

NOW & LATER

Federal Retirement Thrift
Investment Board

Lauryn joins the military.

TSP NOW —

Lauryn is told . . . well, we don't really know what Lauryn is told. Different services say different things about the TSP. Not all of them are encouraging.



TSP LATER —

Lauryn is contacted directly by the TSP and is told she can start a uniformed services TSP account, but she has to take action. She gets information about unique benefits for uniformed services members.



Lauryn leaves the military and takes a private-sector job.

TSP NOW

Lauryn receives a TSP notice that informs her of her options, including keeping her money right where it is.



TSP LATER

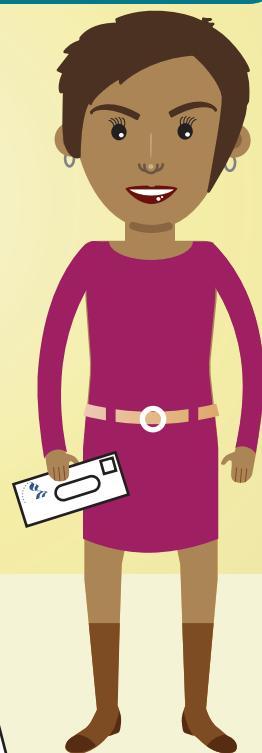
The TSP contacts Lauryn by phone or e-mail to make sure she understands her options.



After one year, Lauryn joins the Federal service.

TSP NOW —

Lauryn's automatically enrolled in the TSP and has 3% taken from her salary. She also receives a welcome letter from the TSP, which includes information about roll-ins.



TSP LATER —

In addition to what happens in the “now,” Lauryn also gets a personal contact from the TSP asking if she has any questions and informing her that she can combine her account with her military account.



EMAIL FROM TSP

Dear Lauryn,

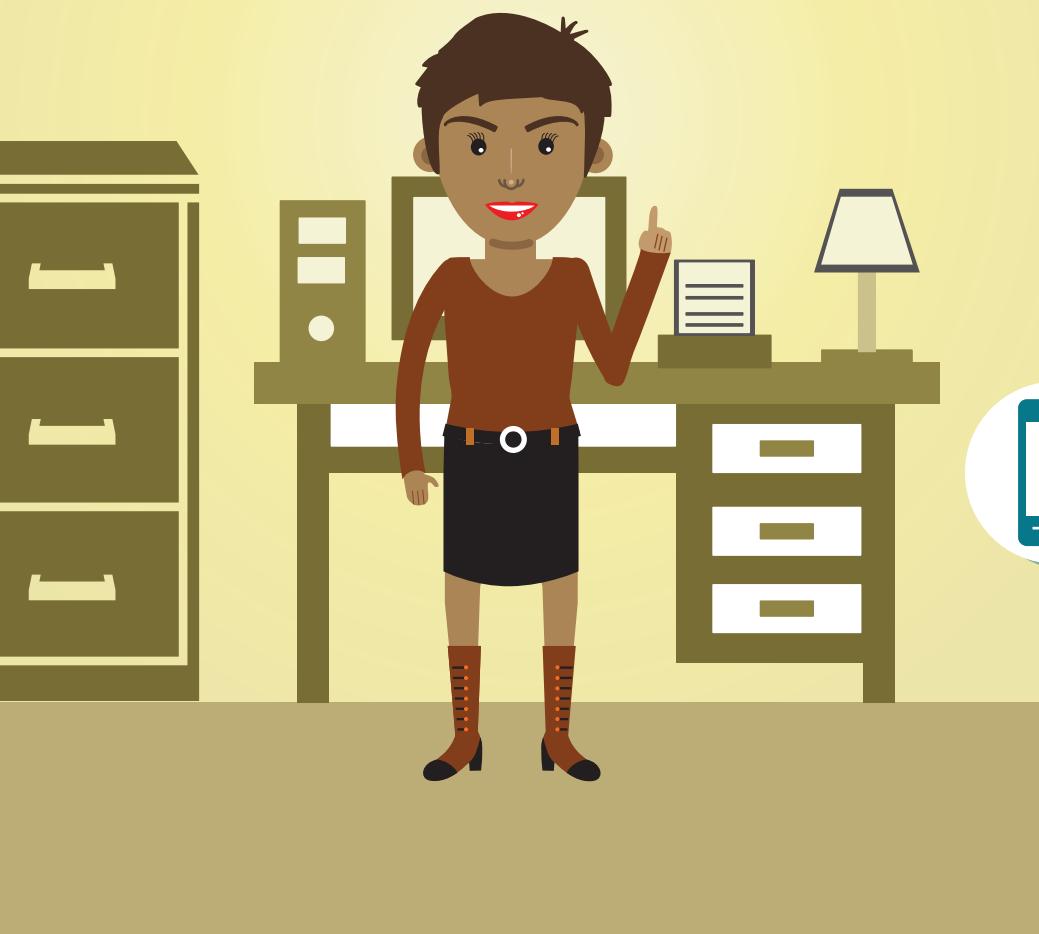
Welcome to the TSP. If you have any questions, please feel free to contact me.



It's Lauryn's one-year anniversary at her Federal job.

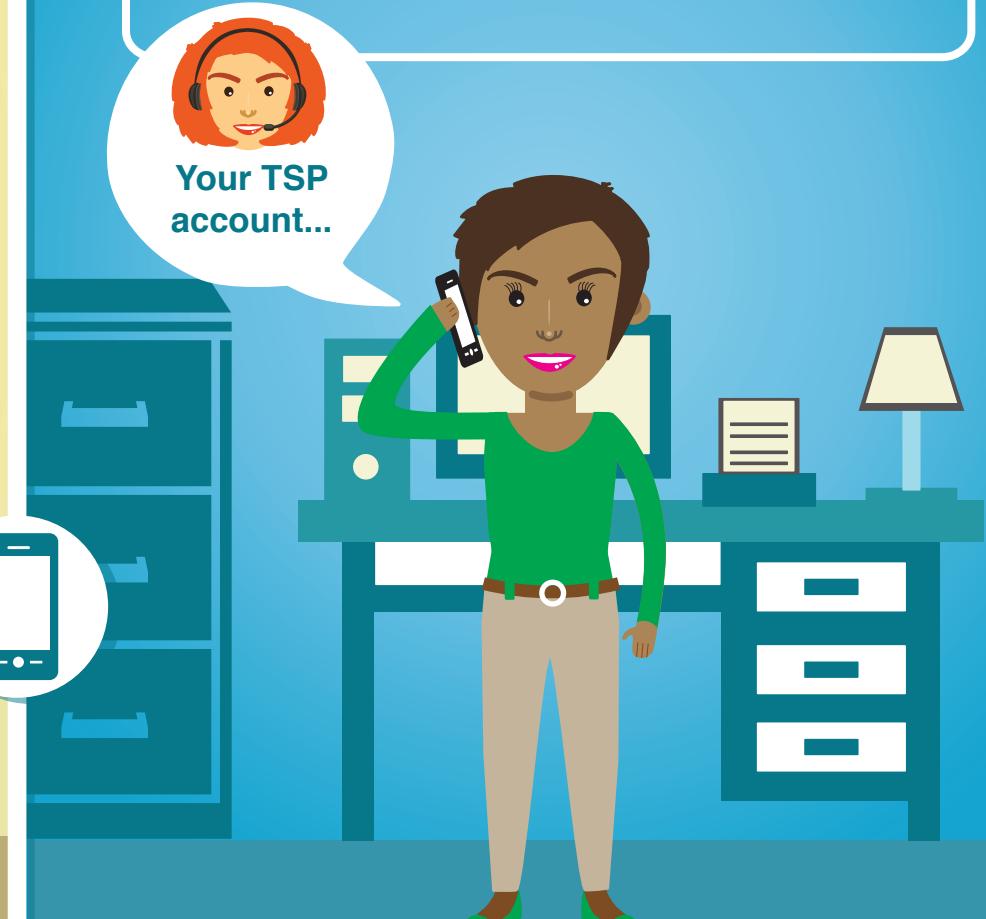
TSP NOW —

Nothing happens.



