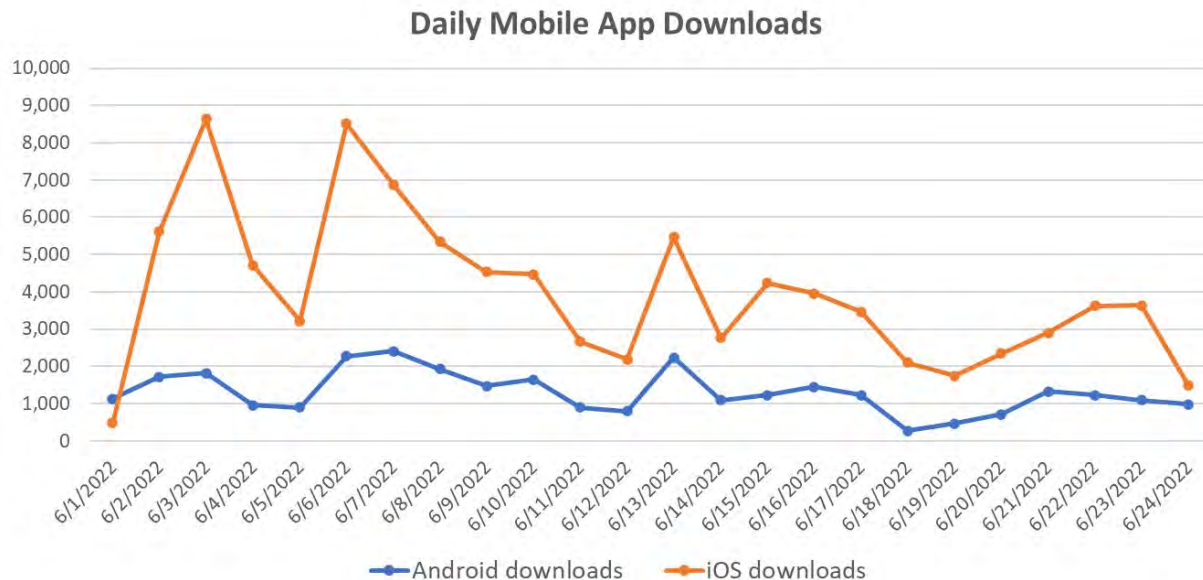
The mobile app also provides participants with access to the new virtual assistant, AVA, including the ability to live chat with a ThriftLine representative during business hours.

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New Electronic Tools

Converge introduced a variety of new ways to complete most transactions and requests entirely online; helping participants save time and reduce paperwork.

- Electronic Signature (e-Signature)
  - ➢ Electronic signatures reduce the forms required to manage accounts
  - ➢ E-signature is easy and secure
  - ➢ Used for beneficiary designations where a witness signature is required and all loans and withdrawals where spousal consent is required

81,543
Transactions completed using e-Signature

- Electronic Withdrawals / Payments
  - ➢ Eliminates the need to submit any forms to complete the transaction
  - ➢ Replaces former coupon-by-mail payments

47,967
Electronic withdrawals & payments completed

- Additional Electronic Transactions
  - ➢ Ability to make loan payments after separation
  - ➢ Upload photo of check using mobile device
  - ➢ Apply for loan using AVA virtual assistant
  - ➢ Concierge Roll-In Service

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Mutual Fund Window

- **MFW Details**
  - Allows eligible participants to work through a new TSP site portal in My Account to buy and sell mutual funds
  - Gives participants access to more than 5,000 mutual funds
  - If applicable, participants may open up to two MFW accounts: one for their civilian account and one for their uniformed services account. Each account will act independently.

- **Eligibility Requirements**
  - Minimum initial transfer must be at least $10,000
 - No more than 25% of the total account balance may be invested through the mutual fund window

- **Fees**
  - $55 annual fee to ensure that use of the mutual fund window does not indirectly increase TSP administrative expenses for TSP participants who choose not to use the mutual fund window.
  - $95 annual maintenance fee
  - $28.75 per trade fee
  - Other fees and expenses specific to chosen mutual funds

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Mutual Fund Window

The mutual fund window has been designed to provide interested TSP participants greater investment flexibility.

