



Thrift Savings Plan BULLETIN

for Service TSP Representatives

Subject: Processing Submissions From Uniformed Services Payroll Offices in the New Record Keeping System

Date: July 25, 2002

This bulletin explains how payroll office submissions of employee data and Thrift Savings Plan (TSP) contributions will be processed after the new record keeping system is implemented in **September 2002**. It supplements TSP Bulletin 01-U-5, dated August 29, 2001, which explains how payroll offices must report employee data and contributions to the TSP. Although the payroll office procedures for submitting data to the TSP will not change, the TSP procedures for processing makeup and late contributions will change upon implementation of the new record keeping system.¹

Attached to this bulletin are copies of [the payment and negative adjustment record layouts](#); [Form TSP-U-2](#), Certification of Transfer of Funds and Journal Voucher; and [Form TSP-U-2-G](#), Certification of Transfer of Funds and Journal Voucher for Contributions Requiring G Fund Breakage. As discussed in Section III, we have made minor changes to the payment and negative adjustment record layouts and Form TSP-U-2; Form TSP-U-2-G is a new form. Payroll offices may use these materials to make the necessary changes to their automated systems, but they should not submit the revised and new materials to the TSP record keeper until September 1, 2002.²

I. Introduction

The new TSP record keeping system will be a **daily valued** system, which means that accounts will be valued every business day. Consequently, loans, withdrawals, contribution allocations, and interfund transfers will be processed every business day.

(continued on next page)

¹ In addition, the reports that payroll offices receive will change after the new record keeping system is implemented. See TSP Bulletin 02-U-17, dated June 12, 2002, for an explanation of the new reports.

² There will be no changes to the header and trailer records, the lost earnings records, and the recharacterization records that payroll offices currently submit. See TSP Bulletin 01-U-5 for a discussion of these records and their layouts.

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

Chapter: This bulletin may be filed in Chapter 5, Establishing and Maintaining Accounts.

The new system will be **share-based**. This means that participants' investments in each of the five funds will be stated in shares as well as dollars. The daily value of a participant's account will be determined by multiplying the number of shares held by the participant in any investment fund by the daily share price for that investment fund. This will be done separately for each source of contributions; a participant's balance in any investment fund is the sum of the two sources.³ A participant's total account balance is the sum of his or her balances in the five investment funds. When contributions and loan payments are deposited in a participant's account, the participant will buy shares at the daily share price for the applicable investment fund.

When the new system is implemented, participants' account balances will be converted from dollars to shares. The number of shares held will be determined by dividing the participant's August 31, 2002, account balance by the opening share price of \$10 for each investment fund.

II. Definitions

Most of the technical terms used in this bulletin are defined in TSP Bulletin 01-U-5 (i.e., "as of" date, attributable pay date, current pay date, late contributions, makeup contributions, and payroll submission). However, two additional terms are defined as follows:

- A. **Breakage** is the gain realized or the loss incurred on makeup or late contributions. It is the difference between the value of the shares of the applicable investment fund(s) which would have been purchased on the "as of" date and the value of those shares on the date the contributions are posted to a participant's account. See Section IV for more information about breakage.
- B. **Posting date** is the date transactions are credited to or debited from a participant's account.

III. Revised Record Layouts and Journal Vouchers

- A. Current payment records (Attachments 1 and 2)
 - 1. Purpose

As discussed in TSP Bulletin 01-U-5, payroll offices must use a current payment record (17- or 18-Record) to report current contributions and makeup contributions **except** for makeup contributions attributable to a back pay award or other retroactive pay adjustment.

³ To date, however, no service secretary has authorized matching contributions. Consequently, uniformed services accounts currently contain only one source of contributions (i.e., employee).

2. Determining “as of” date

- a. If the record is reporting current contributions, the “as of” date should be blank.
- b. If the record is reporting makeup contributions, the “as of” date must be completed to show the pay date for which the contributions should have been made.

It is critical that this “as of” date be correct because the TSP system will use this date to determine breakage on the **matching** contributions contained on the record, and to determine the year against which the employee contributions will be applied for purposes of the IRS elective deferral limit.

3. Change to record layout

The only change to the current payment records is that the last “filler” field (128-150) is now a “service use only” field. Payroll offices may enter any data that they choose in this field or they may leave this field blank.

If the field contains data, this data will be shown on the breakage reports that the payroll office will receive, as explained in TSP Bulletin 02-U-17. Thus, if the payroll office provides an accounting identifier in this field, it may help the payroll office to attribute the appropriate internal charges for breakage and assist with reconciliation.

B. Late payment records (Attachments 3 and 4)

1. Purpose

Payroll offices must use a late payment record (47- or 48-Record) to report late contributions, and to report makeup contributions that are attributable to a back pay award or other retroactive pay adjustment.

2. Determining “as of” date

- a. All late payment records must contain an “as of” date.
- b. If the record is reporting late contributions, the “as of” date is the pay date for which the contributions were originally deducted from pay (but were not reported on time or not processed because of service error, as the case may be).
- c. If the record is reporting makeup contributions, the “as of” date is the pay date for which the contributions would have been made (in light of a back pay award or other retroactive pay adjustment).

d. It is critical that the “as of” date be correct because the TSP system will use this date to determine breakage on the **employee and matching contributions** in the record, and to determine the year against which the employee contributions will be applied for purposes of the IRS elective deferral limit.

