

For: FAS, FSA, and RMA Employees

Announcing Thrift Savings Plan (TSP) Open Season

Approved by: Deputy Administrator, Management



1 Overview

A Background

During the Thrift Savings Plan (TSP) open season, eligible employees may start, stop, increase, or decrease amount of contributions to their TSP account.

B Purpose

This notice announces the Open Season, being held from October 15, 2003, through December 31, 2003. It also announces new contribution and elective deferral limits that apply to TSP.

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
- employees who stopped their TSP contributions outside of an open season before June 15, 2003, and want restart contributions.

Disposal Date	Distribution
June 1, 2004	All FFAS employees; State Offices relay to County Offices

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 beginning December 14, 2003, if first hired before June 1, 2003, and not previously eligible to receive Agency contributions.

Note: Employees who were previously eligible to receive Agency contributions are not required to serve another waiting period to receive Agency contributions but should receive them immediately upon entry to a retirement covered position.

If FERS/FSPS employees elect to contribute, they will receive matching contributions at the rate of a dollar for dollar for the first 3 percent of their contribution and 50 cents on each dollar for the next 2 percent. Eligible employees will receive the automatic Agency 1 percent regardless of whether they contribute to TSP.

Civil Service Retirement System (CSRS) and Foreign Service Retirement and Disability System (FSRDS) covered employees are not eligible for Agency contributions.

C Contribution Limits

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

FERS/FSPS Limit	CSRS/FSRDS Limit
14 percent	09 percent

Note: Employees age 50 and over who wish to make TSP catch-up contributions for tax year 2004 (up to \$3,000) **must be** contributing either the TSP limit above or a dollar amount which will result in them reaching the elective deferral limit in subparagraph D.

D Internal Revenue Service (IRS) Elective Deferral Limit

The total amount that an employee may elect in regular TSP contributions each year is capped by an IRS elective deferral limit. The elective deferral limit for tax year 2004 is \$13,000. The TSP system **will not** process a contribution that will cause the total amount of regular TSP contributions to exceed the elective deferral limit for the tax year.

However, employees eligible for catch-up contributions may elect to contribute up to an additional \$3,000 in tax year 2004. Tax year 2004 begins with salary for pay period 25 of leave year 2003.

2 Eligibility (Continued)

E TSP 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 may be made in 1 percent increments. See TSP Summary Booklet for more information on the investment funds.

F How to Allocate Investment Funds

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

- access the TSP Thriftline, 504-255-8777, using their TSP PIN
- use the TSP website, <http://www.tsp.gov>, using their TSP PIN
- complete an original TSP-50 (copies are **not** accepted) and mail directly to TSP.

A change in the allocation of future contributions may be done at anytime using 1 of the methods in this subparagraph. Use of the TSP website is the most efficient way and highly encouraged.

G 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 using 1 of the methods in subparagraph F.

3 Materials

A Open Season Materials

Employees interested in more information about TSP may request the following materials from the servicing personnel office (SPO) or download them from TSP website at www.tsp.gov.

- TSP-1, TSP Election Form
- TSP-3, TSP Designation of Beneficiary
- TSP-50, TSP Investment Allocation
- TSPBK08, Summary of the TSP for Federal Employees
- TSP Open Season Update

Note: NFC provides all eligible employee with the Open Season update in their Earnings and Leave Statement.

4 Making an Election

A Making an Open Season Election or Change

To make a TSP election or change in contribution amount, employees are encouraged to process TSP-1 through the Employee Express System (EEExpress) with their EEExpress PIN by doing 1 of the following:

- using Netscape Navigator or Internet Explorer, logon to: www.employeeexpress.gov
- using a touch-tone telephone at 912-727-3086 or 1-800-827-6291
- completing and submitting TSP-1 to SPO.

Note: If processing change using Employee Express, TSP-1 should not be sent to SPO and a confirmation of transaction will be given through e-mail.

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5 Effective Dates and Monthly Rates

A Effective Date of Election

Following are the effective dates of open season elections.

IF TSP-1 is entered into Employee Express or received in SPO...	THEN the effective date is...
before December 13, 2003	December 14, 2003 (Pay Period 25)
after December 14, 2003, but before December 27, 2003	December 28, 2003 (Pay Period 26)
after December 28, 2003, but before January 1, 2004	January 11, 2004 (Pay Period 1/2004)

TSP-1's submitted to cancel contributions are effective the last day of the pay period in which the employee enters it in Employee Express or SPO receives it.

Note: Withholdings beginning with salary for pay period 25 applies to tax year 2004.

B Monthly Rates of Return

For the latest month's rates of return on the 5 investment funds, employee should visit the TSP website at www.tsp.gov and click on "Rates of Return".

6 **Contacts**

A National Office Contacts

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

IF employee needs to...	THEN...
obtain TSP forms or publications	<ul style="list-style-type: none"> • download from the internet at www.tsp.gov • go to Room 0086-So Bldg. • go to Room 5700A, L St. • contact HRD, DOB, Services Unit at 202-418-9135 or 202-418-9136.
verify TSP election processed	<ul style="list-style-type: none"> • review your leave and earnings statement for the effective pay period • check NFC Personal Page • contact HRD, DOB, Services Unit at 202-418-9135 or 202-418-9136.
obtain policy information or guidance about TSP	<ul style="list-style-type: none"> • contact HRD, Performance Management, Benefits, and Awards Branch (PMBAB) at 202-418-9021 • go to Room 5700A, L Street • visit TSP's website at www.tsp.gov

B Field Office Contacts

Other Federal and County Office employees shall contact the appropriate office, according to the following table for additional information.

Location	Contact
<ul style="list-style-type: none"> • Kansas City FSA Complex • RMA Kansas City Offices • St. Louis Office 	HRD, Processing Section, servicing personnel clerk at 816-926-6225
<ul style="list-style-type: none"> • RMA Regional Service and Compliance Offices (except Kansas City) • FAS Overseas Posts 	Darla Henlsey, HRD, PMBAB at 202-418-9021 Susan Brown, HRD, PMBAB at 202-418-9039
State Office	State Office, Administrative Office
County Office	State Office, Administrative Office