



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD  
1250 H Street, NW Washington, DC 20005

May 21, 2004

Dear Madam/Sir:

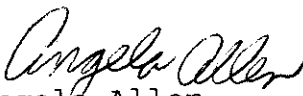
The Federal Retirement Thrift Investment Board (Agency) administers the federal government's Thrift Savings Plan (TSP). The TSP is the largest participant-directed, defined contribution plan in the world, with almost 3.3 million participants and over \$130 billion in assets. The Agency has decided to offer "lifecycle funds" to TSP participants. Lifecycle funds are target asset allocation funds that have an investment mix that changes over time as a set investment time horizon approaches. The Agency intends to issue Request for Proposal (RFP) number TIB-RFP-04-04 for two requirements hereafter referred to as "Lots."

Lot #1 is for a vendor to assist the Agency in various tasks related to the establishment and maintenance of target asset allocation models for lifecycle funds. Lot #2 is for the development of a strategy and related materials and products for communicating the rollout of the lifecycle funds. Both requirements are included in the RFP.

Vendors may respond to one or both requirements. A copy of the RFP will be available for download on our website at [www.frtib.gov](http://www.frtib.gov). If you do not have internet access you may request that a copy of the RFP be mailed to you by faxing your request to me at 202-942-1674. Questions regarding the RFP must be submitted to me in writing, by facsimile or by e-mail at [aallen@tsp.gov](mailto:aallen@tsp.gov) no later than June 7, 2004. The due date for proposals is June 24, 2004.

If you need other information or have any questions, please call me at (202) 942-1693.

Sincerely,

  
Angela Allen,  
Administrative Services

<b>SOLICITATION, OFFER AND AWARD</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	PAGE 1 OF 127 PAGES
2. CONTRACT NUMBER	3. SOLICITATION NUMBER TIB-RFP-04-04	4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input type="checkbox"/> NEGOTIATED (RFP)	5. DATE ISSUED 5/24/04	6. REQUISITION/PURCHASE NUMBER	
7. ISSUED BY FEDERAL RETIREMENT THRIFT INVESTMENT BOARD 1250 H STREET N.W., SUITE 200 WASHINGTON, DC 20005		CODE	8. ADDRESS OFFER TO (If other than Item 7) SAME AS BLOCK 7		

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

**SOLICITATION**

9. Sealed offers in original and 5 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in BLOCK 7 until 3:30 local time 6/24/04  
(Hour) (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME ANGELA ALLEN	B. TELEPHONE (NO COLLECT CALLS)		C. E-MAIL ADDRESS
		AREA CODE 202	NUMBER 942-1693	EXT. AALLEN@TSP.GOV

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<input checked="" type="checkbox"/>	B	SUPPLIES OR SERVICES AND PRICES/COSTS	4	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
<input checked="" type="checkbox"/>	C	DESCRIPTION/SPECS./WORK STATEMENT	5	<input checked="" type="checkbox"/>	J	LIST OF ATTACHMENTS	25
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**OFFER (Must be fully completed by offeror)**

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within 120 calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-B)	10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)
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14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)
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15B. TELEPHONE NUMBER AREA CODE NUMBER EXT.	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE. <input type="checkbox"/>	17. SIGNATURE	18. OFFER DATE
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**AWARD (To be completed by Government)**

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION
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22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) ) <input type="checkbox"/> 41 U.S.C. 253(c) ( )	23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM
---	---	------

24. ADMINISTERED BY (If other than Item 7) CODE	25. PAYMENT WILL BE MADE BY CODE
---	----------------------------------

26. NAME OF CONTRACTING OFFICER (Type or print)	27. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	28. AWARD DATE
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**SECTION B  
COSTS/PRICE FOR SERVICES**

**B.1. SCOPE OF CONTRACT**

The contract period for Lot #1 for the services listed in Section C of the contract is for one base year and four option years. The Contractor shall insert costs/price below for each period of performance listed. While a contractor can bid on both Lots 1 and 2, Lots 1 and 2 must be bid separately.

**LOT #1**

Base Period (10/01/04 - 4/30/05)	_____
Option Year 1 (5/1/05 - 4/30/06)	_____
Option Year 2 (5/1/06 - 4/30/07)	_____
Option Year 3 (5/1/07 - 4/30/08)	_____
Option Year 4 (5/1/08 - 4/30/09)	_____

TOTAL COST FOR BASE & OPTION PERIODS                   \$ \_\_\_\_\_

**LOT #2 - Communications**

Period of Performance (10/1/04-4/30/05)                   \$ \_\_\_\_\_

**B.2 CONTRACT TYPE**

The Agency intends to award a firm fixed priced contract for Lot #1 and Lot #2. Contractors shall include all costs associated with the work in Schedule C of this solicitation.

**B.3. TRAVEL**

Estimated travel expenses shall be shown separately. Travel expenses for contractor personnel must have prior Agency approval and will be reimbursed in accordance with FAR 31.205-46, and in accordance with the Federal Travel Regulations at 41 C.F.R part 301.

[END OF SECTION]

## SECTION C - STATEMENT/DESCRIPTION OF WORK

### C.1. INTRODUCTION

- a. The Federal Retirement Thrift Investment Board (Board) administers the Thrift Savings Plan (TSP) for Federal employees. The TSP was created by the Federal Employees' Retirement System Act of 1986, codified primarily at 5 U.S.C § 8351 and §§ 8401-8479. The TSP is a retirement savings and investment plan for Federal civilian employees and members of the uniformed services that offers its participants the same type of savings and tax benefits that are offered under private sector 401(k) plans. As of March 30, 2004, there were almost 3.3 million participants in the TSP, located in the United States and around the world, and TSP Fund balances totaled approximately \$134 billion.
- b. Currently, TSP participants may invest their accounts among five investment funds: the Government Securities Investment (G) Fund, the Fixed Income Index Investment (F) Fund, the Common Stock Index (C) Fund, the Small Capitalization Stock Index Investment (S) Fund, and the International Stock Index Investment (I) Fund. The G Fund is invested in non-marketable U.S. Treasury securities, and the remaining funds are invested in index funds which track the Lehman Brothers U.S. Aggregate Index, S&P 500 Index, Wilshire 4500 Stock Index, and EAFE Stock Index, respectively.
- c. The Agency's research shows that many TSP participants are not taking advantage of their ability to allocate their accounts among the investment funds and are not achieving optimal returns for the risk they incur. Therefore, the Board has decided to establish a number of target asset allocation funds with allocations that change over time as a participant's investment horizon approaches (these are referred to in this RFP as "lifecycle funds"). These funds will offer professionally allocated portfolios to TSP participants. The TSP lifecycle funds will be entirely invested in combinations of the five funds currently offered by the TSP.
- d. This RFP contains two lots. Lot 1 seeks the services of a vendor to assist the Agency in various tasks re-

lated to the establishment and maintenance of target asset allocation models for lifecycle funds. Lot 2 seeks the services of a consultant to develop a strategy and related materials and products for communicating the rollout of the lifecycle funds. Contractors may respond to either Lot 1 or Lot 2 or to both lots.

- e. The Agency will require the work on both Lot 1 and Lot 2 to be completed by May 1, 2005, to allow the lifecycle funds to be introduced in mid-2005.

## C.2. WORK TO BE PERFORMED

### Lot 1:

- a. The contractor must review plan demographics and provide written recommendations describing an appropriate structure for lifecycle funds for the TSP. The recommendations shall address at least the following issues:

- 1) the appropriate number of lifecycle funds required to cover TSP participants of all age groups (it is the Agency's desire to have the fewest number of funds with the broadest feasible time ranges);
- 2) the appropriate time horizon of investment for each of the individual lifecycle funds; and
- 3) a transition plan for merging the lifecycle funds, as they reach their horizon dates, into a fund designed to provide retirement income and for replacing those lifecycle funds with new funds having more distant time horizons.

After review of these recommendations, the Agency will make a final determination concerning the number and characteristics of the lifecycle funds it will offer.

- b. The contractor must provide a written recommendation setting forth the risk and return objectives suitable for each lifecycle fund that the Agency decides to offer. These risk and return objectives must reflect the investment constraints unique to each of the lifecycle funds (e.g., the investment time horizons and estimated liquidity requirements).

- c. The contractor must recommend comprehensive target asset allocations for the life of each approved lifecycle fund, based on the investment objectives and constraints of each fund and the contractor's capital market assumptions.
- d. The contractor must recommend a policy with regard to the frequency and method of rebalancing to achieve the target asset allocations. This recommendation must be provided in writing and must be supported by an analysis and projection of the expected transaction costs associated with the recommended method, taking into account TSP investment experience and expected cash flows. The analysis must also discuss the merits and drawbacks of alternative rebalancing methods and frequencies. Based on this analysis, the Agency will select a rebalancing method.
- e. The contractor must provide requirements for implementation of the lifecycle funds, using the selected rebalancing method, within the framework of the TSP's existing record keeping and accounting systems. The requirements must include the recommended calculations that are necessary for the day-to-day investment of the funds, periodic rebalancing of the funds, and the calculation of fund share prices.
- f. The contractor must present a final written report of recommendations to the Members of the Board. The contractor should be prepared to answer any questions or concerns of the Board at that time.
- g. Option periods. Lot 1 will have four one-year periods of additional performance, exercisable at the Agency's option. In the event that the Agency exercises its option to renew the contract for one of these periods, the contractor must, within 30 days, review the performance of each of the lifecycle funds to date, revise or confirm in writing its recommendations concerning each fund's risk and return objectives, and revise or confirm in writing the comprehensive target asset allocation schedule for the life of each lifecycle fund.
- h. The contractor's deliverables for tasks C.2.a. through C.2.e. must be provided in draft form for Agency review and comment, prior to preparation of final ver-



sions of each deliverable. The contractor's final deliverables must address all of the Agency's comments. (See Section F.)

**Lot 2:**

- a. The contractor must develop an understanding of the characteristics of the TSP, such as its size, its demographic makeup, the worldwide dispersion of participants, and the participants' different levels of investment understanding. The contractor must also develop an understanding of the proposed new TSP lifecycle funds. This will require the contractor to 1) review existing TSP communication materials associated with TSP investments, including written, Web, and ThriftLine (IVR) communications, and the existing participant statements, 2) examine the existing TSP distribution methods for communications (e.g., employing agencies, the TSP Web site, and the ThriftLine), and 3) conduct interviews with Agency staff.
- b. The contractor must recommend a comprehensive communications strategy for informing and educating the TSP participants about the new lifecycle funds. The strategy must identify any existing materials requiring revision and must recommend any new communication materials or vehicles. The strategy must address written and web-based products and participant statements as well as the use of other media (e.g., the ThriftLine, video clips) and must recommend the timing for dissemination of communication materials. The strategy should present at least two alternative design approaches for the communications. The strategy must address the efficiency and ease of implementation of the approach, taking into account system requirements and integration factors. The contractor must consult with the Agency and other Agency contractors as necessary during this process. The contractor must modify its designs based on Agency comments. The Agency will make the final decision as to the strategy and design approach to be adopted.
- c. The contractor must develop, in conjunction with the Agency, a project plan (with relevant milestones, deliverables, and a schedule) for the implementation of the communications strategy. The schedule must pro-

vide adequate time for the Agency to review and comment on deliverables and adequate time for the Agency to produce and distribute them. (The Agency requires six weeks for printing and distribution of most written materials through the employing offices.) The Agency will be responsible for the printing and distribution of all written communications materials developed by the contractor. The Agency will also be responsible for the integration of the new and revised Web screen layouts developed by the contractor with the existing TSP Web site, as well as changes to the ThriftLine.

- d. The contractor must develop communications materials to implement the selected strategy, including new materials and revisions to existing materials and media. The new and revised materials should include graphics as well as web-based content. The contractor must consult with the Agency and other Agency contractors as necessary during the development process.
- e. The contractor must devise a plan for evaluating the effectiveness of the communications program.
- f. The contractor's deliverables must be provided in draft form for Agency review and comment, prior to preparation of final versions of each deliverable. The contractor's final deliverables must address all of the Agency's comments. (See Section F.)

[END OF SECTION]

**SECTION F**  
**DELIVERIES OR PERFORMANCE**

**F.1. Lot 1: BASE PERIOD OF PERFORMANCE**

The base period of performance of this contract is from the date of award to April 30, 2005.

**F.2. OPTIONAL PERIODS OF PERFORMANCE**

a. This contract has a provision for four one-year option periods after the expiration of the base period of performance identified in F.1., above. The options are unilaterally exercisable by the Contracting Officer by written modification of the contract.

b. In order for the Contracting Officer to exercise the option, he or she must give written notice to the Contractor of the Agency's intention to exercise the option at least 30 calendar days prior to the expiration date of the contract or of the previous option period, as appropriate. In the event that the Agency exercises the option, all terms and conditions of the contract will remain the same.

**F.3. DELIVERABLES**

**a. Fund Structure Recommendations**

Within 20 days following the date of the award of the contract, the contractor must provide to the Agency written recommendations concerning the appropriate structure for the TSP lifecycle funds. The contractor's recommendations must address the following items:

- 1) the number of funds to be offered;
- 2) their corresponding investment time horizons; and
- 3) a transition plan for merging the lifecycle funds, as they reach their horizon dates, into a fund designed to provide retirement income and for replacing those lifecycle funds with new funds having more distant time horizons.

**b. Target Asset Allocation Report**

Within 20 days following the Agency's acceptance of the deliverable in section F.3.a., the contractor must submit to the Agency a written Target Asset Allocation Report containing the following items:

- 1) recommended risk and return objectives for each lifecycle fund;
- 2) comprehensive target asset allocations for the life of each fund; and
- 3) a recommended policy with regard to the frequency and method of rebalancing of the funds.

**c. Implementation requirements**

Within 30 days following the Agency's acceptance of the deliverable in section F.3.b., the contractor must provide written requirements for implementation of the lifecycle funds. The requirements must use the selected rebalancing method and must comport with the framework of the TSP's existing record keeping and accounting systems.

**d. Final report**

Within 30 days following the Agency's acceptance of the deliverable in section F.3.b, the contractor must submit a final written report of its recommendations to the Agency. The report will be in a form that is suitable for presentation to the Members of the Board at a Board meeting.

**e. Annual reevaluation**

In the event that the Agency exercises its option to renew this contract for a second or subsequent period, within 30 days of the beginning of the option period, the contractor must provide a written report revising or confirming the comprehensive target asset allocation schedule for the life of each lifecycle fund.

**f. Draft and Final Deliverables**

All deliverables referred to above must be provided to the Agency by the required dates in a form as close to final as possible. The Agency will review each deliverable and pro-

vide its comments, if any, to the contractor. The contractor will have 7 days to make any changes, required by the comments, to the deliverable and to resubmit the deliverable in final form to the Agency.

**F.1. Lot 2: BASE PERIOD OF PERFORMANCE**

The base period of performance of this contract is from the date of award to April 30, 2005.

**F.2. OPTIONAL PERIODS OF PERFORMANCE**

Not applicable.

**F.3. DELIVERABLES**

**a. Presentation of Contractor's Observations**

Within 30 days following the date the contract is awarded, the contractor must provide to the Agency a presentation in which the contractor demonstrates its understanding of the following:

- 1) The characteristics of the TSP, such as its size, its demographic makeup, the worldwide dispersion of participants, and the participants' different levels of investment understanding;
- 2) The communications challenges presented by these characteristics; and
- 3) The current TSP investment funds and the Agency's intent to use these funds to create the new lifecycle funds.

**b. Written Communications Strategy**

Within 45 days following the date the contract is awarded, the contractor must provide to the Agency a Written Communications Strategy. This deliverable must include the following three sections:

- 1) The contractor's recommendations, based on the communications review, which identify: a) materials requiring revision to accommodate the lifecycle funds, b) new communications materials and vehicles to target

various population audiences, and c) the rationale for the recommendations;

2) Alternative design approaches for the communications efforts. Each approach must include the conceptual design of the communications materials, the vehicles that will be used for implementation of the approach, and a discussion of the efficiency and ease of implementation. A minimum of two and a maximum of four designs must be presented; and

3) A proposed implementation project plan with timeline.

**c. Final Strategy, Final Design Approach, and Final Project Plan and Timeline**

Within 7 days following the Agency's selection of the strategy and design approach (including the communications materials to be revised and the new communications materials and vehicles) (the "Agency Selection Date"), the contractor shall provide to the COTR the Final Strategy, the Final Design Approach, and the Final Project Plan and Timeline.

**d. Plan for Evaluation of the Effectiveness of Communication Program**

Within 30 days following the Agency Selection Date, the contractor must provide a plan for evaluating the effectiveness of the communication strategy for Agency review and comment. The contractor will revise as necessary and submit a final plan.

**e. Individual Communications Materials and Vehicles**

The contractor must draft individual communications materials and vehicles and revised language for existing materials to be submitted for review by Agency staff. The Agency will review each deliverable and provide comments, if any, to the contractor. Unless otherwise specified, the contractor will have 7 days to make any required changes to the deliverable and to resubmit it in final form to the Agency.

[END OF SECTION]

**SECTION G**  
**CONTRACT ADMINISTRATION DATA**

**G.1. CONTRACTUAL INFORMATION**

Contractual interpretation and assistance may be obtained by contacting:

Federal Retirement Thrift Investment Board  
1250 H Street, NW, Suite 200  
Washington, DC 20005-3952

Attn: Angela Allen (email: [aallen@tsp.gov](mailto:aallen@tsp.gov))  
Phone: 202-942-1693

**G.2. CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE**

- a. The Contracting Officer hereby designates the below named individuals as the Contracting Officer's Technical Representatives (COTR's).

Name: (Released at time of award)  
Address: Federal Retirement Thrift Investment Board  
1250 H. Street, N.W., Suite. 200  
Washington, DC 20005-3952

Phone: (Released at time of award)

- b. The COTR is responsible for administering the performance of work under this contract. In no event, however, will any understanding, agreement, modification, change order or other matter deviating from the terms of this contract be effective or binding upon the Board unless formalized by proper contractual documents executed by the Contracting Officer prior to completion of the contract. The COTR is responsible for:
1. Monitoring the contractor's technical progress, including the surveillance and assessment of performance and recommending to the Contracting Officer changes in requirements;
  2. Interpreting the scope of work;

3. Performing technical evaluation as required;
  4. Performing technical inspections and acceptances required by this contract; and,
  5. Assisting the contractor in the resolution of technical problems encountered during contract performance.
- c. The Contracting Officer is responsible for directing any changes in the terms, conditions, or amounts cited in the contract. (See G.3.c)
  - d. For guidance from the COTR to the Contractor to be valid it must:
    1. Be consistent with the description of work set forth in the contract;
    2. Not constitute new assignments of work or change to the expressed terms, conditions, or specifications incorporated into the contract;
    3. Not constitute a basis for an extension to the period of performance or contract delivery schedule; and
    4. Not constitute a basis for any increase in the contract cost.
  - e. The COTR may be changed by the Contracting Officer at any time without prior notice to the Contractor. The Contracting Officer will give written notice to the Contractor to effect any change in COTRs.

### **G.3. TECHNICAL DIRECTION**

- a. Technical direction as used herein, will be the overseeing of the contractor and its staff to ensure compliance with all the requirements of the contract. It will include elaboration of the Statement of Work (Section C) by filling in details or otherwise completing the general description of work set forth by the contract schedule.



- b. No new work assignments which would require the employment of additional personnel, or which would increase or decrease costs or the period of performance, or affect any provision of this contract's cost may be made without prior approval of the Contracting Officer. Work to be performed under this contract shall be subject to the technical direction of the COTR.
- c. The Contractor shall not proceed with any instruction, direction, or request from the COTR which, in the Contractor's opinion, either is not provided for in the contract or would result in an increase to the contract cost. In either case, the Contractor, instead shall immediately notify the Contracting Officer in writing. The Contracting Officer will respond either by issuing an appropriate contract modification or by advising the Contractor in writing that the technical instruction, direction, or request is within the scope of this clause and does not constitute a change under the Changes Clause of the contract. The Contractor shall then proceed immediately with the direction given. Failure to obtain the Contracting Officer's determination regarding any situation governed by this paragraph may result in non-payment, or may necessitate the submission of costly and time-consuming claims under the contract.
- d. A failure of the parties to agree upon the nature of the instruction or direction, or upon the contract action to be taken with respect thereto, shall be subject to the provisions of the contract clause titled "Disputes." (See the clause at I.1, page I-2 of this document.)

#### **G.4. INCORPORATION OF CONTRACTOR'S PROPOSAL**

It is understood and agreed that the Contractor shall, in meeting the requirements of this contract, perform the work in accordance with the proposal submitted in response to this solicitation, provided however, that to the extent that any provision set forth herein is in conflict or is inconsistent with any provisions of said proposal, the provisions of this contract shall be controlling and shall supersede the provisions of said proposal.

**G.5. ORDER OF PRECEDENCE**

The order of precedence for interpretation of the terms, conditions, and requirements of this contract shall be as follows:

- a. Cover Sheet (SF 33);
- b. PART I - THE SCHEDULE of the contract (Sections B through H);
- c. PART II - CONTRACT CLAUSES of the contract (Section I); and,
- d. Contractor's proposal, as clarified.

[END OF SECTION]

**SECTION H - SPECIAL CONTRACT REQUIREMENTS**

**H.1 BUSINESS PRACTICES AND CONTRACT REQUIREMENTS**

It is expected that the practices described by the Contractor in its response to the Request for Proposals shall be employed in its performance of the requirements of Section C of the contract. Written notice must be received in advance by the Contracting Officer for approval of any changes to these practices.

**H.2 ADVERTISING AND RELEASING OF INFORMATION**

The contractor must not publicize, advertise, or otherwise announce its selection by the Agency without the prior written approval of the Agency. Also, the Contractor may not release information or report on its performance under the contract without the prior written approval of the Agency.

**H.3. KEY PERSONNEL**

- a. The Contractor must include in its proposal, by name and capacity, the key personnel to be assigned to perform and carry out all phases of work under this contract. The Contractor's key personnel include the following:

<u>Name</u>	<u>Capacity</u>
_____	_____
_____	_____
_____	_____
_____	_____

- b. The individuals named above are considered key personnel and are essential for the successful completion of all work assigned under this contract. In the event any individual on the list of key personnel is to be removed or diverted from this contract, the Contractor must (1) notify the Contracting Officer; (2) supply written justification as to why the individual(s) is being removed or diverted; and, (3) provide resume of

the proposed substitute or replacement including the education, work experience, etc., of each new person for Agency approval. All notifications and other information must be submitted to the Contracting Officer at least 14 calendar days in advance of the action.

- c. The Contractor must not, under any circumstances, remove or divert key personnel unless prior written authorization has been granted by the Contracting Officer. The person replacing the key person must have the same or higher qualifications and experience as the person replaced.

#### **H.4. REIMBURSEMENT OF TRAVEL EXPENSES**

Travel expenses incurred under this contract and invoiced under Section B.3. may not exceed the applicable Federal Travel Regulations.

#### **H.5. CONFIDENTIAL INFORMATION**

All information provided to the Contractor is confidential and is subject to the Privacy Act. The Contractor and contractor personnel shall maintain this information in strict confidence and shall not disclose this information, or information obtained as the result of its performance of this contract, to any person or entity, other than employees of the contractor or of the Board, without the prior written approval of the Board.

[END OF SECTION]

**SECTION I - CONTRACT CLAUSES**

**I.1. 51 52.252-2 Clauses Incorporated by Reference. (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): <http://www.arnet.gov/far>

(End of clause)

CAUTION: The Offeror is cautioned not to delete or add any other clauses to the following contract clause list. Such an action may cause the offer to be unacceptable. (Far citations in the following list refers to the Federal Acquisition Regulation {48 CFR Chapter 1})

<u>TITLE</u>	<u>FAR CITATION</u>
Definitions (DEC 2001)	52.202-1
Gratuities (APR 1984)	52.203-3
Covenant Against Contingent Fees (APR 1984)	52.203-5
Restrictions on Subcontractor Sales to the Government (JUL 1995)	52.203-6
Anti-Kickback Procedures (JUL 1995)	52.203-7
Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997)	52.203-8
Price or Fee Adjustment for Illegal or Improper Activity (JAN 1997)	52.203-10
Limitation on Payments to Influence Certain Federal Transactions (JUN 2003)	52.203-12
Printed or Copied Double-Sided on Recycled Paper (AUG 2000)	52.204-4
Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (JUL 1995)	52.209-6
Audit and Records - Negotiation (JUN 1999)	52.215-2
Order of Precedence - Uniform Contract Format (OCT 1997)	52.215-8
Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing	

Data - Modifications (OCT 1997)	52.215-21
Option to Extend Services (NOV 1999)	52.217-8
Option to Extend the Term of the Contract (MAR 2000)	52.217-9
Notice to the Government of Labor Disputes (FEB 1997)	52.222-1
Service Contract Act of 1965, as Amended (MAY 1989)	52.222-41
Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (MAY 1989)	52.222-43
Service Contract Act - Place of Performance Unknown (MAY 1989)	52.222-49
Toxic Chemical Release Reporting (AUG 2003)	52.223-14
Privacy Act Notification (APR 1984)	52.224-1
Privacy Act (APR 1984)	52.224-2
Buy American Act - Construction Materials under Trade Agreements (JAN 2004)	52.225-11
Authorization and Consent (JUL 1995)	52.227-1
Rights in Data - General (JUN 1987)	52.227-14
Rights to Proposal Data (Technical) (JUN 1987)	52.227-23
Federal, State, and Local Taxes (APR 2003)	52.229-3
Payments (APR 1984)	52.232-1
Discounts for Prompt Payment (FEB 2002)	52.232-8
Limitation on Withholding of Payments (APR 1984)	52.232-9
Extras (APR 1984)	52.232-11
Interest (JUN 1996)	52.232-17
Assignment of Claims. (JAN 1986) - Alternate I (APR 1984)	52.232-23
Prompt payment (OCT 2003)	52.232-25
Payment by Electronic Funds Transfer - Central Contractor Registration (OCT 2003)	52.232-33
Protest after Award (AUG 1996)	52.233-3
Bankruptcy (JUL 1995)	52.242-13
Changes - Fixed-Price. (AUG 1987) - Alternate I (APR 1984)	52.243-1
Subcontracts. (AUG 1998) - Alternate I (AUG 1998)	52.244-2
Competition in Subcontracting (DEC 1996)	52.244-5
Property Records (APR 1984)	52.245-1
Government Property (Fixed-Price Contracts) (JUN 2003)	52.245-2
Warranty of Services (MAY 2001)	52.246-20
Termination for Convenience of the Government (Services) (Short Form) (APR 1984)	52.249-4
Default (Fixed-Price Supply and Service)	

(APR 1984) 52.249-8  
Computer Generated Forms (JAN 1991)

52.253-1

## **I.2. DISPUTES**

(a) All disputes arising under or relating to this contract shall be resolved under this clause.

(b) Claim, as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 is not a claim until certified in accordance with (c)(2). A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a not considered a claim. The submission may be converted to a claim by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(c)(1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Federal Retirement Thrift Investment Board (Agency) against the Contractor shall be subject to a written decision by the Contracting Officer.

(2)(i) The Contractor shall provide the certification specified in paragraph (c)(2)(iii) of this clause when submitting any claim exceeding \$100,000.

(ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

(iii) The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested

accurately reflects the contract adjustment for which the Contractor believes the Agency is liable; and that I am duly authorized to certify the claim on behalf of the Contractor."

(3) The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim.

(e) For Contractor claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$100,000, the Contracting Officer must, within 60 days of receipt, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Contractor files an appeal with the Executive Director of the Agency whose decision shall be final.

(g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Agency is presented to the Contractor, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Contractor refuses an offer for ADR, the Contractor shall inform the Contracting Officer, in writing, of the Contractor's specific reasons for rejecting the offer.

(h) The Agency shall pay interest on the amount found due and unpaid from (1) the date that the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury for similar debts due by the Government, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.



(i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

**I.3. SERVICE OF PROTEST**

Protest, as defined in Section 33.101 of the Federal Acquisition Regulation, shall be served on the Contracting Officer by obtaining written and dated acknowledgement of receipt from Angela Allen, the Contracting Officer, Federal Retirement Thrift Investment Board, Suite 200, 1250 H. Street N.W., Washington, DC 20005. Telephone: 202-942-1693

**I.4. PROTEST**

The Agency's statutorily imposed responsibilities require that all final determinations regarding protest decisions be rendered by the Executive Director of the Agency in sole consideration of the best interests of the participants in the Thrift Savings Plan.