3. Change to record layouts

The only change to the late payment records is that the last “filler” field (128-150) is now a “service use only” field. As explained in A above, payroll offices may enter any data that they choose in this field or they may leave this field blank.

C. Negative adjustment records (Attachments 5 and 6)

1. Purpose

Payroll offices must use a negative adjustment record (27- or 28-Record) to remove erroneous contributions that they had previously reported. All or any part of a contribution previously submitted may be removed.

2. Determining attributable pay date

a. All negative adjustment records must contain the attributable pay date.

b. If the contributions to be removed were originally reported as current contributions, the attributable pay date is the “current pay date” that was in the header record for the earlier payroll submission (and in item 4 of the journal voucher which accompanied the submission).

c. If the contributions to be removed were originally reported as makeup or late contributions, the attributable pay date is the “as of” date that was reported on the payment record.

3. Change to record layouts

The only change to the negative adjustment records is that the last “filler” field (128-150) is now a “service use only” field. Payroll offices may enter any data that they choose in this field or they may leave this field blank, as explained in A above.

D. Journal vouchers

Employee data and payment records must be accompanied by a journal voucher to certify the accuracy of the data on the records and to authorize the transfer of the funds from the service to the TSP. Generally, this journal voucher is Form TSP-U-2, Certification of Transfer of Funds and Journal Voucher. However, in the new record keeping system, the journal voucher

may be Form TSP-U-2-G, Certification of Transfer of Funds and Journal Voucher for Contributions Requiring G Fund Breakage.

1. Form TSP-U-2 (Attachment 7)

The only change to Form TSP-U-2 is that the certification has been modified to acknowledge:

- a. that the TSP will calculate breakage for all records if the process date is more than 2 business days after the “current pay date” reported in Item 4 (if not due to processing delay by the record keeper), and
- b. that the TSP will calculate breakage for individual records reporting makeup and late contributions.

If the payroll system generates a journal voucher to simulate Form TSP-U-2, the certification statement on the system-generated journal voucher should be modified accordingly.

2. Form TSP-U-2-G (Attachment 8)

Other than the title and the instructions for its use, Form TSP-U-2-G is identical to Form TSP-U-2. **However, payroll offices must use this journal voucher to report makeup contributions attributable to a back pay award for which breakage (or lost earnings) must be determined using the Government Securities Investment (G) Fund share prices.** The G Fund share prices must be used to determine breakage for makeup contributions attributable to a back pay award for an erroneous separation **unless** a court or service official specifies otherwise (see our error correction regulations in 5 C.F.R. part 1605).

It is critical that payroll offices use Form TSP-U-2-G **only** as described above. The TSP system will calculate breakage for all contributions accompanied by Form TSP-U-2-G using the G Fund share prices regardless of a participant’s contribution allocation in effect at the time the makeup contributions should have been made.

IV. Processing Service Submissions

A. Investing contributions

The TSP will invest all contributions (current, makeup and late) according to the participant’s contribution allocation on the posting date. Breakage attributable to makeup or late contributions or late payroll submissions will also be invested according to the participant’s allocation on the posting date.

See [Attachment 9](#) for an example of how contributions, including breakage, will be invested; see Attachment 9 and Section IV.C. below for a discussion of how breakage will be computed by the TSP system.

B. Determining breakage

1. Participants are entitled to breakage (which is the equivalent of lost earnings) on:
 - a. makeup or late matching contributions;
 - b. late employee contributions; and
 - c. makeup employee contributions resulting from a back pay or other retroactive pay adjustment.
2. Currently, payroll offices report makeup or late contributions on current or late payment records and then submit separate lost earnings records for those contributions due lost earnings. In the new record keeping system, however, the TSP will use the data submitted on current and late payment records to determine breakage (lost earnings), eliminating the need for separate lost earnings records. The TSP system will use the record type and the “as of” date in the record to determine entitlement to breakage, as described below.

a. Current payment records

If the record contains an “as of” date that is earlier than the current pay date reported on the header record, the TSP will calculate breakage on the **matching** contributions in the record. The calculation will be based on the share prices for the fund(s) in which the participant would have invested on the “as of” date.

b. Late payment records

The TSP will calculate breakage on all sources of contributions (employee and matching) reported in the record.

If the record is accompanied by Form TSP-U-2, the calculation will be based on the share prices for the fund(s) in which the participant would have invested on the “as of” date. If the record is accompanied by Form TSP-U-2-G, the calculation will be based on the G Fund share prices.⁴

c. Late payroll submissions

If contributions in a payroll submission are posted more than 2 business days after the “current pay date” reported in the header record, the submission is considered late (if the late posting is not due to processing delay by the record keeper). Generally, in cases of late submissions,

⁴ If a late payment record does not contain an “as of” date that is earlier than the current pay date reported on the header record, it will not be processed.

the TSP will also calculate breakage on current contributions and makeup employee contributions submitted in current payment records.⁵ The calculation will be based on the share prices for the fund(s) in which the participant would have invested on the reported current pay date.

