

For: FAS, RMA, and FSA Employees

Thrift Savings Plan Open Season

Approved by: Deputy Administrator, Management



1 Overview

A

Purpose

This notice announces the Thrift Savings Plan (TSP) open season, being held from May 15, 2002, through July 31, 2002.

During the TSP open season, employees may start, change, or stop contributions to their TSP account.

2 Eligibility

A

Employees Eligible to Participate

The following employees are eligible to participate in TSP:

- employees in a retirement covered position
- employees who stopped their TSP contributions during the previous open season and want to restart contributions this open season
- employees who stopped their TSP contributions outside of an open season before November 15, 2001, and want to restart contributions this open season.

Continued on the next page

<p>Disposal Date</p> <p>September 1, 2002</p>	<p>Distribution</p> <p>All FAS, RMA, and FSA employees; State Offices relay to County Offices</p>
--	--

Notice PM-2304

2 Eligibility (Continued)

B

Agency Contributions and Matching Funds

Employees covered by the Federal Employees' Retirement System (FERS) and the Foreign Service Pension System (FSPS) are eligible to receive an automatic agency 1 percent and agency matching contributions effective July 14, 2002, if:

- first hired before January 1, 2002
- **not** previously eligible to receive agency contributions.

The automatic agency 1 percent will be contributed to the employee's TSP account whether or not the employee contributes.

Note: Employees, who were previously eligible to receive agency contributions, are not required to serve another waiting period to receive agency contributions.

If the FERS/FSPS employee is contributing, he or she will receive agency matching contributions to their TSP account at the rate of a dollar for a dollar for the first 3 percent and 50 cents on the dollar for the next 2 percent. Civil Service Retirement System (CSRS) and Foreign Service Retirement and Disability System (FSRDS) employees are not eligible for agency contributions.

C

Contribution Limits

The amount of TSP contributions which may be contributed each pay period must be specified as a whole percentage of basic pay or a whole dollar amount. If a dollar amount is specified, this amount cannot exceed the maximum percentage amount allowed as follows.

FERS/FSPS Limit	CSRS Limit
12 %	07 %

Note: The maximum contribution amount will increase by 1 percent each year through the year 2005, at which time it is scheduled to be lifted entirely.

D

IRS Elective Deferral Limit

The total amount that an employee may contribute to TSP each year will continue to be capped by the IRS elective deferral limit. The elective deferral **limit for 2002 is \$11,000**. The TSP system will not process a contribution which will cause the total amount of an employee's total contributions for the year to exceed the elective deferral limit.

Continued on the next page

2 Eligibility (Continued)

E

Investment Funds

Eligible employees may invest all or any portion of their future TSP contributions in any of the following 5 investment funds:

- C Fund, Common Stock Index Investment Fund
- G Fund, Government Securities Investment Fund
- F Fund, Fixed Income Index Investment Fund
- S Fund, Small Capitalization Stock Index Investment Fund
- I Fund, International Stock Index Investment Fund.

Allocation of contributions among the 5 investment funds can be made in 1 percent increments. Increments must total 100 percent of contribution amount.

To allocate contributions among the 5 investment funds, employees should:

- access the TSP Thriftline, 504-255-8777, using their TSP PIN
- use the TSP Website, www.tsp.gov, using their TSP PIN
- complete and mail TSP-50 to TSP.

Note: This must be an original TSP-50.

A change in the allocation of future contributions is no longer an open season change and may be done at anytime using 1 of the above methods.

F

Employees Not Contributing to TSP

FERS/FSPS employees who are not contributing to TSP, but are receiving the agency automatic 1 percent contribution, may invest all or any portion of the agency automatic 1 percent contribution in any of the 5 investment funds.

Notice PM-2304

3 Materials

A

Open Season Materials

Employees interested in TSP can request the following materials from their servicing personnel office.

- TSP-1, Thrift Savings Plan Election Form
- TSP Open Season Update Booklet
- TSP-3, Thrift Savings Plan Designation of Beneficiary Form
- TSP-50, Investment Allocation.

Notes: NFC provides all eligible employees with the Update Booklet in their earnings and leave statement.

Current participants seeking additional information about TSP may obtain TSPBK-08, Summary of the Thrift Savings Plan, from their servicing personnel office.

B

TSP Information on the Internet

TSP forms, publications, and monthly rates of returns are available on the internet at <http://www.tsp.gov>.

4 Making an Election

A

How to Make Open Season Election or Change

Employees who want to make an election or change contribution amounts shall:

- obtain TSP-1, revised May 2001, from the TSP website or their servicing personnel office
- submit completed TSP-1 to their servicing personnel office by July 31, 2002
- process change by July 31, 2002, using Employee Express, if available.

If either Netscape Navigator or Microsoft Internet Explorer is used, Employee Express may be accessed through the internet at: www.employeeexpress.gov.

Note: To change allocations of contributions, see subparagraph 2 E.

Notice PM-2304

5 Effective Dates and Processing Procedures

A

Effective Dates of Election

Following are the effective dates of open season elections.

IF TSP-1 is received in the servicing personnel office...	THEN the effective date is...
before July 13, 2002	July 14, 2002, Pay Period 14.
after July 14, 2002, but before July 27, 2002	July 28, 2002, Pay Period 15.
after July 28, 2002, but before August 1, 2002	August 11, 2002, Pay Period 16.

TSP-1's received to cancel contributions will become effective the last day of the pay period in which the servicing personnel office receives TSP-1.