[END OF SECTION]

SECTION J - ATTACHMENTS  
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**Attachment #1****INFORMATION REQUESTS**

The information requested below is required to evaluate the proposals submitted in response to this RFP. This RFP contains two lots:

Lot 1 seeks the services of a vendor to assist the Agency with various tasks relating to the establishment and maintenance of comprehensive target asset allocation models for lifecycle funds. The term "lifecycle funds" is used in this RFP to refer to dynamic target asset allocation funds with allocations that change over time as the investment horizon approaches.

Lot 2 seeks the services of a consultant to develop a strategy and related products for communicating the rollout of these lifecycle funds.

Contractors may respond to either Lot 1 or Lot 2 or to both lots, but they must provide separate responses for each lot. Within each lot, they must provide specific and detailed responses to each item in the same order as requested. Responses must not exceed 20 pages for each lot (not including resumes and work product samples). If information is not provided for an item, it may not be possible to award points in the relevant category when evaluating the proposal.

**Lot 1:**

1. State whether you are prepared to perform each of the tasks outlined in the Statement of Work (Section C) for Lot 1. If you cannot perform any of the tasks, please explain.
2. State whether you are prepared to comply with all of the other requirements of the RFP (except for those set forth in Lot 2). If you cannot comply with any requirement, please explain.
3. Confirm that you have been doing business in the United States for the past five years.
4. State that you agree to perform all of the work required on this project in the United States.

5. Confirm that you are able to and will agree to create asset allocation models for lifecycle funds using only the existing TSP funds as underlying assets.
6. List all clients for which you have provided consulting services in establishing lifecycle funds during the past five years. For each client, provide a contact name, address, telephone number, and e-mail address.
7. Provide resumes of all persons you expect to use for this project. Identify from the client list provided in response to Item 6 the clients with whom each staff member worked. If any proposed staff are not currently employed by you, provide a letter of intent signed by the proposed employee and you.
8. Provide the following information for at least two (but no more than four) projects in which you assisted in the establishment of lifecycle funds for a client. For at least two of the projects, the work must have been performed within the past five years and the client must be either: 1) a daily-valued, participant-directed, defined contribution plan having at least 10,000 participants or 2) a mutual fund or investment company:
  - a. Company or plan name and contact name, phone number, and e-mail address.
  - b. If the client is a participant-directed, defined contribution plan, state the number of plan participants and state whether the plan was daily-valued.
  - c. If the client is a mutual fund or investment company, state the amount of assets under management, the number of companies that use the mutual fund or investment company, and the number of individual investors in the mutual fund or investment company.
  - d. State the number of lifecycle funds being added by the client on the project.
  - e. Describe your role on the project, including a description of your role in performing each of the following tasks:
    - 1) Creation of target asset allocation models;

- 2) Providing advice on the number of lifecycle funds to offer and on the composition of their portfolio of assets;
- 3) Providing advice on the appropriate time horizon for each fund;
- 4) Creation of a plan for rebalancing the funds;
- 5) Providing advice on how often and under what circumstances the target asset allocations should be adjusted; and
- 6) Periodically adjusting the target asset allocation models.

f. State whether the lifecycle funds were implemented and, if there were benchmarks for a successful implementation, what those benchmarks were and if they were met.

g. Attach copies of all work product that you produced on the project.

7. Describe how you plan to accomplish each of the tasks required in Lot 1 of the Statement of Work. List each staff member that you expect to work on each of the tasks.

**Lot 2:**

1. State whether you are prepared to perform each of the tasks outlined in the Statement of Work (Section C) for Lot 2. If you cannot perform any of the tasks, please explain.

2. State whether you are prepared to comply with all of the other requirements of the RFP (except for those set forth in Lot 1). If you cannot comply with any requirements, please explain.

3. State whether you have been doing business in the United States for the past five years.

4. List all clients for whom you have developed communication programs for the introduction of lifecycle funds within the past five years. For each client, provide a

contact name, address, telephone number, and e-mail address.

5. Confirm that your communications strategy for the introduction of TSP lifecycle funds will include, at a minimum, print and Web-based components and the redesign of existing participant statements to incorporate lifecycle funds.

6. Confirm that you agree to perform all of the work required on this project in the United States.

7. Provide resumes of all persons that you expect to use for this project. Identify from the client list provided in response to Item 4 the projects that the staff member worked on. If any proposed staff are not currently employed by you, provide a letter of intent signed by the proposed employee and you.

8. Provide the following information for at least two (but no more than four) projects in which you developed or assisted in the communications associated with the introduction of lifecycle funds for a client. For at least two of the projects, the work must have been performed within the past five years and the client must be either: (1) a daily-valued, participant-directed, defined contribution plan having at least 10,000 participants or (2) a mutual fund or investment company:

a. Company or Plan name, address, contact name, phone number, and e-mail address.

b. If the client is a participant-directed, defined contribution plan, state the number of plan participants. If the client is a mutual fund or investment company, state the number of individual investors in the mutual fund or investment management firm.

c. State the following regarding the lifecycle funds being added by the client:

1) Number of funds;

2) Whether the funds were "off-the-shelf" or custom funds;

3) Whether the funds were limited to the existing plan investments; and

4) Whether the funds were your own proprietary funds, i.e., whether the communications material you developed was for funds that you also manage.

d. Describe your role on the project, including a description of your role in performing each of the following tasks:

1) Reviewing the client's existing communication materials;

2) Providing advice on the most appropriate and effective communication vehicles to be used and whether the communications were targeted for specific populations;

3) Developing the appropriate "look and feel" for communications associated with the implementation of the lifecycle funds;

4) Developing the project plan;

5) Interacting with client staff and other contractors/consultants to ensure successful integration with existing communication materials/vehicles;

6) Developing the communications materials, including the writing of text, creation of graphic designs, and development of Web screens/scripts and other media products; and

7) Evaluating the success of the communication campaign and how success was measured and reported to the client.

e. Attach copies of relevant work products that you produced on the project. Please indicate if the text was written by you or by the client. The portfolios should include examples of the pre-campaign materials, if available, as well as the implemented materials. Examples should include print materials and Web screens or a Web site address as well as any other media used (e.g., videos, CDs, posters). The targeted

population for the material should be identified, if appropriate.

9. Describe your experience in providing Web-based communications, including your experience and expertise in Web design, content development, and the development of modeling tools.

10. Describe your experience in providing overall design concepts for communications materials for lifecycle funds, including the use of appropriate visual images and the presentation of financial information in graphic form.

11. Describe your experience in developing other media (e.g., videos, CDs, posters).

12. Describe how you plan to gain knowledge of and information about the unique challenges faced by the TSP in order to develop the communications related to the implementation of the TSP lifecycle funds.

13. Describe how you plan to communicate with Agency staff in accomplishing this project. State the extent to which you expect to use face-to-face meetings, telephone conversations, e-mails, etc.

14. Describe how you plan to accomplish each of the tasks required in Lot 2 of the Statement of Work. Include a project plan for accomplishing these tasks and proposed critical milestones.



**ATTACHMENT #2**

**Analysis of 2002 Thrift Savings Plan  
Civilian Participant Demographics**

## Analysis of 2002 Thrift Savings Plan Civilian Participant Demographics

### Introduction

This analysis of Thrift Savings Plan (TSP) civilian participant demographics prepared by the Federal Retirement Thrift Investment Board is based on participant data enhanced with information from the Office of Personnel Management (OPM) database of Executive Branch and Postal Service employees. The analysis of calendar year 2002 data is similar to previous analyses of data in calendar years 1987 through 2001.<sup>1</sup> Groups of Federal Employees' Retirement System (FERS) participants who entered the TSP during the July open seasons from 1988 through 2001 are reviewed after an additional year of eligibility, and FERS participants entering in the July 2002 open season are studied after their first opportunity to participate. These groups are also compared to each other, and the 2002 information is compared to data from selected previous analyses, where applicable.

In summary:

- Overall, the FERS participation rate (i.e., a measure of current FERS-covered employees making voluntary salary deferrals) increased slightly to 88.4% during 2002, from 88.1% in 2001. FERS participation has been near 88% since 1997, after rising steadily for ten years from the plan's inception in 1987, when 44.1% participated.
- The overall average deferral rate (i.e., the percentage of basic pay contributed to the TSP) for FERS contributors increased to approximately 7.7% in 2002, from 7.2% in 2001. The FERS average deferral rate has increased every year since 1988, the first full year of plan operation, when it was 4.9%. The average deferral rate in 2002 for Civil Service Retirement System (CSRS) contributors was approximately 5.6%, an increase from 4.6% in 2001. The significant increases in deferral rates are largely attributable to higher statutory maximum contribution limits in 2002; the maximum permitted deferral was 12% for FERS participants and 7% for CSRS participants, up from 2001 effective maximum annual rates of 10.4% and 5.4%, respectively.<sup>2</sup>
- The median age and salary of FERS contributors, 43.8 years and \$42,635, were higher than those of FERS noncontributors, which were 41.2 years and \$37,551. For CSRS contributors, the median age and salary were 52.2 years and \$56,387.
- Each year's FERS entrants showed increases in their participation rates in 2002 compared to 2001 and from their respective initial year participation rates, as summarized below. The substantially higher participation by the July 2002 class is likely because this group is the first to have been immediately eligible to begin making employee-only contributions upon hire, rather than being required to wait up to one year before being eligible to make contributions.

Date of Entry	Participation Rates			No. Of Years of Eligibility
	Initial Year	In 2001	In 2002	
July 1988	24.6%	92.0%	92.2%	14½
July 2000	58.5%	76.3%	82.2%	2½
July 2001	59.3%	59.3%	76.9%	1½
July 2002	74.6%	n/a	74.6%	new

- The average year-end allocation of investments by contributing participants was 49% in the U.S. Treasury securities fund, 11% in the bond index fund, 38% in the common stock index fund, and 1% each in the small capitalization and international index funds.

## **Background**

The U.S. Department of Agriculture, National Finance Center, the TSP's record keeper, provided a computer tape containing extract data about the accounts of approximately 2.7 million TSP participants reported in TSP records as active civilian federal employees as of December 31, 2002. OPM enhanced these data with June 2002 annual salary rate, sex, and length of Federal service data. OPM returned data on approximately 2 million full-time employees. There are an additional 185,000 part-time or intermittent employees identified in the data, but they are not included in these analyses because their actual compensation is not known. OPM was not able to provide information about the remaining participants either because they were not reported to OPM (principally for employees of the Legislative and Judicial Branches) or the data OPM had were not complete.

The summary analysis provided is subject to the following limitations:

- Employees of the Legislative and Judicial Branches may participate in the TSP at different participation and/or deferral rates from the Executive Branch employees included in this study. However, because these groups are a relatively small part of the total population, the deviation is unlikely to affect significantly the statistics presented here.
- Employees' actual deferral rates are not included in TSP or OPM centralized data bases. Therefore, an approximation of an annualized deferral rate has been calculated by comparing the total amount of 2002 employee contributions to annual salary at June 2002. Thus, for example, assuming no salary change during the year, a FERS employee who deferred 10% for the first half of the year and terminated contributions in the second half would be considered to have contributed 5%.
- For purposes of this study, "FERS contributor" is defined as an employee who contributed his or her own money (i.e., an employee contribution) at any time during the year. An "active FERS participant" is one who received at least one employee or employer contribution during the year.
- Approximately 3% of the data appeared to have erroneous deferral rates (i.e., CSRS employees in excess of 7% and FERS employees in excess of

12%). This can result either from the use of the annual salary at mid-year, which understates the actual compensation for persons receiving salary increases in the latter half of the year, or from faulty data. Where the calculated deferral rates exceed the statutory maximums, those employees have been included in the overall deferral rate calculations at their statutory maximum deferral rates.

## **Analysis**

The following sections address Plan population characteristics. The exhibits following this narrative display, over time, relationships between participation rates and age and salary, and between deferral rates and age and salary.

Ages are broken down into 10-year increments (e.g., ages 20 through 29, 30 through 39). However, as the CSRS was closed to new entrants in 1983, there were insignificant numbers of CSRS participants younger than age 30 in 2000. Salaries are generally shown in \$10,000 brackets (e.g., annual salary between \$10,000 and \$19,999, and between \$20,000 and \$29,999). The appendix provides descriptive statistics with respect to participation and deferral rates.

### **Age, Salary, Participation Rates, and Deferral Rates of TSP Participants**

Figures 1 and 2 show the FERS participation rates (the number of FERS participants who made voluntary employee contributions as a percent of the number of active FERS participants) by age and salary, respectively. In 2002, the FERS participation rates increased with age or salary increases, except in the case of participants over 70 years of age, who participated at a slightly lower rate than the age 60–69 category. The percentage of FERS contributors ranged from 77% in the youngest age group to 92% in the 60–69 age group, and from 51% in the lowest salary bracket to 97% in the highest salary bracket. The overall FERS participation rate was approximately 88%. These charts also display comparative data from the previous two years and from 1988, which was the first full year of operation of the TSP. As can be seen from Figure 1, FERS participation rates have been nearly constant from 2000 through 2002 in all age groups except the youngest, in which there has

been a slight variation. When arrayed by salary (Figure 2), the participation rate among participants with salaries between \$10,000 and \$19,999 increased significantly in 2002 over 2000 and 2001, but has declined slightly among participants with above \$20,000.

Figures 3 and 4 display deferral rates (the percentage of pay contributed to the TSP) of FERS contributors by age and salary. The average deferral rates showed a consistent pattern of increasing rates as age or salary increase. The average deferral in 2002 ranged from 6.8% in the youngest age group to 8.8% in the oldest age group, and from 5.6% in the lowest salary bracket to 9.0% in the highest salary bracket. Figures 3 and 4 show that deferral rates for FERS contributors increased in 2002 for all age and salary ranges. The average salary deferral among all FERS contributors was approximately 7.7%, an increase from 7.2% in 2001.

Participation rates of CSRS employees classified by age and salary are not shown because data is not available for non-participating CSRS employees. The overall CSRS participation rate in 2002 was approximately 67%, compared to 66% in 2001; the CSRS participation rate in 1988, the first full year of the TSP, was approximately 20%.

Deferral rates by age and salary for CSRS participants who are contributing to the TSP<sup>3</sup> are shown in Figures 5 and 6. The CSRS average deferral rates for 2002 reflect consistently increasing rates of deferral as age or salary brackets increase, although the range of differences was smaller in the CSRS population than among FERS participants. The average deferral in 2002 ranged from 4.6% to 5.4% in the youngest and oldest age groups, respectively, and from 4.0% to 5.8% for the lowest and highest salary brackets, respectively. The average salary deferral among all CSRS contributors was approximately 5.2% compared to 4.6% in 2001.

In summary, these charts show that from 2001 to 2002, FERS and CSRS deferral rates increased markedly in all age and salary brackets. The increases in the average deferral rates are the result of some participants electing to contribute at the higher statutory maximum contribution rates of 12% for FERS participants and 7% for CSRS participants, as described below.

The distributions of FERS and CSRS contributors' deferral rates are shown in Figures 7 and 8, respectively. Among FERS participants, the data show that, in 2002, 14% of contributing participants were deferring at rates of up to 3%, where the agency matching contribution is dollar-for-dollar, and 20% were deferring at 5%, the maximum contribution that is matched. Ap-

proximately 18% of the FERS contributors were contributing at 10%, which was the maximum allowable rate prior to the enactment of P.L. 106-557, approximately 10% of FERS contributors were deferring 11% of salary, the new maximum rate allowed during 2001; and approximately 18% of FERS contributors were deferring 12%, which was the increased maximum rate allowed in 2002. Among CSRS contributors, an aggregate of only 23% of contributors deferred at 1-4% of salary. Approximately 27% deferred 5%, the maximum rate allowed for CSRS employees prior to July 2001; 16% of CSRS contributors deferred at a 6% rate, the maximum permitted for the latter part of 2001; and 35% deferred at 7%, which was the maximum allowed for 2002.

The distributions of deferral rates in prior years are also shown in Figures 7 and 8. Although the proportions of participants deferring at rates below the pre-2001 maximums have been relatively consistent during 2000 through 2002, the proportion of participants deferring at the previous maximum rates are now split across the higher deferral rates up to the new maximums; however, the sums of the groups in 2002 deferring at or above the old limits (i.e., 10-12% for FERS and 5-7% for CSRS) are approximately equal to the proportions of participants deferring at the maximum rates in the immediately prior years. It cannot be determined from the data whether the FERS contributors at 11% or the CSRS contributors at 6% reflect participants holding their deferral rates at the maximum rates in effect in 2001, or belatedly making an election to the highest permitted rates in the second half of 2002. Note that because of lags in participant response to the changing maximum permissible deferral rates, the patterns of deferral rates in the upper ranges may not stabilize for several years after the percentage limitations are removed in 2006.

The distribution of deferral rates varies considerably at different salary levels. Four salary brackets were extracted from the 2002 data for comparative analysis: \$25,000–\$29,999; \$40,000–\$44,999; \$55,000–\$59,999; and \$70,000–\$74,999. Figures 9 and 10 illustrate the FERS and CSRS deferral rates within these selected salary brackets. Among contributing FERS participants in the lowest of the four selected salary brackets, 58% deferred 5% of salary or less, with half of this group contributing at a rate of 3% or less, and less than one in ten contributing at the maximum rate. Among FERS contributors in the \$40,000–\$44,999 range, 42% deferred 5% of salary or less, including 15% deferring 3% of salary or less, while 14% deferred at the maximum rate. The trend towards higher deferral rates at higher

salary levels continues in the \$55,000–\$59,999 group, with approximately 30% deferring 5% of salary or less, including only 10% contributing 3% or less, and 25% deferring at the maximum rate. In the highest salary range selected for this analysis, less than one-fourth deferred 5% or less, including only 6% contributing at a rate of 3% or less, while one-third deferred at the maximum rate. CSRS participants exhibited a similar trend of higher deferral rates among higher salary brackets. Among CSRS contributors in the lowest of the four selected salary brackets, less than 15% deferred at the maximum rate; however, nearly 45% of CSRS contributors in the \$70,000–\$74,999 group deferred at the maximum rate.

Figures 11 and 12 present the population distribution of FERS participants by age and salary, showing both contributors and noncontributors. As can be seen, contributors were somewhat older and more highly paid than noncontributors. Also, as shown in Tables 4 and 5 in the appendix, median ages were 43.8 years for FERS contributors and 41.2 years for FERS noncontributors. Median salaries were \$42,635 and \$37,511 respectively.

### New FERS Participants

In previous analyses of participant data, FERS participants who joined the plan in the July open season of each of the respective years have been profiled after their first season of TSP eligibility and compared with their counterparts from earlier years. The FERS participants in the entering class of July 2002 have been added to this ongoing analysis of new participants. As indicated in Table 4 in the appendix, the mean and median ages of FERS participants in their first year of eligibility have been comparable for several years. However, as indicated in the endnotes, the level of salaries (as measured by the median and mean) was slightly higher in 2002 than in 2001, continuing the general trend of increases from previous years (after adjustment for inflation).<sup>4</sup>

As shown in Figure 13, the July 2002 class of new entrants had a participation rate of 74.6%, a significant increase from the 59.3% rate in 2001. The participation rate among new entrants had been stable, at or near 60%, since 1997, but increased markedly in 2002. This is likely the result of P.L. 106-361, which changed the time of initial eligibility of FERS employees for making contributions to the TSP from the second semi-annual open season after hire (i.e., six to twelve months after hire) to immediate eligibility for making employee contributions (although employer matching contributions are still subject to the waiting period). Approximately

three-fourths of employees in the July 2002 class of FERS employees newly eligible for employer contributions, and of them, approximately 85% were already making their own employee contributions without the advantage of matching contributions.

Figure 14 shows the overall average deferral rates among new FERS entrants. The initial average deferral rate of 7.1% for the July 2002 new entrants continues in the narrow range of 7.1%–7.3% exhibited since 1997.

### Follow-up of FERS Participants Who Entered in Previous Years

Analyses are also conducted on each July class of FERS participants to observe any changes after subsequent years of eligibility for participation in the TSP. Comparative analysis of these groups presents a pattern of year-to-year progressions in participation and deferral rates. Figures 15 and 16 show the overall participation rates and average deferral rates for selected classes from their initial year through 2002 (e.g., 15 years for the July 1988 class, 14 years for the July 1989 class, etc.). For clarity of presentation, only the two oldest classes and five most recent classes are shown, but the progressions in the interim classes are similar. The changes in participation rates and average deferral rates over time for each selected group are remarkably similar. Figure 15 shows that participation rates have continued to increase each succeeding year, although the year-to-year rates of increase moderate over time. Noteworthy, however, is that the initial year participation rate of approximately 75% for the July 2002 class, as described above, is comparable to the participation rates in the second year in prior classes, as a result of the new, immediate participation rule.

Figure 16 shows that average deferral rates increase in the third and following years of eligibility after a decrease during the second year. (The second-year decline in the average deferral rate from the initial year reflects relatively large increases in the total number of new contributors in the second year, and these new contributors tend to contribute initially at relatively lower deferral rates.) However, the year-to-year increases in deferral rates also moderate over time, and the participation and deferral rates of the participant groups with the longest tenure may be reaching a plateau.

Substantially increasing participation rates during the first several years of eligibility has been a persistent pattern. Significant factors that may influence participants to begin contributions to the plan after an initial

period of not contributing could be stability of employment, career advancement, and increasing awareness of TSP benefits. However, the opportunity for immediate participation may cause this historic pattern to change for the July 2002 and subsequent classes.

### Participant Investments

In 2002, the TSP provided five investment choices for participants: the Government Securities Investment (G) Fund, which was invested in short term nonmarketable U.S. Treasury securities; the Fixed Income Index Investment (F) Fund, which was invested in a Lehman Brothers Aggregate bond index fund; the Common Stock Index Investment (C) Fund, which was invested in a Standard & Poor's 500 stock index fund; the Small Capitalization Stock Index Investment (S) Fund, which was invested in a Wilshire 4500 stock index fund; and the International Stock Index Investment (I) Fund, which was invested in a Morgan Stanley Capital International EAFE (Europe, Australasia, Far East) stock index fund. The S and I Funds were new investment choices in 2001, accepting their first investments in May 2001.

Demographic analysis of the investment allocations of FERS and CSRS participants, as indicated by their year-end balances in the respective investment funds, is presented in Figures 17-19. FERS noncontributors (i.e., participants receiving only the agency automatic (1%) contributions) are excluded from the analysis.<sup>5</sup>

Figures 17 and 18 show the average allocations of TSP contributors among the five investment funds by age and salary. For 2002, the average allocation among the G, F, C, S, and I Funds, respectively, ranged from 52%:8%:36%:3%:1% to 62%:9%:28%:1%:0% for the youngest and oldest age groups, and from 84%:4%:11%:1%:0% to 39%:12%:47%:2%:0% for the lowest and highest salary brackets. These patterns of higher allocations to the G Fund as age increases and lower allocations to the G Fund as salary increases are

displayed in the charts. Although not shown here, the same demographic pattern occurred in the 2000 and 2001 data.

The average 2002 investment allocation among all contributors was 50%:11%:38%:1%:1% to the G, F, C, S, and I Funds, respectively. Compared to 2001, when the overall average investment allocation among contributors was 42%:9%:48%:1%:0%, there was a marked reduction in 2002 in the proportions allocated to equities. This likely reflects a combination of participant reallocations to the G and F Funds and losses in 2002 in the equity markets.

To examine these patterns in a different way, contributors' investments are categorized as to low-risk (G Fund) vs. higher risk (the combined F, C, S, and/or I Funds) in 10% increments. As shown in Figure 19, the two most common investment combinations in 2002 were 90 to 100% investment in the low-risk G Fund, comprising 26% of all contributors (including 21% who were invested exclusively in the G Fund), and 90 to 100% investment in the higher risk market-based funds, comprising 24% of contributors (including 16% who were invested entirely in the market-based funds). The remaining half of contributors was fairly evenly distributed among the various other combinations.

Figure 19 also shows comparable information for 1998 through 2001. Although these same two investment combinations included approximately half of all contributors in all five years, the proportion of contributors with all or substantially all their assets in the G Fund decreased substantially between 1998 and 2000 during a period of a rising market, followed by a reversal of the trend during 2001 and 2002, a period of market decline. There was an opposite pattern for contributors with all or substantially all their assets in the market-based funds.

The demographic characteristics of these two largest groups were consistent with the findings displayed in figures 17 and 18. The risk-averse contributors tend to be older and/or lower paid, while risk-tolerant investors tend to be younger and/or higher paid.

## Notes

<sup>1</sup> The Federal Retirement Thrift Investment Board has published an analysis of Thrift Savings Plan participant demographics annually since 1987, the first year of plan operation. Copies of previous publications are available from the Board upon request.

<sup>2</sup> Beginning in July 2001, P.L. 106-554 authorized one percentage point increases in the maximum employee deferral rates each year through 2005; the percentage of pay limits are removed in 2006. The 2002 maximum allowed rates were 12% for FERS and 7% for CSRS, compared to 11% and 6% after July 2001 (or 10.4% and 5.4% effective annual limits for 2001), and 10% and 5% before July 2001.

<sup>3</sup> In 2002, approximately 96% of non-separated CSRS employees with TSP accounts made contributions to their accounts.

<sup>4</sup> The following table provides median and mean salaries for the July 1988 - July 2001 groups, as adjusted for inflation (CPI-W), with the comparable actual figures for the July 2002 class:

	<u>Median</u>	<u>Mean</u>
July 1988 new entrants	\$28,028	\$30,265
July 1989 new entrants	\$27,583	\$30,147
July 1990 new entrants	\$27,787	\$31,677
July 1991 new entrants	\$28,090	\$32,672
July 1992 new entrants	\$28,435	\$33,598
July 1993 new entrants	\$29,995	\$34,812
July 1994 new entrants	\$27,180	\$33,439
July 1995 new entrants	\$28,699	\$33,994
July 1996 new entrants	\$29,494	\$34,538
July 1997 new entrants	\$28,839	\$33,832
July 1998 new entrants	\$31,238	\$36,407
July 1999 new entrants	\$31,244	\$37,019
July 2000 new entrants	\$31,860	\$37,627
July 2001 new entrants	\$32,284	\$38,437
July 2002 new entrants	\$33,990	\$40,785

<sup>5</sup> FERS participants who did not make contributions from their salary during 2002 had, on average, 90% of their account balances in the G Fund; and 81% of them held their entire account balance in the G Fund. Unless a noncontributing participant directs otherwise, his or her FERS agency automatic (1%) contributions are invested in the G Fund.

