

Full Withdrawal Exit Survey Results

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Full Withdrawal Exit Survey Overview

Focus of survey

Reasons participants take full withdrawals

Fielding dates of survey

January-December 2025
(this brief reflects data through Nov)

Participant group surveyed

All participants who took a full withdrawal and had an email on file

Approximate monthly response rate*

5.7%

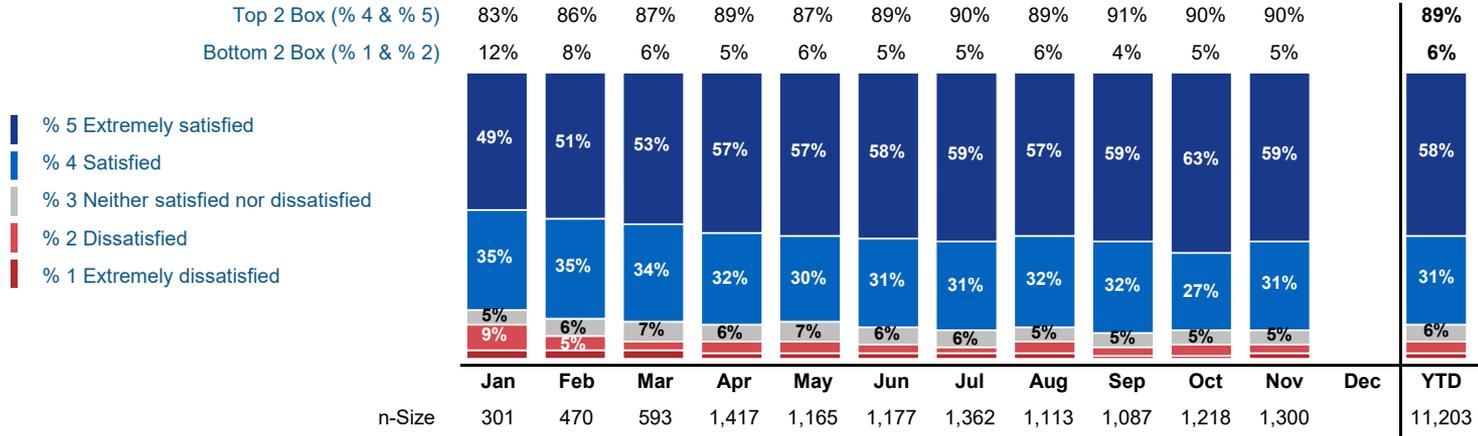
* Excludes Jan-Mar 2025 due to condensed fielding during those months.

Key Takeaways

- Email-only survey.
- Survey web link sent twice monthly to participants who took full withdrawals in previous two weeks.
- Approximately 22,000 surveys sent each month, and 1,200 monthly responses.
- Reaches ~90% of all participants taking full withdrawals.

Satisfaction of Departing Participants

Considering all aspects of your experience with the TSP, how satisfied were you with the Thrift Savings Plan overall?



Note: Rounding may affect totals.

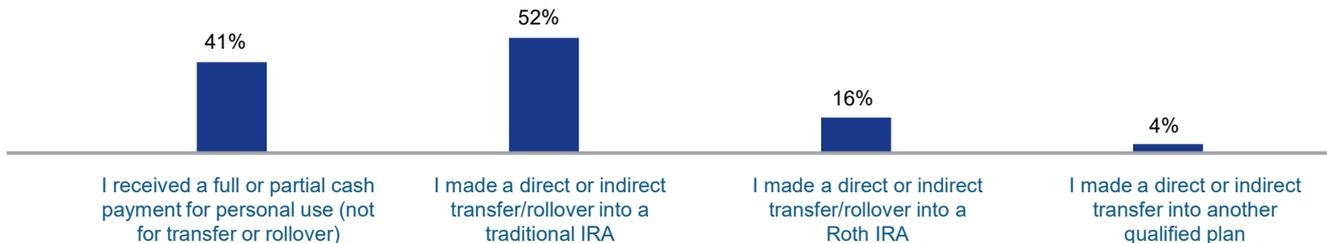
Key Takeaways

- The majority of respondents reported being satisfied with their TSP experience (89% - Extremely Satisfied or Satisfied YTD).

