



Federal Retirement Thrift Investment Board

**2014 ANNUAL REPORT ON
FINANCIAL LITERACY EFFORTS**

April 9, 2015

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Introduction

The Thrift Savings Plan (TSP) Open Elections Act of 2004 contains the following requirement:

REPORT ON FINANCIAL LITERACY EFFORTS. The Board shall annually report to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform in the House of Representatives on its Thrift Savings Plan education efforts on behalf of plan participants. Pub. L. 108-469, §2, 118 Stat. 3891, 3892

In 2014, financial literacy initiatives undertaken by the Federal Retirement Thrift Investment Board (the Board) included a large number of print products, web-based offerings, and in-person training sessions for employees and agency representatives.

Financial literacy and numeracy are critical elements of retirement readiness. To that end, we are committed to delivering compelling messaging that encourages participants to save for retirement; to educate, communicate, and interact with participants to help them make smart choices; and to deliver innovative products and programs to assist participants in achieving their retirement goals.

Take FIVE for Your Future and FLEC

For Financial Literacy Month in April, the TSP released the Take FIVE for Your Future campaign. It encouraged Federal civilian employees younger than 45 to increase their retirement contributions with a simple message: Contribute at least 5% to get the full match from your agency. Choose from 5 funds. Make changes in 5 minutes.

We sent two separate mailers to FERS participants who were contributing less than 5%: a brief postcard for those younger than 35 and a longer leaflet for those aged 35-44. We also developed a special website that used high-impact graphics and innovative design to follow a sample young employee as he in-



TAKE **FIVE** FOR YOUR FUTURE

created his retirement savings. We created a YouTube video, which we featured prominently on the microsite and the TSP homepage, and wrote weekly blogs on a popular government networking site. We used other social media (Twitter, employee websites, and human resources list-servs) to further promote our outreach.

We also worked with the Financial Literacy and Education Commission's (FLEC) Early Career Committee to help improve financial education among Federal employees. The group helped distribute the Take FIVE campaign by sharing it on MyMoney.gov. Our Executive Director spoke at the FLEC's public meeting in October, we met with FLEC representatives in December to discuss data from our annual reports.



Transfers/Rollover Education

In October 2014, we put together a mini-campaign educating participants about transfers into the TSP. For the first time, our fall poster for both agencies and services focused on the benefits of rolling eligible money into the TSP in a low-text, highly graphic format. More than 10,000 copies of the poster were distributed to agencies. We also used the image in the October Highlights newsletter, which went to 700,000 participants. The newsletter article included a miniature version of the poster image and provided additional background about transfers into the Plan. We added the forms for requesting a transfer to the “Top Forms” section of our website. We also created a website banner, made the necessary forms easier to find on our website, and increased related tweets during the month. Following our campaign, we saw a record-setting increase in transfers into the Plan. December roll-ins set an all-time record of \$135 million, an almost 70% increase over the monthly average for January – November.

New Videos Released

The Cost of Taking a TSP Loan

Five Tips for Completing Your TSP Requests Correctly. The First Time.

47, 736 VIEWS

Other Videos

Take 5 For Your Future	48,246 VIEWS
Investing In Bonds	13,799 VIEWS
Combine and Save	26,471 VIEWS

Your TSP Investment Options

The C Fund: 6,013 VIEWS	The S Fund: 4,604 VIEWS
The I Fund: 4,360 VIEWS	The F Fund: 4,701 VIEWS
The G Fund: 5,827 VIEWS	The L Funds: 5,456 VIEWS

Targeted Mailings

In 2014, we began inserting special leaflets into the annual statement package mailed to participants. This was an inexpensive way to provide relevant education to participants without having to pay for separate postage. In February 2014 these included

- a new targeted leaflet to active uniformed services members younger than 35, encouraging them to think long-term about their savings and tell friends to sign up as well;
- a leaflet participants aged 59 and older highlighting our low fees and warning against outside institutions enticing them away with “expensive funds and confusing choices” ; and
- a leaflet to separated participants explaining the benefits of leaving their money in the TSP.