## FERS Participation Rates

Figure 1. - By Age

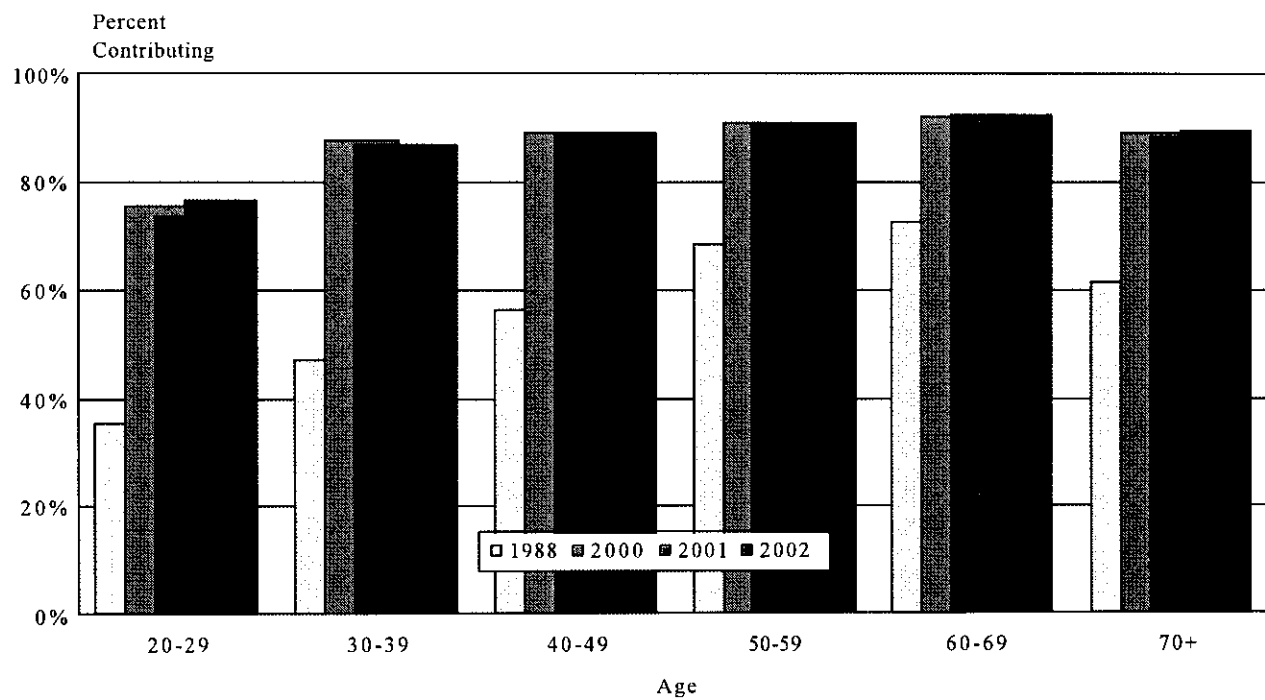
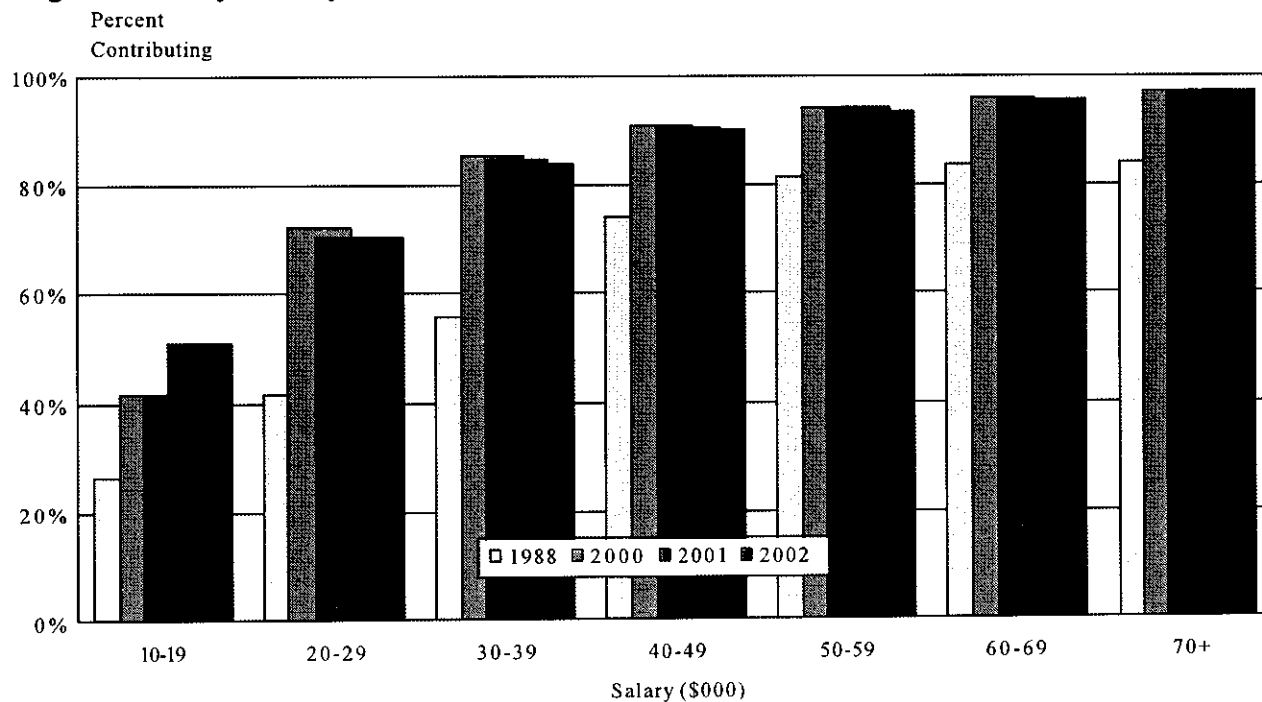


Figure 2. - By Salary



1988, 2000, 2001 salaries adjusted by 1.50, 1.04, and 1.01, respectively, for increases in CPI-W



## FERS Average Percent of Pay Deferred

Figure 3. - By Age

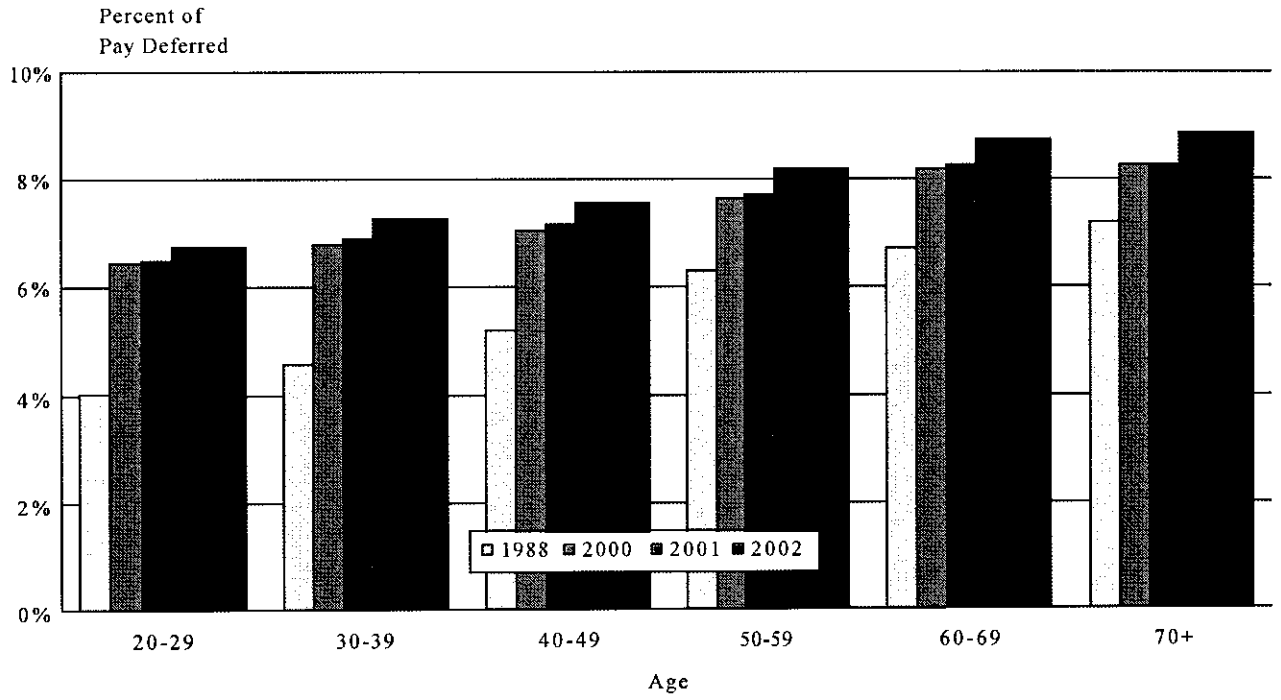
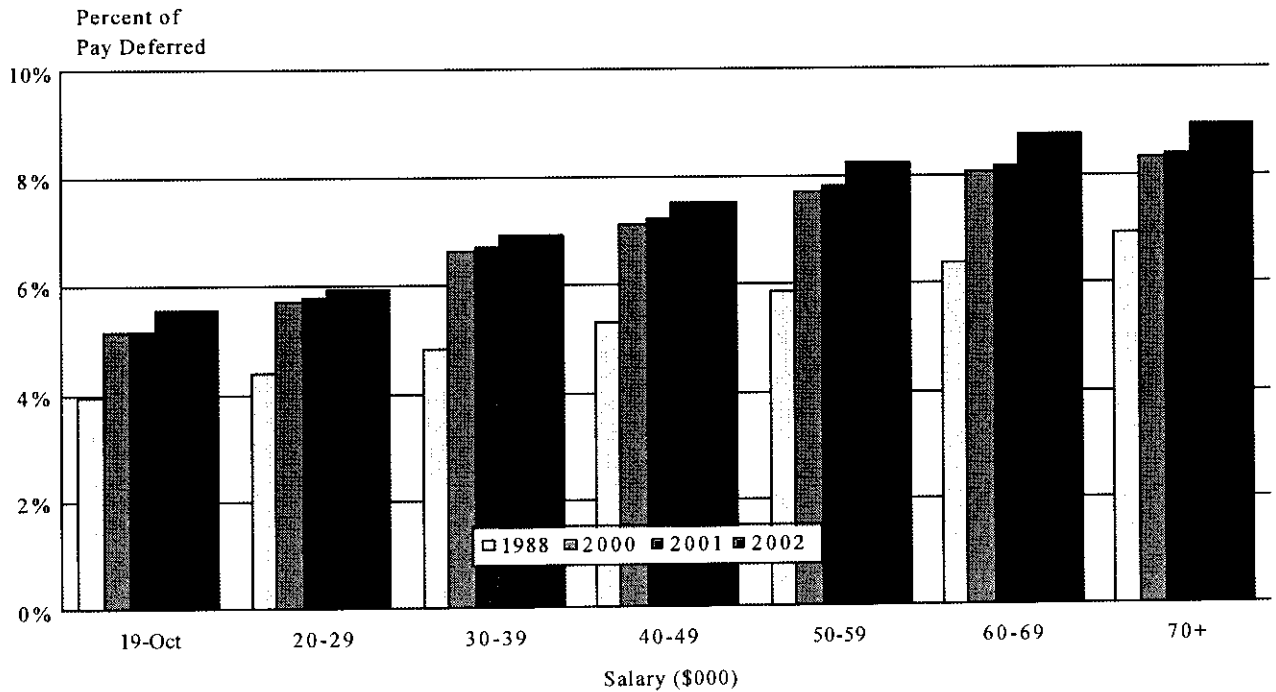


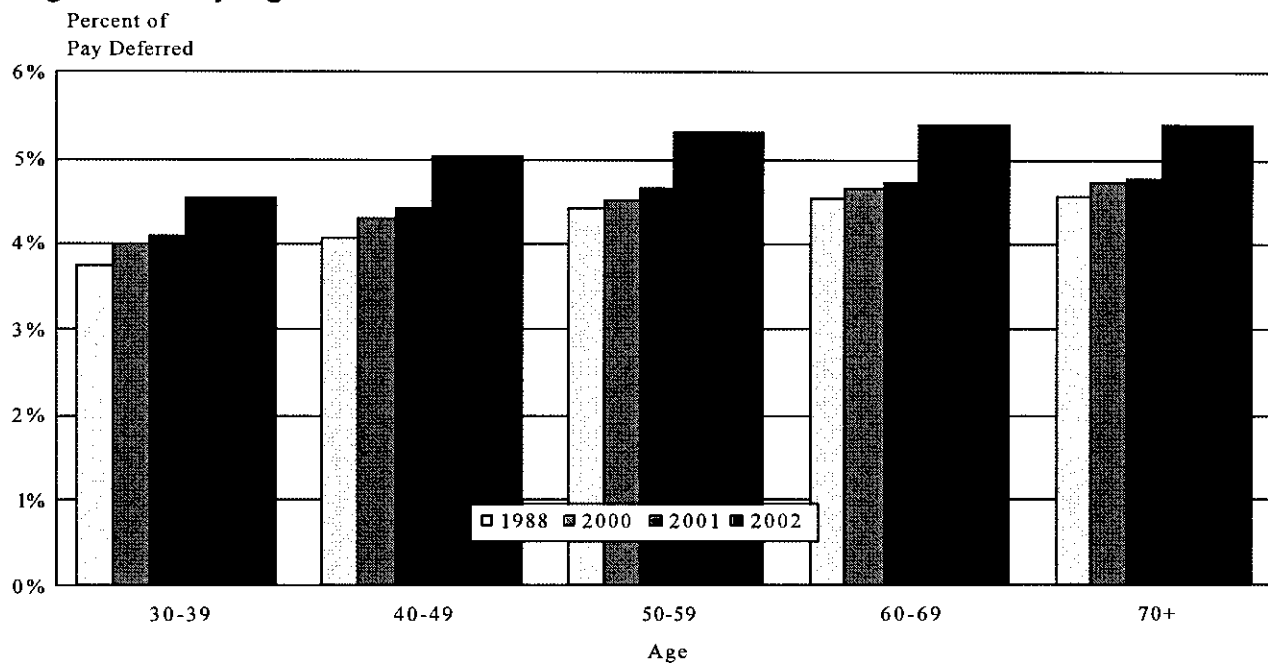
Figure 4. - By Salary



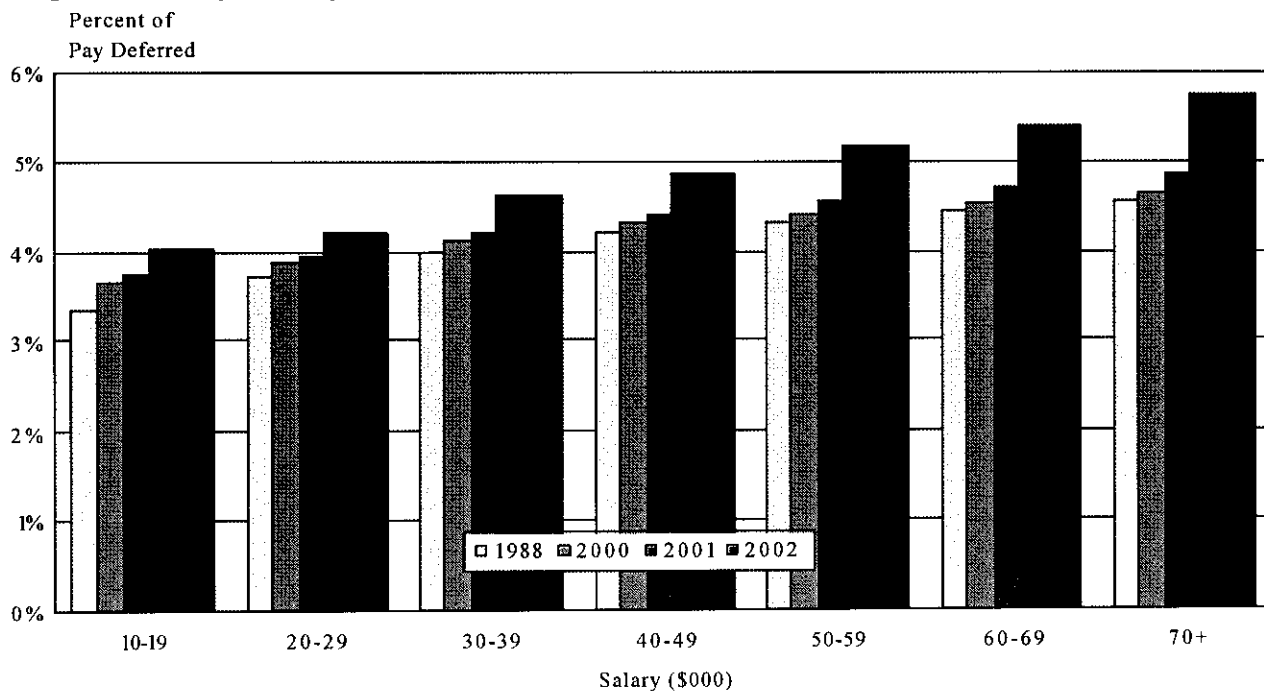
1988, 2000, 2001 salaries adjusted by 1.50, 1.04, and 1.01, respectively, for increases in CPI-W

## CSRS Average Percent of Pay Deferred

**Figure 5. - By Age**



**Figure 6. - By Salary**



1988, 2000, 2001 salaries adjusted by 1.50, 1.04, and 1.01, respectively, for increases in CPI-W

## Distribution of Deferral Rates

Figure 7. - FERS Deferral Rates

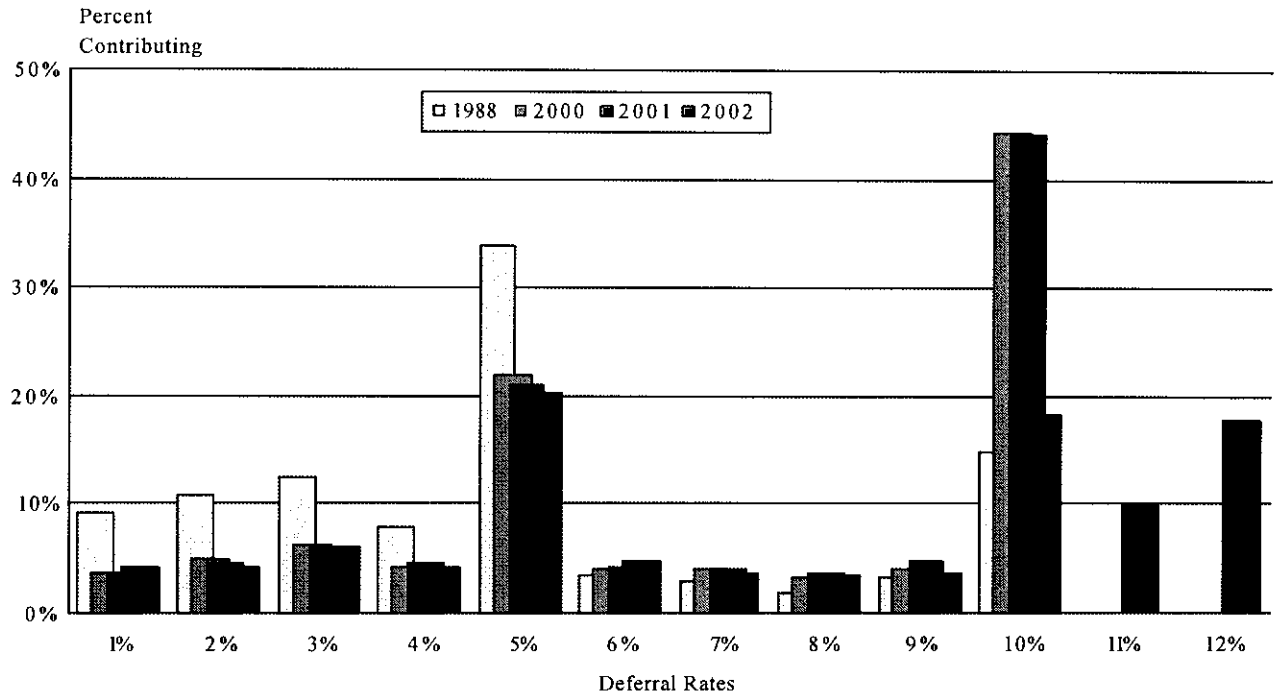
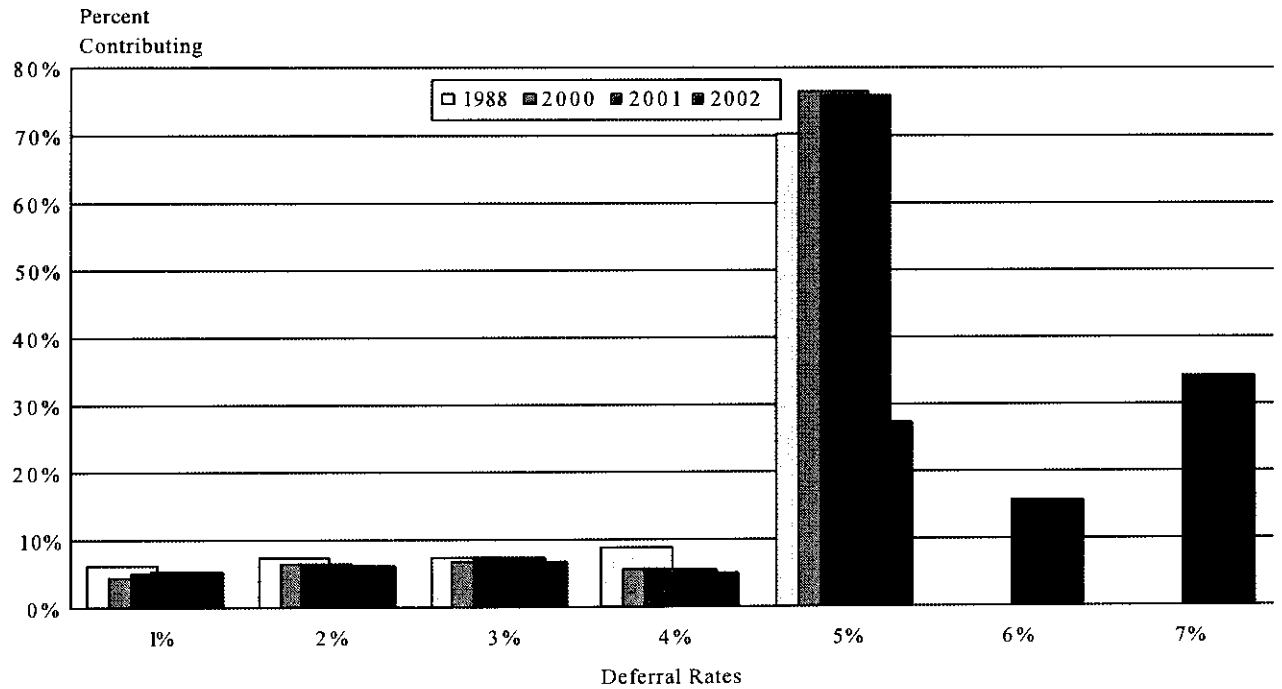


Figure 8. - CSRS Deferral Rates



## Distribution of 2002 Deferral Rates For Selected Salary Ranges

Figure 9. - FERS

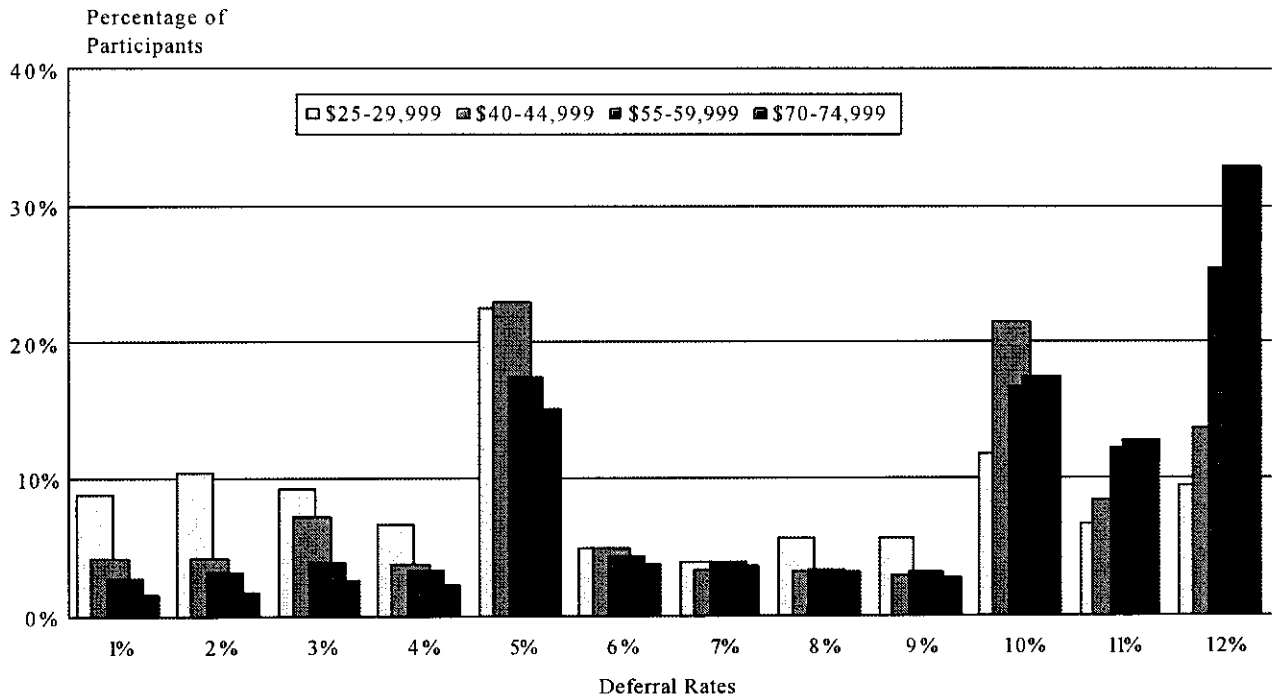
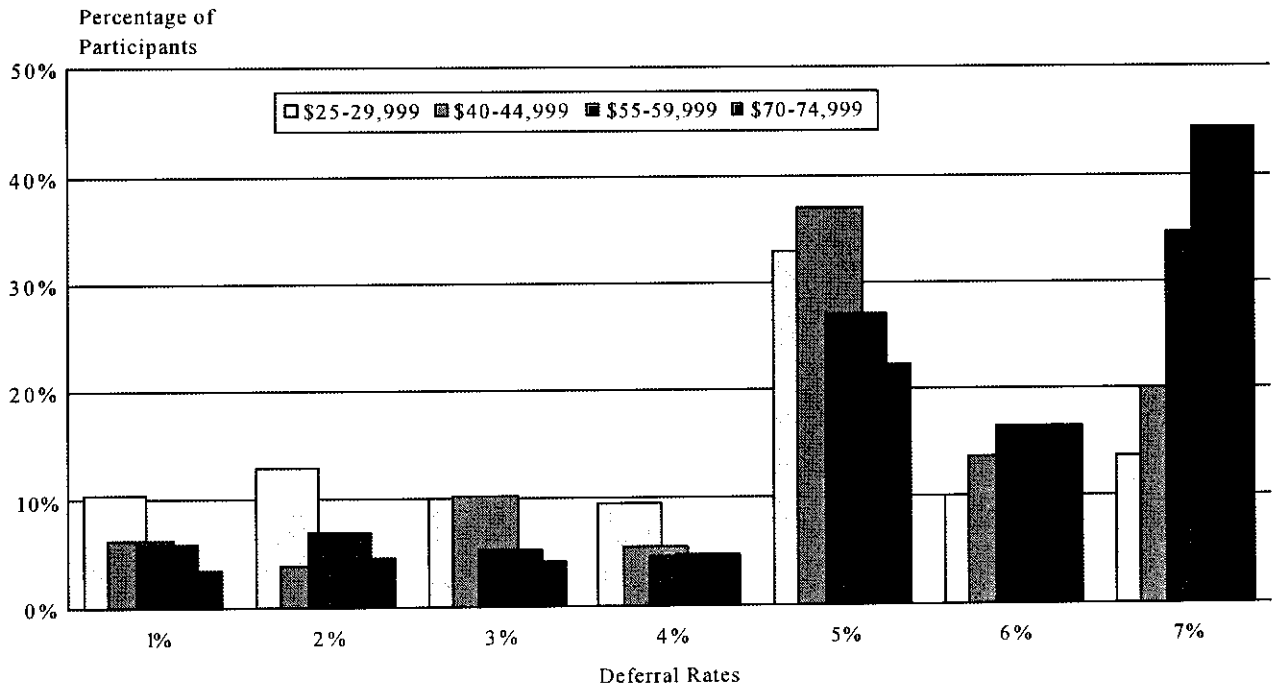