C. Calculating breakage

To calculate the breakage, the TSP system will, for each source of contributions:

1. Determine the number of shares of the applicable investment fund(s) that would have been purchased had the contributions been reported on time.
 - a. If the “as of” date is after August 31, 2002, this is the number of shares that would have been purchased on the “as of” date. The number will be calculated by dividing the amount that would have been invested in each investment fund by the share price for the “as of” date for the applicable investment fund.
 - b. If the “as of” date is before September 1, 2002, this is the number of shares of each investment fund that would have been purchased on August 31, 2002, when account balances were converted to shares at \$10 per share per investment fund.

To make this determination, the contributions are valued by adding an amount (either positive or negative) that the participant would have earned in each investment fund from the “as of” date through August 31, 2002. The number of shares is then calculated by dividing the valued contributions for each investment fund by \$10.
 - c. If breakage is being calculated on current contributions and employee makeup contributions reported in current payment records because the payroll submission was late, this is the number of shares of each investment fund that would have been purchased on the current pay date.
2. Determine the value of the number of shares (i.e., the number determined in 1 above) of each investment fund on the posting date.
3. Subtract the amount of the contributions from the value of the shares of each investment fund on the posting date. This result is the breakage (or lost earnings) due.
4. If the breakage is positive, the payroll office will be charged the amount of the contributions plus the breakage. If the breakage is negative, the payroll office will be charged the amount of the contributions; the difference

⁵ If certain unique circumstances prevent timely submission or posting, breakage will not be calculated for such contributions.

between the amount of the contributions and the amount posted to the account will be forfeited to the TSP.

The determination of whether breakage is positive or negative will be made separately for each investment fund within each source of contributions. There will be no netting of gains and losses in one investment fund or source of contributions against gains and losses in another investment fund or source of contributions.

D. Processing negative adjustment records

To process a negative adjustment record, the TSP system will, by investment fund for each source of contributions:⁶

1. Determine the number of shares that were purchased with the amount that the payroll office is requesting be removed from the participant's account.
 - a. If the attributable pay date is after August 31, 2002, this number is based upon the participant's contribution allocation and share prices for the attributable pay date. It is calculated by dividing the amount of the adjustment by the applicable share price.
 - b. If the attributable pay date is before September 1, 2002, this number is based on the participant's contribution allocation for the attributable pay date and the dollar value of the adjustment on August 31, 2002. (The dollar value of the adjustment includes earnings (either positive or negative) from the attributable pay date through August 31, 2002.)
2. Determine the value of the number of shares calculated in 1 above by multiplying by the share price on the posting date.
3. If the adjustment is to employee contributions:
 - a. remove the amount of the requested adjustment from the participant's account and credit it to the payroll office **if** the value of the number of shares on the posting date is **equal to or greater** than the requested adjustment. (This means that the investment gains, or positive earnings, on the adjustment remain in the participant's account.)
 - b. remove the value of the number of shares on the posting date from the participant's account and credit that amount to the payroll office **if** this value is **less than** the requested adjustment. (This means that the payroll office will not receive the full amount of the contributions that it had

⁶ The TSP will not process a negative adjustment record if (1) the attributable pay date does not match a pay date for which a contribution for the specific source was posted or (2) for the attributable pay date, the amount of the adjustment to a source is more than the amount of contributions minus negative adjustments previously posted for that source.

erroneously deducted from the participant's pay; however, the payroll office must refund the full amount of the deduction to the participant.)

4. If the adjustment is to matching contributions, remove the value of the shares on the posting date from the participant's account. (The participant is not entitled to investment gains on matching contributions that were erroneously deposited in his or her account.)
 - a. If the erroneous matching contributions had been in the participant's account for less than one year:
 - (1) credit the amount of the adjustment to the payroll office **if** the value of the number of shares on the posting date is **equal to or greater than** the adjustment. (Investment gains on erroneous agency contributions are forfeited to the TSP.)
 - (2) credit the amount removed from the account to the payroll office **if** the value of the number of shares on the posting date is **less than** the adjustment.
 - b. If the erroneous matching contributions had been in the account for one year or more, the entire amount removed from the account is forfeited to the TSP.
5. The value of the number of shares will be determined separately for each investment fund within each source of contributions. There will be no netting of gains and losses in one investment fund or source of contributions against gains and losses in another investment fund or source of contributions.
6. The amount will be removed from the participant's account pro rata based upon the allocation of the participant's account balance on the posting date.⁷

E. Applying the elective deferral limit

For purposes of applying the IRS annual elective deferral limit, the TSP will use the year of the "as of" date or the attributable pay date. If the "as of" date is blank, the TSP will use the year of the current pay date. Thus, employee makeup or late contributions will count against the limit for the year in which they should have been made.

⁷ If there is not enough money in the same source of contributions to cover the amount to be removed, the negative adjustment record will not be processed.

V. Service Preparatory/Cleanup Activities

Correct those errors now which have been already identified by submitting the appropriate payment and lost earnings records.