*879 funded accounts totaling over $47M was moved into the MFW by 6/24*

Mutual Fund Window Accounts and Transfers

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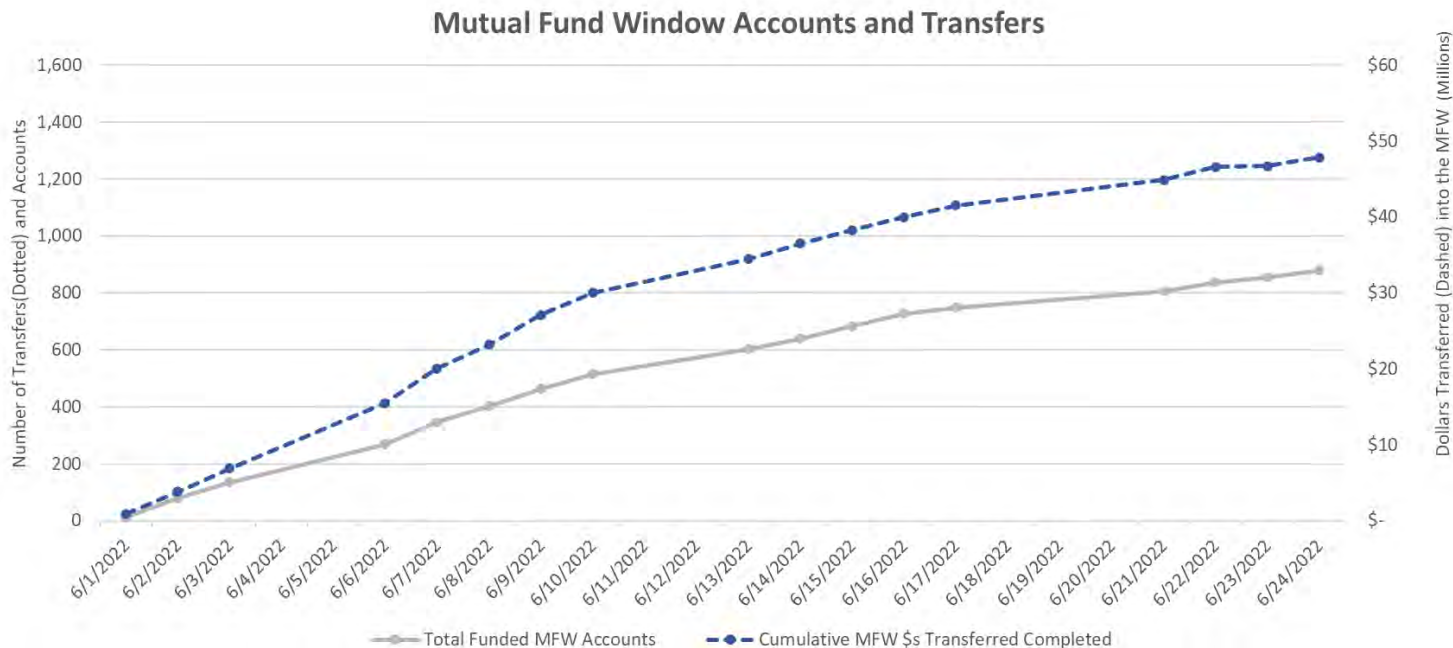
Fund Transfers & Reallocations

More than 107k Fund Transfers and Reallocations were completed through 6/24

Fund Transfer and Reallocations Completed

- Cumulative Fund Transfers & Reallocations Completed
- Daily Fund Transfers & Reallocations Completed

