



BENEFIT FOR LIFE FEDERAL JUDICIAL BENEFITS PROGRAM



Thrift Savings Plan Overview

Benefits Division
Administrative Office of the U. S. Courts

BENEFIT FOR LIFE FEDERAL JUDICIAL BENEFITS PROGRAM




Thrift Savings Plan (TSP)

- Saving for Retirement: Your TSP
- TSP Basics
- Contributions
- Investments
- Tours of TSP Website
- Resources

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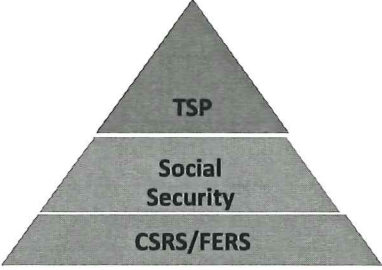
What will your retirement look like?

- In retirement, the Thrift Savings Plan supplements fixed (formula-based) income sources
 - Social Security
 - Defined benefit plans, e.g., CSRS/FERS annuity, military pension
- TSP account balance at retirement depends on:
 - How long contributions are made
 - How much has been contributed or withdrawn
 - Earnings on contributions

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Components of Retirement Income



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Retirement Plan Designs

- CSRS and FERS
 - Provides retirement income based on years of service and age
 - Government makes investment decisions & bears the risks
- Thrift Savings Plan
 - Defined contribution plan
 - Employee makes investment decisions & bears the risks
 - IRS limits the amount that can be contributed
 - Catch-up contributions for those age 50+

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TSP Basics

- Automatic Enrollment for new/re-enrolled participants
- Contributions made by payroll deduction
 - “Pay yourself first”
- Choice of tax treatments
 - Traditional (tax-deferred) contributions
 - Roth (after tax) contributions
- Simple, diversified investment choices
 - “Do it yourself”
 - Professionally designed portfolios
- Low expense ratio

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TSP Traditional

- Contributions are deducted from pay before Federal taxes are withheld
- Federal taxes are computed and withheld only from the reduced salary
- Participants defer taxes on the TSP account until a withdrawal of the account is made
- Deferral of state or county taxes is determined by each individual jurisdiction



Roth TSP

- Allows participant to designate all or a portion of contributions as Roth (post-tax) or traditional (pre-tax)
 - Roth contributions may accrue tax-free earnings
 - Tax-deferred contributions continue to accrue tax-deferred earnings
- Roth designation made at agency payroll level prior to contribution deposited into the TSP
- No in-plan conversions of existing balance to Roth



Roth TSP

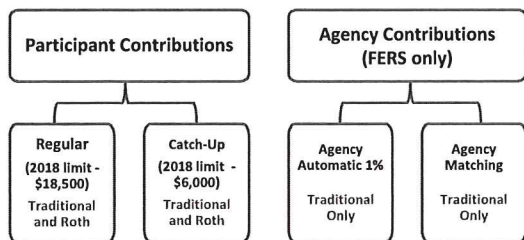
- Qualified Distributions
 - *Tax-free earnings* if five years have passed since January 1 of the year you made your first Roth contribution,
 - **AND** you are age 59½ or older, permanently disabled, or deceased
- Non-qualified Distributions
 - Earnings subject to tax

Contribution Elections



- You can start, stop, change, or resume contributions at any time
 - Elections must be submitted to your agency - TSP cannot process elections to deduct from pay
 - Elections can be expressed in dollars or percentages; traditional and/or Roth
- Electronic submissions are preferred -use Judiciary Benefits Center, through single sign on in HRMIS
- Elections are effective the first full pay period after receipt by the agency
- Catch-up contributions require a separate TSP election to be made each year, it does NOT carry over