Through March 31, 2003, the TSP will accept lost earnings records for payments submitted before September 1, 2002. However, the TSP will not accept lost earnings records for payments submitted after August 31, 2002, and **beginning April 1, 2003, will no longer accept any lost earnings records.**



PAMELA-JEANNE MORAN
Deputy Director
Office of External Affairs

Attachments: 1-17-Record
2-18-Record
3-47-Record
4-48-Record
5-27-Record
6-28-Record
7-Form TSP-U-2, Certification of Transfer of Funds and Journal Voucher
8-Form TSP-U-2-G, Certification of Transfer of Funds and Journal Voucher
for Contributions Requiring G Fund Breakage
9-Example of Breakage Calculation

Uniformed Services Current Payment Record (Tax-deferred) - 17

APPLICATION		FILE ORGANIZATION				RCD SIZE	BLOCK SIZE			
THRIFT SAVINGS PLAN SYSTEM		VARIABLE BLOCK				150				
DESCRIPTION	FORMAT	9(09)	9(04)	9(02)	9(02)	9(04)	9(02)	9(02)	9(02)	
TSP Current Payment Record	D A T A	SSN	Date Of Birth			As Of Date *			Record Type "17"	
			Year	Month	Day	Year	Month	Day		
RECORD NUMBER "17"	LENGTH	9	4	2	2	4	2	2	2	
	POS	01-09	10-13	14-15	16-17	18-21	22-23	24-25	26-27	

X(17)	S9(05)V99	X(41)	S9(05)V99
FILLER	Employee Contributions	FILLER	Agency Automatic (1%) Contributions
17	7	412	7
28-44	45-51	52-92	93-99

X(17)	S9(05)V99	X(02)	X(02)	X(23)
FILLER	Agency Matching Contributions	Department Code	Agency Code	Service Use Only
17	7	2	2	23
100-116	117-123	124-125	126-127	128-150

* Leave As Of Date field blank unless date is different from the Current Pay Date on the header record.

Uniformed Services Current Payment Record (Tax-exempt) - 18

APPLICATION		FILE ORGANIZATION				RCD SIZE	BLOCK SIZE		
THRIFT SAVINGS PLAN SYSTEM		VARIABLE BLOCK				150			
DESCRIPTION	FORMAT	9(09)	9(04)	9(02)	9(02)	9(04)	9(02)	9(02)	9(02)
TSP Current Payment Record	D A T A	SSN	Date Of Birth			As Of Date *			Record Type "18"
			Year	Month	Day	Year	Month	Day	
RECORD NUMBER "18"	LENGTH	9	4	2	2	4	2	2	2
	POS	01-09	10-13	14-15	16-17	18-21	22-23	24-25	26-27

X(17)	S9(05)V99	X(41)	S9(05)V99
FILLER	Employee Contributions	FILLER	Agency Automatic (1%) Contributions
17	7	41	7
28-44	45-51	52-92	93-99

X(17)	S9(05)V99	X(02)	X(02)	X(23)
FILLER	Agency Matching Contributions	Department Code	Agency Code	Service Use Only
17	7	2	2	23
100-116	117-123	124-125	126-127	128-150

* Leave As Of Date field blank unless date is different from the Current Pay Date on the header record.

Uniformed Services Late Payment Record (Tax-deferred) - 47

APPLICATION		FILE ORGANIZATION				RCD SIZE	BLOCK SIZE		
THRIFT SAVINGS PLAN SYSTEM		VARIABLE BLOCK				150			
DESCRIPTION	FORMAT	9(09)	9(04)	9(02)	9(02)	9(04)	9(02)	9(02)	9(02)
TSP Late Payment Record	D A T A	SSN	Date Of Birth			As Of Date			Record Type "47"
			Year	Month	Day	Year	Month	Day	
RECORD NUMBER "47"	LENGTH	9	4	2	2	4	2	2	2
	POS	01-09	10-13	14-15	16-17	18-21	22-23	24-25	26-27

X(17)	S9(05)V99	X(41)	S9(05)V99
FILLER	Employee Contributions	FILLER	Agency Automatic (1%) Contributions
17	7	41	7
28-44	45-51	52-92	93-99

X(17)	S9(05)V99	X(02)	X(02)	X(23)
FILLER	Agency Matching Contributions	Department Code	Agency Code	Service Use Only
17	7	2	2	23
100-116	117-123	124-125	126-127	128-150

Uniformed Services Late Payment Record (Tax-exempt) - 48

APPLICATION		FILE ORGANIZATION				RCD SIZE	BLOCK SIZE		
THRIFT SAVINGS PLAN SYSTEM		VARIABLE BLOCK				150			
DESCRIPTION	FORMAT	9(09)	9(04)	9(02)	9(02)	9(04)	9(02)	9(02)	9(02)
TSP Late Payment Record	D A T A	SSN	Date Of Birth			As Of Date			Record Type "48"
			Year	Month	Day	Year	Month	Day	
RECORD NUMBER "48"	LENGTH	9	4	2	2	4	2	2	2
	POS	01-09	10-13	14-15	16-17	18-21	22-23	24-25	26-27

