

For: FAS, FSA, and RMA Employees

Announcing Thrift Savings Plan (TSP) Open Season

Approved by: Deputy Administrator, Management



1 Overview

A Background

During the TSP open season, eligible employees may start, stop, increase, or decrease amount of contributions to the TSP account.

B Purpose

This notice announces the open season, being held April 15, 2005, through June 30, 2005.

Note: This is the **final** TSP open season.

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 TSP contributions during the previous open season and want to restart contributions
- employees who stopped TSP contributions outside of an open season before October 15, 2004, and want to restart contributions.

Disposal Date	Distribution
July 1, 2005	All FFAS employees; State Offices relay to County Offices

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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 June 12, 2005, if the employee was:

- first hired before October 15, 2004
- **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 dollar for dollar on the first 3 percent of contributions and 50 cents on each dollar for the next 2 percent. Eligible employees will receive the automatic Agency 1 percent whether or not 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
15 percent	10 percent

Note: Employees age 50 and over that want to make TSP catch-up contributions for tax year 2005 (up to \$4,000) **must be** contributing either the TSP limit shown in this subparagraph or a dollar amount that will result in reaching the elective deferral limit described 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 2005 is \$14,000. 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.

Employees eligible for catch-up contributions may elect to contribute up to an additional \$4,000 in tax year 2005. Tax year 2005 withholdings begin with the salary for pay period 25 of leave year 2004 and **will end** with pay period 24 of leave year 2005.

2 Eligibility (Continued)

E TSP Investment Funds

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

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

Allocation of contributions among the 5 investment funds may be made in 1 percent increments. See TSPBK08, Summary of the Thrift Savings Plan for Federal Employees, 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 toll-free thriftline at 1-877-968-3778, using their TSP personal ID number (PIN)
- use the TSP Web site at <http://www.tsp.gov>, using their TSP PIN
- complete an original TSP-50 (copies are **not** accepted) and mail directly to TSP at:

TSP Service Office
National Finance Center
P.O. Box 61500
New Orleans, LA 70161-1500.

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 Web site 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.

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3 Materials and Making Elections

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 the TSP Web site at www.tsp.gov:

- TSP-1, Thrift Savings Plan Election Form
- TSP-3, Thrift Savings Plan Designation of Beneficiary
- TSP-50, Thrift Savings Plan Investment Allocation (**original only, copies not accepted**)
- TSPBK08, Summary of the Thrift Savings Plan for Federal Employees
- TSP open season update.

Note: NFC provides all eligible employees with the open season update in the Statement of Earnings and Leave.

B Making an Open Season Election or Change

To make a TSP election or change in contribution amount, either:

- logon to the NFC Employee Personal Page (NFC-EPP) at <http://www.nfc.usda/gov> and use NFC-EPP PIN

Note: Employees are encouraged to process TSP-1 using the Internet.

- complete form TSP-1 and submit to SPO.

Note: If processing changes using NFC-EPP, a TSP-1 should not be sent to SPO.

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4 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 NFC-EPP or received in SPO...	THEN the effective date is...
before June 12, 2005	June 12, 2005 (Pay Period 12).
after June 12, 2005, but before June 26, 2005	June 26, 2005 (Pay Period 13).
after June 26, 2005, but before July 1, 2005	July 10, 2005 (Pay Period 14).

TSP-1's submitted to cancel contributions are effective the last day of the pay period in which they are entered in NFC-EPP or received in SPO.

Note: Effective **July 1, 2005**, TSP **open seasons will be eliminated** and employee can submit TSP enrollments, changes, and cancellations at anytime. The submissions will become effective the following pay period.

B Monthly Rates of Return

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

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5 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, South Building • go to Room 5700A, L Street • contact HRD, DOB, Services Unit at 202-418-9135 or 202-418-9136.
verify that a TSP election has been processed	<ul style="list-style-type: none"> • review the Statement of Earnings and Leave for the effective pay period • check NFC-EPP • 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, PMBAB at 202-418-9021 • go to Room 5700A, L Street • visit TSP's Web site at www.tsp.gov.

B Field Office Contacts

Federal and County Field 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 at 816-926-6225
<ul style="list-style-type: none"> • RMA Regional Service and Compliance Offices (except Kansas City) • FAS Overseas Posts 	Darla Hensley, HRD, PMBAB at 202-418-9021 Susan Brown, HRD, PMBAB at 202-418-9039
State Office	State Office, Administrative Division
County Office	State Office, Administrative Division