Figure 10. - CSRS



### FERS 2002 Population Distribution

Figure 11. - By Age

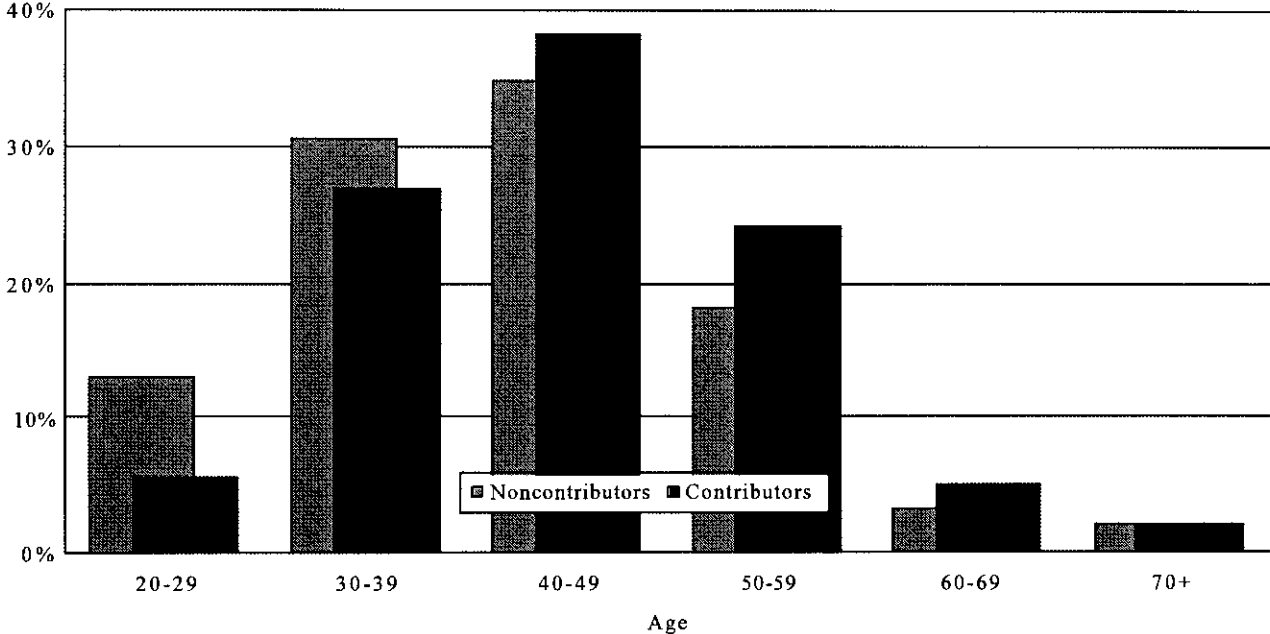
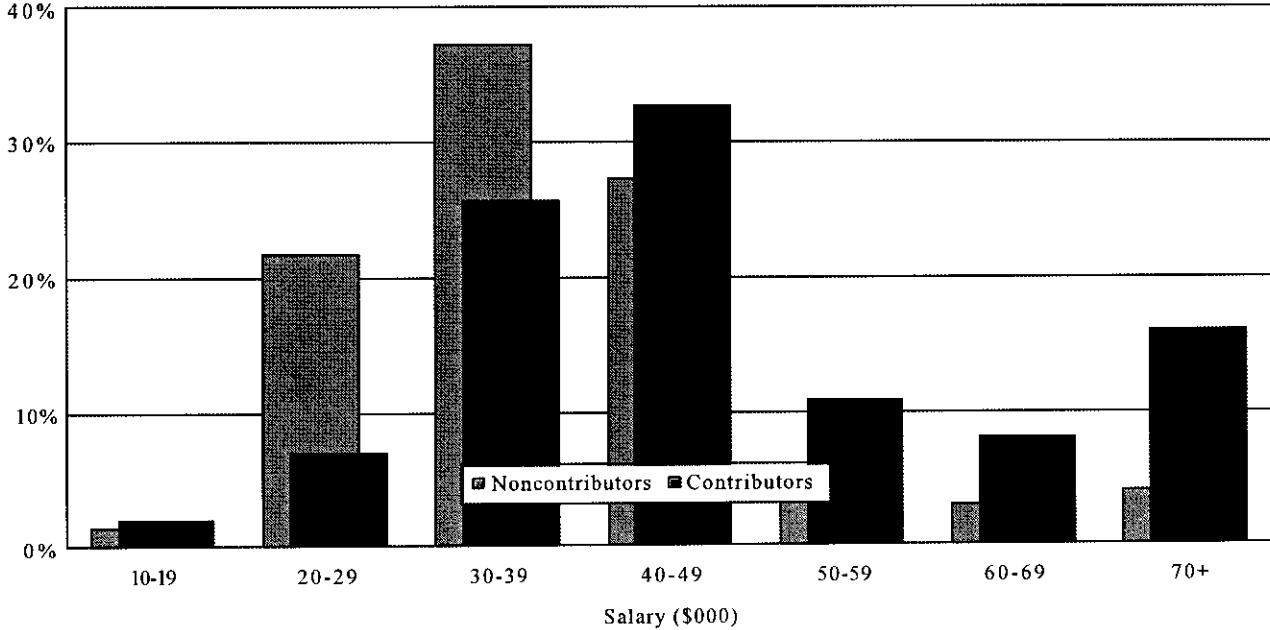


Figure 12. - By Salary



## FERS Participants in Their First Season

Figure 13. - Overall Participation Rates

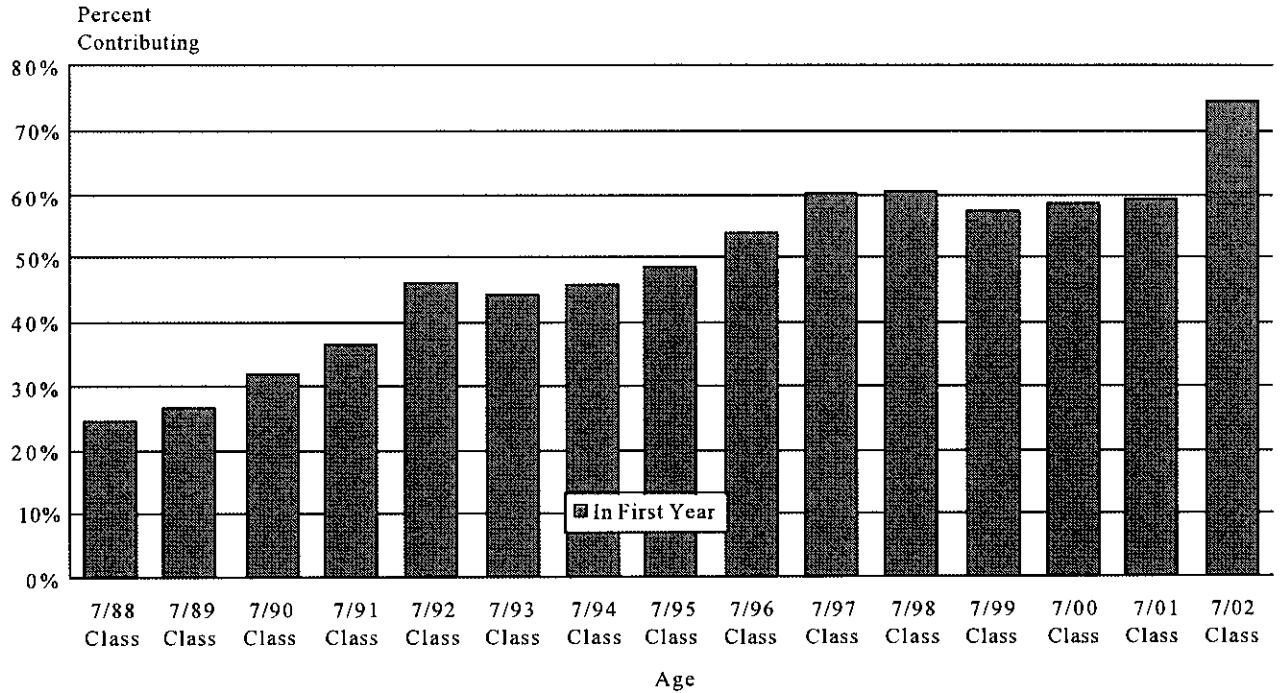
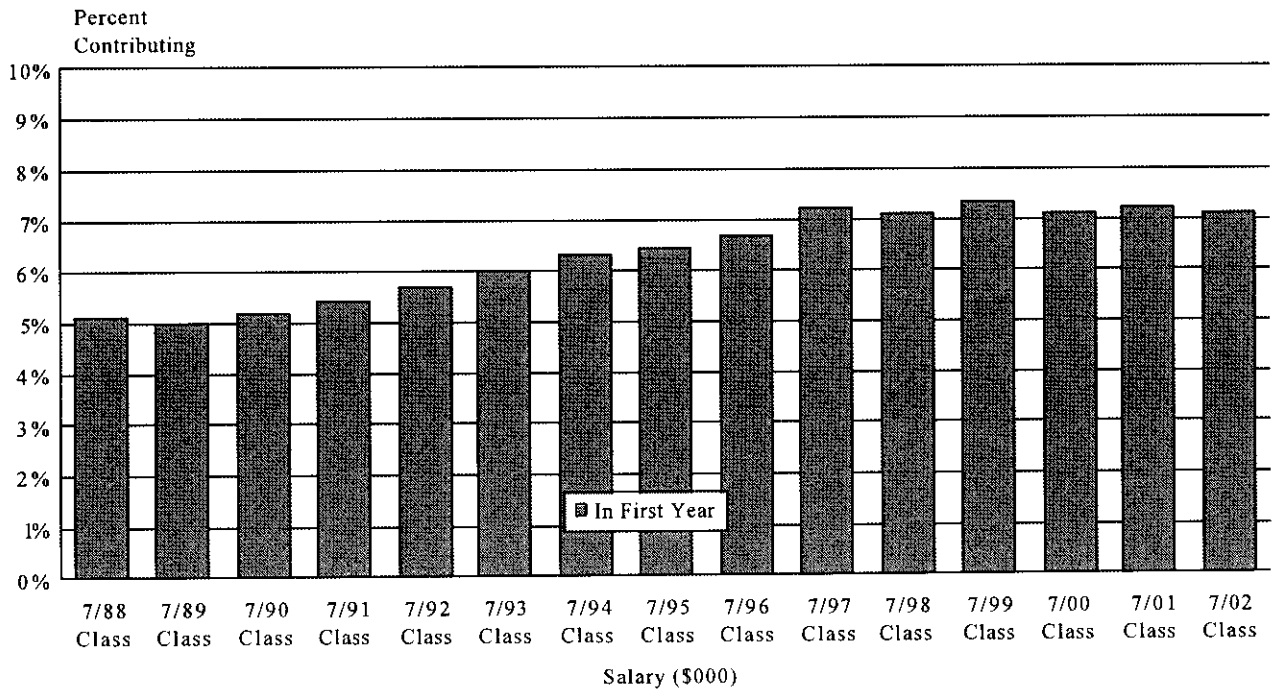


Figure 14. - Overall Percent of Pay Deferred



## Comparative Followup of Selected New FERS Participants Groups

Figure 15. - Participation Rates

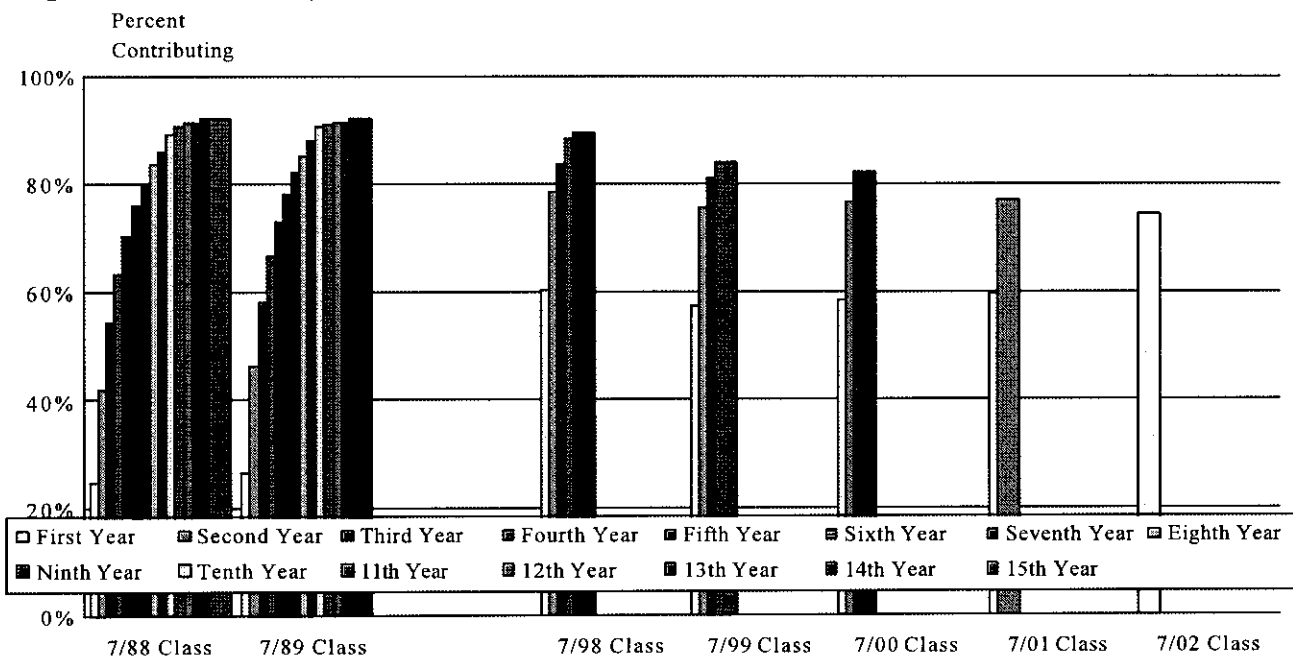
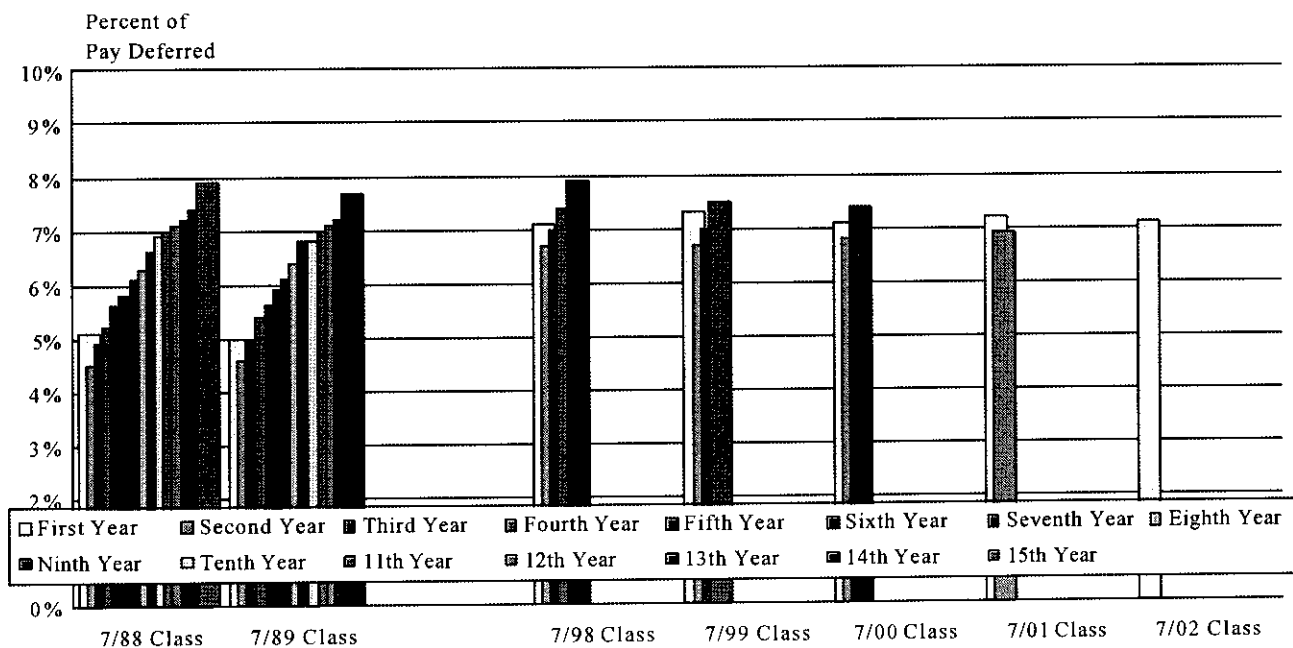


Figure 16. - Average Deferral Rates



## 2002 Investment Allocation

Figure 17. - By Age

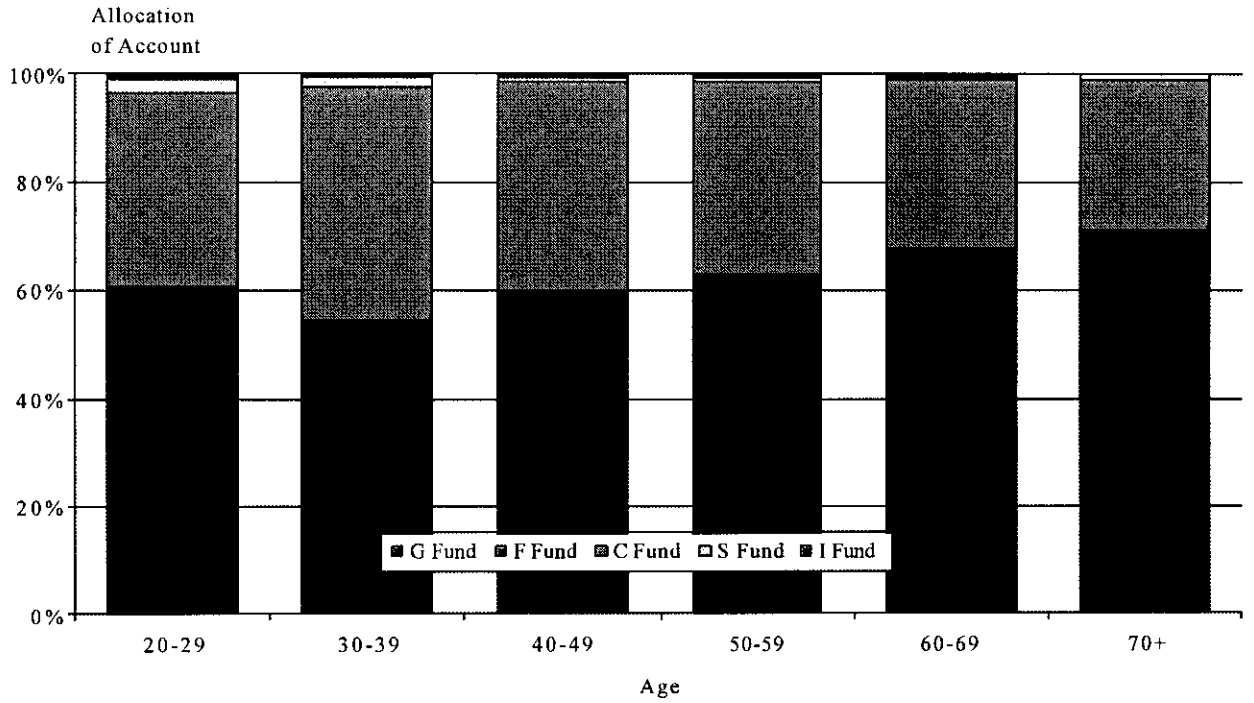
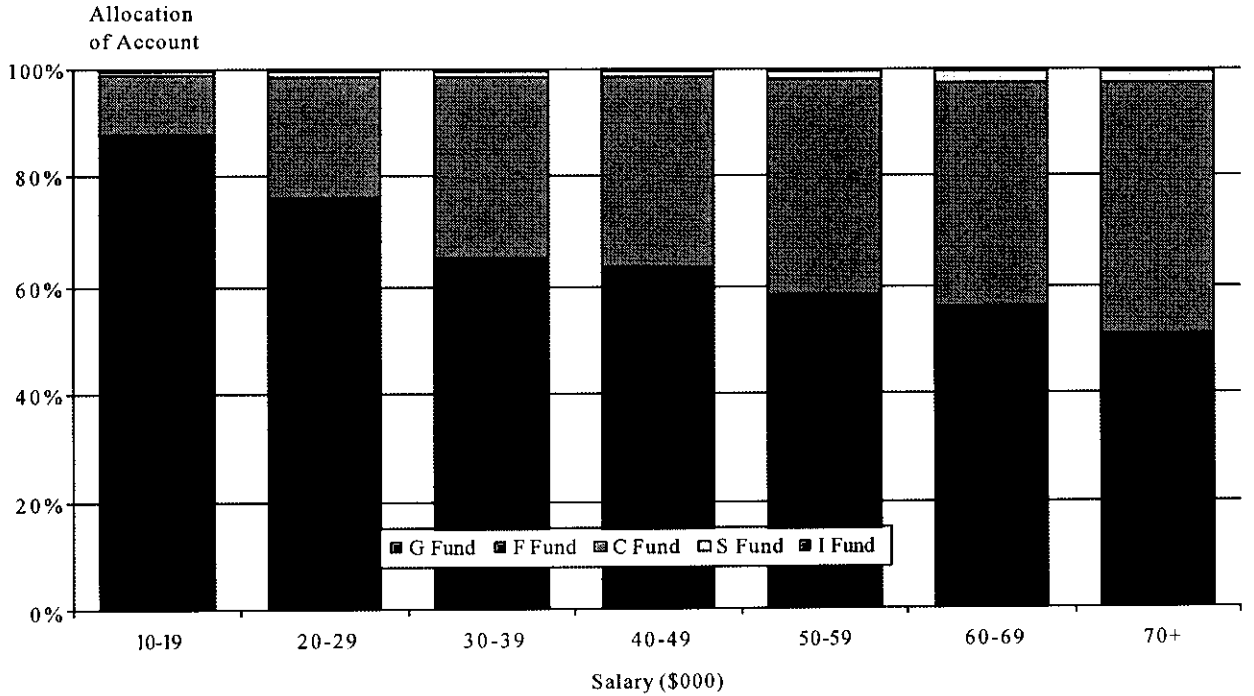


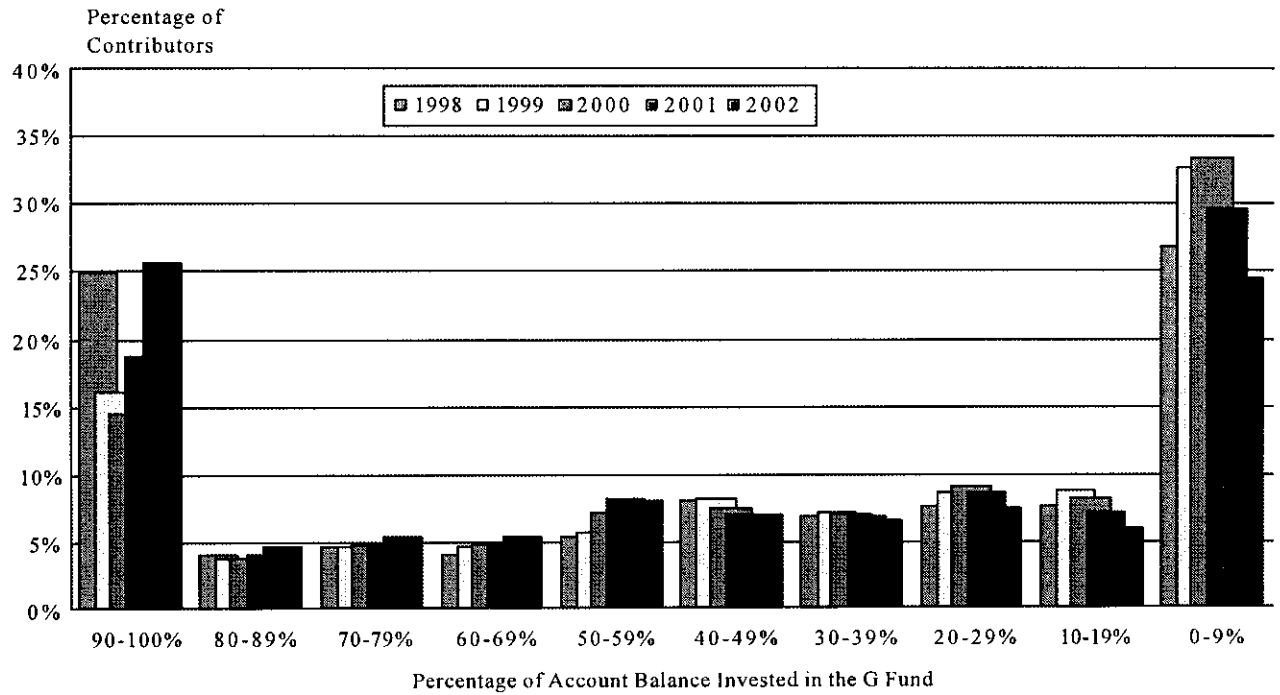
Figure 18. - By Salary





## Distribution of G Fund vs. Other Investments

Figure 19.



Appendix - TSP Population Characteristics

Table 1. Composition of the Plan

	Employees with a full-time work schedule		Employees with a non-full-time work schedule	
	2002	2001	2002	2001
	91.6%	91.5%	8.4%	8.5%
2000	91.7%	91.7%	8.3%	8.3%
1999	91.4%	91.4%	8.6%	8.6%
1998	91.8%	91.8%	8.2%	8.2%
1997	91.5%	91.5%	8.5%	8.5%
1996	91.9%	91.9%	8.1%	8.1%
1995	92.1%	92.1%	7.9%	7.9%
1994	93.0%	93.0%	7.0%	7.0%
1993	93.5%	93.5%	6.5%	6.5%
1992	91.4%	91.4%	8.6%	8.6%
1991	90.4%	90.4%	9.6%	9.6%
1990	90.1%	90.1%	9.9%	9.9%
1989	89.7%	89.7%	10.3%	10.3%
1988	88.7%	88.7%	11.3%	11.3%
1987	87.3%	87.3%	12.7%	12.7%

Table 2. FERS participation rate

	New FERS entrants in:															
	July 2002	July 2001	July 2000	July 1999	July 1998	July 1997	July 1996	July 1995	July 1994	July 1993	July 1992	July 1991	July 1990	July 1989	July 1988	
Overall	88.4%	88.4%	82.2%	84.0%	89.5%	88.7%	89.3%	89.3%	89.3%	92.2%	92.9%	91.9%	92.1%	91.8%	92.2%	
in 2001	88.1%	88.1%	76.3%	81.0%	88.4%	88.8%	89.3%	89.3%	89.3%	91.6%	92.5%	91.5%	91.6%	91.6%	92.0%	
in 2000	88.4%	88.4%	58.5%	75.3%	83.7%	87.5%	88.5%	88.2%	88.2%	91.2%	92.2%	91.2%	91.3%	91.4%	91.7%	
in 1999	88.2%	88.2%		57.4%	75.5%	84.7%	86.8%	87.0%	87.0%	90.1%	91.1%	90.4%	90.5%	90.5%	91.3%	
in 1998	87.9%	87.9%			80.7%	87.9%	83.4%	84.4%	85.7%	89.1%	90.1%	89.2%	89.6%	90.1%	90.7%	
in 1997	85.9%	85.9%			60.3%	60.3%	75.5%	79.2%	81.6%	85.9%	87.6%	87.6%	87.6%	87.6%	88.8%	
in 1996	82.9%	82.9%				54.0%	70.0%	75.7%	81.7%	84.0%	84.0%	84.0%	85.0%	85.0%	86.1%	
in 1995	80.0%	80.0%					48.7%	75.9%	75.9%	79.5%	80.1%	80.1%	81.8%	81.8%	83.3%	
in 1994	77.2%	77.2%						73.2%	74.8%	74.8%	77.0%	77.0%	78.0%	78.0%	80.0%	
in 1993	73.4%	73.4%							44.1%	63.4%	67.7%	71.7%	73.2%	73.2%	75.9%	
in 1992	68.4%	68.4%								43.4%	56.9%	64.2%	68.6%	68.6%	70.6%	
in 1991	63.2%	63.2%								36.6%	53.2%	57.8%	63.5%	63.5%	65.3%	
in 1990	57.1%	57.1%									32.2%	46.3%	54.3%	54.3%	57.8%	
in 1989	51.5%	51.5%										26.9%	42.2%	42.2%	46.3%	
in 1988	48.8%	48.8%													51.1%	
in 1987	44.1%	44.1%													24.6%	

Table 3. Average (mean) deferral rate

	New FERS entrants in:															
	July 2002	July 2001	July 2000	July 1999	July 1998	July 1997	July 1996	July 1995	July 1994	July 1993	July 1992	July 1991	July 1990	July 1989	July 1988	
Overall	7.7%	7.7%	6.9%	7.5%	7.9%	7.8%	7.7%	7.5%	7.5%	7.9%	7.9%	7.7%	7.7%	7.7%	7.9%	
in 2001	7.2%	7.2%	6.8%	7.0%	7.4%	7.3%	7.3%	7.1%	7.1%	7.4%	7.4%	7.2%	7.2%	7.2%	7.3%	
in 2000	7.1%	7.1%	7.1%	6.7%	7.0%	7.2%	7.0%	7.0%	7.0%	7.2%	7.3%	7.1%	7.1%	7.1%	7.2%	
in 1999	7.0%	7.0%		7.3%	6.7%	7.0%	7.0%	6.8%	6.8%	7.1%	7.0%	7.0%	7.0%	7.0%	7.1%	
in 1998	6.9%	6.9%			7.1%	6.5%	6.7%	6.7%	6.7%	6.9%	6.9%	6.8%	6.8%	6.8%	7.0%	
in 1997	6.8%	6.8%				7.2%	6.5%	6.8%	6.8%	6.9%	6.9%	6.8%	6.8%	6.8%	6.9%	
in 1996	6.4%	6.4%					6.7%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	
in 1995	6.2%	6.2%						6.4%	6.0%	6.1%	6.1%	6.1%	6.1%	6.1%	6.3%	
in 1994	6.0%	6.0%							6.3%	5.5%	5.8%	5.9%	5.9%	5.9%	6.1%	
in 1993	5.7%	5.7%								6.0%	5.3%	5.5%	5.5%	5.6%	5.8%	
in 1992	5.6%	5.6%									5.7%	5.0%	5.4%	5.6%	5.8%	
in 1991	5.3%	5.3%										5.4%	5.0%	5.2%	5.4%	
in 1990	5.1%	5.1%											4.8%	4.9%	4.9%	
in 1989	5.0%	5.0%												4.5%	4.5%	
in 1988	4.9%	4.9%												4.5%	4.3%	
in 1987	3.7%	3.7%												5.1%	3.2%	



## ATTACHMENT 3

January 9, 2004

MEMORANDUM FOR BOARD MEMBERS SAUL, FINK, WHITING,  
SANCHEZ, AND DUFFY

FROM: GARY A. AMELIO  
EXECUTIVE DIRECTOR

SUBJECT: December 2003 Performance Review - G, F, C, S,  
and I Funds

**INTRODUCTION**

The purpose of this report is to present key aspects of the December 2003 investment performance of the G, F, C, S, and I Funds.