How Respondents Received Distributions

Which of the following applies to you regarding your withdrawal from your TSP account? (Select all that apply.)

2025 YTD



Note: Percentages do not add up to 100% because multiple choices were possible.

Key Takeaways

- Rolling over to a traditional IRA and receiving cash payments are the most common transactions.
- About 16% roll over to a Roth IRA while few transfer to another employer plan.

Participant Distributions: Career Stage and Retirement Group

Which of the following applies to you regarding your withdrawal from your TSP account?

Year-to-Date	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (35-49)	Late (50+)	FERS	BRS-Active Duty	BRS* Reserve	Non-BRS-Active Duty	Non-BRS-Reserve	CSRS
I received a full or partial cash payment for personal use (not for a transfer or rollover)	41%	63%	56%	37%	41%	61%	57%	42%	46%	30%
I made a direct or indirect transfer/rollover into a traditional IRA	52%	23%	34%	58%	53%	24%	32%	46%	46%	66%
I made a direct or indirect transfer/rollover into a Roth IRA	16%	24%	21%	15%	15%	29%	27%	29%	22%	7%
I made a direct or indirect transfer into another qualified employer plan (i.e., 401(k), 457(b), 403(a), 403(b))	4%	6%	8%	3%	4%	5%	2%	7%	5%	2%

* Small sample size – interpret with caution.

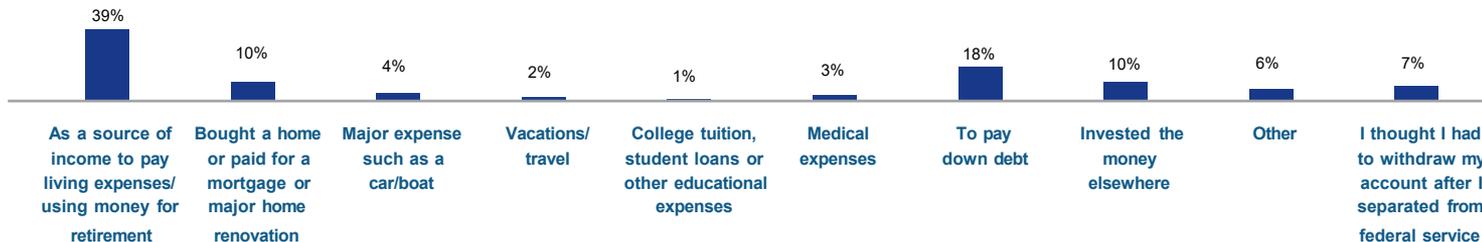
Key Takeaways

- BRS respondents are more likely to report taking cash distributions than other groups.
- All service members are more likely to report transferring to a Roth IRA than FERS or CSRS.

Primary Reasons for Cash Withdrawals

Which one of the following is the primary reason you chose to take a full or partial cash withdrawal?

2025 YTD



Key Takeaways

- Paying living expenses and debt are the most common uses for cash distributions.
- About 7% of all participants taking cash W/Ds believe they must withdraw their accounts after separating.

Reasons for Cash W/Ds: Career Stage and Retirement Group

Which one of the following is the primary reason you chose to take a full or partial cash withdrawal (among those who took one)?

