OFFICE OF PARTICIPANT EXPERIENCE

Presented By
Jim Courtney, Office of Participant Experience (OPE)
May 29, 2025

What We Do

OPE Functional Statement

We create an excellent participant experience through effective program operations, outreach, and external partnerships.

OPE Organizational Chart

- Front Office (9)
  - Relationship Building (15)
  - Quality Management (17)
  - Content Creation (10)

Happening Now

- Returned Payment Improvements
  - Proactively notifying participants via text or e-mail if a payment is undeliverable/returned
  - Communicate status to participants when reissues are submitted to Treasury

Month	Disbursements	Reissues
January 2025	428,311	2,218
February 2025	402,131	1,839
March 2025	409,008	2,188
April 2025	407,330	2,101

Coming in June 2025

- Introducing the L 2075 Fund
  - Designed for those born after 2009

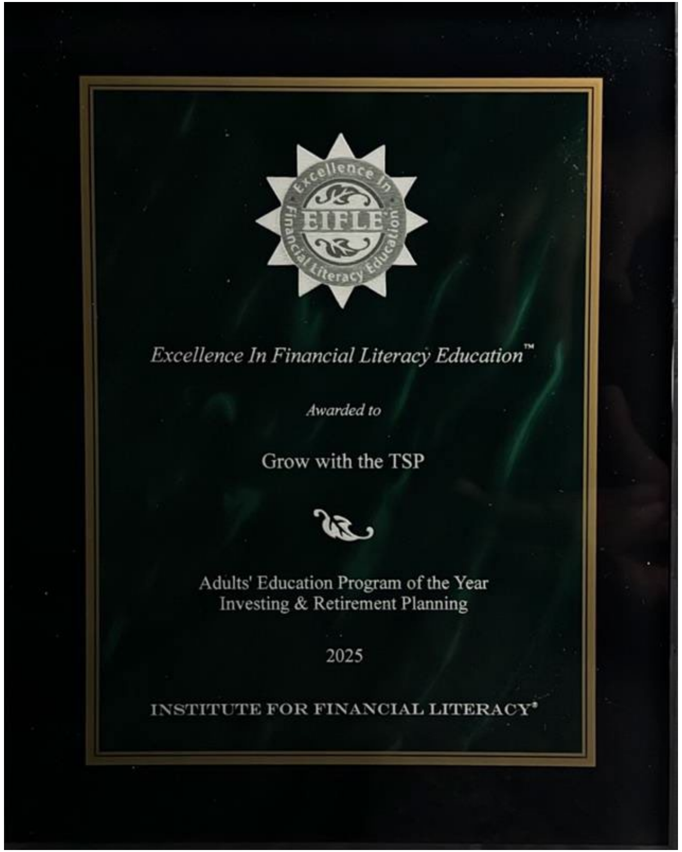
- Retiring the L 2025 Fund
  - Will roll into the L Income Fund automatically
  - Targeted communications to participants with a balance/election in L 2025

Targeted outreach by career stage: Under 35

GROW
with the TSP

New to the TSP? Turn every $1 into $10

TSP.gov/grow



Targeted outreach by career stage: 50 and older

- Updated emails to participants ages 50-69
- 1.5+ million participants with emails on file (active and separated)
- Based on findings from previous participant interviews, focus groups, surveys, and other research

Targeted outreach by career stage: 50 and older

Thinking about y

Retired TSP participants often tell us they w
what to do with their TSP accounts much e
50 and even earlier. We put this series to
Helping participants retire comfortably wh
safeguarding their accounts—are our top

Keep money in your pocket

You can stay with the TSP even if you sep
Many retirees decide to keep their savings
to take advantage of flexible withdrawal o
easy-to-understand investment funds. Som
didn't even know that keeping their money

Here's some important information for y
eral options for how to use your money in
ble withdrawal options allow you to reque
that works for you. And the TSP is comple
expenses, which are lower than 99% of in

You can stay with the TSP fore

TSP retirement planning series

Over the next few weeks, we'll send you a se
with information you need to make the bes
ment goals. We've been planning this serie
find it helpful. We've also put together a fac
you're leaving federal service. Whenever y
options, and staying with the TSP is one to

Keep score and sa

Helping participants retire comfortably whene
and safeguarding their accounts—are our top
wondering what to do with your TSP savings w
retirement, here's one thing to keep in mind: Y
TSP account right where it is after you retire. Y
continue to grow in the TSP.