TSP LATER —

Lauryn gets a phone call from the TSP reminding her about her TSP account now that she's settled into the job.



Lauryn gets called up for active duty.

TSP NOW —

Lauryn doesn't hear from the TSP and is unaware of several benefits of making contributions out of her basic pay.



TSP LATER —

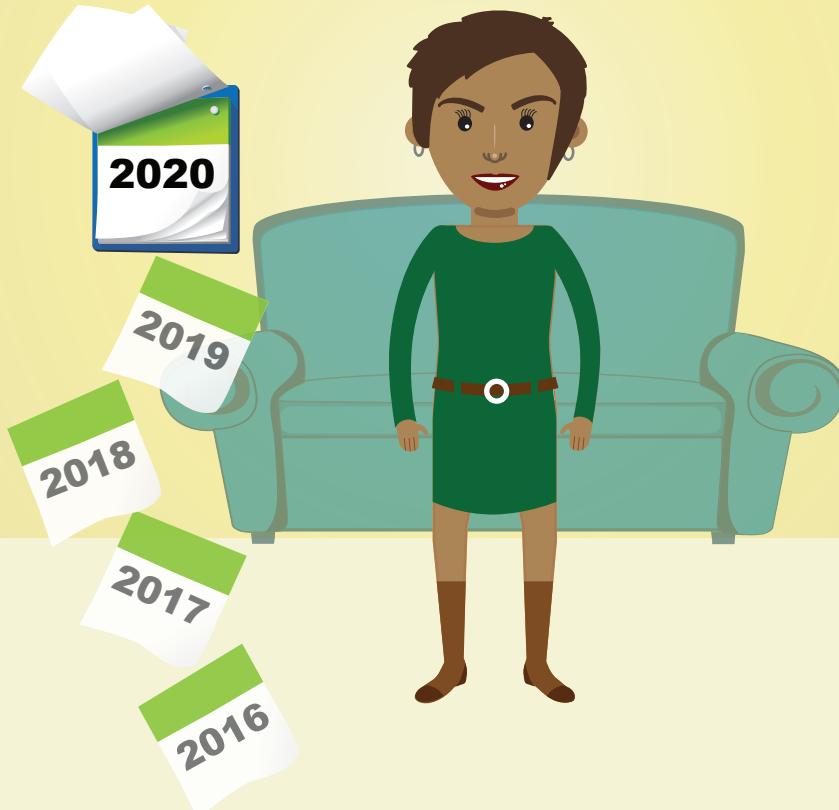
The TSP contacts Lauryn and reminds her that contributions of her basic pay will be retroactively matched by her federal employer, along with other useful information.



**After returning from her deployment,
Lauryn gets back to her busy routine;
retirement isn't a high priority.**

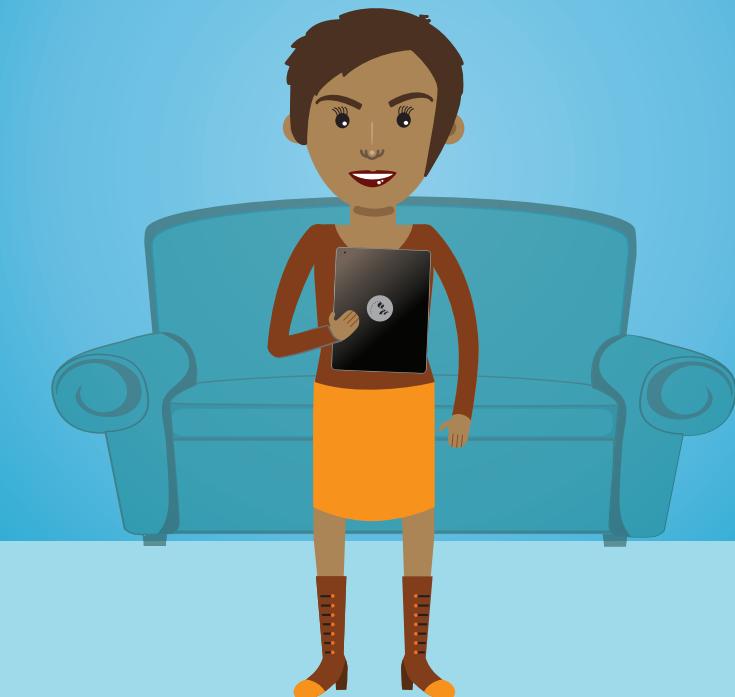
TSP NOW —

When Lauryn takes no action on her TSP account for five years... nothing happens.



TSP LATER —

When Lauryn takes no action on her TSP account for five years, the TSP contacts her to check in.



EMAIL FROM TSP

Dear Lauryn,

Our records indicate that there has not been any activity with your account for the last 5 years...

Lauryn hears her co-workers talking about how well their TSP accounts are doing. She calls the ThriftLine to see how she's doing.

TSP NOW

The PSR tells Lauryn her account balance and how it's allocated among the TSP funds.



TSP LATER

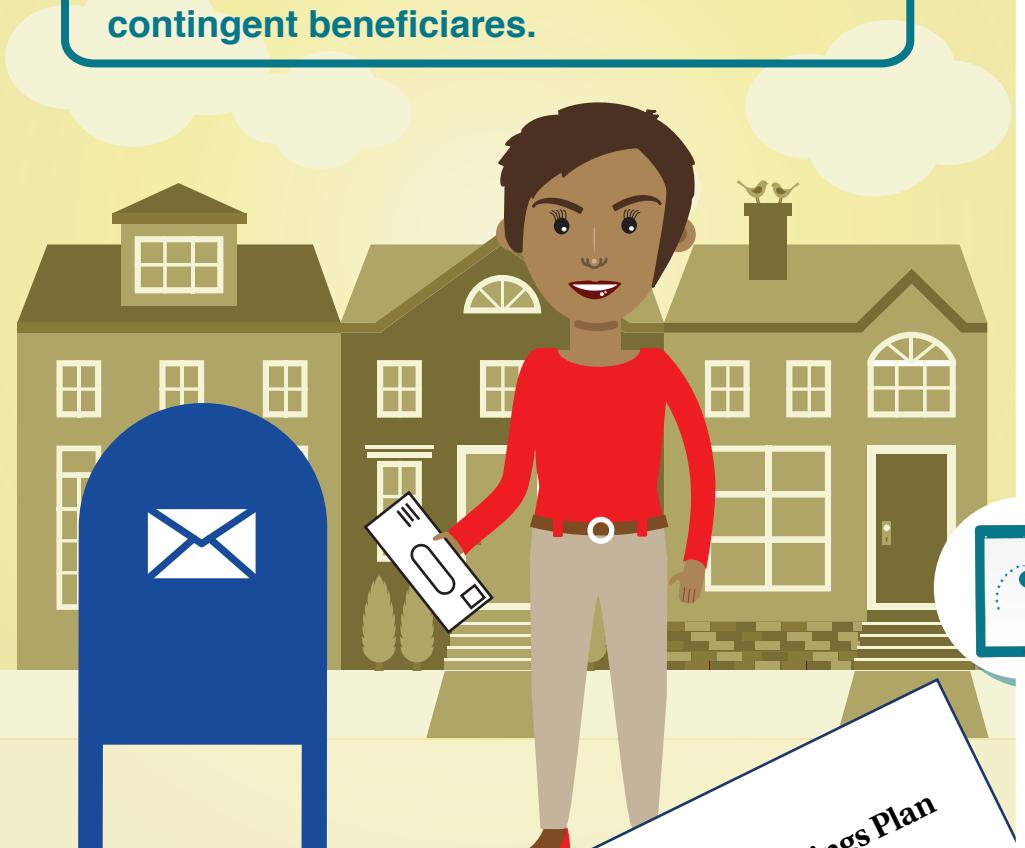
The PSR engages Lauryn in conversation about her retirement goals, goes over what her retirement prospects look like now, and provides some constructive advice about what Lauryn might do to meet her goals.