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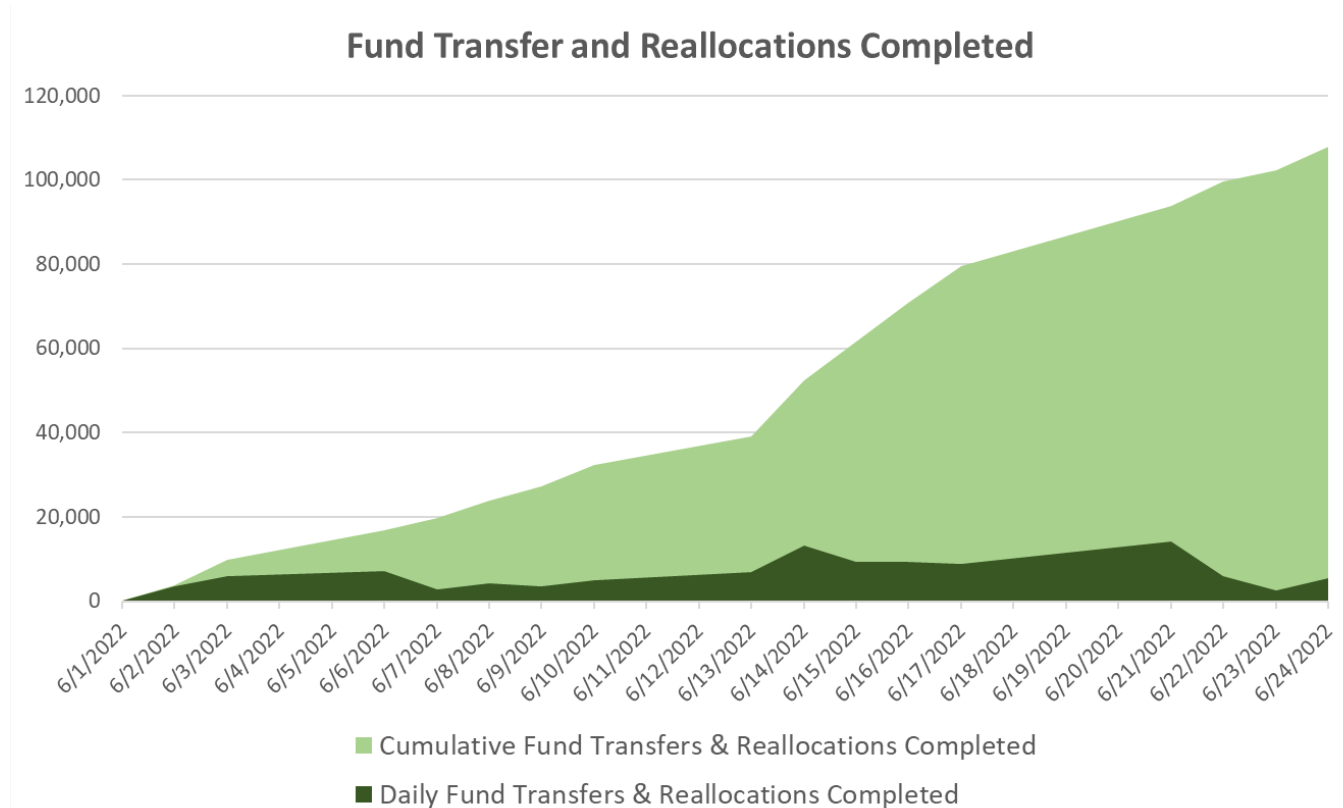
Loan Processing

More than 35k loans totaling over $373M were processed through 6/24

Loans Processed

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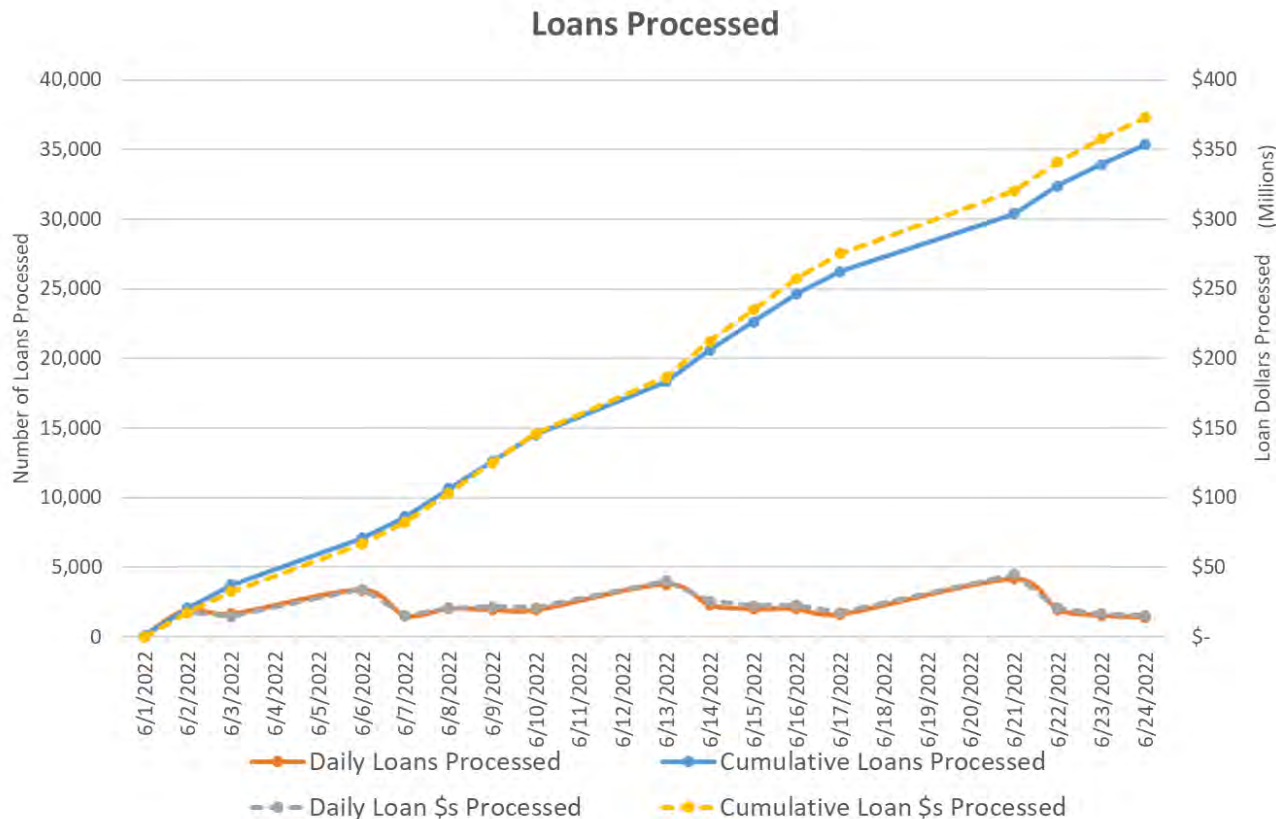
Withdrawal Processing