**TRACKING**F Fund

	<u>TOTAL RETURN (%)</u>		<u>TRACKING ERROR (%)</u>
	<u>Barclays U.S. Debt Index Fund E</u>	<u>Lehman Brothers U.S. Aggregate Bond Index</u>	<u>U.S. Debt Index Fund E vs. Index</u>
December 2003	1.01	1.02	(.01)
Year-to-date	4.22	4.10	.12

C Fund

	<u>TOTAL RETURN (%)</u>		<u>TRACKING ERROR (%)</u>
	<u>Barclays Equity Index Fund E</u>	<u>S&amp;P 500 Index</u>	<u>Equity Index Fund E vs. Index</u>
December 2003	5.25	5.24	.01
Year-to-date	28.75	28.69	.06

S Fund

	<u>TOTAL RETURN (%)</u>		<u>TRACKING ERROR (%)</u>
	<u>Barclays Extended Market Index Fund E</u>	<u>Wilshire 4500</u>	<u>Extended Market Index Fund E vs. Index</u>
December 2003	2.06	2.08	(.02)
Year-to-date	43.32	43.84	(.52)

I Fund

	<u>TOTAL RETURN (%)</u>		<u>TRACKING ERROR (%)</u>
	<u>Barclays EAFE Equity Index Fund E</u>	<u>MSCI EAFE Index</u>	<u>EAFE Equity Index Fund E vs. Index</u>
December 2003	7.72	7.81	(.09)
Year-to-date	38.39	38.59	(.20)

TRADING COSTS

	<u>DOLLAR AMOUNT TRADED</u>	<u>TRADING COSTS</u>	
		<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
December 2003	452,057,377.25	(42,224.17)	(0.9)
Year-to-date	4,890,427,655.39	789,569.26	1.6
<u>C Fund</u>			
December 2003	739,618,546.86	(186,425.27)	(2.5)
Year-to-date	9,808,557,743.16	150,703.17	0.2
<u>S Fund</u>			
December 2003	594,854,340.16	239,558.00	4.0
Year-to-date	3,622,639,008.12	1,292,736.45	3.6
<u>I Fund</u>			
December 2003	440,611,265.00	104,328.30*	2.4*
Year-to-date	1,402,812,859.45	433,653.56*	3.1*

\* Estimated

The Barclays "E" Funds hold units of their respective master funds (or "A" Funds), which in turn hold the underlying physical securities (directly or indirectly). For the C, S, and I Funds, the Barclays "E" Funds also hold futures contracts (directly or indirectly) as a liquidity reserve to accommodate daily client cash flows.

With respect to the F Fund, the Barclays U.S. Debt Index Fund E holds only units of the master fund. The master fund is valued and traded daily, enabling it to provide daily liquidity to the U.S. Debt Index Fund E. The trading costs set forth above for the F Fund are the trading costs incurred by the Barclays U.S. Debt Index Fund A (master fund) on purchases and sales of underlying LBA securities attributable to F Fund transactions.

The trading costs set forth above for the C Fund and S Fund are those associated with the purchase and sale of futures contracts related to TSP purchases and sales of E Fund units. When the E Fund subsequently liquidates its futures position to buy or sell shares of the master fund, and the master fund buys or sells physical securities, the trading costs associated with those transactions are borne by the E Funds; they are not passed to the individual clients. Thus, those trading costs are embedded in the share price of the E Funds and reflected in the tracking error of the E Funds.

In December, the F and C Funds incurred negative trading costs; negative trading costs occur when Barclays executes a trade of securities below the closing prices of those securities.

In the case of the I Fund, all trading costs, including the trading costs associated with the purchase or sale of futures contracts, are borne by the EAFE Equity Index Fund E rather than passed on to transacting clients. Therefore, the trading costs shown above for the I Fund are estimates of the costs of futures transactions related to TSP purchases or sales of E Fund units. The estimates are derived from Barclays' overall experience for the relevant period in trading the futures contracts held indirectly by the EAFE Equity Index Fund E.

## PERFORMANCE

Attachment 1 shows the G, F, C, S, and I Fund December 2003 and year-to-date net rates of return. Attachment 2 compares the December 2003 and year-to-date F, C, S, and I Fund net returns to the Barclays U.S. Debt Index Fund E, Equity Index Fund E, Extended Market Index Fund E, and EAFE Equity Index Fund E returns, respectively.

### G Fund

The nominal statutory G Fund interest rate (expressed on a per-annum basis) for December 2003 was 4.375%. The December 2003 G Fund gross return was .50%. As reflected in Attachment 3, the spread between nominal G Fund rates and coupon yield equivalents of average daily closing bid yields of 3-month Treasury bills averaged 346 basis points in December 2003. The December 2003 G Fund expense ratio was .01%. Year-to-date the G Fund expense ratio is .10%.

### F Fund

The December 2003 total gross F Fund return tracked precisely the Barclays U.S. Debt Index Fund E return of 1.01%. The December 2003 F Fund expense ratio was .00%. Year-to-date the F Fund expense ratio is .10%.

### C Fund

The December 2003 total gross C Fund return tracked precisely the Barclays Equity Index Fund E return of 5.25%. The December 2003 C Fund expense ratio was .01%. Year-to-date the C Fund expense ratio is .10%.

### S Fund

The December 2003 total gross S Fund return of 2.05% underperformed the Barclays Extended Market Index Fund E return of 2.06% by 1 basis point. The December 2003 S Fund expense ratio was .01%. Year-to-date the S Fund expense ratio is .10%.

I Fund

The December 2003 total gross I Fund return of 7.68% underperformed the Barclays EAFE Equity Index Fund E return of 7.72% by 4 basis points. The December 2003 I Fund expense ratio was .00%. Year-to-date the I Fund expense ratio is .10%.

2003 Thrift Savings Plan Monthly Investment Activity

Attachment 4 provides a monthly summary of TSP investment activity, participation rates, and monthly returns in the G, F, C, S, and I Funds.

**RECOMMENDATION**

The Barclays U.S. Debt Index Fund E, Equity Index Fund E, Extended Market Index Fund E, and EAFE Equity Index Fund E tracked their respective indexes as we expected, and have incurred low trading costs. Based on the performance of these funds, and the F, C, S, and I Funds' performance discussed above, I recommend reaffirmation of the current F, C, S, and I Fund investment policies.

The G Fund investments produce long-term yields while incurring no market risk. I recommend reaffirmation of the current G Fund policy to invest solely in short-term maturities.

Attachments

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

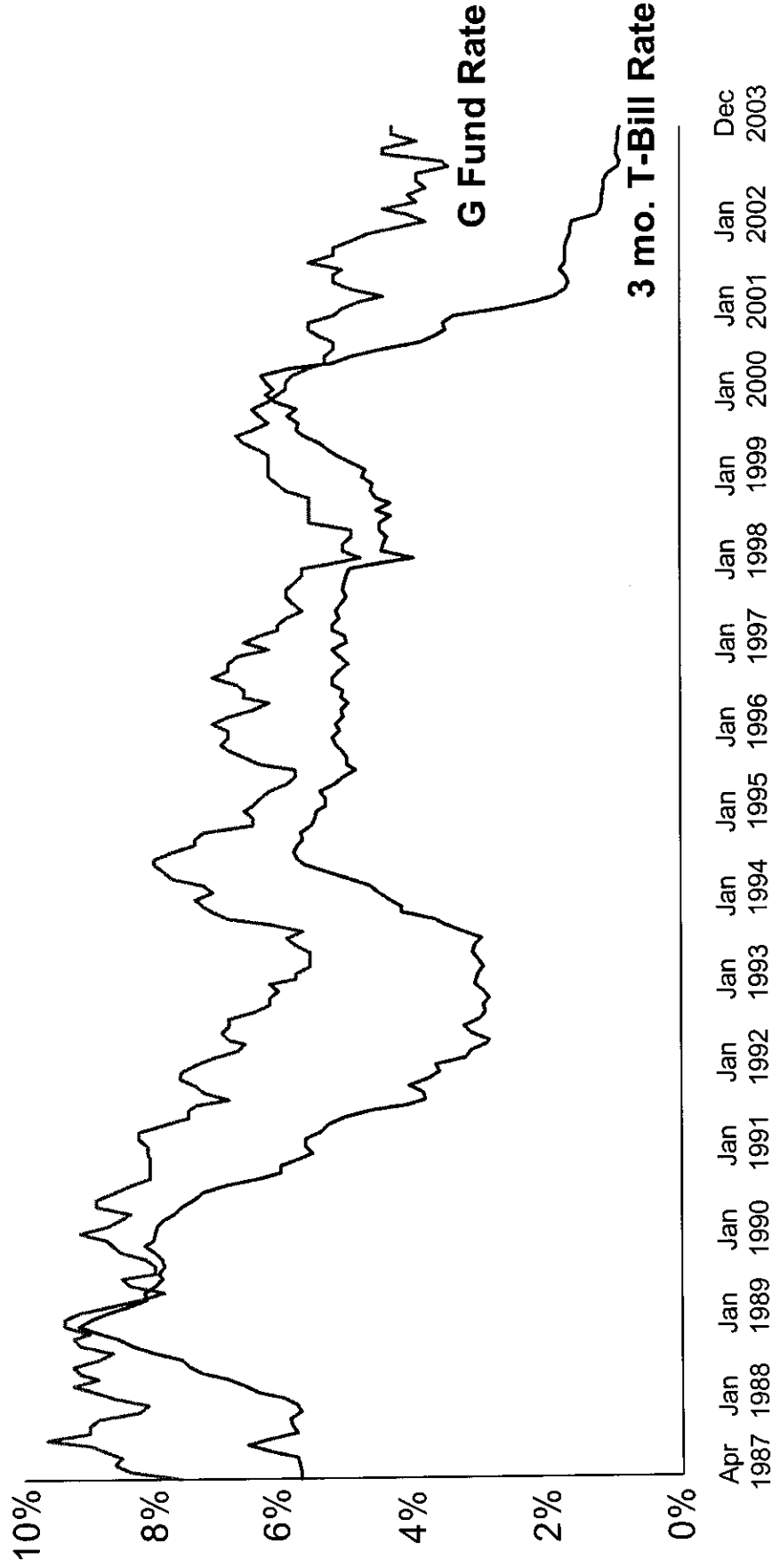
Month end	FERS Contributors with Balances in Funds other than the G Fund		CSRS Contributors with Balances in Funds other than the G Fund		Uniformed Srvc. Contributors with Balances in Funds other than the G Fund		Account Balance Asset Allocation* (G/F/C/S/I Fund) * Excludes G Fund Only		
	# (000s)	%	# (000s)	%	# (000s)	%	Active FERS Contributors	Active CSRS Contributors	Uniformed Services Contributors
1/31/2003	1,134	74%	446	81%	-*	-*	38%/14%/45%/2%/1%	37%/14%/46%/2%/1%	-*
2/28/2003	1,127	74%	436	80%	104	32%	38%/15%/44%/2%/1%	38%/15%/45%/1%/1%	28%/17%/34%/15%/6%
3/31/2003	1,124	74%	433	80%	110	33%	38%/15%/44%/2%/1%	38%/16%/45%/1%/0%	27%/18%/34%/15%/6%
4/30/2003	1,122	74%	431	80%	112	34%	36%/15%/46%/2%/1%	36%/15%/46%/2%/1%	27%/17%/35%/15%/6%
5/31/2003	1,125	74%	430	80%	116	35%	35%/15%/47%/2%/1%	35%/15%/47%/2%/1%	26%/17%/35%/16%/6%

Month end	Participants with Balances in Funds other than the G Fund			Allocation of Account Balances (G/F/C/S/I Fund)		
	FERS (000s)	%	Uniformed Services (000s)	FERS	CSRS	Uniformed Services
6/30/2003	1,332	66%	572	76%	N/A	N/A
7/31/2003	1,336	66%	572	76%	131	33%
8/31/2003	1,339	66%	570	76%	136	33%
9/30/2003	1,343	66%	570	76%	142	34%
10/31/2003	1,349	66%	570	77%	145	35%
11/30/2003	1,358	66%	571	77%	149	36%
12/31/2003	1,371	67%	573	77%	157	35%



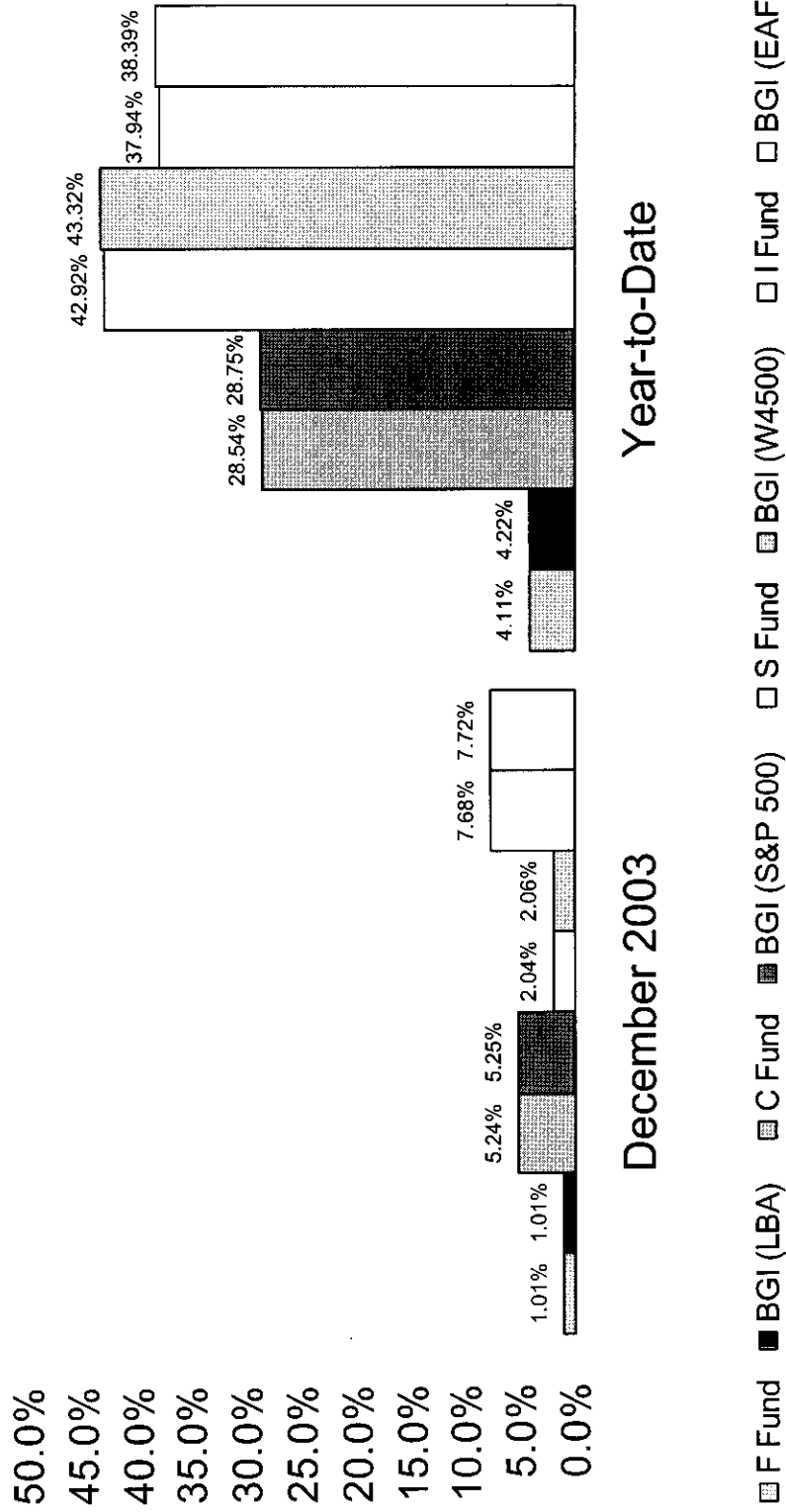
# G Fund Yield Advantage

## April 1987 – December 2003



# F, C, S, and I Fund Total Returns\* vs. Barclays

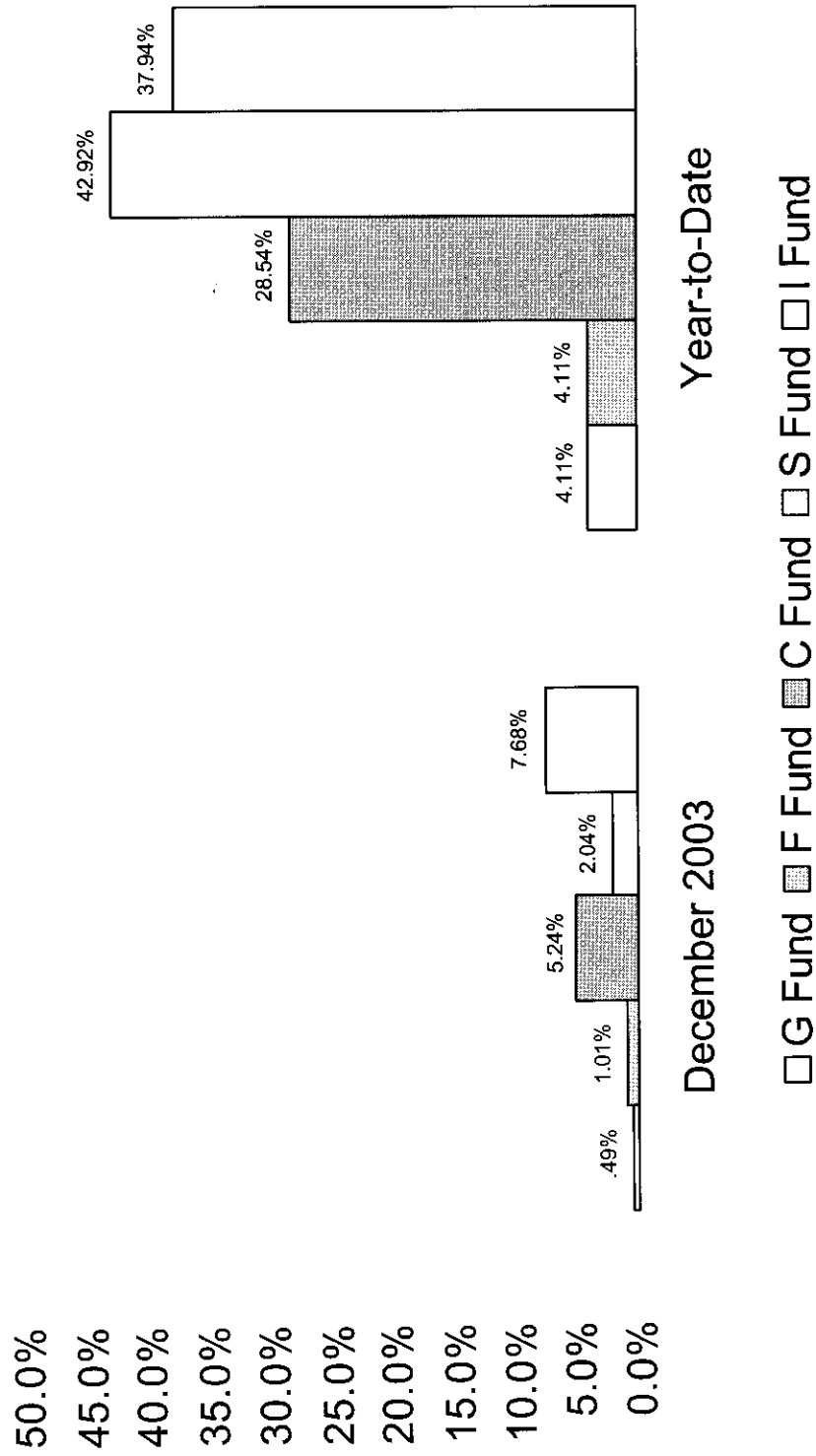
## December 2003 and Year-to-Date



\*Net of Expenses

# Investment Fund Total Returns\*

## December 2003 and Year-to-Date



\*Net of Expenses

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

Month end	Monthly TSP Contributions						Interfund Transfer Activity						# of ITs
	G Fund (\$Mil)	F Fund (\$Mil)	C Fund (\$Mil)	S Fund (\$Mil)	I Fund (\$Mil)	Total (\$Mil)	G Fund (\$Mil)	F Fund (\$Mil)	C Fund (\$Mil)	S Fund (\$Mil)	I Fund (\$Mil)		
1/31/2003	\$530.2	\$143.7	\$553.6	\$30.8	\$13.7		\$238.1	\$151.2	(\$379.0)	(\$10.4)	\$0.1	47,037	
2/28/2003	\$435.7	\$116.8	\$423.0	\$27.2	\$12.0		\$508.7	\$315.6	(\$771.5)	(\$43.2)	(\$9.6)	59,680	
3/31/2003	\$486.6	\$135.9	\$465.9	\$30.0	\$13.4		\$124.0	\$332.8	(\$442.4)	(\$11.4)	(\$3.0)	49,145	
4/30/2003	\$509.2	\$144.6	\$491.7	\$31.6	\$14.2		(\$24.0)	(\$39.0)	\$34.9	\$25.6	\$2.5	37,396	
5/31/2003	\$497.7	\$136.8	\$452.2	\$34.2	\$15.2	\$1,136.2	(\$328.2)	(\$93.8)	\$316.6	\$68.0	\$37.4	53,957	
6/30/2003	\$413.9	\$121.1	\$428.2	\$26.3	\$11.7	\$1,001.2	(\$560.0)	(\$202.0)	\$521.4	\$181.9	\$58.7	69,905	
7/31/2003	\$543.9	\$146.5	\$517.2	\$38.0	\$16.5	\$1,262.0	(\$169.1)	(\$523.1)	\$361.7	\$256.2	\$74.3	77,543	
8/31/2003	\$487.0	\$124.2	\$466.4	\$40.1	\$16.4	\$1,134.2	(\$30.1)	(\$856.5)	\$281.8	\$530.1	\$74.6	97,572	
9/30/2003	\$528.0	\$129.7	\$524.8	\$52.8	\$19.5	\$1,254.9	(\$385.6)	(\$491.6)	\$112.1	\$663.3	\$101.8	103,479	
10/31/2003	\$545.1	\$130.9	\$552.6	\$62.6	\$23.5	\$1,314.6	(\$455.9)	(\$297.8)	\$211.6	\$252.0	\$290.1	101,262	
11/30/2003	\$461.6	\$106.2	\$472.2	\$58.7	\$22.8	\$1,121.4	(\$513.9)	(\$476.2)	\$273.6	\$574.6	\$141.9	111,216	
12/31/2003	\$555.6	\$119.2	\$550.7	\$79.1	\$31.7	\$1,336.3	(\$621.9)	(\$505.4)	\$137.9	\$549.2	\$440.2	143,960	

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

Month end	Monthly Returns						Year-to-Date Returns					
	G Fund (%)	F Fund (%)	C Fund (%)	S Fund (%)	I Fund (%)		G Fund (%)	F Fund (%)	C Fund (%)	S Fund (%)	I Fund (%)	
1/31/2003	0.35	0.10	(2.67)	(2.35)	(4.24)		0.35	0.10	(2.67)	(2.35)	(4.24)	
2/28/2003	0.32	1.41	(1.49)	(2.56)	(2.29)		0.66	1.51	(4.11)	(4.85)	(6.43)	
3/31/2003	0.33	(0.05)	0.97	1.55	(1.90)		1.00	1.46	(3.19)	(3.37)	(8.21)	
4/30/2003	0.33	0.83	8.26	8.31	9.82		1.33	2.30	4.81	4.66	0.81	
5/31/2003	0.34	1.87	5.26	9.42	6.07		1.67	4.22	10.33	14.52	6.93	
6/30/2003	0.20	(0.30)	1.20	2.20	2.30		1.88	3.91	11.66	17.04	9.39	
7/31/2003	0.30	(3.41)	1.78	4.60	2.35		2.18	0.36	13.64	22.42	11.95	
8/31/2003	0.40	0.73	1.94	4.12	2.39		2.59	1.09	15.85	27.46	14.63	
9/30/2003	0.40	2.68	(1.14)	(1.35)	3.08		2.99	3.80	14.52	25.74	18.15	
10/31/2003	0.30	(1.00)	5.68	7.65	6.06		3.30	2.76	21.03	35.36	25.32	
11/30/2003	0.30	0.30	0.91	3.47	2.22		3.60	3.07	22.14	40.06	28.10	
12/31/2003	0.49	1.01	5.24	2.04	7.68		4.11	4.11	28.54	42.92	37.94	

1)

**TSP Loan Disbursement Activity**  
**April 2004**  
 Civilian and Uniformed Services

**Number of Loans Disbursed**

	<u>Total</u>	<u>General Purpose</u>	<u>% Total</u>	<u>Residential</u>	<u>% Total</u>
2003	353,716	344,427	97%	9,289	3%
2004					
January	27,439	26,826	98%	613	2%
February	24,687	24,056	97%	631	3%
March	32,981	32,079	97%	902	3%
April	32,975	32,152	98%	823	2%
2004 YTD	<u>118,082</u>	<u>115,113</u>	<u>97%</u>	<u>2,969</u>	<u>3%</u>

**Dollars (000's)**

	<u>Total</u>	<u>Average</u>	<u>General Purpose</u>	<u>Average Loan Amount</u>	<u>% Total</u>	<u>Residential</u>	<u>Average Loan Amount</u>	<u>% Total</u>
2003	\$2,993,579	\$8,463	\$2,819,954	\$8,187	94%	\$173,625	\$18,691	6%
2004								
January	\$235,225	\$8,573	\$223,118	\$8,317	95%	\$12,107	\$19,751	5%
February	\$226,895	\$9,191	\$214,475	\$8,916	95%	\$12,421	\$19,684	5%
March	\$305,757	\$9,271	\$288,157	\$8,983	94%	\$17,599	\$19,512	6%
April	\$298,247	\$9,045	\$282,051	\$8,772	95%	\$16,196	\$19,679	5%
2004 YTD	<u>\$1,066,124</u>	<u>\$9,029</u>	<u>\$1,007,801</u>	<u>\$8,755</u>	<u>95%</u>	<u>\$58,323</u>	<u>\$19,644</u>	<u>5%</u>

<sup>1)</sup> Numbers and dollars reflect reversals of loan issuances.

**TSP WITHDRAWAL PROCESSING ACTIVITY a/  
April 2004  
Civilian and Uniformed Services**

**Number of Payments**

	Full Separation					Number of Payments				In-Service Withdrawals--		
	Single Payments	Monthly Payments b/	Annuities	Cashouts	Death Benefits	Required Minimum Distribution d/	Court Orders e/	Partial Withdrawals	Age-based	Hardship	Misc.	Total
2003 Total c/	54,364	398,576	801	5,059	6,103	1,674	3,036	3,901	4,270	27,634	831	519,163
January 2004	8,072	32,662	82	618	704	0	209	1,212	415	3,098	7	47,079
February	7,910	4,914	120	702	571	0	208	1,231	454	3,101	3	19,214
March	9,442	35,074	152	796	859	3,055	263	1,296	516	3,896	15	55,364
April	7,944	64,023	142	656	1,264	0	231	990	458	3,953	639	80,300
2004 Total	33,368	136,673	496	2,772	3,398	3,055	911	4,729	1,843	14,048	664	201,957

**Dollars (000's)**

	Full Separation					Number of Payments				In-Service Withdrawals--		
	Single Payments	Monthly Payments b/	Annuities	Cashouts	Death Benefits	Required Minimum Distribution d/	Court Orders e/	Partial Withdrawals	Age-based	Hardship	Misc.	Total
2003 Total c/	\$1,301,676	\$203,137	\$51,615	\$503	\$196,118	\$2,238	\$85,902	\$63,380	\$134,432	\$196,652	\$489	\$2,816,987
January 2004	\$217,154	\$14,900	\$6,090	\$53	\$20,891	\$0	\$5,827	\$22,929	\$15,534	\$26,281	\$8	\$329,668
February	\$249,003	\$3,370	\$10,230	\$63	\$15,692	\$0	\$6,378	\$24,855	\$17,269	\$25,945	\$1	\$352,805
March	\$296,827	\$15,805	\$12,072	\$75	\$25,615	\$3,778	\$8,022	\$24,284	\$19,507	\$28,923	\$70	\$434,978
April	\$243,141	\$27,614	\$10,600	\$64	\$38,006	\$0	\$7,688	\$18,974	\$17,564	\$28,717	\$757	\$393,125
2004 Total	\$1,006,126	\$61,689	\$38,991	\$256	\$100,204	\$3,778	\$27,916	\$91,043	\$69,873	\$109,866	\$835	\$1,510,576



**Thrift Savings Plan**  
National Finance Center  
P.O. Box 61500, New Orleans, LA 70161-1500

SSN:

05/06/2004

**Dear Participant:**

Welcome to the Thrift Savings Plan (TSP).