Uniformed Services Outreach

Expanded Military Presence

At the end of 2013, we had a relationship with a single military website (MilitarySaves.com). We have now expanded our network to include 15 print and online military publications that have agreed to publish our content on a regular basis, with a potential of more than 510,000 impressions each month. This year we have used this network to distribute critical information to service members. Topics have included reasons to contribute to the TSP despite having a military pension, details on how to start or change TSP contributions, and how participants can update their addresses in myPay.

In 2014, we worked with the Office of the Secretary of Defense on a TSP-related podcast for Military OneSource, DOD’s information resource for service members and their families. We also developed a relationship with the American Forces Radio and Television Service (AFRTS). Since then, 10 TSP-related public service announcements (called “hot spots”) have run on AFRTS channels, reaching 1.4 million people in 160 countries. Segments have highlighted the benefits of staying with the TSP after separation, the basics of investing, the importance of a long-term strategy, and more. We continue to work

Uniformed Services Outreach cont'd

with AFRTS to suggest new topics every 4-6 weeks. During Military Saves Week, we shared our videos and conducted webinars, conference calls and provided training with military financial counselors.

Mandatory Re-enrollment

We also worked closely with the Defense Finance and Accounting Service (DFAS) to publicize the mandatory re-enrollment in Roth TSP. In October 2014, we learned that more than 130,000 military service members were at risk of having Roth TSP contributions terminated when a new DFAS process took effect in January 2015. In addition to updating the TSP enrollment form to account for this new process, we spent a significant amount of time educating participants about the change. We created urgent messages on our website, added information to the quarterly and annual statements of those who were affected, drafted an item for *Highlights*, tweeted about the change, and wrote a series of articles for military publications that were shared thousands of times. This outreach had a significant impact on DFAS retention efforts.

Uniformed Services Poster:

You signed up to SERVE. Now sign up to SAVE.



One-to-One Participant Communications

Participant Correspondence

We offer participants various ways to submit written inquiries to the TSP. This year, the secure e-messaging feature enjoyed a modest increase in utilization over the prior year.

47,130

Personalized responses from Written Correspondence

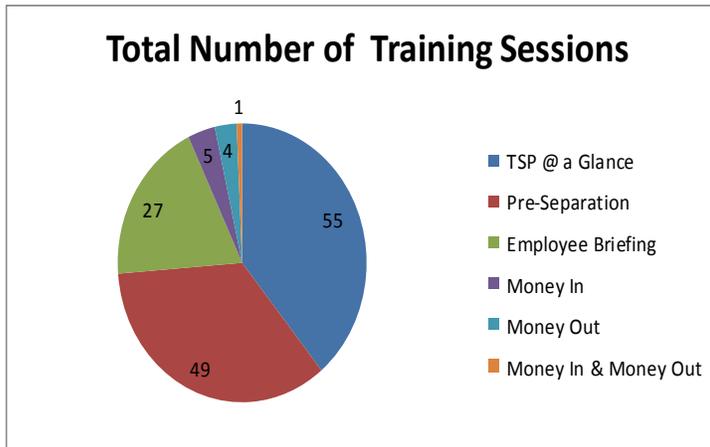
54,602

Personalized messages via Secure E-message

In-Person Agency Representative Training/ Employee Briefings

By law (5 U.S.C. § 8350) the Office of Personnel Management (OPM) is required to operate a training program for retirement counselors in employing agencies. This requirement ensures that employees are able to obtain current information and a level of personal service in response to their retirement-related questions. Since 1987, we have worked jointly with OPM to sustain a network of TSP agency representatives within the retirement counselor community. The TSP agency representatives receive training and stay current by attending specialized TSP training sessions. In 2014, 349 agency representatives attended a total of 22 training sessions held at the Board and led by the TSP training staff.

In-Person Agency Representative Training/ Employee Briefings cont'd



We provide training sessions free to employing agencies and services to educate participants on the TSP. These sessions address all participants at any point in their career. A total of 27,266 employees attended the sessions either in person or remotely via webinar, conference call, or video teleconference.

We also set up TSP exhibits at conferences, financial fairs, and open season events for civilian employees and members of the uniformed services. In 2014, we participated in 14 such events, enabling our staff members to “talk TSP” with more than 4,840 attendees.

We collaborated with OPM to present 2 webcasts, which have received more than 5,750 views, and produce 2 TSP sessions for OPM’s virtual “Festival of Training”. We also worked with OPM on our separation notice statements.