



Thrift Savings Plan BULLETIN

for Agency TSP Representatives

Subject: Thrift Savings Plan Open Seasons

Date: September 18, 2002

This bulletin contains general information about Thrift Savings Plan (TSP) open seasons. It describes materials that must be distributed to employees before the start of each open season and provides guidance on publicizing open seasons. Attached to this bulletin is a [sample memorandum](#) agencies may use to announce the open season.

I. Introduction

The TSP open season is the period during which all employees covered by FERS or CSRS¹ may elect to make contributions to the TSP, change the amount they are contributing to the TSP, or terminate their TSP contributions (without losing the right to resume contributions the next open season).

There are two TSP open seasons each year: April 15 through June 30 and October 15 through December 31. The last calendar month of the open season (June or December) is the election period.²

II. Agency Responsibilities

During a TSP open season, agencies must take the following actions:

- A. Distribute open season materials. See Section III below for more information about TSP open season materials and this requirement.

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¹ FERS refers to the Federal Employees' Retirement System, the Foreign Service Pension System, and other Government retirement systems. CSRS refers to the Civil Service Retirement System, including CSRS Offset, the Foreign Service Retirement and Disability System, and other equivalent Government retirement systems.

² As explained in TSP Bulletin 01-4, dated February 2, 2001, an open season election to begin or change TSP contributions may not be made effective before the first full pay period of the election period.

Inquiries: Questions concerning this bulletin should be directed to the Federal Retirement Thrift Investment Board at **202-942-1460**.

Chapter: This bulletin may be filed in Chapter 5, Open Season.

Supersedes: This bulletin supersedes TSP Bulletin 01-16, Thrift Savings Plan Open Seasons, dated April 12, 2001

- B. Notify all employees of the open season. See Section IV for more information about this requirement.
- C. Begin submitting agency contributions to the TSP accounts of FERS employees who become eligible for agency contributions during the relevant election period. See TSP Bulletin 01-4 for more information about this requirement.
- D. Process TSP contribution elections. See TSP Bulletin 02-22, Revision of Form TSP-1, dated July 25, 2002, for more information about processing contribution elections.

III. Distributing Open Season Materials

- A. Materials sent to agencies each open season

Before the start of each open season, the Federal Retirement Thrift Investment Board (Board) distributes the materials described below to agencies' central distribution points. **Each agency central distribution point must then ensure that the materials are distributed appropriately throughout the agency so that the actions described below can be taken.**

- 1. Open Season Update

The Board issues a new Open Season Update each open season. The Update is a 3-fold flyer which contains information about eligibility and participation specific to that open season. The Update also contains historical annual rates of return for the five TSP investment funds.

Distribution by agencies. Agencies must distribute the Update to all FERS and CSRS employees. Updates that are not distributed during the open season should be discarded when the Updates for the next open season arrive.

- 2. Posters

The Board designs a different poster each open season. The posters are available in 2 sizes: 8½ by 11 inches and 17 by 22 inches. Agencies should display the posters in areas where they will be highly visible, such as employee bulletin boards, elevators, cafeterias, hallways, and employee lounges.

Distribution by agencies. Agencies should distribute these posters internally so that four small posters are distributed for every 100 employees and four large posters are distributed for every 1,000 employees. These instructions are printed on the back of the posters.

B. Other materials that agencies must provide during the open season

Agencies must also provide the materials described below during the open season. To obtain additional supplies of these materials, agencies must follow the procedures described in TSP Bulletin 95-1, dated January 3, 1995. These materials are also available from the TSP Web site (www.tsp.gov).

1. *Summary of the Thrift Savings Plan for Federal Employees*

The booklet *Summary of the Thrift Savings Plan for Federal Employees* describes the TSP in detail. It discusses participation and contribution rules, investment options, loans, withdrawals, and other aspects of the TSP.

2. TSP Election Form (TSP-1)

Employees must use Form TSP-1 to make TSP contribution elections. However, employees may also make contribution elections electronically if their agencies have an automated process in place which allows them to do so (e.g., Employee Express or PostalEASE).

During TSP open seasons, agencies must provide Form TSP-1 to employees upon request. If agencies allow (or require) employees to make electronic contribution elections, agencies must ensure that employees know how to make electronic contribution elections.

IV. Communicating Open Season Opportunities

Agencies should inform all employees of the dates and purpose of TSP open seasons at the start of an open season. The materials described in Section III above contain such information, and by providing these materials to employees, agencies will meet this requirement. However, agencies may want to take additional actions to publicize the open season, such as those listed below.