We have received TSP contributions for you and a TSP account has been established in your name.

Please take a moment to review your name and address and the other information listed below. If any of these items is not correct, please contact your agency personnel office immediately. Your agency is responsible for providing the TSP record keeper with the personal information that is needed to maintain your TSP account; the TSP record keeper cannot make changes to this information for you. Consequently, you must have your agency submit any updates or corrections of this information to the record keeper. Because we send TSP information to the address listed in your TSP account, it is important that you inform your agency of any address change.

**Social Security Number:**

**Retirement Coverage:**

**Date of Birth:**

**Total Service Required for Vesting:**

You have been assigned a Personal Identification Number (PIN) which allows you to access your account information on the TSP Web site and on the ThriftLine. Your PIN will be sent in a separate mailing. If you do not receive your PIN within ten days, please call the TSP Service Office at (504) 255-8777. The Web site and the ThriftLine are described in the enclosed booklet *TSP at a Glance* and on the Web Site/ThriftLine Information Card.

You will need your PIN to allocate your contributions among the five TSP funds on the TSP Web site or the ThriftLine which are the most efficient ways of making a contribution allocation. You can also make your contribution allocation on the enclosed Form TSP-50, Investment Allocation, and mail it to the TSP Service Office.

**Web:** [www.tsp.gov](http://www.tsp.gov)

**ThriftLine:** (504) 255-8777

**TDD:** (504) 255-5113

**Notice:** GC1011



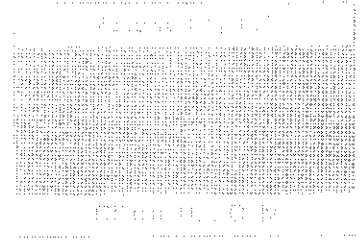
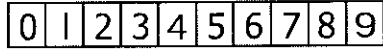


# THRIFT SAVINGS PLAN INVESTMENT ALLOCATION

## TSP-50

Use this form to allocate your investments among the five TSP funds. You can do this in two ways: You can direct the way your **future contributions** (as well as loan payments and transfers from other plans) will be invested, and you can also make an **interfund transfer** to change the distribution of the balance that is already in your account. **Before completing this form, read the information on the back.**

This form is designed to be read by an optical scanner. Carefully type or print information within the green boxes. Use black or dark blue ink. If you hand print, try to make your numbers look like these:



Make a copy of this form for your records. Mail the completed form to: **TSP Service Office, National Finance Center, P. O. Box 60012, New Orleans, LA 70160-0012.** Do not fax this form.

You will be sent a confirmation of your request after it is processed. **DO NOT submit this form to your agency. Your agency cannot process it.**

### I. INFORMATION ABOUT YOU

Name \_\_\_\_\_  
Last First Middle

Social Security Number \_\_\_\_\_  
Month Day Year

Date of Birth \_\_\_\_\_  
Month Day Year

### II. YOUR INVESTMENT ALLOCATION

To allocate your **future contributions**, complete Column 1 by entering the percentages you want invested in each fund. (If you have a TSP loan, your loan payments will also be invested according to your allocation in Column 1; the same is true for transfers from other plans.) To request an **interfund transfer**, complete Column 2, entering the percentages you want to have in each fund after the transfer. To allocate your future contributions **and** request an interfund transfer, complete both columns.

Indicate your investment allocations in whole percentages. Do not use dollar amounts. If you do not want to invest in a fund, leave the boxes blank. The total of the percentages you enter in each column must equal 100%.

	1 Allocate future contributions	2 Request an interfund transfer
<b>G Fund</b> (Government Securities Investment Fund)	_____.0%	_____.0%
<b>F Fund</b> (Fixed Income Index Investment Fund)	_____.0%	_____.0%
<b>C Fund</b> (Common Stock Index Investment Fund)	_____.0%	_____.0%
<b>S Fund</b> (Small Capitalization Stock Index Investment Fund)	_____.0%	_____.0%
<b>I Fund</b> (International Stock Index Investment Fund)	_____.0%	_____.0%
<b>Total</b>	<b>1 0 0 .0%</b>	<b>1 0 0 .0%</b>

### III. SIGNATURE

You must sign and date this form; otherwise, your request will not be processed. If you invest in the F, C, S, or I Fund, you are acknowledging the risk of investing in those funds by signing this form.

**Acknowledgement of Risk** — I understand that if I invest in the F, C, S, or I Fund, I am making this investment at my own risk. I also understand that I am not protected by either the U.S. Government or the Federal Retirement Thrift Investment Board against investment loss in the F, C, S, or I Fund, and that neither the U.S. Government nor the Federal Retirement Thrift Investment Board guarantees a return on my investment.

Participant's Signature \_\_\_\_\_  
(\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Date \_\_\_\_\_  
Month Day Year

Check one:  Office  Residence

Daytime Phone (Area Code and Number) \_\_\_\_\_

Mailing Address \_\_\_\_\_

## GENERAL INFORMATION

You may make your investment allocation request in any of three ways:

- **TSP Web Site — [www.tsp.gov](http://www.tsp.gov) (Account Access section).** If you have Internet access and your browser supports 128-bit encryption, you can make your request in the secure area of the TSP Web site. You will need your Social Security number (SSN) and your TSP Personal Identification Number (PIN). Your request is recorded immediately, avoiding the mailing and processing time of a paper request. **Note:** Do not confuse your TSP PIN with an agency-assigned PIN that is intended for use with an agency system (such as Employee Express or PostalEASE).
- **TSP ThriftLine — (504) 255-8777.** You must call from a touch-tone telephone. You will need your SSN and TSP PIN. Your request is recorded immediately, avoiding the mailing and processing time of a paper request.

Requests made on the Web site or ThriftLine by 11:00 a.m., central time, on any business day, will ordinarily be processed that day. Requests made after 11:00 a.m., central time, will ordinarily be processed the next business day.

- **Form TSP-50.** Complete, sign, and date the front of this form and mail it to the TSP Service Office. Your request will ordinarily be processed as described above, based upon when it is entered into the TSP system. Forms TSP-50 are ordinarily entered within 24 hours of receipt. Do not submit this form to your agency. Your agency cannot process contribution allocations or interfund transfers.

## INVESTMENT CONSIDERATIONS

Your TSP account is invested for your retirement, and you should make your investment decisions with this long-term goal in mind. Review the information available about the TSP funds so that you understand the risks involved and the possible effects of your decision on your TSP account.

Read the *Summary of the Thrift Savings Plan for Federal Employees*, which describes each of the funds in detail. The Plan Summary is available from your agency personnel office or, if you have left Government service, from the TSP Service Office. It is also available on the TSP Web site. Recent historical rates of return for the TSP funds and related indexes are available on the TSP Web site and in the *TSP Highlights* that accompanies your participant statement. More detailed fund information may also be found in the *Guide to TSP Investments*, available from your agency or the TSP Web site.

## INSTRUCTIONS FOR FORM TSP-50

This form is designed to be read by an optical scanner. Carefully type or print your information within the green boxes. Use black or dark blue ink. Try to make your numbers look like the sample numbers on the front of the form.

### I. Information About You

**Social Security Number.** Enter a number in each box. Do not fill in the hyphens. They are already provided.

**Date of Birth.** Enter the month and day. **Do not** use leading zeros on single-digit months and days. Enter the last 2 digits of the year.

**PRIVACY ACT NOTICE.** We are authorized to request this information under 5 U.S.C. chapter 84. Executive Order 9397 authorizes us to ask for your Social Security number, which will be used to identify your account. We will use the information you provide on this form to process your investment allocation request. This information may be shared with other Federal agencies for statistical, auditing, or archiving purposes. In addition, we may share the information with law enforcement agencies investigating a violation of civil or criminal law, or agencies

For example, for the date February 4, 1953, you would write:

2 -   4 -   1   9   5   3

## II. Your Investment Allocation

You can use this form to allocate the way your contributions are invested each pay period, or to request that the money already in your account be redistributed among the funds, or both.

**Allocate Future Contributions.** If you are using this form to specify the way your future contributions should be invested, complete **Column 1**. Your allocation will affect **all** subsequent contributions (as well as loan payments and transfers from other plans to your TSP account) until you change it.

**Note:** If you are newly enrolled in the TSP and you are making your first contribution allocation for your TSP account, do not submit this form until you have received your New Account Letter, which confirms that your account has been established.

**Make an Interfund Transfer.** If you are using this form to change the way your current account balance is invested in the TSP funds, complete **Column 2**. Each interfund transfer is a one-time transaction and affects your entire account balance as of the effective date of the transfer.

Enter the percentage you would like to invest in each fund. If you do not want to invest in a fund, leave the boxes for that fund blank. **Do not** use leading zeros for numbers less than 100. For example,

5% would look like this:    5 .0%

26% would look like this:   2   6 .0%

The total of the percentages in each column must equal 100%.

## III. Signature

You must sign and date this form. By signing this form, you are acknowledging the risk of investing in the F, C, S, and I Funds.

**Do not** use leading zeros in the date. Do not allow any portion of your signature to enter the date boxes to the right of the signature line. Provide your daytime telephone number and mailing address so that the TSP Service Office will be able to contact you if there is a question about your request.

## CONFIRMATION OF THE ALLOCATION OR TRANSFER

A confirmation notice will be mailed to you at the address in your TSP account record. In addition, you can review the result of your contribution allocation or interfund transfer by accessing the TSP Web site or by calling the ThriftLine after your request has been processed.

**Note:** If your address is not correct on your most recent participant statement, contact your agency personnel office immediately to have it corrected. If you have left Government service, you can change your address on the TSP Web site, by submitting Form TSP-9, Change of Address for Separated Participant, or by calling the TSP Service Office.

implementing a statute, rule, or order. It may be shared with congressional offices, private sector audit firms, spouses, former spouses, and beneficiaries, and their attorneys. We may also disclose relevant portions of the information to appropriate parties engaged in litigation. You are not required by law to provide this information, but if you do not provide it, we will not be able to process your investment allocation request.

## ATTACHMENT #7

May 14, 2004

Screen Shots - Account Access, Contribution Allocation (CA)  
Process, Step 1

Account Access, Current Contribution Allocation - Netscape

File Edit View Go Window Help

Back Forward Home Search Newsmaps Print Security

Bookmarks Netscape JHC\_SESSIONID=1531986251859076167&subaction=view&\_name=cae&SessionKey=2InoPopHrplOIGOJKQIM&Acct=CIV

Account Messages TSP COV Work Area Technical Help Plan's Bookmarks Other Government Links Messages Contact Support

---

**Account Access** **Current Contribution Allocation**

**Your Civilian Account**

---

As of today, your TSP contributions (including loan payments and transfers from other plans, if applicable) are being invested as follows:

Investment Fund		Current Allocation
G FUND	GOVERNMENT SECURITIES	15.0%
F FUND	FIXED INCOME INDEX	5.0%
C FUND	COMMON STOCK INDEX	10.0%
S FUND	SMALL CAP STOCK INDEX	20.0%
I FUND	INTERNATIONAL STOCK INDEX	50.0%
<b>Total</b>		<b>100.0%</b>

[Change Contribution Allocation](#)

[Account Access Home](#)

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[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)

Document: Docs

Start

## Screen Shots - Account Access, CA, Step 2

Account Access, Contribution Allocation Request - Netscape

Confirmed e-mail address:

The percentages you choose will be applied to your **future** contributions only. They will not apply to your present account balance. (To change your account balance, you must make an [interfund transfer](#).)

To make your contribution allocation request:

- Enter the percentages in whole numbers. (Do not use decimals.)
- The total of the percentages you enter must equal 100%.
- Do not use dollar amounts.

	Investment Fund	Current Allocation	New Allocation
G FUND	GOVERNMENT SECURITIES	15.0%	<input type="text" value="100"/> %
F FUND	FIXED INCOME INDEX	5.0%	<input type="text"/>
C FUND	COMMON STOCK INDEX	10.0%	<input type="text"/>
S FUND	SMALL CAP STOCK INDEX	20.0%	<input type="text"/>
I FUND	INTERNATIONAL STOCK INDEX	50.0%	<input type="text"/>
<b>Total</b>		100%	

Document: Done

## Screen Shot - CA Step 3 (Confirm Change)

Account Access: Distribution Allocation Request - Notes

sec.tsp.gov/NASApp/tsp/contrib/Alloc.do?subsection=postview&\_name=cae&SessionKey=2InoPopHipIGIGQJKOM&Acct=CIV

Confirmed e-mail address:

The percentages you choose will be applied to your **future** contributions only. They will not apply to your present account balance. (To change your account balance, you must make an [interfund transfer](#).)

To make your contribution allocation request:

- Enter the percentages in whole numbers. (Do not use decimals.)
- The total of the percentages you enter must equal 100%.
- Do not use dollar amounts.

Investment	Current Allocation	New Allocation
G FUND GOVERNMENT BOND INDEX	50.0%	<input type="text" value="100"/> %
F FUND FIXED INCOME INDEX	0.0%	<input type="text"/> %
C FUND COMMON STOCK INDEX	10.0%	<input type="text"/> %
S FUND SMALL CAP STOCK INDEX	20.0%	<input type="text"/> %
I FUND INTERNATIONAL STOCK INDEX	50.0%	<input type="text"/> %
<b>Total</b>	<b>100%</b>	

Account Access: Notes

### Screen Shot - CA, Step 4 (Request Confirmed by System)

The screenshot shows a Netscape browser window with the title "Account Access, Contribution Allocation Request Confirmed - Netscape". The address bar contains the URL: "nsec.tsp.gov/NASApp/tsp/contribAlloc.do?subaction=update&\_name=cae&SessionKey=2InoPopHrpIQGGJKQM&Accts=CV". The page content includes the following elements:

- Account Access** (left side)
- Your Civilian Account** (left side)
- Contribution Allocation Request Confirmed** (right side)
- Text: "Your new contribution allocation is confirmed and will ordinarily be effective within 2 business days. This change **will not** affect your **current** account balance. (To change your account balance, you must make an [interfund transfer](#))." (left side)
- Text: "A confirmation of your new contribution allocation will be e-mailed to you. If you do not receive this confirmation within 10 days, please call the TSP Service Office at (504) 255-8777 (TDD: (504) 255-5113), Monday through Friday between 7:00 a.m. and 4:30 p.m. central time." (left side)
- A small rectangular button or box in the center.
- A horizontal navigation bar with links: [Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#) | [Your TSP Address](#) | [Logout](#)
- The number "0" is displayed below the navigation bar.

## Screen Shot - CA, Step 5 (Pending Request)

Account Access, Contribution Allocation Request Pending - Netscape

sec.tsp.gov/NASApp/tsp/contribAlloc.do?subaction=postview&\_name=cas&SessionKey=2lncPapHrpIQGJJKCIM&Acct=CIV

**Account Access** **Contribution Allocation Request Pending**

**Your Civilian Account**

You have a contribution allocation request pending that will be effective as of close of business **05/17/2004**. You may change or cancel that request until **11:00 a.m.**, central time, that day. (Only one request can be effective each day.)

You requested that your future contributions be invested as follows:

	<b>Investment Fund</b>	<b>Allocation Requested</b>
G FUND	GOVERNMENT SECURITIES	100.0%
F FUND	FIXED INCOME INDEX	0.0%
C FUND	COMMON STOCK INDEX	0.0%
S FUND	SMALL CAP STOCK INDEX	0.0%
I FUND	INTERNATIONAL STOCK INDEX	0.0%
<b>Total</b>		<b>100%</b>

[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)

### Screen Shot - CA (Confirm Cancel of Pending Request)

**Account Access** **Contribution Allocation Request Pending**  
**Your Civilian Account**

You have a contribution allocation request pending that will be effective as of close of business **05/17/2004**. You may change or cancel that request until **11:00 a.m.**, central time, that day. (Only one request can be effective each day.)

You requested that your future contributions be invested as follows:

Inv	Investment	Allocated
G FUND	GOVERNMENT	0.0%
F FUND	FIXED INCOME	0.0%
C FUND	COMMODITIES	0.0%
S FUND	SMALL CAP STOCK INDEX	0.0%
I FUND	INTERNATIONAL STOCK INDEX	0.0%
<b>Total</b>		<b>100%</b>

[Change This Allocation](#) [Cancel This Request](#)

[Reveal Account History](#)

[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)



## Screen Shot - CA (System Confirmation of Pending Request Cancel)

Account Access, Pending Contribution Allocation - br: Cancellation Confirmed - Netscape

sec.tsp.gov/NASApp/tsp/contribAlloc.do?subaction=pending&name=cas&SessionKey=2InoPopHplOIGQJJKOM&Acct=CV

Instant Message: TSP Job Work Technical Panel Your's Backlink Other Government Instant Message System Check People View

### Account Access Your Civilian Account

### Pending Contribution Allocation Cancellation Confirmed

Your pending contribution allocation (shown below) for 05/17/2004 has been cancelled.

No confirmation will be mailed. Please print this page for your records.

Investment Fund		Allocation Requested
G FUND	GOVERNMENT SECURITIES	100.0%
F FUND	FIXED INCOME INDEX	0.0%
C FUND	COMMON STOCK INDEX	0.0%
S FUND	SMALL CAP STOCK INDEX	0.0%
I FUND	INTERNATIONAL STOCK INDEX	0.0%
<b>Total</b>		<b>100%</b>

[Account Access Home](#)

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[Your Account Balance](#) | 
 [Participant Statements](#) | 
 [Contribution Allocations](#) | 
 [Interfund Transfers](#) | 
 [Loans](#) | 
 [Withdrawals](#) | 
 [Create Your Own PIN](#)  
[Your TSP Address](#) | 
 [Logout](#)

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May 14, 2003

Screen Shots - Account Access Account Balance

Account Access, Account Balance - Netscape

ISESSIONID=4490375213772423861&subaction=view&name=acctbal&SessionKey=2FkLmlmEomFriDNGGhNC&Acct=CIV

**Account Access**  
Your Civilian Account
**Account Balance**

Your account balance based on the most recent share prices as of close of business 05/13/2004 is shown below. This information is updated by 6 a.m. central time of each business day. On occasion, heavy volume during the nightly processing cycle may delay the update a few hours.

Contributions to your account are being invested as follows:  
 G FUND 15% , F FUND 5% , C FUND 10% , S FUND 20% , I FUND 50%

	Investment Fund	Shares	Share Price	Balance	Distribution
G FUND	GOVERNMENT SECURITIES	878.2748	\$10.39	\$9,125.28	21.59%
F FUND	FIXED INCOME INDEX	191.9061	9.83	1,886.44	4.46%
C FUND	COMMON STOCK INDEX	364.5607	11.55	4,210.68	9.96%
S FUND	SMALL CAP STOCK INDEX	710.4875	12.36	8,781.63	20.78%
I FUND	INTERNATIONAL STOCK INDEX	1,455.3390	12.55	18,264.50	43.21%
<b>Total</b>				<b>\$42,268.53</b>	<b>100.00%</b>

Screen Shot - Account Access, Account Balance (bottom of page w/footer)

Account Access, Account Balance Netscape

JSESSIONID=4490375213772423681&subsection=view3\_name=acctbal&SessionKey\$=2R4LrimE0mFmDNGGhNCj&Acct\$=CV

Contributions to your account are being invested as follows:

G FUND 15% , F FUND 5% , C FUND 10% , S FUND 20% , I FUND 50%

	Investment Fund	Shares	Share Price	Balance	Distribution
G FUND	GOVERNMENT SECURITIES	878.2748	\$10.39	\$9,125.28	21.59%
F FUND	FIXED INCOME INDEX	191.9061	9.83	1,886.44	4.46%
C FUND	COMMON STOCK INDEX	364.5607	11.55	4,210.68	9.96%
S FUND	SMALL CAP STOCK INDEX	710.4875	12.36	8,781.63	20.78%
I FUND	INTERNATIONAL STOCK INDEX	1,455.3390	12.55	18,264.50	43.21%
<b>Total</b>				<b>\$42,268.53</b>	<b>100.00%</b>

[Account Access](#)

[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)

May 14, 2004

## Screen Shot of Account Access Interfund Transfer

Account Access, Interfund Transfer - Current Distribution - Netscape

XHC\_SESSIONID=3962528184795813901&subaction=view&\_name=it&SessionKey\$=2HMnONOGqohpHplUpEL&Acctf=CV

**Account Access** **Interfund Transfer - Current Distribution**  
**Your Civilian Account**

As of today, your TSP total account balance is being invested as follows:

Investment Fund	Balance	Current %
G FUND GOVERNMENT SECURITIES	\$9,125.28	21.59%
F FUND FIXED INCOME INDEX	1,896.44	4.46%
C FUND COMMON STOCK INDEX	4,210.68	9.96%
S FUND SMALL CAP STOCK INDEX	8,781.63	20.78%
I FUND INTERNATIONAL STOCK INDEX	18,264.50	43.21%
<b>Total</b>	<b>\$42,268.53</b>	<b>100.00%</b>

[Request Interfund Transfer](#)

[Account Access Home](#)

[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)

Screen Shot IFT Step 2

## Screen Shot - IFT Step 2

Account Access, Interfund Transfer Request - Netscape

Account Access  
Your Civilian Account

Interfund Transfer Request

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An interfund transfer requested by 11:00 a.m. central time on a business day will generally be processed that night. The new investment percentages can be viewed online the next business day.

Enter the percentage of your current account balance that you want invested in the G, F, C, S, and I Funds. After you have entered your percentages, click on the **Submit** button. You will then be asked to confirm your request. **If your interfund transfer request is submitted successfully, the next screen will inform you that your interfund transfer request is confirmed. If the *Interfund Transfer Request Confirmed* Web page does not appear, your transaction was not successfully submitted. This could be the result of a computer error, or because your connection with TSP was "timed out." If this occurs, you must re-enter and resubmit your interfund transfer request.**

Once the transfer is processed, you will be mailed a confirmation. If you would prefer to receive the confirmation via e-mail, please enter your e-mail address below. (**Note:** E-mail confirmations are formatted as HTML documents, so make sure that your e-mail application (Outlook, Eudora, GroupWise, etc.) is configured to display HTML.) Also, your e-mail address will **not be retained for future transactions.**

E-mail address:

Confirmed e-mail address:

The percentages you choose will be applied only to the balance that is already in your account. They will **not** affect your **future** contributions. (To change the funds in which your future contributions are invested, you must make a new [contribution allocation](#).)

To make your interfund request:

- Enter the percentages in whole numbers. (Do not use decimals.)
- The total of the percentages you enter must equal 100%.
- Do not use dollar amounts.

Investment Fund	Balance	Current%	New %
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Screen Shot - IFT Step 3 (Confirmation)

To make your interfund request:

- Enter the percentages in whole numbers. (Do not use decimals.)
- The total of the percentages you enter must equal 100%.
- Do not use dollar amounts.

Investment Fund	Balance	Current%	New %
G FUND GOVERNMENT SECURITIES	\$9,125.28	21.59%	<input type="text" value="100"/>
F FUND FIXED INCON			<input type="text" value=""/>
C FUND COMMON ST			<input type="text" value=""/>
S FUND SMALL CAP			<input type="text" value=""/>
I FUND INTERNATIONAL			<input type="text" value=""/>
<b>Total</b>	<b>\$42,268.53</b>	<b>100.00%</b>	

Submit Clear Cancel

[Account Account Fund](#)

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[Your Account Balance](#) | 
 [Participant Statements](#) | 
 [Contribution Allocations](#) | 
 [Interfund Transfers](#) | 
 [Loans](#) | 
 [Withdrawals](#) | 
 [Create Your Own PIN](#) | 
 [Your TSP Address](#) | 
 [Logout](#)

### Screen Shot - Step 4 IFT (Change Confirmed)

Account Access, Interfund Transfer Request Confirmed - Netscape

tspsec.tsp.gov/NASApp/tsp/fundTransfer.do?subaction=update&\_name=ift&SessionKey=2inoPopHrplQIGQJJKQIM&Accs=CIV

**Account Access** **Interfund Transfer Request Confirmed**  
**Your Civilian Account**

Your interfund transfer request is confirmed. Your interfund transfer will ordinarily be effective within 2 business days. This transfer **will not** affect the way your **future** payroll contributions (including loan payments and transfers from other plans, if applicable) are invested. (To change the funds in which your future payroll contributions are invested, you must make a new contribution allocation).

A confirmation of your interfund transfer will be e-mailed to you. If you do not receive this confirmation within 10 days, please call the TSP Service Office at (504) 255-8777 (TDD: (504) 255-5113), Monday through Friday between 7:00 a.m. and 4:30 p.m. central time.

[Return to Account Access](#)

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[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)

### Screen Shot - IFT Cancellation

Account Access, Transfers | Transfer Request Dashboard | Notes

pssec.tsp.gov/NASApp/tsp/tundTransfer.do?subaction=postview&name=ift&SessionKey=2inoPopHrplGIGGJKQM&Acct=CIV

**Account Access** **Interfund Transfer Request Pending**

**Your Civilian Account**

You have an interfund transfer request pending that will be effective as of close of business **05/17/2004**. You may change or cancel this request until **11:00 a.m.**, central time that day. (Only one request can be effective each day.)

You requested that your total account balance be invested as follows:

G FUND	100.0%
F FUND	0.0%
C FUND	0.0%
S FUND	0.0%
I FUND	INTERNATIONAL STOCK INDEX
<b>Total</b>	<b>100%</b>

Change this Request    Cancel this Request

[Account Access Now](#)

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[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
 | [Your TSP Address](#) | [Logout](#)

%



### Screen Shot - IFT Cancellation Confirmation

**Account Access**  
**Your Civilian Account**

**Pending Interfund Transfer**  
**Cancellation Confirmed**

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Your pending request (shown below) for 05/17/2004 has been cancelled.  
No confirmation will be mailed. Please print this page for your records.

Investment Fund	Transfer Requested
G FUND GOVERNMENT SECURITIES	100.0%
F FUND FIXED INCOME INDEX	0.0%
C FUND COMMON STOCK INDEX	0.0%
S FUND SMALL CAP STOCK INDEX	0.0%
I FUND INTERNATIONAL STOCK INDEX	0.0%
<b>Total</b>	<b>100%</b>

[Account Access](#)

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[Your Account Balance](#) | [Participant Statements](#) | [Contribution Allocations](#) | [Interfund Transfers](#) | [Loans](#) | [Withdrawals](#) | [Create Your Own PIN](#)  
| [Your TSP Address](#) | [Logout](#)

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**Calculate Share Price**

Identified below are all codes in the table. These codes are used to dynamically drive the application.

- Click the ADD button to Add a new code and description to table or
- Click on the code to edit or delete that code.

Select Trade Date: 05/14/2004

Share Price Investment Detail

Fund Invest		-----Prior Day -----		Market	GSIF	Calculate Price -	-----Calculated -----			
ID	ID	Shares	Price	Residual	Earnings	Interest	Expenses	Price	Increment	Residual
G Fund	10	5078349666.1228	10.39	24,977,143.04	0.00	6,596,897.82	174,022.22 =	10.39	0.0061831147	31400018.64
F Fund	20	949914384.4559	9.83	5,015,026.74	32,688,973.26	1,889.99	28,367.09 =	9.86	0.0396641280	9180091.37
C Fund	30	4732426039.8948	11.55	35,596,808.11	-33,270,105.13	10,448.59	188,709.22 =	11.56	0.0004639833	2148442.35
S Fund	40	543887777.2108	12.36	846,296.68	-24,722,123.23	1,764.38	25,943.55 =	12.31	-0.0439428982	3294383.10
I Fund	50	273416047.2658	12.55	2,005,719.59	-13,915,549.57	815.66	13,547.91 =	12.80	-0.0438098944	1748240.13

**ATTACHMENT #9  
THRIFTLINE SCRIPT**

**Greeting**

*Speak if current system day of the week and current system time is within the established host availability parameters specified in the installation level "Host Business Hours Table":*

[500] "Welcome to the Thrift Savings Plan."