More than 305k withdrawals totaling over $1.8B were processed through 6/24

This includes over 249k installment transactions that took place on 6/15

Withdrawals Processed

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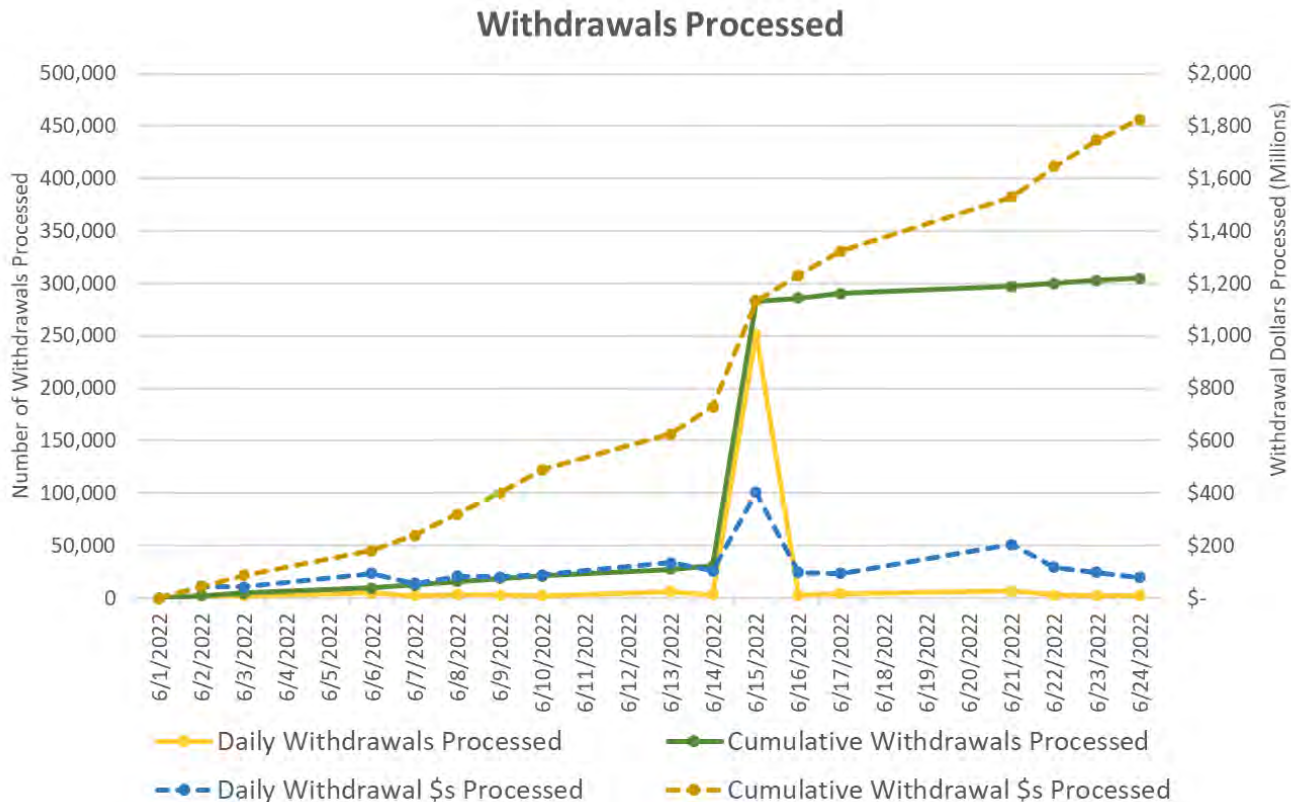
Beneficiary Designations