B

Overseas Employees' TSP Open Season Elections

To ensure that overseas employees' elections are received in a timely manner, either of the following methods may be used.

- The following information from TSP-1 may be forwarded to HRD, Domestic Operations Branch (DOB), Services Unit, by cable:
 - name and Social Security number
 - total whole percentage of pay or whole dollar amount that will be contributed each pay period.
- FAX a copy of TSP-1 to HRD, DOB at 202-418-9129.

Employees shall also mail the original TSP-1 to HRD at the following address:

FSA HRD DOB SERVICES UNIT STOP 0594
1400 INDEPENDENCE AVE SW
WASHINGTON DC 0250-0594

Continued on the next page

Notice PM-2304

5 Effective Dates and Processing Procedures (Continued)

C

Monthly Rates of Returns

See Exhibit 1 for the monthly rates of return for the 5 investment funds over the last 12 months.

6 Contacts

A

National Office Contacts

National Office employees shall contact the appropriate office according to this table for information.

IF employee needs to...	THEN...
<ul style="list-style-type: none">• obtain TSP forms• obtain a plan summary booklet	<ul style="list-style-type: none">• go to Room 0086-South• go to Room 5700 L Street• download form from the internet @ www.tsp.gov• contact the Services Unit at 418-9135 or 418-9136.
verify TSP election	contact the Services Unit.
submit TSP-1	<ul style="list-style-type: none">• place in HRD mailbox in Room 0419-South• mail to STOP 0594• deliver to Room 5700, L Street• contact the Services Unit.
obtain policy information or guidance	<ul style="list-style-type: none">• go to Room 5700, L Street• contact the Performance Management, Benefits, and Awards Branch (PMBAB) at 418-9021

Continued on the next page

Notice PM-2304

6 Contacts (Continued)

B

Field Contacts

Field Office employees shall contact the appropriate office according to this table for additional information.

Location	Contact
<ul style="list-style-type: none">• Kansas City FSA Complex• APFO• St. Louis Office• RMA Kansas City	Servicing Personnel Clerk, Processing Section, Personnel Division at 816-926-6225
<ul style="list-style-type: none">• RMA Regional Service and Compliance Offices• FAS Overseas	Darla Hensley, HRD/PMBAB, at 202-418-9021 Susan Brown, HRD/PMBAB at 202-418-9039
State Office	State Office, Administrative Office
County Office	State Office

Thrift Savings Plan Fact Sheet



THRIFT SAVINGS PLAN FACT SHEET

G, F, C, S, and I Fund Monthly Returns

April 5, 2002

Months	G Fund*	F Fund*	C Fund*	S Fund**	I Fund**
1997 (Jan. - Dec.)	6.8%	9.6%	33.2%	25.7%	1.5%
1998 (Jan. - Dec.)	5.7%	8.7%	28.4%	8.6%	20.1%
1999 (Jan. - Dec.)	6.0%	(.8%)	21.0%	35.5%	26.7%
2000 (Jan. - Dec.)	6.4%	11.7%	(9.1%)	(15.8%)	(14.2%)
2001 (Jan. - Dec.)	5.4%	8.6%	(11.9%)	(9.0%)	(21.9%)
2001					
April	.4%	(.4%)	7.8%	10.6%	6.9%
May	.5	.6	.7	1.4	(4.1)
June	.5	.4	(2.4)	.7	(4.0)
July	.5	2.2	(1.0)	(4.1)	(1.8)
August	.5	1.2	(6.3)	(4.3)	(2.6)
September	.4	1.1	(8.0)	(12.5)	(9.9)
October	.4	2.1	1.9	5.1	2.5
November	.4	(1.4)	7.6	7.8	3.6
December	.4	(.6)	.9	5.3	.5
2002					
January	.4	.8	(1.5)	(2.0)	(5.3)
February	.4	1.0	(1.9)	(2.6)	0.7
March	.4	(1.7)	3.7	6.8	5.8
Last 12 Months	5.4%	5.5%	.1%	10.2%	(8.8%)

Percentages in () are negative.

*The G Fund (Government Securities Investment Fund) is invested in special issues of U.S. Treasury securities. The F Fund (Fixed Income Index Investment Fund) is invested in the Barclays U.S. Debt Index Fund, which tracks the Lehman Brothers U.S. Aggregate bond index. The C Fund (Common Stock Index Investment Fund) is invested in the Barclays Equity Index Fund, which tracks the S&P 500 stock index.

**The S Fund (Small Capitalization Stock Index Investment Fund) is invested in the Barclays Extended Market Index Fund, which tracks the Wilshire 4500 stock index. The I Fund (International Stock Index Investment Fund) is invested in the Barclays EAFE Index Fund, which tracks the EAFE (Europe, Australasia, Far East) stock index. The S and I Funds were implemented in May 2001. The returns shown reflect the actual performance of the S and I Funds for May 2001 and subsequent months. For the period before May 2001, the S and I Fund returns reflect the performance of the Wilshire 4500 and EAFE indexes (without deduction of any administrative expenses, trading costs, or investment management fees), respectively.

Except as discussed above regarding the period before the implementation of the S and I Funds, the monthly returns represent net earnings for the month after deduction of accrued administrative expenses, and, in the cases of the F, C, S, and I Funds, after deduction of trading costs and accrued investment management fees.

Future performance of the funds will vary and may be significantly different from the returns shown above. See the *Summary of the Thrift Savings Plan for Federal Employees* for detailed information.

Federal Retirement Thrift Investment Board