

**United States Department of the Interior
BUREAU OF LAND MANAGEMENT
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To: All BC, HR, ST, NI, NCS-WO and BIA Field Liaison Office Employees

From: Director, National Human Resources Management Center

Subject: Open Season - Thrift Savings Plan **DD: 07/31/02**

The next Thrift Savings Plan (TSP) open season begins May 15, 2002, and ends July 31, 2002. During this open season, as long as you are eligible, you may elect to begin contributing to the TSP, change the amount of your TSP contribution, or change the allocation of your contributions. The TSP-1 Election Form, and the TSP-50, Investment Allocation Form, mentioned below are available on the table in the Common area of the NHRMC Office, Building 50. The TSP-1 Election Form, will also be available at (www.tsp.gov); the TSP-50, Investment Allocation Form, will not.

To submit TSP-1, Election Form: After completing, submit to HR-220 for processing.

To submit TSP-50, Investment Allocation: You must use an original form and mail it directly to the address for the TSP Service Office, which is given on the TSP-50 form.

The earliest these forms will be accepted is May 15, 2002, the beginning date of the Open Season.

Please note the following changes, which were implemented with the May 15, 2001, Open Season:

1. Eligibility

Employees will be allowed to begin contributing to the Thrift Savings Plan immediately upon appointment to a position covered by FERS or CSRS. Employees appointed to positions that are not covered by FERS or CSRS are not eligible to participate in the TSP. Essentially, all FERS or CSRS employees will have the opportunity to make a TSP contribution election during this open

season. Employees appointed on or after January 1, 2002, will have 60 days from the effective date of their appointment to make a TSP contribution election.

2. Contribution Limits

Beginning with the May 2001 Open Season, the employee contribution limits for FERS and CSRS employees began increasing by 1% each year and will continue until the year 2006. During this open season, employees covered by FERS may elect to contribute 12% of the basic pay they earn each pay period. Employees covered by CSRS may elect to contribute up to 7% of the basic pay they earn each pay period.

In 2006 contribution limits will be lifted entirely. However, the total amount that an employee may contribute to the TSP each year will continue to be capped by the Internal Revenue Service (IRS) elective deferral limit. The IRS has announced that the annual limit on elective deferrals for 2002 will be \$11,000.

Year	FERS Limit	CSRS Limit
2002	12%	7%
2003	13%	8%
2004	14%	9%
2005	15%	10%

3. Performing Interfund Transfers

Employees must use form TSP-50, TSP Investment Allocation, to accomplish an interfund transfer. If you choose to use form TSP-50, the original form should be mailed to the TSP Service Office for processing. The address is on the form. However, employees are encouraged to use the more efficient electronic media (i.e., the TSP web site at www.tsp.gov or the Thrifline at 504-255-8777 to request investment changes.

How to Make a Contribution Election

The TSP-1, Election Form, (dated May, 2001) should be used to start contributing to the TSP; change the amount of your contributions to the TSP, or to stop making contributions to the TSP. On or after May 15, and before close of business July 31, 2002, submit your completed TSP-1, Election Form to the National Human Resources Management Center, HR-220. Forms submitted prior to the beginning date of May 15, 2002, will not be accepted.

Only FERS employees are entitled to receive agency contributions. If you are a FERS employee, the agency makes two different types of contributions to your TSP account as part of your FERS benefits. First, the agency will automatically contribute to your TSP account an amount equal to 1 percent of your basic pay each pay period. This is your Agency Automatic (1%) Contribution. You will receive these contributions whether or not you contribute your own money to your TSP account. Second, if you are contributing to your TSP account, the agency also makes Agency Matching Contributions once you are eligible for them. Matching contributions apply to the first 5 percent of pay you contribute each pay period. Your

contributions are matched dollar for dollar for the first 3 percent of pay you contribute each pay period and 50 cents on the dollar for the next 2 percent of pay.

You can also submit an open season **change** electronically by utilizing *Employee Express* on any touch tone phone by dialing 1-800-827-6254. REMINDER: Your Employee Express PIN is not the same as your TSP PIN. Make sure you are using the correct PIN when accessing your account. Only one method can be used to accomplish a TSP Open Season election; either by submitting a Form TSP-1 or by using Employee Express.

How to Make an Investment Election

The TSP-50, Investment Allocation, is also used for allocating contributions to the investment fund of your choice. This form should be mailed directly to the TSP Service Office at the National Finance Center in New Orleans. Requests are generally effective no later than 2 business days after being received at the Finance Center in New Orleans. A faster method would be to use the www.tsp.gov website or call the TSP Thriftline at (504) 255-8777. The website and the Thriftline both require your TSP PIN to access your account to make the allocation..

When Elections Become Effective: If your election is received before June 30, 2002, it will become effective July 14, 2002. If your election is received after this date, it will be effective on the first day of the first full pay period after it has been accepted. All elections must be submitted to HR-220 to arrive no later than close of business July 31, 2002.

Current information concerning the Thrift Savings Plan may be found on their web site www.tsp.gov. If you have questions about the Thrift Savings Plan, please contact Lenna Gerwing at (303) 236-6667.

Signed by:
Linda D. Sedbrook
Director, NHRMC

Authenticated by:
Luron Porter

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