More than 46k beneficiary designations were made through 6/23

Beneficiary Designations

Legend: Cumulative Beneficiary Designations Completed ■ Daily Beneficiary Designations Completed

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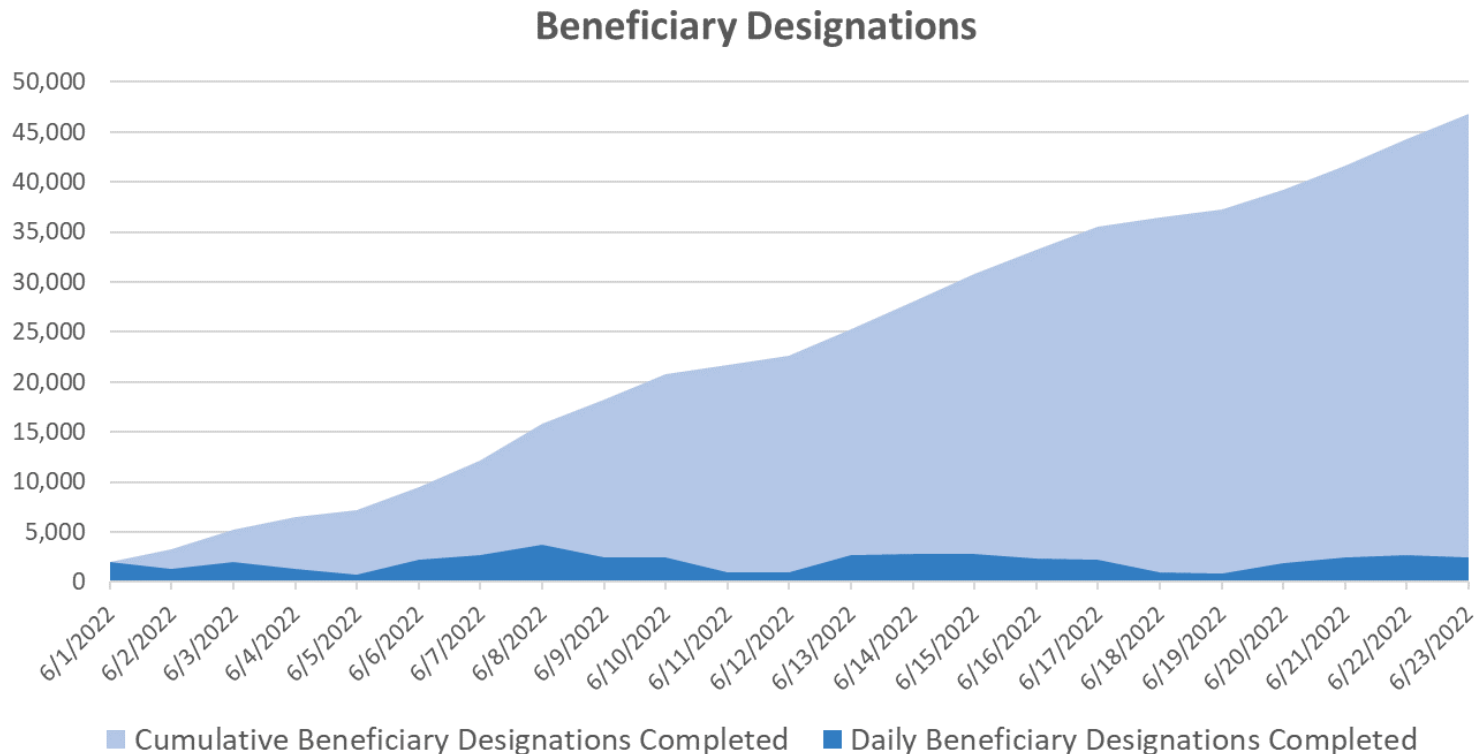
Death Benefit Claim Processing

336 Death Benefit Claims were processed through 6/24

Total Death Benefit Claims Processed

Legend: Cumulative Death Benefit Claims Processed, Daily Death Benefit Claims Processed