Lauryn gets married. Her husband has two kids!

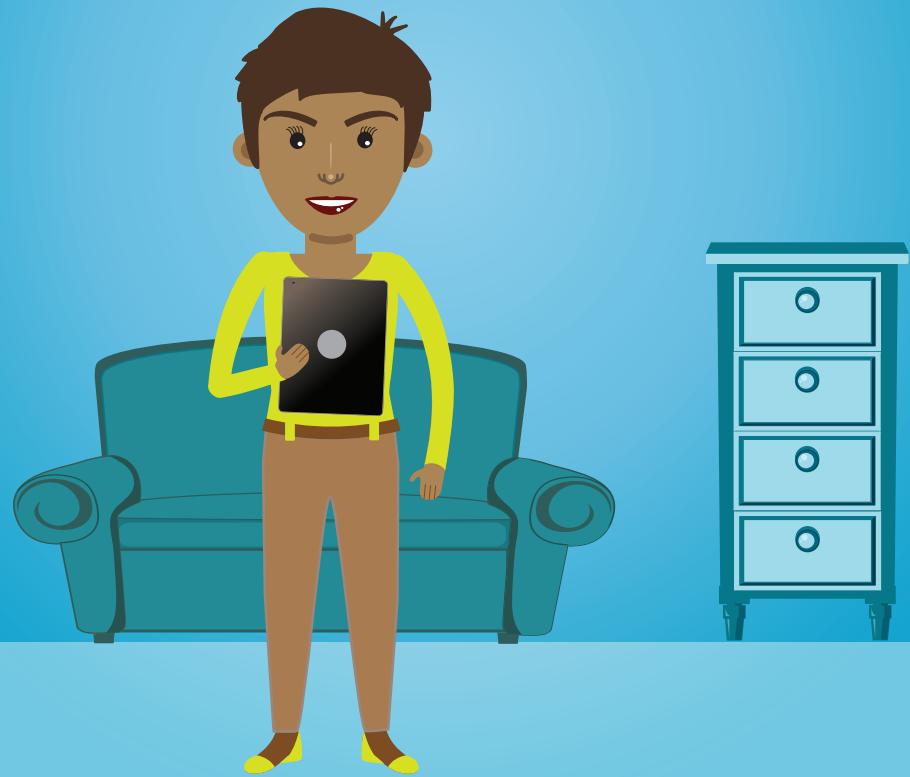
TSP NOW

Lauryn searches the website and calls the ThriftLine and finds she needs to fill out a paper form, witnessed by two people, and mail or fax it in to make her stepchildren contingent beneficiaries.



TSP LATER

Lauryn goes to the website and designates her beneficiaries online.



Lauryn's husband has lost his job. She decides to take a hardship withdrawal from her TSP account.

TSP NOW

Lauryn bypasses the cautions on the TSP website and downloads, completes, and submits Form TSP-76. Her contributions are suspended until she takes action; without follow-up by the TSP, years go by before she again begins contributing.



follow-up by
before she
again.

TSP LATER

When Lauryn tries to apply for the withdrawal online, a message pops up asking if she's aware of the consequences and if she would like to chat online with an advisor. The advisor discusses the option of loan instead. Also, six months later she is re-enrolled automatically.



Online Chat
Hello...



TSP CHAT



Hello,
Would you like to chat with a TSP
advisor about taking a hardship
withdrawal?

The stock market slumps. Though still in her 30s, Lauryn gets nervous and calls the ThriftLine to transfer funds and re-route future contributions to the G Fund.

TSP NOW

Lauryn completes an interfund transfer and a contribution allocation online.



TSP LATER

When Lauryn tries to make these transactions, a conversation box pops up asking if she'd like to chat with an advisor.



TSP CHAT

Hello,
Would you like
to chat with a
TSP advisor?

Lauryn takes a job at another Federal agency.

TSP NOW

Lauryn doesn't hear from the TSP.



TSP LATER

Lauryn gets a personal contact from the TSP recommending that an exciting change like a new job is a great opportunity to review her TSP account and ensure she's making the right decisions to plan for the retirement she wants. Is she invested in the appropriate funds? Is she getting the full match? Is her address still the same?



Federal workers' salaries are frozen again.

TSP NOW

Lauryn decreases her contribution rate to 4% with her agency's payroll department; the TSP is not aware and takes no action.



Payroll
Office

TSP LATER

Lauryn starts to decrease her contribution rate on tsp.gov; a pop-up warns her that by going below 5% she'll be leaving free money on the table. Six months later she gets a personal contact from the TSP, asking whether she's ready to reinstate her previous contribution rate.



TSP.GOV



TSP CHAT

Hello,
Are you aware that
going below 5%
could result in
leaving free money
on the table?



Lauryn gets a raise and is doing great, so she increases her contribution rate!

TSP NOW

In November, Lauryn realizes she frontloaded her contributions, so she's going to miss out on matching contributions from her agency.



TSP LATER

In April, Lauryn receives an e-mail from the TSP informing her that at her current contribution rate, she'll miss out on matching contributions once she reaches the annual limit.



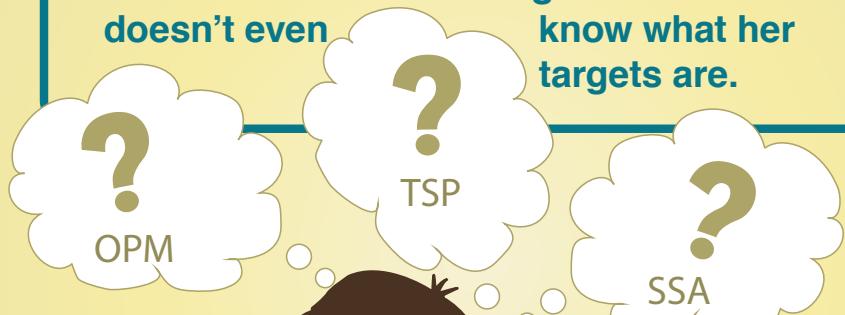
EMAIL FROM TSP

Dear Lauryn,
Did you know that at your current TSP contribution rate, you may miss out on matching contributions?

**Lauryn's best friend just retired at 59 years old.
Lauryn's not yet 50, but she wonders
if she's on track to do the same.**