But if you're comparing options, asking the rig
most important thing to do. You'll encounter a
sources. Some financial advisors may even ap
opportunities that sound too good to be true, s
questions ready. While qualified advisors can a
charge 1% ($1 for every $100 in your account) e
times what the TSP cost last year.*

Here's how just a 1% difference in expen
from losing tens of thousands of dollars

- If you invest $100,000 for 20 years with equal **0.10%**, you'll have about $315,00 annual rate of return on average and n contributions). That 0.10% means that expenses for every $1,000 you've inve
- Using the same assumptions, if you inv years—but with higher expenses totalin about $260,000. That 1.1% means that expenses for every $1,000 you've inve

That extra 1% in expenses would cost yo

Here are some tips that work for m

- **Diversify your TSP investments to mana imize returns.** For example, you could choo Fund (L Fund) to invest your savings in a d five TSP individual funds. L Funds automatic of funds from higher risk to lower risk as yo target date you choose. For example, L 20 participants born 1965–1969 or who are pla drawing from their TSP savings between 20
- **Plan for a retirement strategy that provid come you need while the rest of your sa opportunity to grow beyond the pace of** invested in an L Fund that reaches its targ will automatically move to the L Income Fund for the withdrawal phase of retirement plann Fund focuses on money preservation while exposure to the riskier TSP funds (C, S, and inflation's effect on your purchasing power.
- **Consider all sources of retirement inco** one part of your retirement income. Depen ment system, length of service, and work h eligible for pension payments and Social S

  Wondering if you can still add new mon ter leaving federal or uniformed service? W lot. All participants (whether you're still emp government or not) can roll over money fron plans to the TSP. Rollovers allow you to cor ment savings in one place so that it's easier you're on target to meet your goals with the tion. And because the TSP's low-cost funds pensive, your savings could grow faster in
- **Don't let short-term market movement course.** You've probably heard that *time timing* the market. Diversified index fund available with the TSP routinely perform managed funds that try to predict the ma

Ways to withdraw

Remember: When you retire, you don't have to do anything with your TSP account immediately. You can keep it for as long as you like, even after you retire or separate from federal service or the uniformed services. You don't have to remove any money from your savings until you reach the age the IRS requires that you start taking required minimum distributions (RMDs), which is now 73 at the earliest. And even then, you can stay with the TSP. Once you reach your RMD age, **we'll automatically send you a payment** to satisfy any required amount before the deadline each year.

3 steps for thinking about your future income

1. Choose a potential retirement age (or your actual retirement age if you have one). If you're still working, how long do you plan to work? Having a retirement age in mind will help you set initial goals. If it helps, the average civilian TSP participant retires around age 62 or 63.

2. Imagine how long you might need your TSP investments to last after retirement. In our last Financial Wellness Survey, the most frequent answer from those older than age 50 was 20-29 years.

3. Estimate how much income you'll need per year—and how much of that will come from the TSP. All of this can vary, but one way to estimate your expenses in retirement is to say you'll need an annual amount equal to 75-85% of your final salary.

For example, someone with a final salary before retirement of $100,000 might want about $75,000 in income each year during retirement. If you have a pension and Social Security payments totaling $50,000 per year, you'd want your TSP investments to cover about $25,000 per year. Think about how our withdrawal options can get you there.

Simple and easy to understand. I look forward to the rest of seri

In this time, it's comforting that you are keeping us, your participants, in clos Thank y

Love your series on the TSP. Trust me, my $ is staying right where it is.

I am very happy with TSP management.

Continue to provide TSP retirement information. Thank you.

It was the perfect size.

I like hearing from TSP regularly and knowing that you all are working hard on our behalf ... much appreciated!

Thanks for the continued supply of information. Knowing my options enables me to strategically plan my investment options.

I'd like to thank TSP for having my back.

Should have left all my retirement in TSP!

I worked for Merrill Lynch prior to the Federal government. The TSP is by far the best plan, in the interest of the saver, I have seen. I wish all employees realized what a wonderful, wealth-building tool the TSP is.

Was this email helpful?

Please take our one-question survey.

TSP has been my rock. Especially in times like this. Thank you!

The information within this email was very helpful.

Thank you for your hard work for civil sector employees.

It's always good to get reminders of options and opportunities. Thank you.

eaving it with TSP is the best news I could get right now.

Very clea understandable and blissfully short. Thank you.

Great info.... anticipating retirement in the next 18 months, so this is timely.