X(17)	S9(05)V99	X(41)	S9(05)V99
FILLER	Employee Contributions	FILLER	Agency Automatic (1%) Contributions
17	7	41	7
28-44	45-51	52-92	93-99

X(17)	S9(05)V99	X(02)	X(02)	X(23)
FILLER	Agency Matching Contribution	Department Code	Agency Code	Service Use Only
17	7	2	2	23
100-116	117-123	124-125	126-127	128-150

Uniformed Services Negative Adjustment Record (Tax-deferred) - 27

APPLICATION		FILE ORGANIZATION				RCD SIZE	BLOCK SIZE			
THRIFT SAVINGS PLAN SYSTEM		VARIABLE BLOCK				150				
DESCRIPTION	FORMAT	9(09)	9(04)	9(02)	9(02)	9(04)	9(02)	9(02)	9(02)	
TSP Negative Adjustment Record	D A T A	SSN	Date Of Birth			Attributable Pay Date			Record Type "27"	
			Year	Month	Day	Year	Month	Day		
RECORD NUMBER "27"	LENGTH	9	4	2	2	4	2	2	2	
	POS	01-09	10-13	14-15	16-17	18-21	22-23	24-25	26-27	

X(17)	S9(05)V99	X(41)	S9(05)V99
FILLER	Employee Contributions Adjustment *	FILLER	Agency Automatic (1%) Contributions Adjustment *
17	7	41	7
28-44	45-51	52-92	93-99

X(17)	S9(05)V99	X(02)	X(02)	X(23)
FILLER	Agency Matching Contributions Adjustment *	Department Code	Agency Code	Service Use Only
17	7	2	2	23
100-116	117-123	124-125	126-127	128-150

* Adjustment amounts must be negative numbers

Uniformed Services Negative Adjustment Record (Tax-exempt) - 28

APPLICATION		FILE ORGANIZATION				RCD SIZE	BLOCK SIZE		
THRIFT SAVINGS PLAN SYSTEM		VARIABLE BLOCK				150			
DESCRIPTION	FORMAT	9(09)	9(04)	9(02)	9(02)	9(04)	9(02)	9(02)	9(02)
TSP Negative Adjustment Record	D A T A	SSN	Date Of Birth			Attributable Pay Date			Record Type "28"
			Year	Month	Day	Year	Month	Day	
RECORD NUMBER "28"	LENGTH	9	4	2	2	4	2	2	2
	POS	01-09	10-13	14-15	16-17	18-21	22-23	24-25	26-27

X(17)	S9(05)V99	X(41)	S9(05)V99
FILLER	Employee Contributions Adjustment *	FILLER	Agency Automatic (1%) Contributions Adjustment *
17	7	41	7
28-44	45-51	52-92	93-99

X(17)	S9(05)V99	X(02)	X(02)	X(23)
FILLER	Agency Matching Contributions Adjustment *	Department Code	Agency Code	Service Use Only
17	7	2	2	23
100-116	117-123	124-125	126-127	128-150

* Adjustment amounts must be negative numbers



THRIFT SAVINGS PLAN

CERTIFICATION OF TRANSFER OF FUNDS AND JOURNAL VOUCHER

TSP-U-2

I. IDENTIFICATION

To: Thrift Savings Plan National Finance Center P.O. Box 61500 New Orleans, LA 70161-1500 Telephone: (504) 255-5110 FAX Number: (504) 255-4132	1. From:		
2. Payroll Office Number	3. Journal Voucher Report Number	4. Current Pay Date (mm/dd/yyyy)	5. Type of Media <input type="checkbox"/> Electronic Submission <input type="checkbox"/> Tape <input type="checkbox"/> Disk
6. Reel Number	7. Reel Date (mm/dd/yyyy)	8. Back-up Number (if applicable)	9. Back-up Date (mm/dd/yyyy)

II. RECORDS SUBMITTED

10. Number of Employee Data Records		
11. Number of Current Payment Records – Tax-deferred		
12. Number of Current Payment Records – Tax-exempt		
13. Number of Late Payment Records – Tax-deferred		
14. Number of Late Payment Records – Tax-exempt		
15. Number of Negative Adjustment Records – Tax-deferred		
16. Number of Negative Adjustment Records – Tax-exempt		
17. Total Number of Records		

III. RECORDS BY CONTRIBUTION SOURCE

	Total Current and Late Payment Records	Total Negative Adjustment Records
Employee Contributions – Tax-deferred	18. \$	23. \$
Employee Contributions – Tax-exempt	19. \$	24. \$
Reserved	20. \$ 0.00	25. \$ 0.00
Agency Matching Contributions	21. \$	26. \$
Totals	22. \$	27. \$
Control Total		28. \$

IV. CERTIFICATION

I certify that (1) prudent measures have been taken to ensure that the TSP transactions associated with this voucher are correct according to applicable law and TSP procedures; (2) the amount in Block 22 is available to be credited to the TSP receipt account; and (3) the amount in Block 27 may be credited to this agency's account if found to be correct. I understand that (1) the amount of the credit may be reduced by any investment losses computed by the TSP in connection with the money to be returned to the agency and by any amounts that, under applicable law or TSP procedures, may not be returned to this agency; (2) if this payroll submission reports makeup or late contributions, the TSP System will calculate the associated breakage and charge this agency's Treasury account the attributable expense; and (3) if this payroll submission is processed more than two business days after the "Current Pay Date," the TSP System will calculate breakage on current contributions and employee makeup contributions as of the "Current Pay Date" and charge this agency's Treasury account with the attributable expense. Such additional charges will be reversed only if it is established that the late processing was caused by TSP record keeper error.

