



THRIFT SAVINGS PLAN

# HIGHLIGHTS

January/February 2018

## A Message from the Executive Director

### At Your Service

Dear TSP Participant,

It's a great feeling to be writing this message as the Executive Director of the Federal Retirement Thrift Investment Board. After over 30 years in the asset management industry, I joined the FRTIB in 2015 where I served as the Chief Investment Officer and the Chief Operating Officer. I'm honored to serve you, and I'm thrilled to have the opportunity to support the work that our talented and committed team members do each day to fulfill our mission—to administer the TSP solely in the interest of you and your beneficiaries.

The TSP is constantly changing and growing to meet your needs. Let's take a look at what we're working on to serve you better and enhance your experience with the TSP.



Ravi Deo, Executive Director

### What's New

#### Online Password Reset

We are pleased to announce that you may now reset your password online. You should first validate your contact information (such as an email address or a mobile number with SMS capabilities) in My Account. You will be able to use that validated contact information to reset your password. Then, if you forget or lose your password, you will be able to go to the My Account section of [tsp.gov](http://tsp.gov), click on "Forgot your password?," and follow the prompts to reset it. If you know your password and want to change it, log into My Account, visit "Profile Settings," and click on "Change Your Password." You can also call the ThriftLine at 1-877-968-3778 and press option 3 to speak to a Participant Service Representative for assistance. If you haven't added an email or phone number to your account, we encourage you to add and validate the information today to help protect your account and identity.

#### The Blended Retirement System (BRS)

BRS is a new retirement system for some members of the uniformed services. Members covered by BRS receive TSP contributions from their employing service in addition to other benefits. If you joined the uniformed services on or after January 1, 2018, you were automatically enrolled in BRS. If you are a service member and have served for fewer than 12 years\* as of December 31, 2017, you have an important decision to make between now and December 31, 2018: You must choose whether to stay with your current retirement system or move to BRS—the decision is solely up to you. Once you make your choice, you won't be able to take it back, even if you change your mind before the 12/31/18 deadline. Keep in mind, you are eligible for a TSP account whether or not you join BRS.

If you opt into BRS, you'll get a Service Automatic (1%) Contribution and Service Matching Contributions of an additional 4% of your pay, depending on how much you contribute. Before BRS, uniformed services members did not receive any matching contributions from their service, nor did they receive any military retirement pay if they left service before 20 years. With BRS, the military annuity you'll be eligible for if you reach 20 years of service will be reduced by 20%; however, you will be

\* Members of the Reserve Component (RC) must have fewer than 4,320 retirement points to be eligible for BRS.

receiving service matching contributions that you can use to offset the smaller pension. The majority of uniformed service members serve less than 20 years and could benefit from the TSP component of BRS.

Your service has resources and tools to help you make your choice. The procedures for opting in may vary from service to service. See your military personnel office for information specific to you. You can find answers to questions about BRS and the TSP at [tsp.gov](http://tsp.gov), and at [tsp4gov](https://www.facebook.com/tsp4gov) on Facebook and Twitter.

## The TSP Modernization Bill

On November 17, 2017, President Trump signed into law the TSP Modernization Act of 2017, which will provide more flexible withdrawal options. The law gives us up to two years to establish parameters and to make the necessary regulatory and operational changes. Read our fact sheet, *Questions and Answers About Changes to TSP Withdrawal Options*, for more detailed information on the bill.

## What's Next

We will continue to focus on strengthening our cybersecurity, improving processes, expanding our communications, and delivering services that improve retirement outcomes for you. As always, we will consider changes in order to meet the evolving needs of our participants and provide a TSP that works for you. To ensure we're better able to serve you now and in the future, please be sure to do the following:

- Provide us with an email address and phone number that follows you into separation and/or retirement.
- Ensure that we have your most up-to-date information at all times.
- Keep a record of your account number, in addition to user ID if you have one, to be able to easily complete transactions.

I'm excited to have the chance to add to the great work that has been done here over the past 30 years. Going forward, we will continue to pursue new ways to serve you better and help you create a retirement that works for you. To stay up to date on enhancements to the Plan or to engage with us, follow us on Twitter and Facebook, and visit us at [tsp.gov](http://tsp.gov).

Sincerely,



Ravi Deo  
Executive Director

TSP Website: [tsp.gov](http://tsp.gov)  
 ThriftLine: 1-877-968-3778  
 Outside the U.S. and Canada: 404-233-4400  
 TDD: 1-877-847-4385  
 [fb.com/tsp4gov](https://www.facebook.com/tsp4gov)  
 [@tsp4gov](https://twitter.com/tsp4gov)  
 [youtube.com/tsp4gov](https://www.youtube.com/tsp4gov)

### Expenses by Fund<sup>1</sup>

	L 2050	L 2040	L 2030	L 2020	L Income	G Fund	F Fund	C Fund	S Fund	I Fund
<b>2016<sup>2</sup> Administrative Expenses</b>										
<b>Gross</b>	.052%	.052%	.052%	.052%	.052%	.052%	.052%	.052%	.051%	.053%
<b>Net<sup>3</sup></b>	.038%	.038%	.038%	.038%	.038%	.038%	.038%	.038%	.038%	.039%
<b>Other Expenses<sup>4</sup></b>										
	.012%	.011%	.009%	.007%	.003%	.000%	.017%	.004%	.041%	.014%

<sup>1</sup> The Government Securities Investment (G) Fund contains government securities; the Fixed Income Index Investment (F) Fund contains government, corporate, and asset-backed bonds; the Common Stock Index Investment (C) Fund contains stocks of large and medium-sized U.S. companies; the Small Capitalization Stock Index Investment (S) Fund contains stocks of small to medium-sized U.S. companies; and the International Stock Index Investment (I) Fund contains stocks from more than 20 developed countries. For each fund, 1-, 3-, and 5-year rates of return are available on your annual statement.

<sup>2</sup> The 2017 administrative expenses will be available in the April 2018 issue of *Highlights*.

<sup>3</sup> Net administrative expenses are the expenses charged to TSP participants per dollar invested in the respective funds after offsetting gross administrative expenses with account forfeitures and loan fees.

<sup>4</sup> Fees associated with securities lending are not included in 2016 administrative expenses. Consistent with standard practice in the industry, they are charged in addition to administrative expenses. The other expenses represent fees paid to the investment manager for administering securities lending programs. Income earned from these programs improved the returns of the funds.