Thank you for taking care of us.

our information has always been beneficial to me. Thank you. 😊

Fact Sheet

Thrift Savings Plan

Information for TSP Participants Leaving Federal Employment

Fact Sheet February 2025

Introduction

This fact sheet is for federal civilian employees who

You can stay with the TSP even if you leave your federal job. You don't have to take any money from your TSP savings until you reach the age when you have to start taking IRS required minimum distributions. You can continue to allow your investments to grow in the TSP and take advantage of the TSP's low expenses, and you'll always have secure access to manage your investments online in My Account.

As long as you're in pay status in a TSP-eligible position, you can start, change, or stop your TSP contributions. In most cases, you'll use your agency or service electronic payroll system to make any changes. Once you leave the federal government, you'll no longer be able to make employee contributions.

For more information about making TSP contributions, visit:

- tsp.gov/making-contributions

Agency contributions

As long as you're covered by the Federal Employees Retirement System (FERS) and in pay status, you receive Agency Automatic (1%) Contributions. You also receive Agency Matching Contributions on your own TSP contributions. Agency contributions stop when you are no longer in pay status.

For more information about agency contributions, visit:

- tsp.gov/making-contributions/contribution-types

deduction if you're still employed and in pay status in federal service, or by direct debit, check, or money order after you separate from federal employment.

If you have any TSP loans when you separate from federal employment, you must decide if you want to pay them off, keep them open and set up monthly payments, or allow them to be foreclosed and accept the outstanding balance and accrued interest as taxable income.

Failing to make loan payments in accordance with your *Loan Promissory Note* can have serious financial consequences, especially if you're still working or subject to an early withdrawal penalty tax. **You are responsible for ensuring that the loan payments are correct and submitted on time regardless of whether your agency or service missed your loan payment.**

For more information about TSP loans, visit:

- tsp.gov/tsp-loans

Stay with the TSP

April Newsletter

Thrift Savings Plan

Thrift Savings Planner

April 2025

Although this level of volatility we've been seeing in the markets is unusual, it's not new. History has shown us that the markets—and TSP investments—do rebound over time. Remember that investing for retirement is for the long term, and sticking to a plan with diversified investments is more likely to bring you success than trying to time the markets. By the time you react to a downturn, the markets may be moving in the opposite direction, and you could miss out on significant gains. We've seen it again and again: Participants who stick to their long-term goals during market downturns can end up with tens of thousands more dollars in savings over time.

Sincerely,
Your TSP

Summary of contents

- Your TSP account is yours to keep, even after you leave service
- Have you noticed? TSP expenses lower in 2024
- Jargon for a bargain: benchmark index
- Free TSP webinars
- Add TSP account maintenance and security to your spring-cleaning checklist
- First quarter account statements in My Account

Add TSP account maintenance to your spring-cleaning checklist

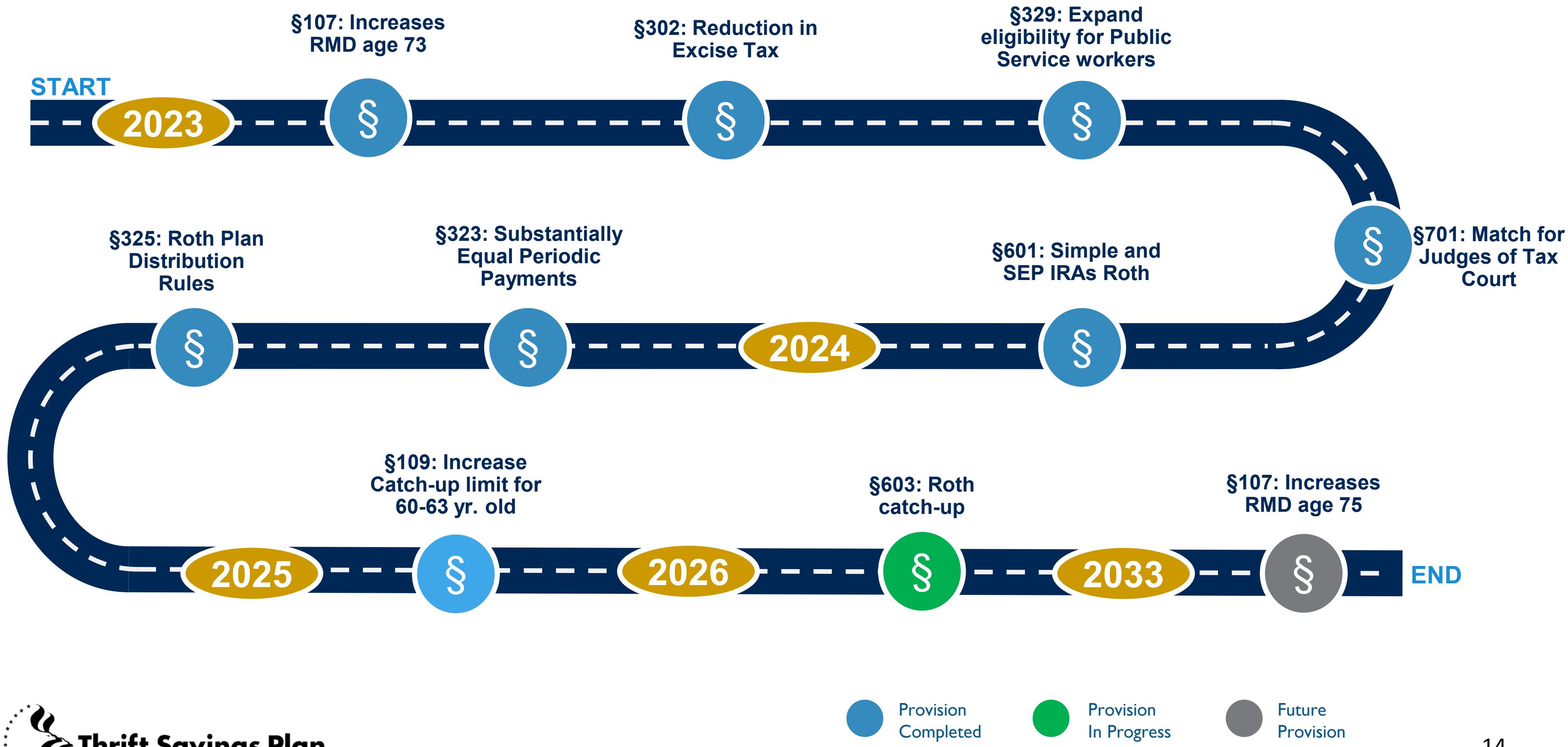
With long-term investment plans like the TSP, it's true that you don't need to check your account frequently. It's still a good idea to log in periodically and make sure that your information is up to date and that your investment choices support your goals.