29. _____
 Typed or Printed Name of Authorized Administrative or Certifying Officer

30. _____
 Signature of Authorized Administrative or Certifying Officer

31. (_____) _____ – _____
 Commercial Telephone (Area Code and Number)

32. (_____) _____ – _____
 Commercial Telefax (Area Code and Number)

33. _____
 Date Certified

INSTRUCTIONS

TSP-U-2

Data may be submitted electronically or on magnetic tape or diskette. Submit only one type of media with this form. Mail completed form and magnetic tape or diskette to the address on the front of the form.

I. IDENTIFICATION

Block 1, From. Enter address of sender. Include payroll office name, address, and Zip Code.

Block 2, Payroll Office Number. Enter assigned 8-position payroll office number in XX-XX-XXXX format.

Block 3, Journal Voucher Report Number. Enter 6-position report number. The first two positions represent the calendar year of the reporting pay period. The last four positions represent a sequential number beginning with 0001. This number will serve as a control over receipt of the reports. For example, 020001 would be the first JV report number submitted in the year 2002.

Block 4, Current Pay Date. Enter date payroll paid in mm/dd/yyyy format.

Block 5, Type of Media. Indicate whether you are making an electronic submission or submitting a magnetic tape or a diskette.

Block 6, Reel Number. Enter reel number of magnetic tape sent, if applicable.

Block 7, Reel Date. Enter date reel was created. Use mm/dd/yyyy format.

Block 8, Back-up Reel Number (if applicable). Complete this section if duplicate (back-up) magnetic tape is submitted with this form.

Block 9, Back-up Reel Date. If Block 8 is completed, enter date back-up reel was created. Use mm/dd/yyyy format.

II. RECORDS SUBMITTED

Block 10, Number of Employee Data Records. Enter total number of 06-Records submitted.

Block 11, Number of Current Payment Records – Tax-deferred. Enter total number of 17-Records submitted.

Block 12, Number of Current Payment Records – Tax-exempt. Enter total number of 18-Records submitted.

Block 13, Number of Late Payment Records – Tax-deferred. Enter total number of 47-Records submitted.

Block 14, Number of Late Payment Records – Tax-exempt. Enter total number of 48-Records submitted.

Block 15, Number of Negative Adjustment Records – Tax-deferred. Enter total number of 27-Records submitted.

Block 16, Number of Negative Adjustment Records – Tax-exempt. Enter total number of 28-Records submitted.

Block 17, Total Number of Records. Enter the total number of records submitted. This is equal to the sum of Blocks 10, 11, 12, 13, 14, 15, and 16.

III. RECORDS BY CONTRIBUTION SOURCE

Current payment records (Items 18 – 22) are 17- or 18-Records used to submit current contributions and makeup contributions except those that are attributable to a back pay award or other retroactive pay adjustment. **Late payment records** (Items 18-22) are 47- or 48-Records used to submit late contributions and makeup contributions attributable to a back pay award or other retroactive pay adjustment. **Negative adjustment records** (Items 23 – 27) are 27- or 28-Records used to remove erroneous contributions previously reported.

Block 18, Employee Contributions – Tax-deferred. Enter total employee contributions from 17- and 47-Records.

Block 19, Employee Contributions – Tax-exempt. Enter total employee contributions from 18- and 48-Records.

Block 20, Reserved. Not currently applicable to uniformed services.

Block 21, Agency Matching Contributions. Enter total agency matching contributions from 17-, 18-, 47-, and 48-Records.

Block 22, Total Current and Late Payment Records Amount. This is equal to the sum of Blocks 18, 19, 20, and 21.

Block 23, Employee Contributions – Tax-deferred. Enter total adjustments to employee contributions from 27-Records.

Block 24, Employee Contributions – Tax-exempt. Enter total adjustments to employee contributions from 28-Records.

Block 25, Reserved. Not currently applicable to uniformed services.

Block 26, Agency Matching Contributions. Enter total adjustments to matching contributions from 27- and 28-Records.

Block 27, Total Negative Adjustment Record Amounts. Enter total adjustments to employee and agency contributions. This is equal to the sum of Blocks 23, 24, 25, and 26.

Block 28, Control Total. Subtract Block 27 from Block 22 and enter amount here. (This figure is used only for verification of data entry.)

IV. CERTIFICATION

Block 29, Typed Name of Authorized Administrative or Certifying Officer. Type or print name of official who is responsible for the accuracy of this voucher and the data it transmits.

Block 30, Signature of Authorized Administrative or Certifying Officer. Signature of person named in Block 29.