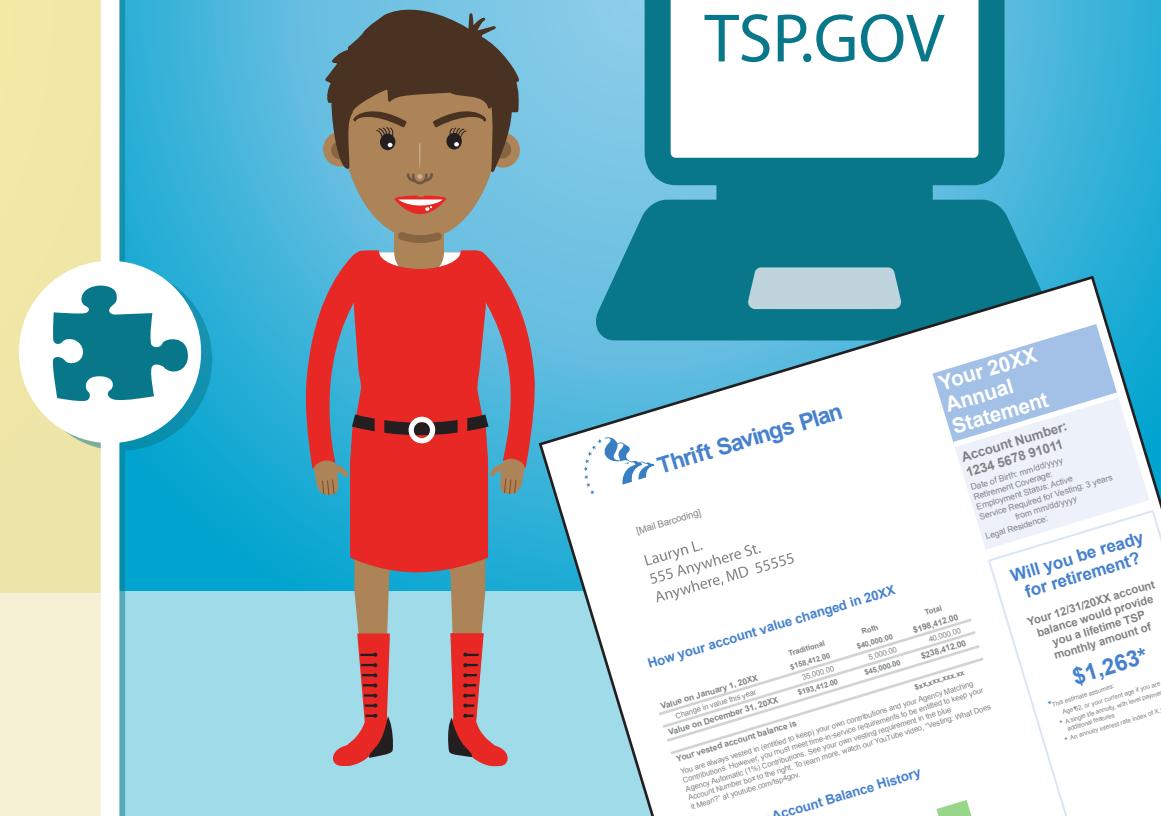
TSP NOW

Lauryn has to go to the Social Security website, the OPM website, and tsp.gov and somehow cobble it all together. But she doesn't even know what her targets are.



TSP LATER

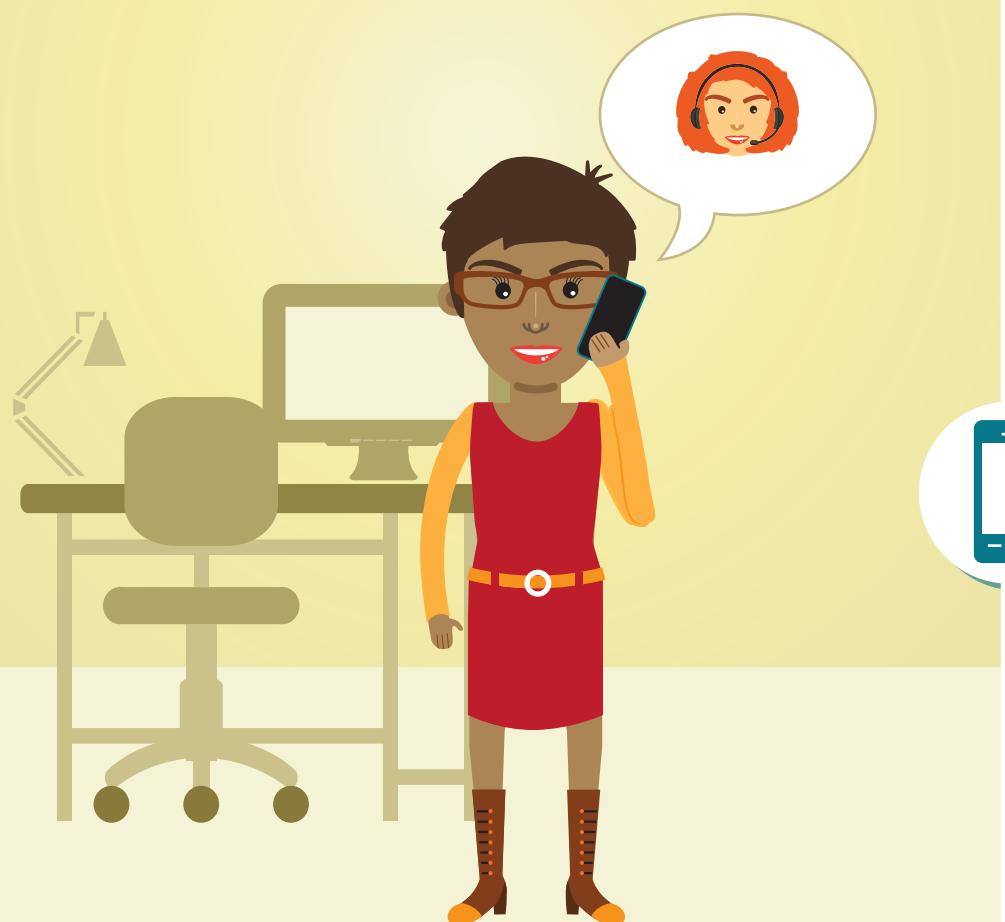
Lauryn can get the big picture all in one place in her statements from the TSP and through more integrated calculators on tsp.gov and other resources.



Lauryn has forgotten her password.

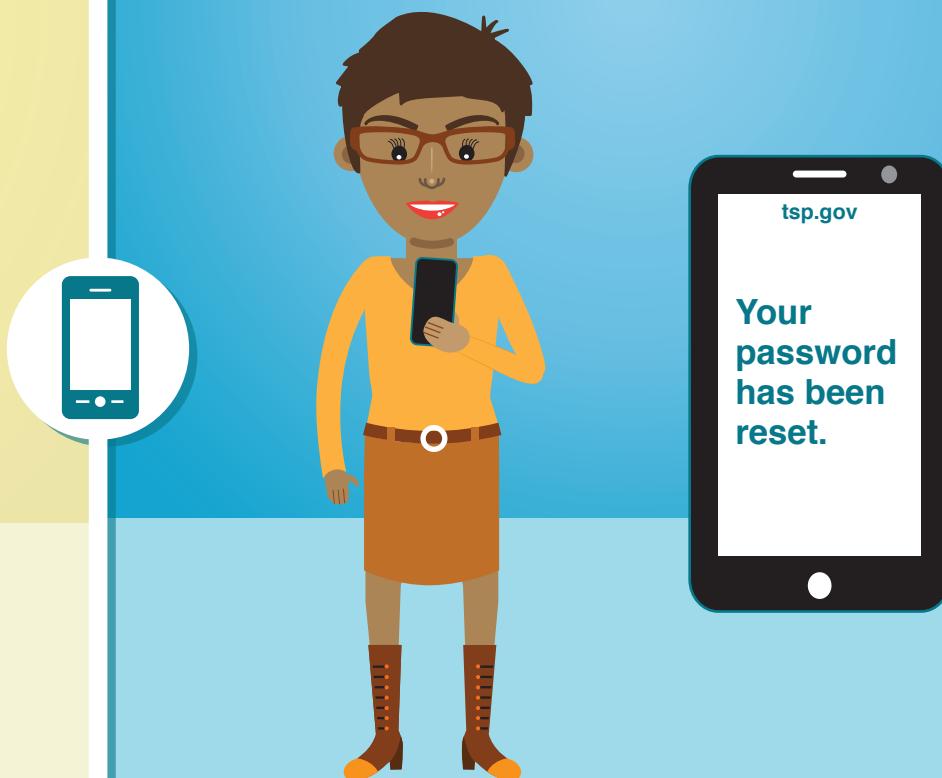
TSP NOW —

Lauryn has to call the ThriftLine, provide some identifying information, receive a temporary password, and then set a new password.