Here's your TSP account maintenance checklist:

- **Update your mailing address**—How you update your mailing address depends on whether you still work for the federal government. You can also add an alternate mailing address to your profile and choose which address should receive mail from the TSP.
- **Add or update direct deposit information**—You can submit financial institution information by logging in to My Account.
- **Add or check your beneficiary designation**—You should designate a person or persons, your estate, or a trust to receive your TSP account after your death.
- **Check your investment election**—Make sure that money coming into your account goes into the TSP funds that meet your investment goals.
- **Check your investment allocation**—Make sure that money already in your account is invested in funds that match your risk profile.
- **Consider adding an account lock for extra protection**—An account lock prevents new loan, withdrawal, and distribution requests without a 10-digit unlock key that you create.

If you have any trouble logging in, try our online tools to help you access your account.

SECURE 2.0 Provision Roadmap



Thrift Savings Plan

Provision 603: Roth Catch-Up

- Age 50+ catch-up contributions must be made on a Roth basis for employees whose wages (Social Security FICA tax purposes) were greater than $145,000 in the prior year

Provision 603: Roth Catch-Up

- Working with all payroll agencies
  - Annual salary file of participants aged 50+
  - Aggregate wages for multiple agencies
- Making this seamless for participants
  - Spillover method
- Targeted communications - November

Roth In-Plan Conversion

- Coming in January 2026
- Convert pre-tax dollars into Roth dollars
- Grow tax-free for the future

Key Conversion Rules

- Active participants, separated participants and spousal beneficiaries are eligible
- Minimum conversion amount of $500
- Taxes are due on the conversion for the year you convert

Need Help with the Math?

We'll have a calculator for that!

- Eligible conversion amount will auto-populate
- Answer a few questions
- Based on account data and entries, this tool estimates taxes owed on the conversion

Your accounts

STEP 1

When converting your TSP balance to a TSP Roth you will owe taxes on any money converted that has not been taxed previously. We will report the taxable amount to the IRS on Form 1099-R for the year in which the conversion is made but will not be able to withhold any amounts as part of the process to help fulfill your tax obligation.

Everyone's situation is different and there are many factors you'll want to take into account when deciding which choice is best for you. Use this calculator to learn more about whether a Roth In-Plan Conversion is right for you.

Additional information on In-Plan Roth Conversion

Your current eligible Roth conversion balance:

Total balance	**$ 109,500.00**

Current Roth balance is not included above. This is the total eligible Roth conversion available across all of your accounts.

Answer the following questions based on your **current** eligible Roth conversion balance(s). **All questions** must be answered to proceed.