Block 31, Telephone Number. Enter commercial telephone number of certifying officer, including area code.

Block 32, Telefax Number. Enter commercial telefax number of certifying officer, including area code.

Block 33, Date Certified. Enter date the document is signed.



THRIFT SAVINGS PLAN TSP-U-2-G

CERTIFICATION OF TRANSFER OF FUNDS AND JOURNAL VOUCHER FOR CONTRIBUTIONS REQUIRING G FUND BREAKAGE

I. IDENTIFICATION

To: Thrift Savings Plan National Finance Center P.O. Box 61500 New Orleans, LA 70161-1500 Telephone: (504) 255-5110 FAX Number: (504) 255-4132		1. From:		
2. Payroll Office Number	3. Journal Voucher Report Number G	4. Current Pay Date (mm/dd/yyyy)	5. Type of Media <input type="checkbox"/> Electronic Submission <input type="checkbox"/> Tape <input type="checkbox"/> Disk	
6. Reel Number	7. Reel Date (mm/dd/yyyy)	8. Back-up Number (If applicable)	9. Back-up Date (mm/dd/yyyy)	

II. RECORDS SUBMITTED

10. Number of Employee Data Records		
11. Number of Current Payment Records – Tax-deferred		
12. Number of Current Payment Records – Tax-exempt		
13. Number of Late Payment Records – Tax-deferred		
14. Number of Late Payment Records – Tax-exempt		
15. Number of Negative Adjustment Records – Tax-deferred		
16. Number of Negative Adjustment Records – Tax-exempt		
17. Total Number of Records		

III. RECORDS BY CONTRIBUTION SOURCE

	Total Current and Late Payment Records	Total Negative Adjustment Records
Employee Contributions – Tax-deferred	18. \$	23. \$
Employee Contributions – Tax-exempt	19. \$	24. \$
Reserved	20. \$ 0.00	25. \$ 0.00
Agency Matching Contributions	21. \$	26. \$
Totals	22. \$	27. \$
Control Total		28. \$

IV. CERTIFICATION

I certify that (1) prudent measures have been taken to ensure that the TSP transactions associated with this voucher are correct according to applicable law and TSP procedures; (2) the amount in Block 22 is available to be credited to the TSP receipt account and, if transactions submitted exceed this amount, the excess is also available to be credited to the TSP receipt account; and (3) the amount in Block 27 may be credited to this agency's account if found to be correct. I understand that (1) the amount of the credit may be reduced by any investment losses computed by the TSP in connection with the money to be returned to the agency and by any amounts that, under applicable law or TSP procedures, may not be returned to this agency; (2) if this payroll submission reports makeup or late contributions, the TSP System will calculate the associated breakage and charge this agency's Treasury account the attributable expense; and (3) if this payroll submission is processed more than 30 days after the "Current Pay Date," the TSP System will calculate breakage on employee makeup contributions as of the "Current Pay Date" and charge this agency's Treasury account with the attributable expense. Such additional charges will be reversed only if it is established that the late processing was caused by TSP record keeper error.

29. _____
 Typed or Printed Name of Authorized Administrative or Certifying Officer

30. _____
 Signature of Authorized Administrative or Certifying Officer

31. (_____) _____ – _____
 Commercial Telephone (Area Code and Number)

32. (_____) _____ – _____
 Commercial Telefax (Area Code and Number)

33. _____
 Date Certified

INSTRUCTIONS

TSP-U-2-G

Use this form **only** to submit late payment records (47 or 48 records) that report makeup contributions resulting from a back pay award or other retroactive pay adjustment for which breakage must be calculated using **the Government Securities Investment (G) Fund share prices**. Data may be submitted electronically or on magnetic tape or diskette. Submit only one type of media with this form. Mail completed form and magnetic tape or diskette to the address on the front of the form.

I. IDENTIFICATION

Block 1, From. Enter address of sender. Include payroll office name, address, and Zip Code.

Block 2, Payroll Office Number. Enter assigned 8-position payroll office number in XX-XX-XXXX format.

Block 3, Journal Voucher Report Number. Enter 6-position report number. The first position is "G". The next two positions represent the calendar year of the reporting pay period. The last three positions represent a sequential number beginning with 001. This number will serve as a control over receipt of the reports. For example, G03001 would be the first JV report number submitted in the year 2003.

Block 4, Current Pay Date. Enter date payroll paid in mm/dd/yyyy format.

Block 5, Type of Media. Indicate whether you are making an electronic submission or submitting a magnetic tape or a diskette.

Block 6, Reel Number. Enter reel number of magnetic tape sent, if applicable.

Block 7, Reel Date. Enter date reel was created. Use mm/dd/yyyy format.

Block 8, Back-up Reel Number (if applicable). Complete this section if duplicate (back-up) magnetic tape is submitted with this form.

Block 9, Back-up Reel Date. If Block 8 is completed, enter date back-up reel was created. Use mm/dd/yyyy format.

II. RECORDS SUBMITTED

Block 10, Number of Employee Data Records. Enter total number of 06-Records submitted.

Block 11, Number of Current Payment Records – Tax-deferred. Enter total number of 17-Records submitted.