TSP LATER —

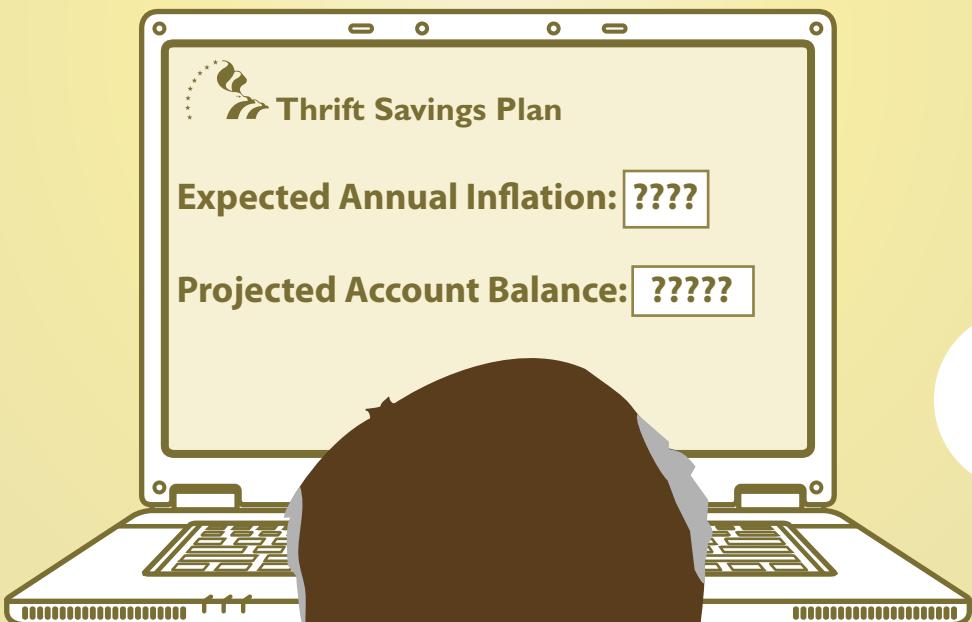
Lauryn can update her password online, after establishing her identity. Here Lauryn does it using her smart phone.



Lauryn sees a brokerage company's TV ad for its online calculator and goes to [tsp.gov](#) to see if the TSP has one.

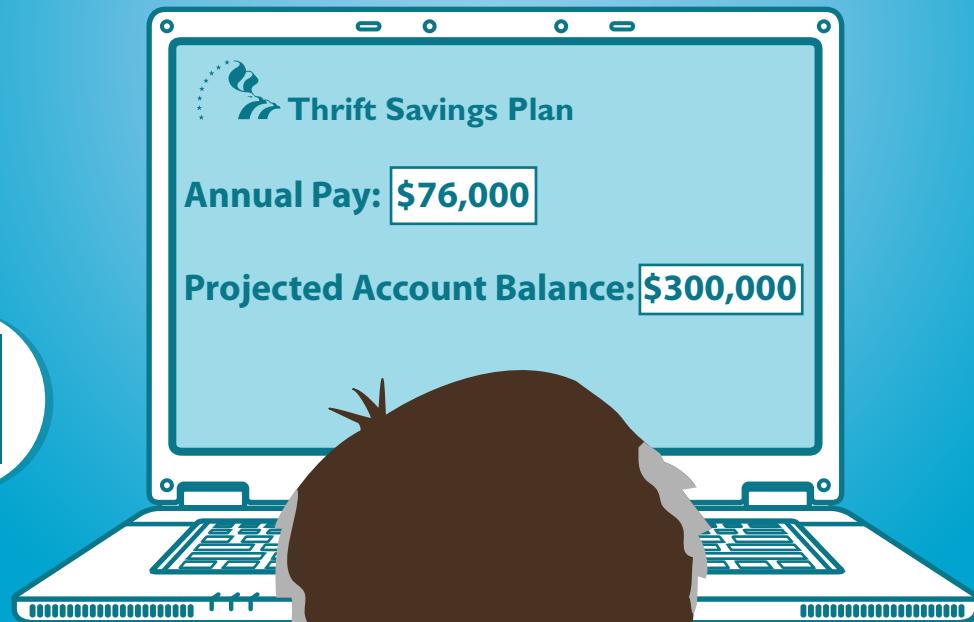
TSP NOW —

On the How Much Will My Savings Grow calculator, Lauryn has to fill in all of her information and then gets stumped when asked to make guesses on things like expected rate of return, how long she expects to live, and what the inflation rate will be.



TSP LATER —

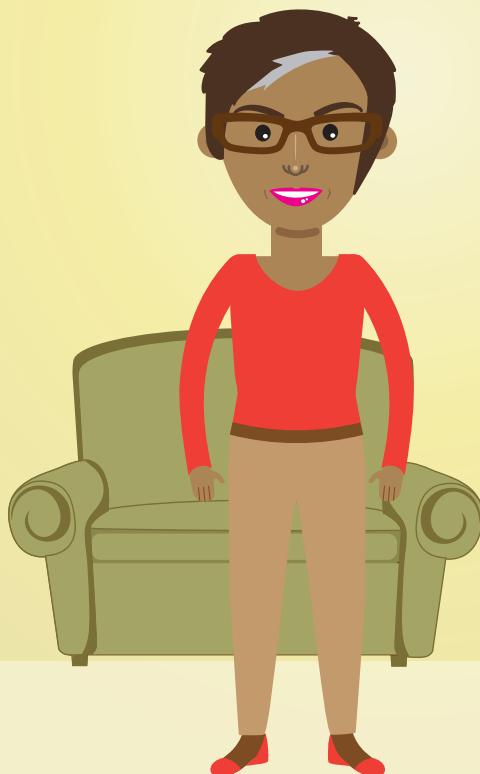
The online advice service at [tsp.gov](#) uses sophisticated analysis to project future account values to help her make more educated choices.



Lauryn will turn
50 next year!

TSP NOW

Lauryn doesn't hear from the TSP.



TSP LATER



The TSP reminds Lauryn that
next year she can start making
catch-up contributions.



EMAIL FROM TSP

Dear Lauryn,

Next year, you will be able to
make catch-up contributions...

**Lauryn's granddaughter teaches her to use Twitter.
Now Lauryn wants to use social media
as much as possible.**

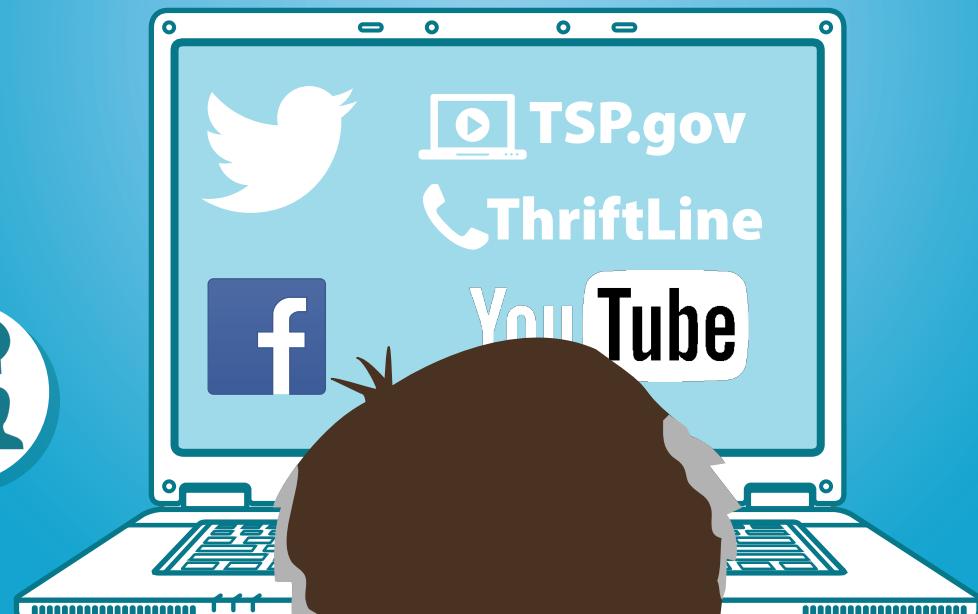
TSP NOW —

Lauryn can follow the TSP on Twitter.