Year-to-Date	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (35-49)	Late (50+)	FERS	BRS-Active* Duty	BRS- Reserve	Non-BRS-Active Duty	Non-BRS- Reserve	CSRS
As a source of income to pay living expenses/using money for retirement	39%	34%	38%	40%	42%	33%	28%	24%	29%	35%
Bought a home or paid for a mortgage or major home renovation	10%	7%	8%	11%	9%	8%	2%	15%	15%	11%
Major expense such as a car/boat	4%	6%	4%	4%	3%	8%	3%	7%	6%	5%
Vacations/travel	2%	2%	1%	2%	2%	3%	3%	2%	3%	2%
College tuition, student loans or other educational expenses	1%	3%	2%	1%	1%	2%	3%	2%	3%	2%
Medical expenses	3%	1%	3%	3%	3%	2%	5%	1%	2%	4%
To pay down debt	18%	25%	23%	16%	17%	26%	26%	26%	21%	9%
Invested the money elsewhere	10%	11%	7%	10%	8%	11%	14%	12%	14%	19%
Other	6%	4%	3%	6%	5%	2%	5%	8%	5%	9%
I thought I had to withdraw my account after I separated from federal service	7%	9%	12%	6%	9%	6%	10%	3%	2%	3%

* Small sample size – interpret with caution.

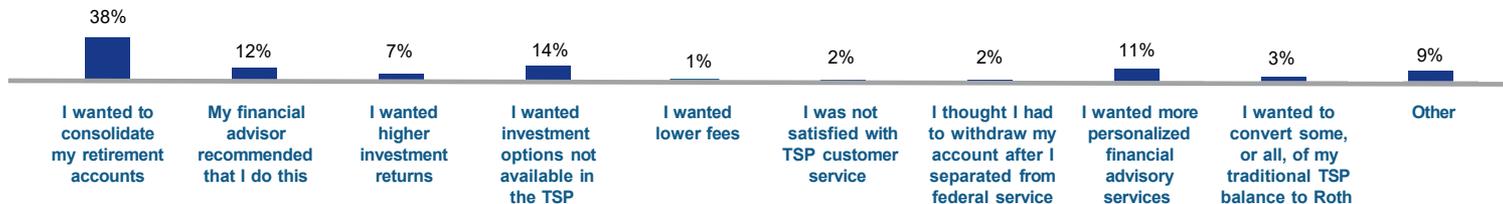
Key Takeaways

- Non-BRS active duty and Non-BRS Reserve participants are more likely to use cash withdrawals for mortgage or home repairs.
- All service members are more likely to report using cash withdrawals to pay down debt.

Primary Reasons for Transfers

Which one of the following is the primary reason you chose to transfer the funds into an IRA or other qualified retirement plan (401(k), 457(b), 403(b), etc.)? (Choose one item.)

2025 YTD



Key Takeaways

- Wanting to consolidate accounts is by far the most common reason for transferring (38%).
- Few (2%) cited dissatisfaction with TSP customer service as a reason for transferring out of the TSP.
- Recommendations from advisors, wanting more investment options, and personalized advisory services were the next most common reasons.
- Of those wanting to consolidate accounts, almost half said a financial advisor suggested doing so.

Reasons for Transfers: Career Stage and Retirement Group

Which one of the following is the primary reason you chose to transfer the funds into an IRA or other qualified retirement plan (401(k), 457(b), 403(b), etc.)?

Year-to-Date	OVERALL	CAREER STAGE			RETIREMENT GROUP					
	Overall Results	Early (< 35)	Middle (35-49)	Late (50+)	FERS	BRS-Active* Duty	BRS-* Reserve	Non-BRS-Active Duty	Non-BRS-* Reserve	CSRS
I wanted to consolidate my retirement accounts	38%	51%	43%	37%	37%	47%	51%	45%	46%	34%
My financial advisor recommended that I do this	12%	7%	11%	13%	12%	7%	9%	12%	8%	15%
I wanted higher investment returns	7%	7%	9%	6%	6%	10%	6%	8%	8%	6%
I wanted investment options not available in the TSP	14%	11%	11%	14%	14%	11%	13%	13%	14%	14%
I wanted lower fees	1%	3%	1%	1%	1%	1%	6%	1%	0%	1%
I was not satisfied with TSP customer service	2%	2%	4%	2%	2%	3%	2%	4%	4%	2%
I thought I had to withdraw my account after I separated from federal service	2%	7%	5%	2%	3%	7%	2%	3%	1%	1%
I wanted more personalized financial advisory services	11%	5%	6%	12%	12%	7%	4%	7%	7%	9%
I wanted to convert some, or all, of my traditional TSP balance to Roth	3%	5%	3%	4%	3%	4%	4%	6%	6%	4%
Other	9%	4%	6%	9%	9%	3%	2%	2%	3%	15%