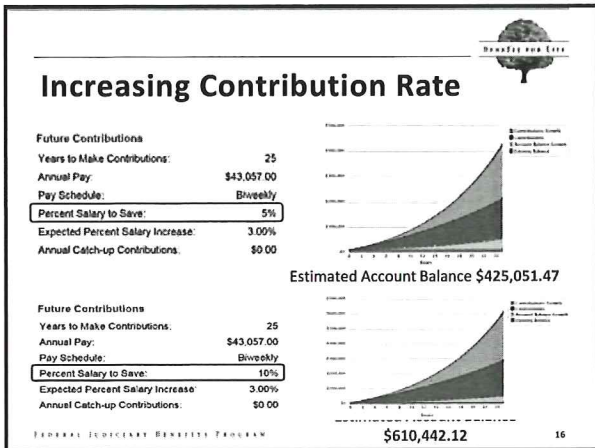
Contribution Sources & Limits

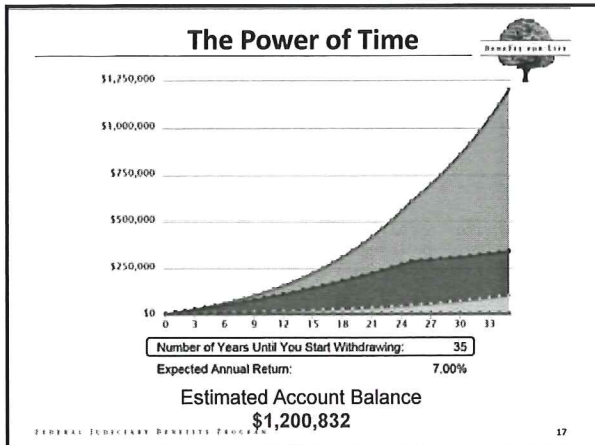


FERS Matching Formula



- Based on first 5% of Employee Contributions per pay period
- 4% maximum
 - \$1/\$1 for 1st 3%
 - 50¢/\$1 for next 2%
- Always vested





- ### TSP Investments
- 5 Core Funds and 5 Lifecycle Funds
 - G – Government Security
 - F – Fixed Income
 - C – Common Stock
 - S – Small Cap Stock
 - I – International Stock
 - L Funds – Professionally designed portfolios
 - L Income, L 2020, 2030, 2040, 2050
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F – Bonds

C – S&P 500 domestic

S – Small cap domestic

I – Far East, Australia


G – 2% return



TSP Website Tour

- My Account – login, PW, move \$\$
- Investment Funds – Performance
- Planning and Tools – Calculators
- Forms and Publications
- Social Media, YouTube, Twitter, Facebook

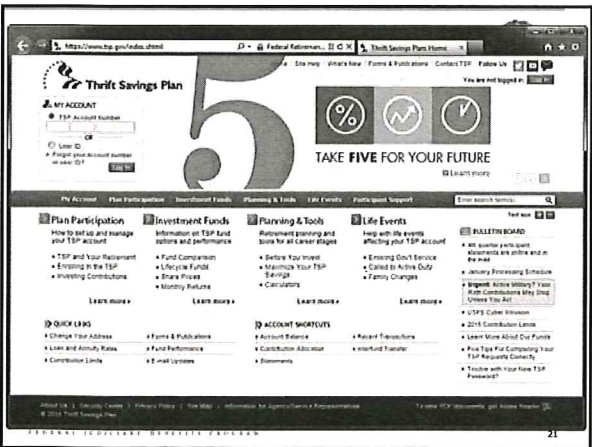
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TSP Calculators and Tools

- Project your future account balance
- Understand withdrawal options
- Interfund and Allocation changes on TSP
- Make changes to contributions on JNET

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The screenshot shows the Thrift Savings Plan website interface. At the top, there is a navigation bar with links for 'Home', 'About Us', 'Forms & Publications', and 'Contact TSP'. Below this is a large banner area with the text 'TAKE FIVE FOR YOUR FUTURE' and a large number '5'. The main content area is divided into several sections: 'MY ACCOUNT' with a login field, 'Plan Participation', 'Investment Funds', 'Planning & Tools', and 'Life Events'. Each section contains sub-links and brief descriptions. A 'QUICK LINKS' section is also visible at the bottom left. The footer contains copyright information for the Federal Judiciary Benefits Program.

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Benefits and More

TSP Website (www.tsp.gov)

Thrift Savings Plan

MY ACCOUNT

TSP Account Number

OR

User ID

Forgot your account number or user ID?

Log In

Access Your Account

- View account balance
- View Annual & Quarterly Statements
- Change your contribution allocation
- Request inter-fund transfers
- Request loans and withdrawals
- Create (or change) a user ID
- Change or request a Web password

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Benefits and More

Calculators on TSP site

Calculators

How Much Should I Save? (Balpark Estimate)

How Much Will My Savings Grow?

How Much Can I Contribute?