TSP LATER —

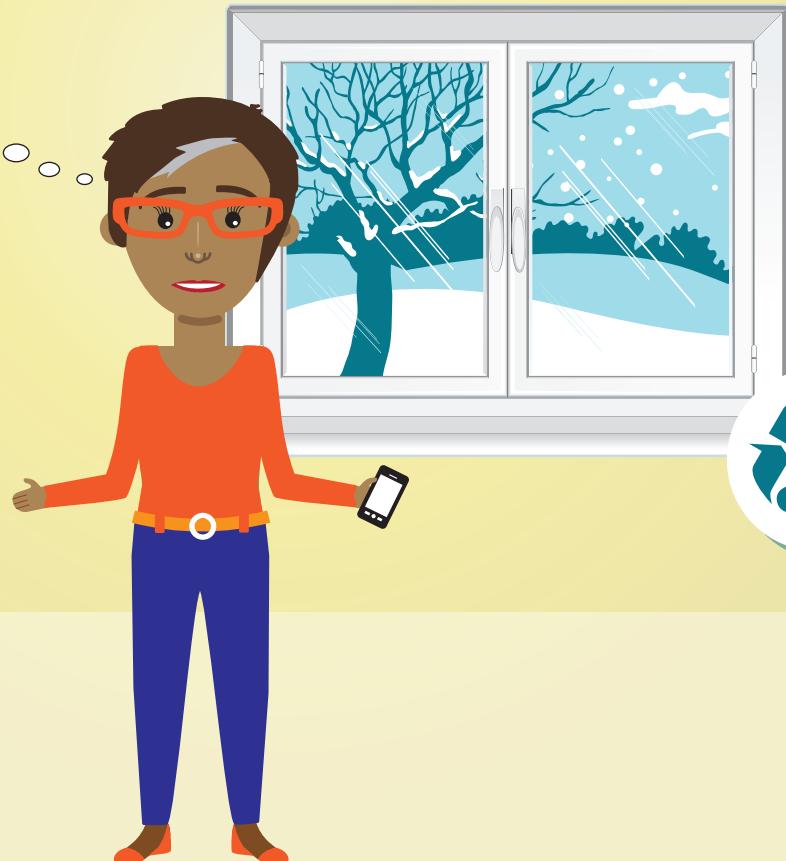
In addition to using Twitter, Lauryn can also follow the TSP on Facebook and other social media networks. She receives the TSP RSS feed and a monthly e-newsletter.



Lauryn is becoming increasingly concerned about the environment and wants to invest in companies that are trying to protect it.

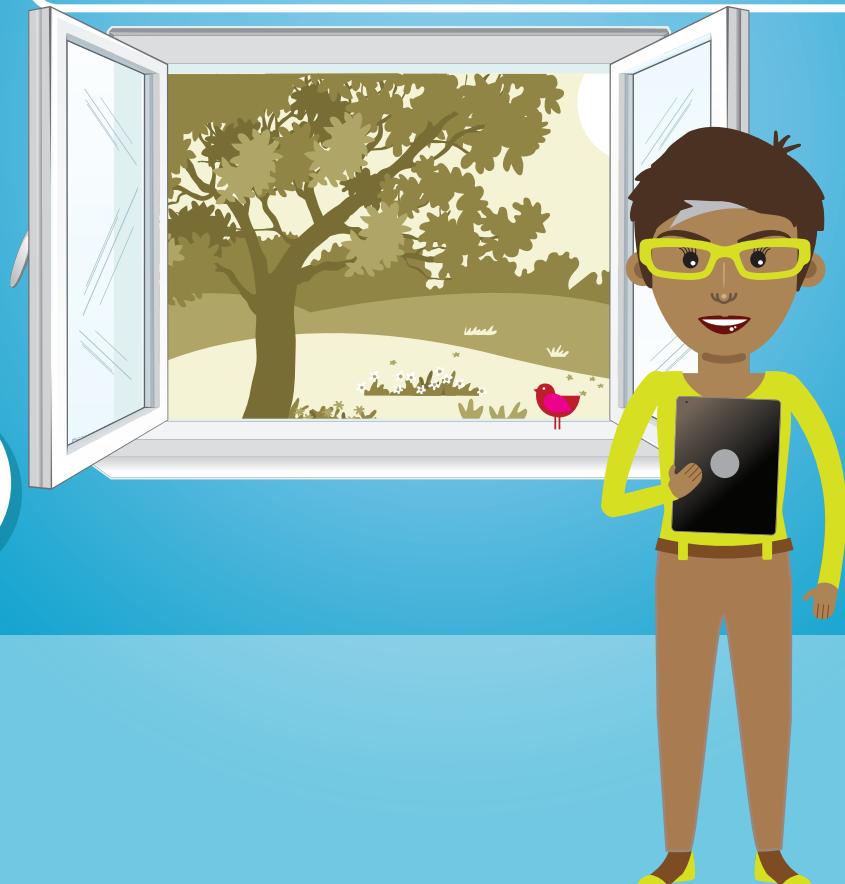
TSP NOW

Lauryn's investment options with her TSP account are limited to index funds that invest in many companies. Because she can't choose to include or exclude specific companies from her portfolio, Lauren plans to roll her TSP account into an IRA with mutual fund options when she retires.



TSP LATER

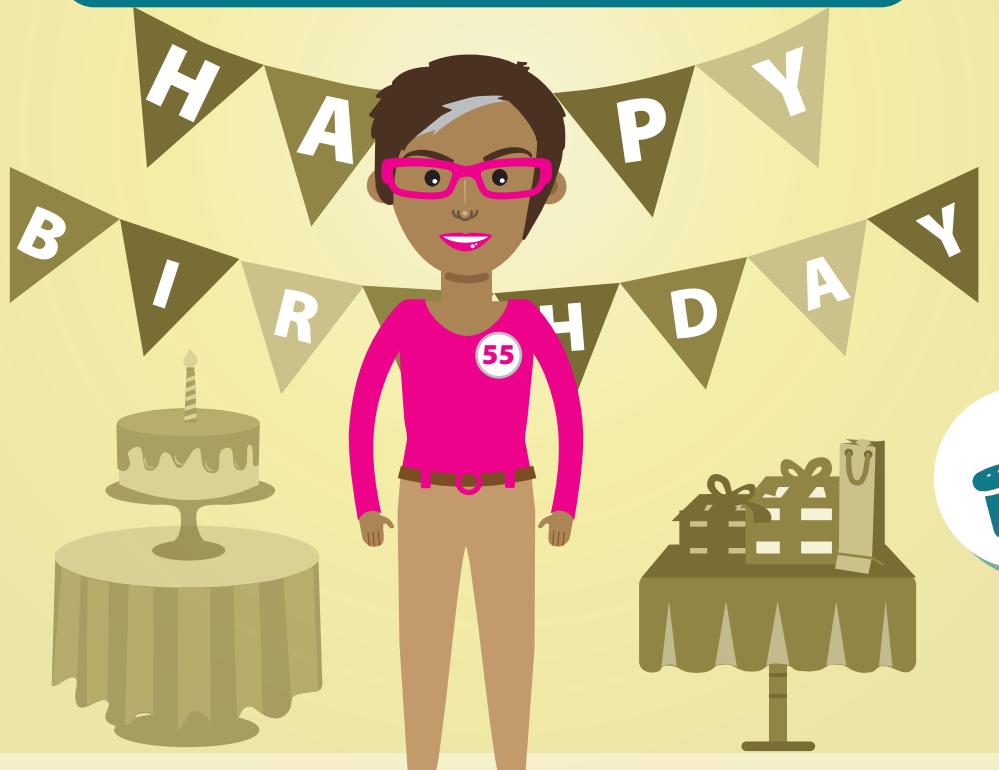
Through the TSP mutual fund window, Lauryn has many more investment options available to her, including mutual funds specifically designed to invest in companies seeking to protect the environment.



Lauryn's turning 55!

TSP NOW

Lauryn doesn't hear from the TSP.



TSP LATER

Lauryn gets an e-mail or call asking if she has any questions now that she's reached an age at which people often start to think seriously about retirement.



The TSP tweets about rolling IRAs and employer-sponsored plans into TSP accounts. Lauryn reads it, watches the online video, and wants to roll in her 401(k) from her old private-sector job.