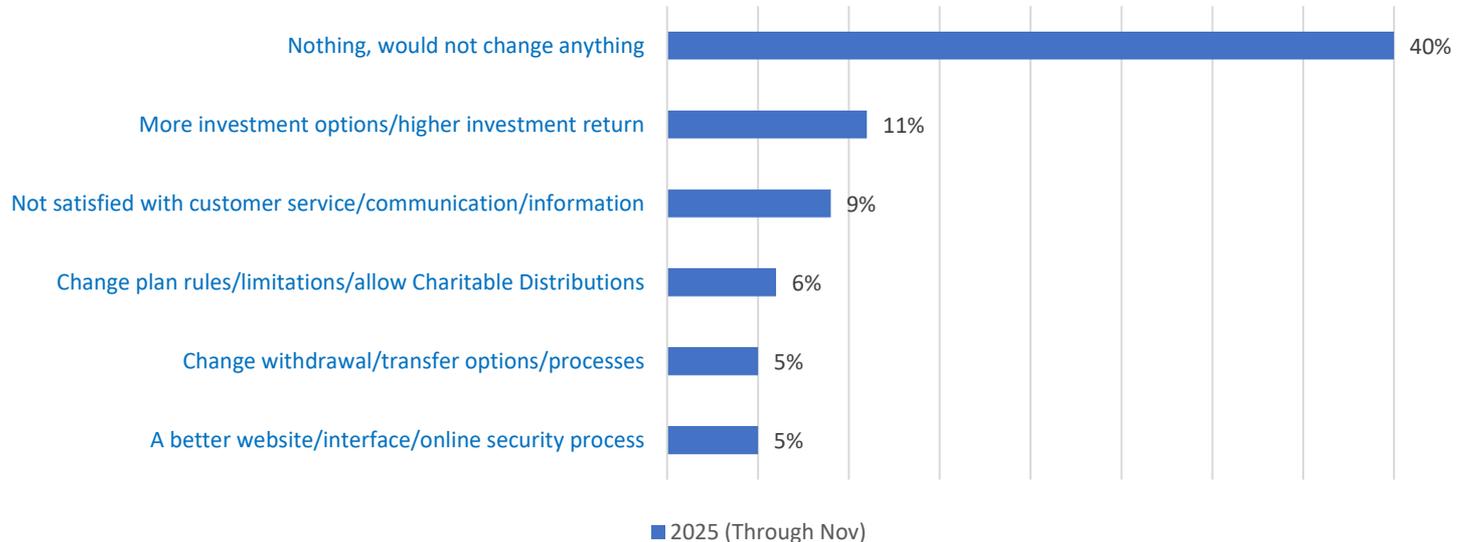
* = Small sample size—interpret with caution.

Key Takeaways

- 7% of active duty BRS respondents thought they had to withdraw their TSP accounts after separating.
- Of those transferring funds, 11% wanted more personalized advisory services, especially FERS and late careerists.

One Thing Departing Participants Would Change (Free Text)

If you could change one thing about the TSP, what would you change?



Note: Only categories greater than 4% shown.



Key Takeaways

- 40% of departing participants leaving comments said they would not change anything about the TSP.
- Wanting more investment options and higher returns was the next most frequently requested change (11%).

Questions