A. Issue a brief written announcement that includes agency instructions for making contribution elections.

Attached is a sample announcement that agencies may want to use for this purpose. Information in [brackets] should be adapted as appropriate.

B. Print a message about the TSP open season on employee earnings and leave statements.

C. Conduct employee briefings or TSP information fairs to explain the features and benefits of the TSP.

V. Unusual Circumstances Involving TSP Contribution Elections

A. Powers of Attorney

Under certain circumstances (e.g., an illness or extended absence), an employee may execute a Power of Attorney to authorize another individual to act as his or her agent. Agencies may accept Powers of Attorney and use them to process TSP contribution elections. No particular form of Power of Attorney is required by Board regulations. Legal counsel for the agency should be consulted regarding whether a particular Power of Attorney is legally sufficient and whether it should be honored to process a TSP contribution election.

B. Belated elections

Agencies may accept a TSP contribution election after the close of the open season **if**, in the judgment of an appropriate agency official, the employee had been prevented from making an election during the open season due to circumstances beyond the employee's control. If an agency accepts a belated election, it should make a written record, signed by an appropriate agency official, of the basis for allowing the belated election.

Belated contribution elections must be made effective no later than the first full pay period after receipt. In addition, if the failure of an employee to make a contribution election during the open season is due to agency error, the employee may also be entitled to make up TSP contributions that he or she could have made had the error not occurred.

See the Board's regulations at 5 C.F.R. part 1600 for more information about belated contribution elections which are not due to agency error. See the Board's regulations at 5 C.F.R. part 1605 for more information about belated contribution elections which are due to agency error and information about making up TSP contributions.



PAMELA-JEANNE MORAN
Deputy Director
Office of External Affairs

Attachment: Open Season Announcement

Please note that the information in [square brackets] must be changed by the agency to reflect the relevant information, or it must be furnished by the agency, as appropriate. Instructions to the agency are set forth in {curly brackets}.

Thrift Savings Plan Open Season

The next Thrift Savings Plan (TSP) open season begins [October 15] and ends [December 31, 2002]. During the open season, you may begin contributing to the TSP or change the amount of your TSP contributions. During this open season, employees covered by FERS may elect to contribute to the TSP up to [13%] of the basic pay they earn each pay period; employees covered by CSRS may elect to contribute up to [8%] of the basic pay they earn each pay period.

How to make a contribution election. To make a contribution election, submit Form TSP-1 (Election Form) to [insert office name]. You can obtain Form TSP-1 from [insert office name] or the TSP Web site (www.tsp.gov). {If employees may, or must, make electronic contribution elections, revise this section accordingly.}

When elections become effective. If your election is received before [insert date], it will become effective the first full pay period in [December]. Your earnings and leave statement dated [insert date] will reflect this election. If your election is received after [insert date], it will become effective [no later than] the first full pay period after it is received.

How to make an investment election. You may invest in any of the five TSP investment funds. To change the investment of future contributions to your TSP account, you must request a **contribution allocation**. To change the investment of money already in your account, you must request an **interfund transfer**.

To request a contribution allocation or an interfund transfer, use the TSP Web site (www.tsp.gov), the ThriftLine ((504) 255-8777), or Form TSP-50 (Investment Allocation). You may request a contribution allocation or interfund transfer at any time. Contribution allocations are processed daily, and your contribution allocation request will generally be effective no later than 2 business days after it is received. [Interfund transfers are processed monthly after accounts have been valued; your interfund transfer request must be received by the fifteenth of the month (or, if the fifteenth is not a business day, the next business day) for the interfund transfer to be effective as of the end of the month.]*

Where to get more information about the TSP. The booklet *Summary of the Thrift Savings Plan for Federal Employees* describes the TSP in detail and contains more information about contribution elections, contribution allocations, and interfund transfers. The latest

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*{After the new record keeping system is implemented, interfund transfers will be processed as contribution allocations are now processed (i.e., daily). Consequently, after the new record keeping system is implemented, agencies should delete this bracketed sentence and change the preceding sentence to include interfund transfer requests (e.g., Contribution allocation and interfund transfer requests are processed daily, and your request will generally be made effective no later than 2 business days after it is received.).}

version of this booklet is dated [May 2001]. If you do not have the latest version, contact [insert name and number of agency contact]. This booklet is also on the TSP Web site.

The flyer “Open Season Update, United We Save, [October 15 - December 31, 2002]” contains basic information about this TSP open season and presents historical rates of return for the TSP investment funds. This flyer has been [will be] provided to you [shortly] by [insert agency office].

If you have additional questions about the TSP, contact [insert agency contact and other information, as appropriate.]