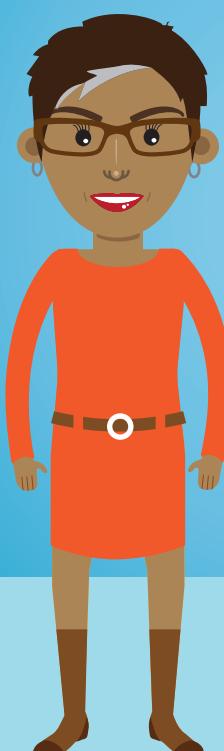
TSP NOW —

Lauryn discovers that she has to do all the legwork on this, including contacting her old plan's sponsor. It seems like too much work and she loses interest.



TSP LATER —

Lauryn tells the TSP she wants her 401(k) rolled in and the TSP does the work for her.



EMAIL FROM TSP

Dear Lauryn,
Your IRA roll-in is being processed. You will receive a consolidated packet...

Lauryn's turning 59!

TSP NOW

Nothing happens.



TSP LATER

The TSP contacts Lauryn to make sure she's aware that she can leave her funds in her TSP account and that TSP costs are very low.



Lauryn is retiring!

TSP NOW



The TSP mails Lauryn a separation notice, which explains that she doesn't have to do anything until she's 70½.



Notice from the TSP:
Dear Lauryn,
Now that you are retiring
from Federal Service, ...

TSP LATER



The TSP contacts Lauryn to explain her options and see if she would like to speak with an advisor.



EMAIL FROM TSP

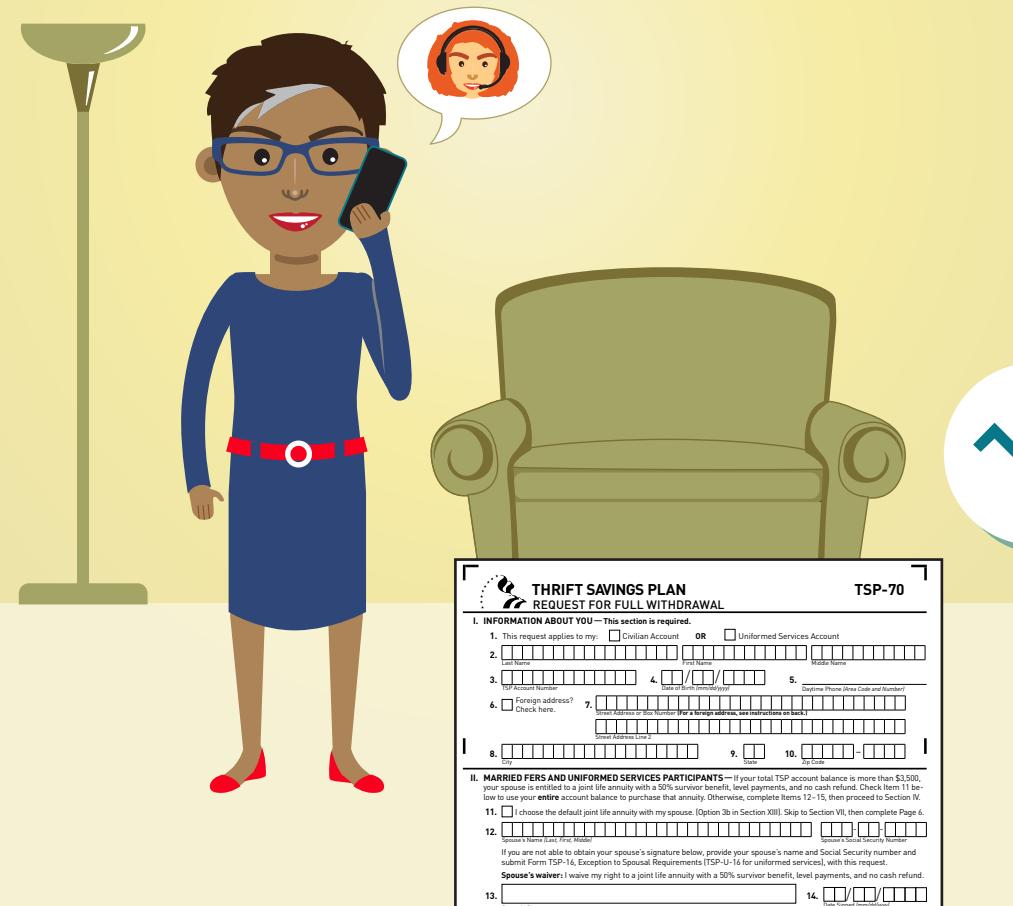
Dear Lauryn,

There are benefits to receiving monthly payments...

Lauryn is called by a broker who convinces her to roll her TSP account into an IRA when she retires.

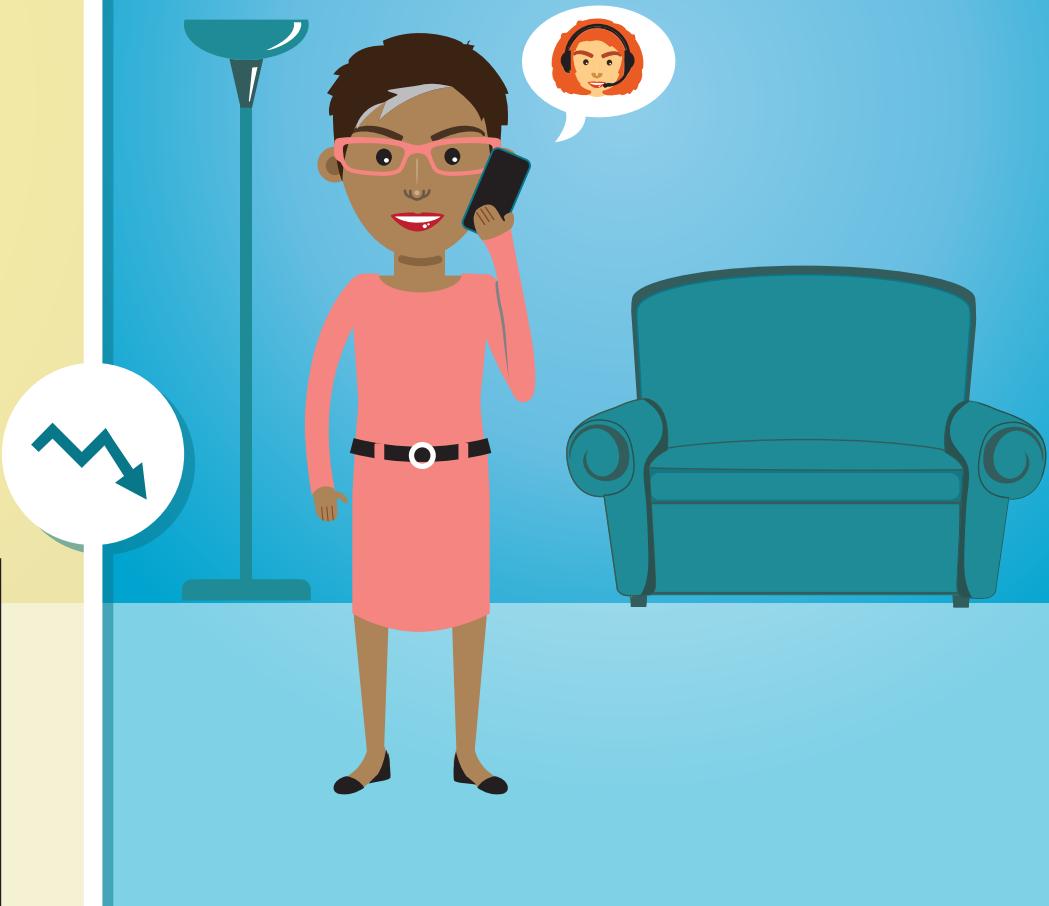
TSP NOW

Lauryn calls the ThriftLine; the PSR explains how to do the rollover. The PSR mentions the TSP's low fees and that she doesn't need to withdraw anything until she's 70½, but doesn't stress it.