*Speak if BroadcastMessage variable found in system translate table:*

[924] "Participant statements are now available on the TSP Web site. If you did not receive your January statement in the mail and you would like one, please press 1 to go the Account Access section of the ThriftLine and then select Option 8. "

[501] "We strongly encourage you to use the automated choices on the ThriftLine or the Web site to obtain information about your account or the status of a transaction; or to request transactions. Please select from the following options.."

**(Proceed to Main Menu)**

**Main Menu**

*Speak to all callers.*

[506] "To access your TSP account, press 1."

**(Proceed to Account Access Welcome)**

[507] "For plan information, press 2."

**(Proceed to Plan Information Menu)**

[771] "For all other inquiries, press 3."

**(Proceed to Call Transfer)**

[930] "For information about the mailing of IRS Form 1099R, press 4."

**(Proceed to Form1099RInfo)**

[509] "To repeat this information, press 8."

**(Return to Main Menu)**

[510] "If you are calling from a rotary telephone, stay on the line."

**(Proceed to Call Transfer)**

[901] "To end this call at anytime, please hang up."

**Plan Information Welcome**

[511] "You have reached the Plan Information Menu."

**Plan Information Menu**

- [512] "For share prices, press 1."  
(Proceed to Plan Information - Share Prices)
- [513] "For rates of return, press 2."  
(Proceed to Plan Information - Rates of Return)
- [514] "For the current loan interest rate, press 3."  
(Proceed to Plan Information - Current Loan Interest Rate)
- [515] "For the annuity interest rate index information, press 4."  
(Proceed to Plan Information - Current Annuity Interest Rate Index)
- [516] "For plan news, press 5."  
(Proceed to Plan Information - Plan News)
- [517] "To request faxed plan materials, press 6."  
(Proceed to Faxed Plan Materials Welcome)
- [519] "To repeat this information, press 8."  
(Return to Plan Information Menu)
- [520] "To return to the main menu, press star."  
(Return to Main Menu)
- [518] "Additional information, transactions and materials are available through the TSP web site at [www.tsp.gov](http://www.tsp.gov)."
- [901] "To end this call at anytime, please hang up."

**Plan Information - Share Prices**

- [521] "The following are the share prices for [host\_field C1001 (trade date)]:"
- [522] "Government Securities, G Fund, [host\_field C1002 (share price)]."
- [523] "Fixed Income, F Fund, [host\_field C1003 (share price)]."
- [524] "Common Stock, C Fund, [host\_field C1004 (share price)]."
- [525] "Small Cap Stock, S Fund, [host\_field C1005 (share price)]."
- [526] "International Stock, I Fund, [host\_field C1006 (share price)]."
- [519] "To repeat this information, press 8."  
(Return to Plan Information - Share Prices)
- [527] "To return to the previous menu, press 9."  
(Return to Plan Information Menu)
- [520] "To return to the main menu, press star."  
(Return to Main Menu)

**Plan Information - Rates of Return**

Speak if H\_C1007 = 00000000:

- [888] "Monthly Rates of Return are currently not available."

[759] "We regret the Inconvenience."

**(Proceed to Plan Information - Monthly Rates of Return Confirm Menu)**

Otherwise:

[528] "The [host\_field C1007 (month)] [529] rates of return were:"

*Speak if C1008 > 0:*

[522] "Government Securities, G Fund [host\_field C1008 (percent)] [530] percent."

*Speak if C1008 < 0:*

[522] "Government Securities, G Fund, [865] negative return of [host\_field C1008 (percent)] [530] percent."

*Speak if C1009 > 0:*

[523] "Fixed Income, F Fund [host\_field C1009 (percent)] [530] percent."

*Speak if C1009 < 0:*

[523] "Fixed Income, F Fund, [865] negative return of [host\_field C1009 (percent)] [530] percent."

*Speak if C1010 > 0:*

[524] "Common Stock, C Fund [host\_field C1010 (percent)] [530] percent."

*Speak if C1010 < 0:*

[524] "Common Stock, C Fund, [865] negative return of [host\_field C1010 (percent)] [530] percent."

*Speak if C1011 > 0:*

[525] "Small Cap Stock, S Fund [host\_field C1011 (percent)] [530] percent."

*Speak if C1011 < 0:*

[525] "Small Cap Stock, S Fund, [865] negative return of [host\_field C1011 (percent)] [530] percent."

*Speak if C1012 > 0:*

[526] "International Stock, I Fund [host\_field C1012 (percent)] [530] percent."

*Speak if C1012 < 0:*

[526] "International Stock, I Fund, [865] negative return of [host\_field C1012 (percent)] [530] percent."

**Plan Information - Monthly Rates of Return Confirm Menu**

[531] "For the twelve-month rates of return, press 1."

**(Proceed to Plan Information - Twelve-Month Rates of Return)**

[519] "To repeat this information, press 8."  
 (Return to Plan Information - Rates of Return)

[527] "To return to the previous menu, press 9."  
 (Return to Plan Information Menu)

[520] "To return to the main menu, press star."  
 (Return to Main Menu)

**Plan Information - Twelve-Month Rates of Return**

*Speak if H\_C1007 = 00000000:*

[889] "Twelve Month Rates of Return are currently not available."

[759] "We regret the Inconvenience."

(Proceed to Plan Information - Twelve Month Rates of Return Confirm Menu)

*Otherwise*

[532] "The twelve-month rates of return through  
 [host\_field C1007 (month)] [533] were:"

*Speak if C1013 > 0:*

[522] "Government Securities, G Fund [host\_field C1013  
 (percent)] [530] percent."

*Speak if C1013 < 0:*

[522] "Government Securities, G Fund, [865] negative return  
 of [host\_field C1013 (percent)] [530] percent."

*Speak if C1014 > 0:*

[523] "Fixed Income, F Fund [host\_field C1014 (percent)]  
 [530] percent."

*Speak if C1014 < 0:*

[523] "Fixed Income, F Fund, [865] negative return of  
 [host\_field C1014 (percent)] [530] percent."

*Speak if C1015 > 0:*

[524] "Common Stock, C Fund [host\_field C1015 (percent)]  
 [530] percent."

*Speak if C1015 < 0:*

[524] "Common Stock, C Fund, [865] negative return of  
 [host\_field C1015 (percent)] [530] percent."

*Speak if C1016 > 0:*

[525] "Small Cap Stock, S Fund [host\_field C1016 (percent)]  
 [530] percent."

*Speak if C1016 < 0:*

[525] "Small Cap Stock, S Fund, [865] negative return of  
 [host\_field C1016 (percent)] [530] percent."

*Speak if C1017 > 0:*

[526] "International Stock, I Fund [host\_field C1017 (per-  
 cent)] [530] percent."

*Speak if C1017 < 0:*

[526] "International Stock, I Fund, [865] negative return of [host\_field C1017 (percent)] [530] percent."

**Plan Information - Twelve Month Rates Of Return Confirm Menu**

[519] "To repeat this information, press 8."

(Return to Plan Information - Twelve-Month Rates of Return)

[527] "To return to the previous menu, press 9."

(Return to Plan Information Menu)

[520] "To return to the main menu, press star."

(Return to Main Menu)

**Account Access Welcome**

*Speak if caller has not accessed account info during this call:*

[571] "You have reached the Account Menu. To use this section of the system, you must have your Social Security number and your PIN. If you don't know your PIN, you can request a new one after you enter your Social Security number."

**Social Security Number Prompt**

[572] "Please enter your Social Security number.." [747] "..followed by the pound sign."

**PIN Prompt**

*Speak if SSN is valid and [VRDE651] is not valued or current system date and time > [VRDE651] and caller has not been validated for the current plan:*

[577] "Please enter your four digit PIN, followed by the pound sign. If you don't know your PIN, press 1 followed by the pound sign."

**Account Select Menu**

*Speak to callers with accounts in both plans and PINs in both plans that are equal:*

[585] "If you are calling to access your uniformed services account, press 1."

[586] "If you are calling to access your civilian account, press 2."

[519] "To repeat this information, press 8."

(Return to Account Select Menu)

[520] "To return to the main menu, press star."

(Return to Main Menu)

*Speak if the Plan number is the uniformed services plan and participant is in both plans:*

[587] "The following information applies to your uniformed services account."

*Speak if this is the civilian plan and participant is in both plans:*

[588] "The following information applies to your civilian account."

*Speak to all callers:*

[589] "For your account balance, press 1."  
(**Proceed to Account Balance - Total Balance**)

[590] "For contribution allocations, press 2."  
(**Proceed to Contribution Allocations Menu**)

[591] "For inter-fund transfers, press 3."  
(**Proceed to Inter-fund Transfers**)

[592] "For loans, press 4."  
(**Proceed to Loan Menu**)

[593] "For withdrawals, press 5."  
(**Proceed to Withdrawal**)

[594] "To change your PIN, press 6."  
**Proceed to PIN Change**)

[810] "To request that Plan Materials be mailed to you, press 7."

(**Proceed to Mail Plan Materials**)

[905] "For mailed statements, press 8."  
(**Proceed to Mailed Statements Main Menu**)

[596] "To repeat these options, press 9."  
(**Return to Account Menu**)

[520] "To return to the main menu, press star."  
(**Return to Main Menu**)

[901] "To end this call at anytime, please hang up."

*Speak if caller is in both plans:*

[595] "If you would like to inquire about your other account, press #."

*If the pin in both plan are equal switch plans and:*

(**Return to Account Menu**)

*If the pin in both plans are not equal:*

(**Return to PIN Prompt**)

**Account Balance - Total Balance**

*Speak if [host\_field A1001 (total balance)] = "0.00":*

[597] "As of [host\_field A1002 (trade date)], [598] you have a zero balance in your account."

(**Proceed to Account Balance Confirm Menu**)



*Speak if [host\_field A1001 (total balance)] > "0.00":*

[597] "As of [host\_field A1002 (trade date)], [599] your total account balance is [host\_field A1001 (total balance)]."

**(Proceed to Account Balance by Investment)**

**Account Balance by Investment**

[601] "Your G Fund balance is [host\_field A1004 (fund balance)], [host\_field A1009 (number of shares)] [606] shares."

[602] "Your F Fund balance is [host\_field A1005 (fund balance)], [host\_field A1010 (number of shares)] [606] shares."

[603] "Your C Fund balance is [host\_field A1006 (fund balance)], [host\_field A1011 (number of shares)] [606] shares."

[604] "Your S Fund balance is [host\_field A1007 (fund balance)], [host\_field A1012 (number of shares)] [606] shares."

[605] "Your I Fund balance is [host\_field A1008 (fund balance)], [host\_field A1013 (number of shares)] [606] shares."

*Speak if this is the uniformed services plan and [host\_field A1003 (tax exempt balance)] > "0.00":*

[600] "Your tax exempt balance is [host\_field A1003 (tax exempt balance)]."

*Speak if participant has Catch-Up contributions for current year: [host\_field A1029 (Current Year Catch-Up Contribution)] > "0.00":*

[891] "Your current year Catch-Up Contribution Amount is [host\_field A1029 (Current Year Catch-Up Contribution)]."

*Speak if participant has Catch-Up contributions for prior year: [host\_field A1030 (Prior Year Catch-Up Contribution)] > "0.00":*

[892] "Your prior year Catch-Up Contribution Amount was [host\_field A1030 (Prior Year Catch-Up Contribution)]."

**(Proceed to Account Balance Confirm Menu)**

**Account Balance Confirm Menu**

[607] "To hear your current contribution allocation, press 1."

**(Proceed to Current Contributions - Account Balance-Sub Menu)**

[519] "To repeat this information, press 8."

**(Return to Account Balance)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Current Contribution - Account Balance Sub-Menu**

[609] "Your contributions are currently allocated as follows:"

*Speak if [host\_field A1014 (allocation percent)] > "0":*

"[host\_field A1014 (allocation percent)] [610] percent to the G Fund."

*Speak if [host\_field A1015 (allocation percent)] > "0":*

"[host\_field A1015 (allocation percent)] [611] percent to the F Fund."

*Speak if [host\_field A1016 (allocation percent)] > "0":*

"[host\_field A1016 (allocation percent)] [612] percent to the C Fund."

*Speak if [host\_field A1017 (allocation percent)] > "0":*

"[host\_field A1017 (allocation percent)] [613] percent to the S Fund."

*Speak if [host\_field A1018 (allocation percent)] > "0":*

"[host\_field A1018 (allocation percent)] [614] percent to the I Fund."

*Speak to all callers:*

[786] "If you would like to change the allocation of your future contributions, press 1".

**(Proceed to Contribution Allocations Change)**

[519] "To repeat this information, press 8."

**(Return to Current Contribution - Account Balance Sub-Menu)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

## Contribution Allocations

### Contribution Allocations Menu

[607] "To hear your current contribution allocation, press 1."

**(Proceed to Contribution Allocations - Current)**

[608] "To change the allocation of your future contributions, or to review, change, or cancel a pending request for a contribution allocation, press 2."

**(Proceed to Contribution Allocations - Change)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Menu)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

### Contribution Allocations - Current

[609] "Your contributions are currently allocated as follows:"

*Speak if [host\_field A1014 (allocation percent)] > "0":*

"[host\_field A1014 (allocation percent)] [610] percent to the G Fund."

*Speak if [host\_field A1015 (allocation percent)] > "0":*

"[host\_field A1015 (allocation percent)] [611] percent to the F Fund."

*Speak if [host\_field A1016 (allocation percent)] > "0":*

"[host\_field A1016 (allocation percent)] [612] percent to the C Fund."

*Speak if [host\_field A1017 (allocation percent)] > "0":*

"[host\_field A1017 (allocation percent)] [613] percent to the S Fund."

*Speak if [host\_field A1018 (allocation percent)] > "0":*

"[host\_field A1018 (allocation percent)] [614] percent to the I Fund."

*Speak to all callers:*

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations - Current)**

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations - Change**

*If Host I/O accessing contribution allocation data:*

[760] "The ThriftLine is temporarily unable to process  
[762] contribution allocations.

[759] "We regret the inconvenience."

[774] "The ThriftLine will now return you to the Account  
Menu."

**(Return to Account Menu)**

*Speak if [host\_field PH612 = 'S', 'B', 'D' and Total Account Balance = 0.00]*

[894] "Our records indicate that you are separated from  
service and have a zero balance. Therefore, you are not  
eligible to request a contribution allocation."

**(Proceed to Contribution Allocation Change - Not Eligible)**

*Speak if [host\_field PH021 = 20]*

[895] " Our records indicate that you have separated from  
service and are currently receiving monthly payments.  
Therefore, you are not eligible to request a contribution  
allocation."

**(Proceed to Contribution Allocation Change - Not Eligible)**

**Contribution Allocations Change - Not Eligible**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations - Change)**

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

*Speak if AOR switch [host\_field VRDE200 (AOR indicator)] is  
not = "Y":*

[615] "You cannot change your contribution allocation on  
the ThriftLine until you acknowledge the risk of investing  
in the F, C, S, and I funds."

[782] "If you would like to acknowledge this risk, press 1"

**(Proceed to Contribution Allocation Change - AOR)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Menu)**

[783] " To return to the Account Menu without acknowledging  
this risk, press 9"

**(Return to Account Menu)**

*Speak if AOR switch [host\_field VRDE200 (AOR indicator)] is  
= "Y":*

[779] "Changes in contribution allocations which are requested until 11 a.m., central time, on [host\_field C1020 (DATE\_BATCH\_CUTOFF)], [780] "will be effective as of close of business that day."

[616] "For instructions on how to request a change of contribution allocation, press 1."

**(Proceed to Contribution Allocation Change - Instructions)**

[617] "To enter or review a request, press 2."

**(Proceed to Contribution Allocation Change - Pending Check)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Menu)**

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - AOR**

[618] "Please listen to the following statement and then press 1 to acknowledge the risk of investing in the F, C, S, and I Funds:"

[619] "If I choose to invest in the Fixed Income Index Investment Fund or F Fund, the Common Stock Index Investment Fund or C Fund, the Small Capitalization Stock Index Investment Fund or S Fund, or the International Stock Index Investment Fund or I Fund, I understand that I am making the investment at my own risk. I also understand that I am not protected by either the U.S. Government or the Federal Retirement Thrift Investment Board against investment loss in the F, C, S, or I Fund, and that neither the U.S. Government nor the Federal Retirement Thrift Investment Board guarantees a return on my investment."

[620] "To acknowledge the risk of investing in the F, C, S, and I Funds, press 1"

**(Proceed to Contribution Allocations Change - AOR Complete)**

[621] "To hear the Acknowledgment of Risk statement again, press 2."

**(Return to Contribution Allocations Change - AOR)**

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - AOR Complete**

[622] "Your acknowledgment of risk has been processed. You may now continue with your request for a contribution allocation."

**(Return to Contribution Allocations - Change)****Contribution Allocations Change - Instructions**

[623] "A Contribution Allocation divides your future contributions among the G, F, C, S, and I Funds. It does not affect the way your existing account balance is invested. In a moment you will be asked to enter the percentage you want invested in each fund. If you want zero percent invested in a specific fund, press zero, followed by the pound sign. Otherwise, enter the percentage that you want invested in each of the funds. Finish each entry with the pound sign. The numbers you enter must add up to 100 percent. Stay on the line to confirm the percentages you have entered or your request will not be processed."

**(Proceed to Contribution Allocations Change - Pending Check)****Contribution Allocations Change - Pending Check**

*Speak if a contribution allocation change is being processed for current business day and a contribution allocation is being processed for the next business day:*

[815] "You have a request being processed for [host\_field (T815 pending effective date)]. [816] ...which cannot be changed."

[862] "You also have a request for a contribution allocation change pending for [host\_field (T815 pending effective date)]. [625] Only one request can be effective each day."

[863] "To review your request that is being processed and cannot be changed, press 1."

**(Proceed to Contribution Allocations Change - Pending Review, No Change No Request)**

[626] "To review your pending request, press 2."

**(Proceed to Contribution Allocations Change - Pending Review, Change)**

[864] "To change your pending request, press 3."

**(Proceed to Contribution Allocations Change - Pending Change)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Change - Pending Check)**

[527] "To return to the previous menu, press 9."  
**(Return to Account Menu)**

[520] "To return to the main menu, press star."  
**(Return to Main Menu)**

*Speak if a contribution allocation change is pending and system time is before 11:00 am on [host\_field C1020 (DATE\_BATCH\_CUTOFF)]:*

[624] "You have a request for a contribution allocation change pending for [host\_field (T815 pending effective date)]. [625] Only one request can be effective each day."  
 [626] "To review your pending request, press 1."

**(Proceed to Contribution Allocation Change - Pending Review, Change)**

[627] "To change your request, press 2."

**(Proceed to Contribution Allocation Change - Pending Change)**

[635] "To keep your pending request, press 3."

**(Proceed to Contribution Allocations Change - Pending Keep)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Change - Pending Check)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

*Speak if a contribution allocation change is pending and system time is after 11:00 am on Effective Date:*

[815] "You have a request being processed for [host\_field (T815 pending effective date)]. [816] ...which cannot be changed."

[817] "To hear these allocations, press 1."

**(Proceed to Contribution Allocation Change - Pending Review, No Change)**

[818] "To enter a new request to be effective as of [calculated\_effective\_date based on C1020], press 2."

**(Proceed to Contribution Allocation Change - Input)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Change - Pending Check)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

*If no pending contribution allocation change:*

**(Proceed to Contribution Allocation Change - Input)**

**Contribution Allocations Change - Pending Review, Change**

[777] "Your request for a contribution allocation will be effective as of...[host\_field (T815 pending effective date)]."

[628] "You requested that your future contributions be invested as follows:"

*Speak if G Fund Allocation > 0:*

"[host\_field T815 G Fund allocation percent] [629] percent in the G Fund."

*Speak if F Fund Allocation > 0:*

"[host\_field T815 F Fund allocation percent] [630] percent in the F Fund."

*Speak if C Fund Allocation > 0:*

"[host\_field T815 C Fund allocation percent] [631] percent in the C Fund."

*Speak if S Fund Allocation > 0:*

"[host\_field T815 S Fund allocation percent] [632] percent in the S Fund."

*Speak if I Fund Allocation > 0:*

"[host\_field T815 I Fund allocation percent] [633] percent in the I Fund."

[634] "To change this request, press 1."

**(Proceed to Contribution Allocation Change - Pending Change)**

[566] "To cancel this request, press 2."

**(Proceed to Contribution Allocation Change - Pending Confirm Delete)**

[635] "To keep your pending request, press 3."

**(Proceed to Contribution Allocations Change - Pending Keep)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Change - Pending Review, Change)**

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - Pending Review, No Change**

[819] "Beginning on [host\_field (T815 pending effective date)], [820] your future contributions will be invested as follows:

*Speak if G Fund Allocation > 0:*

"[host\_field T815 G allocation percent] [629] percent in the G Fund."

*Speak if F Fund Allocation > 0:*

"[host\_field T815 F allocation percent] [630] percent in the F Fund."

*Speak if C Fund Allocation > 0:*

"[host\_field T815 C allocation percent] [631] percent in the C Fund."



*Speak if S Fund Allocation > 0:*

"[host\_field T815 S allocation percent] [632] percent in the S Fund."

*Speak if I Fund Allocation > 0:*

"[host\_field T815 I allocation percent] [633] percent in the I Fund."

[818] "To enter a new request to be effective as of [calculated\_effective\_date based on C1020], press 1."

**(Proceed to Contribution Allocation Change - Input)**

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - Pending Review, No Change No Request**

[819] "Beginning on [host\_field (T815 pending effective date)], [820] your future contributions will be invested as follows:

*Speak if G Fund Allocation > 0:*

"[host\_field T815 G allocation percent] [629] percent in the G Fund."

*Speak if F Fund Allocation > 0:*

"[host\_field T815 F allocation percent] [630] percent in the F Fund."

*Speak if C Fund Allocation > 0:*

"[host\_field T815 C allocation percent] [631] percent in the C Fund."

*Speak if S Fund Allocation > 0:*

"[host\_field T815 S allocation percent] [632] percent in the S Fund."

*Speak if I Fund Allocation > 0:*

"[host\_field T815 I allocation percent] [633] percent in the I Fund."

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Change - Pending Review No Change No Request)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - Pending Change**

[811] "Your request for a contribution allocation for [host\_field (T815 pending effective date)] [812] will be changed when you enter and confirm your request. Do

not hang up before your request is confirmed, or the change will not take effect.

*Set pending contribution allocation delete indicator, then:*

**(Proceed to Contribution Allocation Change - Input)**

**Contribution Allocations Change - Pending Confirm Delete**

[566] "To cancel this request, press 1"

**(Proceed to Contribution Allocation Change - Pending Delete)**

[635] "To keep your pending request, press 2"

**(Proceed to Contribution Allocation Change - Pending Keep)**

**Contribution Allocations Change - Pending Delete**

*Delete the pending transaction, then speak:*

[636] "Your pending request has been canceled."

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - Pending Keep**

[637] "Your pending request has not been changed, and will be effective as of [host\_field (T815 pending effective date)]."

[527] "To return to the previous menu, press 9."

**(Return to Contribution Allocations Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - Input**

[638] "Enter the percentage of your future contributions that you want invested in the G Fund. This is the Government Securities Investment Fund." [781] Then press the pound sign.

[639] "Enter the percentage of your future contributions that you want invested in the F Fund. This is the Fixed Income Index Investment Fund." [781] Then press the pound sign.

[640] "Enter the percentage of your future contributions that you want invested in the C Fund. This is the Common Stock Index Investment Fund." [781] Then press the pound sign.

[641] "Enter the percentage of your future contributions that you want invested in the S Fund. This is the Small Capitalization Stock Index Investment Fund." [781] Then press the pound sign.

[642] "Enter the percentage of your future contributions that you want invested in the I Fund. This is the International Stock Index Investment Fund." [781] Then press the pound sign.

*Speak if total percent entered is not = 100:*

**(Proceed to Contribution Allocation Change - Incomplete)**

*Else:*

**(Proceed to Contribution Allocation Change - Confirm Input)**

**Contribution Allocations Change - Incomplete**

[643] "The percentages you entered add up to [calculated\_amount]. [644] They must equal 100 percent."

[647] "Your entry has been deleted"

[648] "To enter a new request ...press 1"

**(Return to Contribution Change Allocation - Input)**

[527] "To return to the previous menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Contribution Allocations Change - Confirm Input**

[645] "You must confirm your request. You have requested that your future contributions be invested as follows:"

*Speak if G Fund Allocation Input > 0:*

"[tt\_input\_field] [629] percent in the G Fund."

*Speak if F Fund Allocation Input > 0:*

"[tt\_input\_field] [630] percent in the F Fund."

*Speak if C Fund Allocation Input > 0:*

"[tt\_input\_field] [631] percent in the C Fund."

*Speak if S Fund Allocation Input > 0:*

"[tt\_input\_field] [632] percent in the S Fund."

*Speak if I Fund Allocation Input > 0:*

"[tt\_input\_field] [633] percent in the I Fund."

[561] "If this is correct, press 1.

**(Proceed to Contribution Allocation Change - Complete)**

[634] "To change this request, press 2.

**(Proceed to Contribution Allocation Change - Input)**

[646] "To delete this request, press 3.

**(Proceed to Contribution Allocation Change - Cancel)**

[519] "To repeat this information, press 8."

**(Return to Contribution Allocations Change - Confirm Input)**

[527] "To return to the previous menu, press 9."

[647] "Your entry has been deleted."  
 (Return to Contribution Allocations Menu)

[520] "To return to the main menu, press star."  
 [647] "Your entry has been deleted."  
 (Return to Main Menu)

**Contribution Allocations Change - Complete**

[841] "Please hold while we submit your request."  
*If pending contribution allocation delete indicator set then delete pending and submit new transaction otherwise submit new transaction:*

[650] "Your request will be effective as of [calculated\_effective\_date based on C1020]."  
 [651] "A confirmation notice will be mailed to you. If you do not receive the notice within 10 days, please call a participant service representative, Monday through Friday, between 6:00 am and 6:00 pm, central time."  
 [527] "To return to the previous menu, press 9."  
 (Return to Account Menu)

[520] "To return to the main menu, press star."  
 (Return to Main Menu)

**Contribution Allocations Change - Cancel**

[647] "Your entry has been deleted."  
 [648] "To enter a new request, press 1."  
 (Return to Contribution Change Allocation - Input)

[527] "To return to the previous menu, press 9."  
 (Return to Account Menu)

[520] "To return to the main menu, press star."  
 (Return to Main Menu)

Inter-fund Transfers

**Inter-fund Transfers**  
*If Host I/O accessing Investment Transfer Module:*

[760] "The ThriftLine is temporarily unable to process  
 [760] interfund transfer requests.  
 [759] "We regret the inconvenience."  
 [774] "The ThriftLine will now return you to the Account Menu."  
 (Return to Account Menu)

*else*

[652] "In this Inter-fund transfer section of the ThriftLine, you can request a transfer or you can review, change or cancel a pending transfer."

**Transfer Menu**  
*Speak if [host\_field A1001 (total balance)] = "0.00":*

[655] "Your account balance is zero. Therefore, you cannot request an inter-fund transfer."

[519] "To repeat this information, press 8."  
(Return to Transfer Menu)

[649] "To return to the account menu, press 9."  
(Return to Account Menu)

[520] "To return to the main menu, press star."  
(Return to Main Menu)

Speak if AOR switch [host\_field VRDE200 (AOR indicator)] is not = "Y":

[656] "You cannot request an inter-fund transfer on the ThriftLine until you acknowledge the risk of investing in the F, C, S, and I funds."

[782] "If you would like to acknowledge this risk, press 1"  
(Proceed to Transfer - AOR)

[519] "To repeat this information, press 8."  
(Return to Transfer Menu)

[783] " To return to the Account Menu without acknowledging this risk, press 9"  
(Return to Account Menu)

If AOR switch [host\_field VRDE200 (AOR indicator)] is = "Y":  
(Proceed to Transfer Request Menu)

**Transfer - AOR**

[618] "Please listen to the following statement and then press 1 to acknowledge the risk of investing in the F, C, S, and I Funds:"

[619] "If I choose to invest in the Fixed Income Index Investment Fund or F Fund, the Common Stock Index Investment Fund or C Fund, the Small Capitalization Stock Index Investment Fund or S Fund, or the International Stock Index Investment Fund or I Fund, I understand that I am making the investment at my own risk. I also understand that I am not protected by either the U.S. Government or the Federal Retirement Thrift Investment Board against investment loss in the F, C, S, or I Fund, and that neither the U.S. Government nor the Federal Retirement Thrift Investment Board guarantees a return on my investment."