Thrift Savings Plan
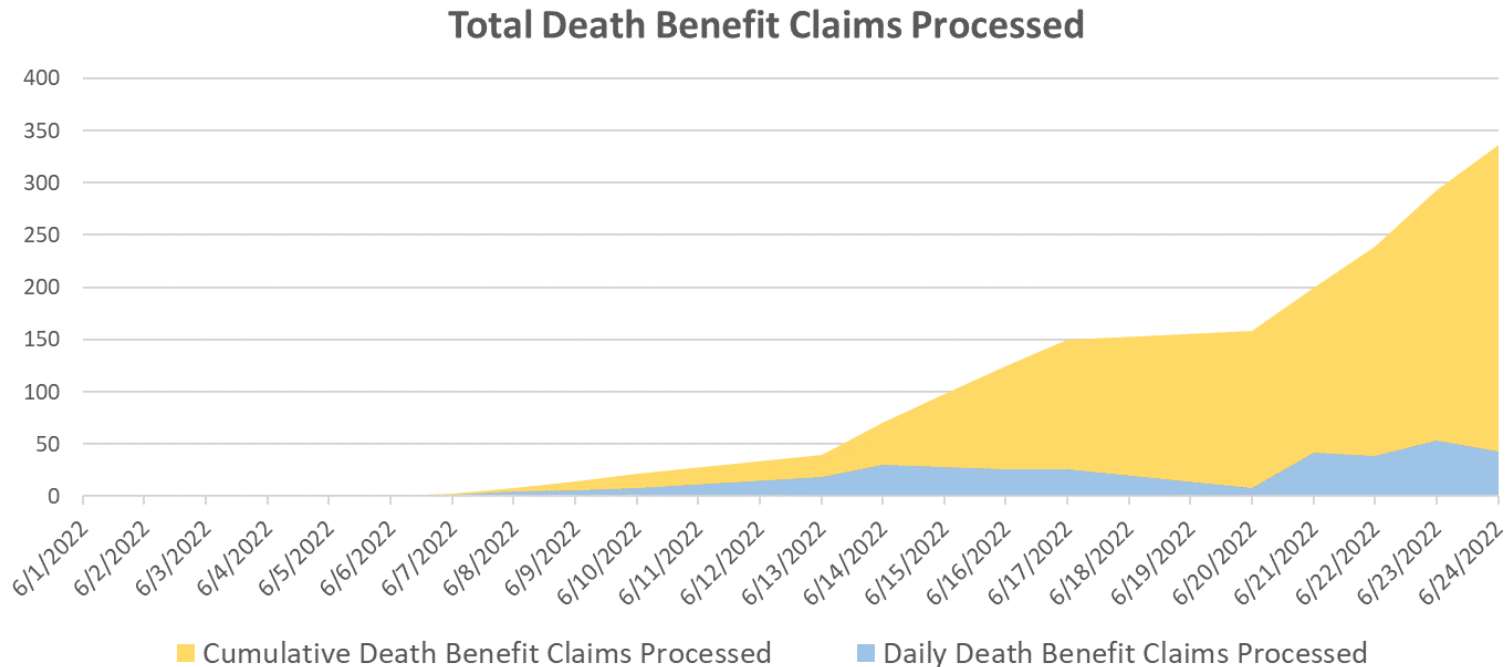
Go-Live Challenges

Upon the Converge go-live, there was significant call volume leading to longer than normal hold times.

Contributing Factors

- My Account Access

- Blackout Period

- Market Conditions

- Volume of Participant-Facing Changes

- Vendor Staffing Projections

- Software Defects

Mitigation Activities

- My Account Log In Set Up Process Modifications

- Call Center Staffing

- Workforce Management

- IVR Updates and Known Issue Messaging

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Go-Live Challenges: Mitigation Results

Account setup issue resolved

- Roughly 95% of account setup attempts are successful
- Shift in Participant inquiries
- Log-In's and Transaction volume indicate services are being delivered
- Software and process enhancements are completed

Call center performance improving with further improvements underway

- 320 Agents have been added as of June 21st
- Wait time continues to decline
- Abandonment rate continues to decline

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Additional Post Go-live Observations

We are also observing common themes that seem to be affecting the participant experience.

BENEFICIARY DESIGNATIONS

ACCESS TO HISTORICAL INFORMATION

REQUIREMENT TO SET UP NEW MY ACCOUNT LOG IN

PLAN CHANGES

TERMINOLOGY & EXPERIENCE CHANGES

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Questions?