TSP LATER

Lauryn calls the ThriftLine; the PSR actively and more conversationally explains that she doesn't have to begin to take her money out of the TSP until she's 70½ and that the TSP fees are extraordinarily low.



Lauryn's furnace needs to be replaced. She hasn't taken any distributions yet and she wants to take a partial withdrawal.

TSP NOW

Lauryn goes to the online wizard and completes a form that must be notarized.



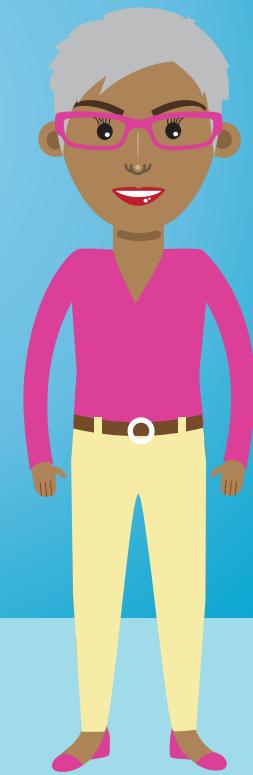
A photograph of a "THRIFT SAVINGS PLAN REQUEST FOR PARTIAL WITHDRAWAL WHEN SEPARATED" form, specifically version TSP-77. The form is titled "I. INFORMATION ABOUT YOU" and includes sections for "CIVILIAN ACCOUNT" and "UNIFORMED SERVICES ACCOUNT". It also has fields for "Social Security Number", "Address", "Phone Number", and "Email Address". Section II is titled "PARTIAL WITHDRAWAL REQUEST" and asks for the amount to be withdrawn. Section III is titled "DIRECT DEPOSIT INFORMATION" and discusses direct deposit options. Section IV is titled "ADDITIONAL TAX WITHHOLDING" and provides instructions for tax withholding. At the bottom, there is a section for "SIGNATURE AND NOTARIZATION" where the form must be signed and notarized.

TSP LATER

Lauryn goes to the online wizard. A message appears on her screen asking her if she might want to chat online or talk on the phone before making this important life decision.



TSP.GOV



TSP CHAT

Hello,
Would you like to chat with
the TSP about making this
important life decision?



Lauryn's turning 70!

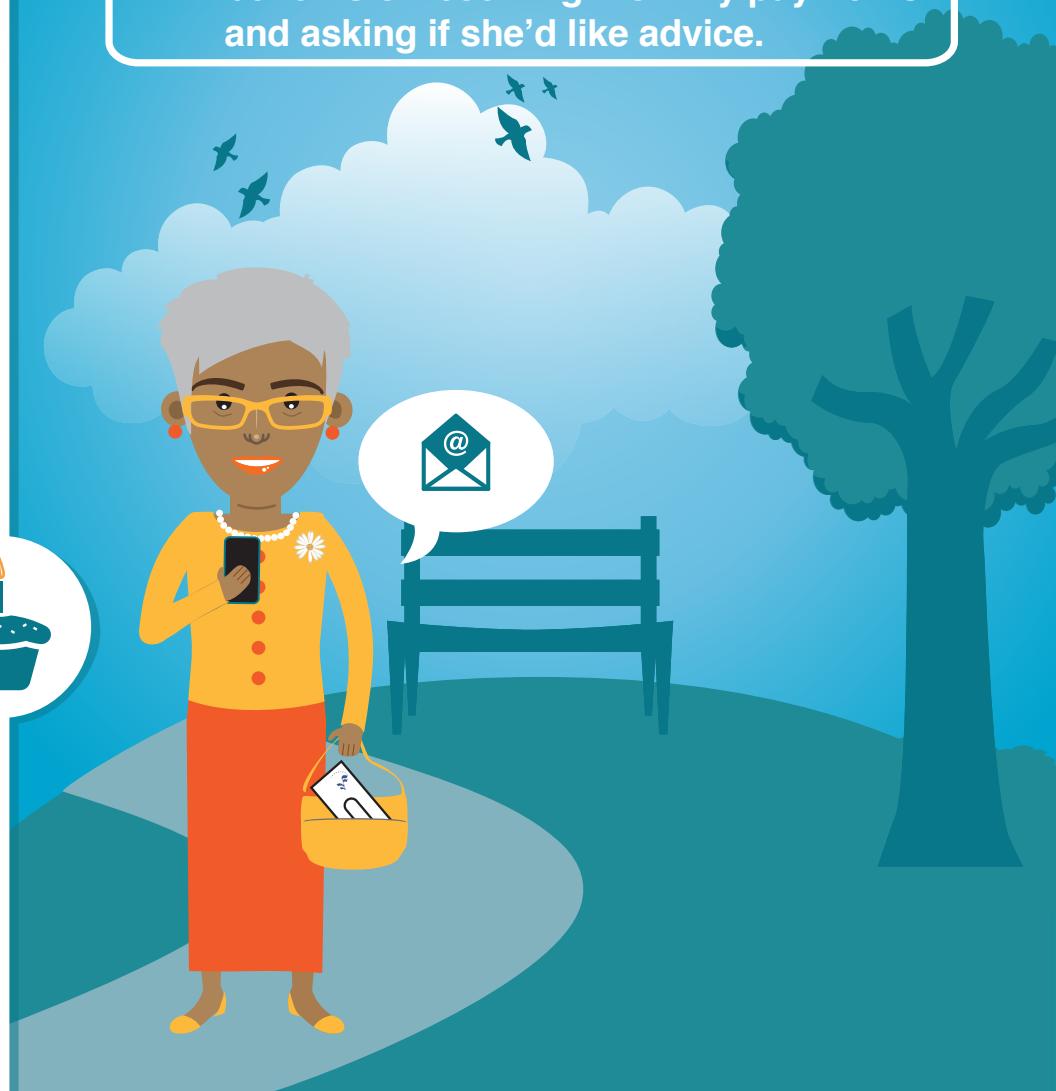
TSP NOW

Lauryn receives an informational leaflet from the TSP.



TSP LATER

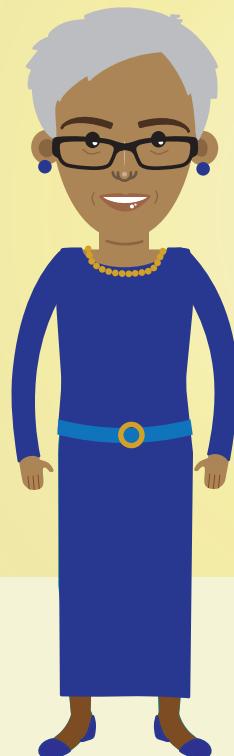
In addition to getting the leaflet, Lauryn also gets a call or e-mail explaining the benefits of receiving monthly payments and asking if she'd like advice.



Lauryn's monthly check gets lost in the mail and she wants to avoid that happening again.

TSP NOW —

Lauryn goes to the website to switch to direct deposit but finds it can't be done online. She has to download a form, complete it, get it notarized, and mail or fax it in.



TSP LATER —

Lauryn completes the process easily online.



Lauryn wants to pay for some of her granddaughter's college tuition by taking a partial withdrawal.

TSP NOW

Lauryn's not allowed to do this since she's already taken a withdrawal for her furnace.



A photograph of a "THRIFT SAVINGS PLAN REQUEST FOR PARTIAL WITHDRAWAL WHEN SEPARATED TSP-77" form. The form is a white document with various sections and checkboxes, including "INFORMATION ABOUT YOU", "PARTIAL WITHDRAWAL REQUEST", "DIRECT DEPOSIT INFORMATION", and "ADDITIONAL TAX WITHHOLDING". It also includes instructions and a signature line at the bottom.

TSP LATER

Multiple partial withdrawals are allowed.



TSP CHAT



Hello,
Would you like to chat with the TSP about making this important life decision?

Lauryn lives a long and happy life.

Bucket List

- Work for a Federal Agency
- Invest in the TSP
- Retire With Dignity!