Paycheck Estimate

Contribution Comparison Calculator

Retirement Income Calculator

TSP Payment Payments Calculator

Estimate Loan Payments

How Much Should I Save? (Balpark Estimate)

The TSP is one source of your retirement income. Other major sources of retirement income include your FERS Basic Annuity or CSRS annuity for your retired pay if you are a member of the uniformed services, former security benefits, individual retirement accounts (IRAs) and other savings. To find out how much you need to save for retirement, use the Federal Government Employee Balpark Estimate calculator below. The calculator was developed by the American Savings Education Council to estimate how much you need to save each year from now until retirement based on your estimate of retirement income and existing savings.

3-Depth Retirement Planning

The Balpark Estimate calculator is just the first step in retirement planning. For more in-depth planning, you may want to consult a financial advisor or your agency's or service's retirement or benefits specialist, and the Office of Personnel Management website at www.opm.gov, read books and articles on retirement planning, or use more detailed software to test a variety of assumptions for estimated benefits, expenses, and rates of return.

What You Need for the Balpark Estimate Calculator

1. Estimate of annual income from FERS Basic Annuity or CSRS annuity
2. Social Security benefit estimate, if applicable
3. Current savings balances

Where to Find Information

Contact your agency or service personnel office to find out how to estimate your annual income from your FERS or CSRS annuity.

Get your projected benefit estimate online by requesting your Social Security Statement at www.SocialSecurity.gov/myaccount.

Access your most recent account balance in My Account, or you can call the Thrift line to include savings from other retirement investment accounts, as well.

Go to Related Feature Content

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Benefits and More

TSP Financial Calculator

How Much Will My Money Grow - FERS

How Much Will My Savings Grow?

1. INPUT DATA 2. SAVINGS GROWTH INFORMATION 3. SAVINGS GROWTH ESTIMATE

* indicates required fields

Retirement System: FERS

Select Your Type(s) of Growth

This calculator will show you the growth of your current account balance, growth of future contributions from your paycheck, or both. You must select a growth model:

Existing Account Balance Future Contributions Both

Existing Account Balance

* Enter the amount you already have in your TSP account: \$ 10000.00

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Factors that affect TSP balance

× Harmful

- Frequent Interfund Transfers
 - Short-term, tactical moves using index funds is an unsuccessful long-term investment strategy
- Using TSP to access savings that should have been put into another type of account
 - Loans
 - Temporary depletion
 - Financial Hardship In-Service Withdrawals
 - Permanent depletion



7 TSP Tips: "What & Why"

1. Contribute at least 5% of your salary.
WHY: Don't lose out on free money from the Agency match.
2. Transfer other retirement savings into the TSP.
WHY: Other plans can cost significantly more.
3. Think twice about taking a loan from your TSP account.
WHY: It may cost you hundreds (maybe thousands) of dollars in missed growth.
4. Use the calculators at tsp.gov to help define your retirement goal.
WHY: Planning your retirement is smarter than winging it.



7 TSP Tips: "What & Why"

5. Diversify your investment strategy or choose a TSP Lifecycle (L) Fund.
WHY: Varying your investments reduces risk.
6. Review your contributions and investment strategy regularly.
WHY: As life changes, so may your retirement goals.
7. Stay with the TSP after you separate.
WHY: TSP's low costs are hard to beat!

Benefits and More

Contacting the TSP

TSP Website
www.tsp.gov

YouTube

TSP is the official YouTube channel of the Public Service Plan of the U.S.

TSP IS NOW ON TWITTER!

Secure Message Center: Civilian

Account Center Messages

The answers to many of your questions can be found right here in the Message Center. If you don't see your question in the list of frequently asked questions, you can search for the answer using our search tool below.

Find an Answer

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no TSP app.

Benefits and More

Have a Question?

Contact the Retirement Processing Services Team
Phone: (202) 502-3110
Fax: (202) 502-3599
Email: Retirement.Branch/DCA/AO/USCOURTS

or

Contact the Benefits Advisory Team
Phone: (202) 502-1160
Fax: (202) 502-2877
Email: Benefits.Mailbox/DCA/AO/USCOURTS

Benefits Division Contacts
<http://inet.ao.dca/human-resources/benefits/benefits-contacts>

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TSP website
 Planning Tab
 Calculators
 - How much will my savings grow
 - monthly payments