[620] "To acknowledge the risk of investing in the F, C, S, and I Funds, press 1."  
(Proceed to Transfer - AOR Complete)

[621] "To hear the Acknowledgment of Risk statement again, press 2."  
(Return to Transfer - AOR)

[527] "To return to the previous menu, press 9."  
(Return to Account Menu)

[520] "To return to the main menu, press star."  
(Return to Main Menu)

**Transfer - AOR Complete**

[658] "Your acknowledgment of risk has been processed. You may now continue with your inter-fund transfer request."

(Proceed to Transfer Request Menu)

**Transfer Request Menu**

[785] "Interfund transfers requested until 11 a.m., central time, on [host\_field C1021 Date\_Batch\_Cutoff], [780] will be effective as of close of business that day."

[657] "For instructions on how to request an inter-fund transfer, press 1."

(Proceed to Transfer - Instructions)

[617] "To enter or review a request, press 2."

(Proceed to Transfer - Pending Check)

[519] "To repeat this information, press 8."

(Return to Transfer - Request Menu)

[649] "To return to the account menu, press 9."

(Return to Account Menu)

[520] "To return to the main menu, press star."

(Return to Main Menu)

**Transfer - Instructions**

[659] "An inter-fund transfer redistributes your account balance among the G, F, C, S, and I Funds. The percentages you choose will be applied to your current account balance. In a moment you will be asked to enter the percentage of your total account balance you want invested in each fund. If you want zero percent in a specific fund, press zero, followed by the pound sign. Otherwise, enter the percentage of your total account balance that you want in each of the funds. Finish each entry with the pound sign. The numbers you enter must add up to 100 percent. Stay on the line to confirm the percentages you have entered or your transfer will not be processed."

(Proceed to Transfer - Pending Check)

**Transfer - Pending Check**

*Speak if an interfund transfer change is being processed for current business day and an interfund transfer change is being processed for the next business day:*

[829] You have an interfund transfer request being processed for [host\_field T381 effective date]. [816] which cannot be changed. [830] This transfer is not yet reflected in your balances."

[866] "You also have an inter-fund transfer request pending for [host\_field T381 effective date]. [625] Only one request can be effective each day."

[863] "To review your request that is being processed and cannot be changed, press 1."

**(Proceed to Transfer - Pending Review, No Change  
No Request)**

- [626] "To review your pending request, press 2."  
**(Proceed to Transfer - Pending Review, Change)**
- [864] "To change your pending request, press 3."  
**(Proceed to Transfer - Pending Change)**
- [509] "To repeat this information, press 8."  
**(Return to Transfer - Pending Check)**
- [649] "To return to the account menu, press 9."  
**(Return to Account Menu)**
- [520] "To return to the main menu, press star."  
**(Return to Main Menu)**

*Speak if an inter-fund transfer is already pending and System time is before 11:00 am on [host\_field C1021 Date\_Batch\_Cutoff]:*

- [745] "You have an inter-fund transfer request pending for [host\_field T381 effective date]. [625] Only one request can be effective each day."
- [626] "To review your pending request, press 1."  
**(Proceed to Transfer - Pending Review, Change)**
- [627] "To change your request, press 2."  
**(Proceed to Transfer - Pending Change)**
- [821] "To cancel your request, press 3."  
**(Proceed to Transfer - Pending Confirm Delete)**
- [519] "To repeat this information, press 8."  
**(Return to Transfer - Pending Check)**
- [527] "To return to the previous menu, press 9."  
**(Return to Transfer Menu)**
- [520] "To return to the main menu, press star."  
**(Return to Main Menu)**

*Speak if an inter-fund transfer is already pending and System time is after 11:00 am on [host\_field C1021 Date\_Batch\_Cutoff]:*

- [828] " You may make only one interfund transfer each day.
- [829] You have an interfund transfer request being processed for [host\_field T381 effective date]. [816] which cannot be changed. [830] This transfer is not yet reflected in your balances."
- [831] "To review your interfund transfer request..., press 1."  
**(Proceed to Transfer - Pending Review, No Change)**
- [527] "To return to the previous menu, press 9."  
**(Return to Transfer Menu)**
- [520] "To return to the main menu, press star."  
**(Return to Main Menu)**

*If no pending transaction then:*

**(Proceed to Transfer - Input)****Transfer - Pending Review, Change**

[784] "Your interfund transfer will be effective as of [host\_field T381 effective date]."  
 [660] "Your account balance will be invested as follows:"  
*Speak if G Fund Percent > 0:*  
 "[host\_field T381 G Fund percent] [629] percent in the G Fund."  
*Speak if F Fund Percent > 0:*  
 "[host\_field T381 F Fund percent] [630] percent in the F Fund."  
*Speak if C Fund Percent > 0:*  
 "[host\_field T381 C Fund percent] [631] percent in the C Fund."  
*Speak if S Fund Percent > 0:*  
 "[host\_field T381 S Fund percent] [632] percent in the S Fund."  
*Speak if I Fund Percent > 0:*  
 "[host\_field T381 I Fund percent] [633] percent in the I Fund."  
 [822] "To change your Interfund Transfer request, press 1."  
           **(Proceed to Transfer - Pending Change)**  
 [823] "To cancel your Interfund Transfer request, press 2."  
           **(Proceed to Transfer - Pending Confirm Delete)**  
 [635] "To keep your pending request, press 3."  
           **(Return to Account Menu)**  
 [519] "To repeat this information, press 8."  
           **(Return to Transfer - Pending Review, Change)**  
 [527] "To return to the previous menu, press 9."  
           **(Return to Transfer Menu)**  
 [520] "To return to the main menu, press star."  
           **(Return to Main Menu)**

**Transfer - Pending Review, No Change**

[832] " After the interfund transfer, your account will be invested as follows:"  
*Speak if G Fund Percent > 0:*  
 "[host\_field T381 G Fund percent] [629] percent in the G Fund."  
*Speak if F Fund Percent > 0:*  
 "[host\_field T381 F Fund percent] [630] percent in the F Fund."  
*Speak if C Fund Percent > 0:*  
 "[host\_field T381 C Fund percent] [631] percent in the C Fund."  
*Speak if S Fund Percent > 0:*  
 "[host\_field T381 S Fund percent] [632] percent in the S Fund."



*Speak if I Fund Percent > 0:*

"[host\_field T381 I Fund percent] [633] percent in the I Fund."

[833] " To request another interfund transfer which will be effective [calculated\_effective\_date based on A1030], press 1."

**(Proceed to Transfer - Input)**

[527] "To return to the previous menu, press 9."

**(Return to Transfer Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Transfer - Pending Review, No Change No Request**

[832] " After the interfund transfer, your account will be invested as follows:"

*Speak if G Fund Percent > 0:*

"[host\_field T381 G Fund percent] [629] percent in the G Fund."

*Speak if F Fund Percent > 0:*

"[host\_field T381 F Fund percent] [630] percent in the F Fund."

*Speak if C Fund Percent > 0:*

"[host\_field T381 C Fund percent] [631] percent in the C Fund."

*Speak if S Fund Percent > 0:*

"[host\_field T381 S Fund percent] [632] percent in the S Fund."

*Speak if I Fund Percent > 0:*

"[host\_field T381 I Fund percent] [633] percent in the I Fund."

[519] "To repeat this information, press 8."

**(Return to Transfer - Pending Review, No Change No Request)**

[527] "To return to the previous menu, press 9."

**(Return to Transfer Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Transfer - Pending Change**

[824] "Your interfund transfer request for [host\_field T381 effective date], [812] will be changed when you enter and confirm your request. Do not hang up before your request is confirmed, or the change will not take effect.

*Set pending investment transfer delete indicator, then:*

**(Proceed to Transfer - Input)**

**Transfer - Pending Confirm Delete**

[825] "To cancel your pending interfund transfer for [host\_field T381 effective date], press 1"

**(Proceed to Transfer - Pending Delete)**

[826] "To keep your pending interfund transfer, press 2"  
 (**Proceed to Transfer - Pending Keep**)

**Transfer - Pending Delete**

Delete the pending transaction, then speak:

[827] " Your pending interfund transfer has been cancelled."

[527] "To return to the previous menu, press 9."  
 (**Return to Account Menu**)

[520] "To return to the main menu, press star."  
 (**Return to Main Menu**)

**Transfer - Pending Keep**

[637] "Your pending request has not been changed, and will be effective as of [host\_field PWI020 (effective date)]."

[527] "To return to the previous menu, press 9."  
 (**Return to Account Menu**)

[520] "To return to the main menu, press star."  
 (**Return to Main Menu**)

**Transfer - Input**

[661] "Enter the percentage of your total account balance that you want invested in the G Fund. This is the Government Securities Investment Fund. [781] Then press the pound sign."

[662] "Enter the percentage of your total account balance that you want invested in the F Fund. This is the Fixed Income Index Investment Fund. [781] Then press the pound sign."

[663] "Enter the percentage of your total account balance that you want invested in the C Fund. This is the Common Stock Index Investment Fund. [781] Then press the pound sign."

[664] "Enter the percentage of your total account balance that you want invested in the S Fund. This is the Small Capitalization Stock Index Investment Fund. [781] Then press the pound sign."

[665] "Enter the percentage of your total account balance that you want invested in the I Fund. This is the International Stock Index Investment Fund. [781] Then press the pound sign."

Speak if total percent entered is not = 100:

[643] "The percentages you entered add up to [calculated\_amount]. [644] They must equal 100 percent."  
 (**Proceed to Transfer - Cancel**)

Else:

(**Proceed to Transfer - Confirm Input**)

**Transfer - Confirm Input**

[666] "You must confirm your request. You have requested that your account balance be invested as follows:"

*Speak if G Fund Percent Input > 0:*

"[tt\_input\_field] [629] percent in the G Fund."

*Speak if F Fund Percent Input > 0:*

"[tt\_input\_field] [630] percent in the F Fund."

*Speak if C Fund Percent Input > 0:*

"[tt\_input\_field] [631] percent in the C Fund."

*Speak if S Fund Percent Input > 0:*

"[tt\_input\_field] [632] percent in the S Fund."

*Speak if I Fund Percent Input > 0:*

"[tt\_input\_field] [633] percent in the I Fund."

[561] "If this is correct, press 1.

**(Proceed to Transfer - Complete**

[634] "To change this request, press 2.

**(Proceed to Transfer - Input**

[646] "To delete this request, press 3.

**(Proceed to Transfer - Cancel**

[519] "To repeat this information, press 8."

**(Return to Transfer - Confirm Input)**

[527] "To return to the previous menu, press 9."

*If option selected voice:*

[647] "Your entry has been deleted."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

*If option selected voice:*

[647] "Your entry has been deleted."

**(Return to Main Menu)**

**Transfer - Cancel**

[647] "Your entry has been deleted."

[648] "To enter a new request, press 1."

**(Proceed to Transfer - Input)**

[649] "To return to the account menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**Transfer - Complete**

[841] "Please hold while we submit your request."

*If pending investment transfer delete indicator set, delete pending transaction and submit new transaction, otherwise submit new transaction then:*

**Transfer - Completed**

[650] "Your request will be effective as of [calculated\_effective\_date based on C1021]."

[667] "This transfer will not change the way your future contributions will be invested."

[651] "A confirmation notice will be mailed to you. If you do not receive the notice within 10 days, please call a participant service representative, Monday through Friday, between 6:00 am and 6:00 pm, central time."

[519] "To repeat this information, press 8."

**(Return to Transfer - Completed)**

[649] "To return to the account menu, press 9."

**(Return to Account Menu)**

[520] "To return to the main menu, press star."

**(Return to Main Menu)**

**SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER  
STATEMENTS OF OFFERORS OR QUOTERS**

**K. 1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE**

This solicitation incorporated one or more clauses by reference. The full text of a clause can be accessed electronically at the following email address:  
<http://www.arnet.gov/far>

Certification and Disclosure Regarding	
Payments to Influence Certain Federal	
Transactions (APR 1991)	52.203-11
Prohibition of Segregated Facilities (FEB 1999)	52.222-21

**K.2 Certificate of Independent Price Determination.  
(52.203-2) (APR 1985)**

(a) The offeror certifies that -

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to -

(i) Those prices;

(ii) The intention to submit an offer;, or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory -

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision; or

(2)(i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision [*insert full name of person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization*];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) of this provision have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision.

(c) If the offeror deletes or modifies subparagraph (a)(2) of this provision, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

### **K.3 Taxpayer Identification. (52.204-3) (OCT 1998)**

(a) *Definitions.*

"Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of

corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b) All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d) *Taxpayer Identification Number (TIN).*

TIN: \_\_\_\_\_.

TIN has been applied for.

TIN is not required because:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

Offeror is an agency or instrumentality of a foreign government;

Offeror is an agency or instrumentality of the Federal Government.

(e) *Type of organization.*

- Sole proprietorship;
- Partnership;
- Corporate entity (not tax-exempt);
- Corporate entity (tax-exempt);
- Government entity (Federal, State, or local);
- Foreign government;
- International organization per 26 CFR 1.6049-4;
- Other \_\_\_\_\_.

(f) *Common parent.*

Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

Name and TIN of common parent:

Name \_\_\_\_\_

TIN \_\_\_\_\_

**K.4 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters. (52.209-5) (DEC 2001)**

(a) (1) The Offeror certifies, to the best of its knowledge and belief, that -

(i) The Offeror and/or any of its Principals

(A) Are  are not  presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;



(B) Have  have not , within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are  are not  presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a) (1) (i) (B) of this provision.

(ii) The Offeror has  has not , within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certifica-

tion was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

**K.5 Place of Performance. (52.215-6) (OCT 1997)**

(a) The offeror or respondent, in the performance of any contract resulting from this solicitation, [ ] intends, [ ] does not intend [*check applicable block*] to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.

(b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:

Place of Performance	Name and Address of Owner
(Street Address, City,	and Operator of the Plant

State, County, Zip Code) or Facility if Other than  
Offeror or Respondent

\_\_\_\_\_  
\_\_\_\_\_

**K.6 Certification of Toxic Chemical Release Reporting.**  
**(52.223-13) (AUG 2003)**

(a) Executive Order 13148, of April 21, 2000, Greening the Government through Leadership in Environmental Management, requires submission of this certification as a prerequisite for contract award.

(b) By signing this offer, the offeror certifies that

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: [*Check each block that is applicable.*]

(i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed in 40 CFR 372.65;

(ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);

(iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of

EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

[ ] (iv) The facility does not fall within the following Standard Industrial Classification (SIC) codes or their corresponding North American Industry Classification System sectors:

(A) Major group code 10 (except 1011, 1081, and 1094.

(B) Major group code 12 (except 1241).

(C) Major group codes 20 through 39.

(D) Industry code 4911, 4931, or 4939 (limited to facilities that combust coal and/or oil for the purpose of generating power for distribution in commerce).

(E) Industry code 4953 (limited to facilities regulated under the Resource Conservation and Recovery Act, Subtitle C (42 U.S.C. 6921, et seq.), 5169, 5171, or 7389 (limited to facilities primarily engaged in solvent recovery services on a contract or fee basis);  
or

[ ] (v) The facility is not located in the United States or its outlying areas.

**SECTION L**  
**INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS**

**L.1 SUBMISSION OF PROPOSAL** The Offeror must provide an original and five (5) copies of the technical proposal and an original and three (3) copies of the price proposal. This will be a best value award.

**a. Technical Proposal.** Excluding resumes and work products, the technical proposal must be limited to **20** pages (text to be single spaced, no less than 12-pitch font), 8-1/2" X 11" white paper (no less than 20 lb. copy paper).

1. Present your comprehensive response to the services described in Section C. Appendices should be used prudently and only when a detailed response is impractical. Ambiguous statements such as "all reasonable efforts..." are not acceptable.
2. Provide a summary of experience, including company names, points of contact (name, email address and telephone numbers), locations, contract numbers (if applicable), and description of the services (including size and scope).
3. Identify the key personnel that will be assigned to this contract, their qualifications, and your proposed staffing levels.
4. Identify anticipated use of subcontractors by name, location, category of work, and proposed staffing levels. Describe its/their roles and responsibilities in performing any functions of the services described herein. All requirements established herein for the contractor also apply to the subcontractor.

**b. Cost/Price.** Must be limited to **20** pages (see further specifications in paragraph a. above).

1. Identify the schedule of fees as it relates to the services to be provided. The cost structure should indicate cost of services and include a cost breakout for any optional components available.

a. Provide all prices (start-up and ongoing) associated with your services. List any and all costs and provide an explanation for the basis of the cost (e.g., if the charge is "per hour", explain exactly how an hour is calculated, what is included in it, and where the information comes from). Provide the costs for years one through five of the project, along with any projected start-up costs for Lot #1.

2. All anticipated travel cost must be shown separately and will be reimbursed in accordance with Government travel regulations.

**L.2. DUE DATE** The proposal package must be received by the Agency no later than 3:30 PM Eastern Time, June 24, 2004. Address the package as follows:

**Federal Retirement Thrift Investment Board**  
**Attn: Angela Allen**  
**1250 H Street, NW, Suite 200**  
**Washington, DC 20005-3952**

To ensure the proposal package arrives at the proper place on time and to prevent opening by unauthorized individuals, your proposal package must be identified on the wrapper as follows:

**Proposal Submitted in Response to Solicitation**  
**No. TIB-RFP-04-04**  
**Package No. \_\_\_\_\_ of \_\_\_\_\_**  
**Date: \_\_\_\_\_**

**L.3. BID AND PROPOSAL COSTS** The Board will not reimburse Offerors for any expenses incurred in the preparation of proposals submitted in response to this RFP.

**L.4. BILLING** The awardee will be permitted to submit invoices monthly for incurred costs.

**L.5. RFP QUESTIONS** All inquiries pertaining to this RFP must be made in writing via e-mail or letter and received by the Agency NLT 4:00pm on June 11, 2004. No other method will be accepted. The point of contact for all RFP inquiries shall be Angela Allen, (202) 942-1693, Fax: (202) 942-1674, email: [aallen@tsp.gov](mailto:aallen@tsp.gov).

**L.6. OTHER CONSIDERATIONS** The Agency may require offerors, in the competitive range to appear for an interview prior to award. Please confirm your availability for the interview with approximately one week's notice. Costs incurred for the interview shall be borne by the Contractor. The purpose of the interview would be to:

- a. Substantiate proposal representations.
- b. Supplement information obtained through the proposal questionnaire.
- c. Increase the understanding of the services and operations of each finalist.
- d. Meet the key personnel who will have a significant role in this contract.

**L.7. GOVERNMENT FURNISHED MATERIALS:**

The following is a list of current TSP documents that are attached (in pdf format) or that can be accessed via the Forms and Publications Section of the TSP website. The documents provide information on current TSP investment options and plan demographics as well as examples of various participant communication materials and vehicles.

- a. The TSP website can be accessed at [www.tsp.gov](http://www.tsp.gov). While we invite examination of the entire website, the following documents are of particular relevance to this RFP and can be found on the website:
  - Summary of the Thrift Savings Plan for Federal Employees;
  - Guide to TSP Investments;
  - TSP Fund Information Sheets;
  - TSP-1 Election Form;
  - Understanding Your TSP Participant Statement;
  - Highlights (issued every six months, in connection with TSP Open Seasons); and
  - Audited 2002 Thrift Savings Fund financial statements.
- b. The following documents are attached in pdf format (see Attachment J):
  - Analysis of 2002 Thrift Savings Plan Civilian Participant Demographics;

- Quarterly investment report for Fourth Quarter 2003;
  - Reports showing loan and withdrawal activity for 2003 and for 2004 to date;
  - New Account Letter;
  - TSP-50 Investment Allocation Form;
  - Prints of the investment transaction screens furnished to participants on the secure portion of the TSP website;
  - Screen print from the Asset Manager Interface, showing calculation of daily fund share prices; and
  - Scripts of the investment transactions available to participants on the account access section of the TSP IVR system, known as the "ThriftLine."
- c. The ThriftLine can be accessed by calling 504-255-8777. The Plan Information section of the ThriftLine can be accessed by selecting Option 2.

[END OF SECTION]



## SECTION M - EVALUATION FACTORS FOR AWARD

This section sets forth the criteria to be used for the evaluation of each timely offer to determine the successful offeror. The evaluation of offers will consist of technical and cost evaluation. Only proposals deemed to be technically acceptable will receive further consideration.

### M.1. MINIMUM TECHNICAL FACTORS FOR AWARD

#### Lot 1:

The technical proposal must demonstrate compliance with the minimum qualifications listed in this section. Non-conforming proposals will be rejected by the Technical Evaluation Panel (TEP) before technical evaluation.

- a. The contractor has been doing business in the United States for at least the past five years.
- b. The contractor has, within the past five years, created asset allocation models for lifecycle funds for at least two clients who are either (1) a defined contribution, participant-directed employee benefit plans, each having 10,000 or more participants, or (2) a mutual funds or other investment management firms.
- c. The contractor confirms that it is able to and will create asset allocation models for lifecycle funds using only the existing TSP funds.
- d. The contractor confirms that all of the work will be performed by personnel in the United States.

#### **1. Technical Evaluation - determination of competitive range**

Proposals will first be evaluated based on the written material submitted by the contractor. Contractor will receive a score based on the level of experience shown by the organization and by the key personnel who will work on the project. Proposals will also be scored based on the quality of their written narrative description of their approach to completing the project tasks. Proposals may receive a maximum of 70 points for this portion of the technical evaluation.

a. Past Experience - 50 points

The successful contractor must be able to demonstrate substantial experience, both by the organization and by the personnel who will work on the project, in assisting large plans or mutual funds in establishing and maintaining lifecycle funds similar to those being introduced by the TSP. This will be determined through review of the work product and narrative descriptions of previous similar projects described in the contractor's proposal and by review of the resumes of the key personnel who will work on the project.

1) Organizational experience - 30 points

Proposals will be evaluated based on the amount of experience the organization has had in establishing lifecycle funds and whether the organization has experience in establishing such funds for other entities with characteristics that are similar to the TSP. We will also look to determine whether the organization has experience in performing each of the tasks required in the statement of work.

2) Personnel expertise - 20 points.

We will review the resumes of the personnel who will be assigned to the project to evaluate whether they have substantial experience in performing tasks similar to those required for establishing and maintaining lifecycle funds for the TSP.

b. Approach to this project - 20 points.

We have provided contractors with key information about the TSP (such as its size, its participant demographics, its cash flows, and the characteristics of the existing TSP funds). (See Section J.) Contractors must describe how they plan to accomplish each of the project tasks set forth in the statement of work. We will evaluate the proposals based upon the completeness and accuracy of their understanding of what is required to complete each of the required tasks. The successful proposal will use the information provided about the TSP to propose an appropriate, effi-

cient, and cost-effective method for accomplishing each of the tasks.

## **2. Technical evaluation of proposals determined to be in the competitive range**

After evaluation of the written proposals, those proposals that are determined to be in the competitive range will be further evaluated based on the results of the evaluation panel's interviews with the contractor's clients and in-person meetings with the contractor. Proposals may receive a maximum of 30 points for this portion of the technical evaluation. These points will be added to the points earned in the first portion of the technical evaluation. Therefore, a proposal can earn a maximum of 100 points for the technical evaluation.

### **a. Demonstrated success - 10 points**

We will evaluate from client interviews whether lifecycle funds for which the contractor provided consulting services were successfully implemented, and, if so, whether the funds' performance met expectations.

### **b. Client service - 10 points**

We will evaluate from client interviews whether the contractor has been responsive to client needs on other projects.

### **c. Meetings with key personnel - 10 points**

Based upon meetings with key personnel, we will evaluate their knowledge and understanding of how to establish and maintain lifecycle funds and how those funds could be used within the context of the TSP.

## **M.2 MINIMUM TECHNICAL FACTORS FOR AWARD**

### **Lot 2:**

The technical proposal must demonstrate compliance with the minimum qualifications listed in this section. Non-

conforming proposals will be rejected by the Technical Evaluation Panel (TEP) before technical evaluation.

- a. The contractor has been doing business in the United States for at least the last five years.
- b. The contractor has developed, within the past five years, communications programs for the introduction of lifecycle funds for at least two clients who are either (1) a defined contribution, participant-directed employee benefit plans, each having 10,000 or more participants or (2) a mutual fund or other investment management firm.
- c. The contractor must indicate that its communications strategy for the introduction of lifecycle funds will include, at a minimum, print components, web-based components, and a redesign of the participant statements to incorporate the lifecycle funds.
- d. The vendor confirms that all of the work will be performed in the United States.

**1. Technical evaluation - determination of competitive range**

Proposals will first be evaluated based on the written material submitted by the contractor. Contractors will receive a score based on the level of experience shown by the organization and by the key personnel who will work on the project. Proposals will also be scored based on the quality of their written narrative description of their approach to completing the project tasks. Proposals may receive a maximum of 80 points for this portion of the technical evaluation.

- a. Experience - 40 points
  - 1) Organizational experience - 20 points

We will review the work products and narrative descriptions of the previous projects described in the vendor's proposal. We will evaluate:

- i) The similarity between the size and other characteristics of the TSP and the size and other characteristics of the plans

or mutual funds for which the vendor devised communications regarding lifecycle funds - 4 points.

ii) The extent of the vendor's experience with large diverse plans that have participants in all parts of the world with a wide range of investment sophistication - 4 points.

iii) Uniqueness in design and appropriateness of the image to the client - 4 points.

iv) Experience in using a variety of sophisticated and creative multi-media communication techniques with participants - 4 points.

v) Ability to meet the former client's criteria for success - 4 points.

2) Personnel Expertise - 10 points.

Resumes of key personnel will be reviewed for evidence of substantial experience in developing communications materials for the introduction of financial products. Particular emphasis will be placed on experience in developing materials for the introduction of lifecycle funds for large participant-directed, defined contribution plans with diverse populations. Resumes should also demonstrate experience with a variety of communications vehicles (e.g., print, web, video).

3) Quality - 10 points

We will evaluate the proposals and the work products presented by the vendors on other projects for their quality and style, appropriate use of graphics and images, and grammatical correctness.

b. Approach - 20 points

1) Consideration of the TSP's Characteristics - 10 points

We will evaluate the proposals to determine if they show a plan for gaining knowledge and information of the unique challenges faced by the TSP, taking into account its population size, demographics, and need for worldwide distribution.

2) Process Evaluation - 10 points

Proposals will be evaluated based on the accuracy of their understanding of each of the tasks to be performed as they have described their approach.

c. Communications Effectiveness - 10 points

We will evaluate the work products, with respect to their target audience, for the appropriateness and effectiveness of the communications vehicle and content, as well as the language and focus of the message.

d. Account Management Capability - 10 points

1) Communication Protocols - 5 points

We will assess the extent to which the vendor's approach in providing relevant and accurate information to the Agency is proactive. We will assess this through the vendor's communication protocols and the procedures they have for responding to client requests.

2) Implementation Schedule - 5 points

The project plan submitted in response to Section J will be evaluated based on its presentation and comprehensiveness as well as the appropriateness of the critical milestones.

**3. Technical evaluation of proposals determined to be in the competitive range**

After evaluation of the written proposals, those proposals that are determined to be in the competitive range will be further evaluated based on the results of the evaluation panel's interviews with the vendor's clients and in-person meetings with the vendor. Proposals may receive a maximum of 20 points for this portion of the technical evaluation. These points will be added to the points earned in the

first portion of the technical evaluation. Therefore, a proposal can earn a maximum of 100 points for the technical evaluation.

a. Demonstrated Success - 10 points

We will evaluate, from client interviews, the quality of work performed by the vendor on their projects. We will also validate the vendor's description of its role and the results achieved.

b. Client Service - 5 points

We will evaluate, from client interviews, the vendor's responsiveness to client needs and the vendor's abilities to work with an in-house staff.

c. Meetings with Key Personnel - 5 points

Based upon meetings with key vendor personnel, we will evaluate their knowledge and understanding of the TSP characteristics and the planned TSP lifecycle funds.

**M.3. COST/PRICE:**

For both Lot 1 and Lot 2, the Agency will make the award to that responsible vendor whose proposal conforms to the solicitation and is most advantageous to the Agency, cost or price and other factors considered. For this solicitation, technical quality is significantly more important than cost. As proposals become more equal in their technical merit, the evaluation of cost becomes more important. An evaluation of each proposal will be made in the technical area, and if technically acceptable, in the cost area. The technical evaluation carries an 80% weight towards the contract award and the cost/price evaluation carries a 20% weight. The total score will be determined by combining the final technical score and the final price/cost score.

**M.4. AWARD**

a. The Agency may reject any or all offers, accept other than the lowest cost/price offer, and waive informalities and minor irregularities in offers received if it is in the best interest of the Government.

b. The Agency may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the Offeror's best terms from a cost/price and technical standpoint. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

**M.5. Evaluation of Options. (52.215-5) (JUL 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for basic requirement. Evaluation of options will not obligate the Government to exercise the options.

[END OF SECTION]