Block 12, Number of Current Payment Records – Tax-exempt. Enter total number of 18-Records submitted.

Block 13, Number of Late Payment Records – Tax-deferred. Enter total number of 47-Records submitted.

Block 14, Number of Late Payment Records – Tax-exempt. Enter total number of 48-Records submitted.

Block 15, Number of Negative Adjustment Records – Tax-deferred. Enter total number of 27-Records submitted.

Block 16, Number of Negative Adjustment Records – Tax-exempt. Enter total number of 28-Records submitted.

Block 17, Total Number of Records. Enter the total number of records submitted. This is equal to the sum of Blocks 10, 11, 12, 13, 14, 15, and 16.

III. RECORDS BY CONTRIBUTION SOURCE

Current payment records (Items 18 – 22) are 17- or 18-Records used to submit current contributions and makeup contributions except those that are attributable to a back pay award or other retroactive pay adjustment. **Late payment records** (Items 18-22) are 47- or 48-Records used to submit late contributions and makeup contributions attributable to a back pay award or other retroactive pay adjustment. **Negative adjustment records** (Items 23 – 27) are 27- or 28-Records used to remove erroneous contributions previously reported.

Block 18, Employee Contributions – Tax-deferred. Enter **total** employee contributions from 17- and 47-Records.

Block 19, Employee Contributions – Tax-exempt. Enter **total** employee contributions from 18- and 48-Records.

Block 20, Reserved. Not currently applicable to uniformed services.

Block 21, Agency Matching Contributions. Enter **total** agency matching contributions from 17-, 18-, 47-, and 48-Records.

Block 22, Total Current and Late Payment Records Amount. This is equal to the sum of Blocks 18, 19, 20, and 21.

Block 23, Employee Contributions – Tax-deferred. Enter **total** adjustments to employee contributions from 27-Records.

Block 24, Employee Contributions – Tax-exempt. Enter **total** adjustments to employee contributions from 28-Records.

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Block 26, Agency Matching Contributions. Enter **total** adjustments to matching contributions from 27- and 28-Records.

Block 27, Total Negative Adjustment Record Amounts. Enter total adjustments to employee and agency contributions. This is equal to the sum of Blocks 23, 24, 25, and 26.

Block 28, Control Total. Subtract Block 27 from Block 22 and enter amount here. (This figure is used only for verification of data entry.)

IV. CERTIFICATION

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Block 30, Signature of Authorized Administrative or Certifying Officer. Signature of person named in Block 29.

Block 31, Telephone Number. Enter commercial telephone number of certifying officer, including area code.

Block 32, Telefax Number. Enter commercial telefax number of certifying officer, including area code.

Block 33, Date Certified. Enter date the document is signed.

EXAMPLE OF BREAKAGE CALCULATION

Lt. Smith elected to contribute 4% of his basic pay to the TSP. Lt. Smith's basic pay is \$2,000 per month. Due to a payroll system error, the contributions that were deducted from his pay in November and December 2002 were not reported to the TSP record keeper on time. The payroll office submission for the pay date January 31, 2003, contains three payment records to report the current and late contributions for Lt. Smith as follows:

- (1) Current payment record (17-Record):

"As of" date:	[blank]
Employee contributions:	\$80

- (2) Late payment record (47-Record):

"As of" date:	11/30/2002
Employee contributions:	\$80

- (3) Late payment record (47-Record):

"As of" date:	12/31/2002
Employee contributions:	\$80

These contributions are processed and posted to Lt. Smith's account on 1/31/2003.

Lt. Smith's contribution allocation for 1/31/2003: 100% S Fund.

Lt. Smith's contribution allocation for 11/30 and 12/31/2002: 50% F Fund; 50% C Fund.

The share prices are:

11/30/2002:	\$11 F Fund; \$15 C Fund
12/31/2002:	\$10 F Fund; \$12 C Fund
1/31/2003:	\$12 F Fund; \$10 C Fund; \$16 S Fund

The following is posted to Fred's account on 1/31/2003:

Employee contributions:	\$231.64/14.4775 shares/S Fund
Breakage charged payroll office:*	\$11.64

The amount posted to the account includes breakage and was calculated as follows:

For "as of" date **11/31/2002:**

- Number of shares that would have been purchased:

\$40/F Fund =	3.6364 shares	(40/11)
\$40/C Fund =	2.6667 shares	(40/15)

* Breakage is calculated within the contribution source separately by investment fund and charged to payroll offices or forfeited accordingly. Thus, the charge resulting from a gain in one investment fund is not reduced by a loss in another investment fund.

- Value of this number of shares on the posting date.
 $3.6364 \text{ shares of F Fund} = \$43.64 \quad (3.6364 \times \$12)$
 $2.6667 \text{ shares of C Fund} = \$26.67 \quad (2.6667 \times \$10)$
- Breakage (subtract contribution from value of shares on posting date):
 $\$43.64 - \$40 = \$3.64 \quad \text{F Fund breakage}$
 $\$26.67 - \$40 = (\$13.33) \quad \text{C Fund breakage}$

Amount charged to payroll office: \$3.64

Amount forfeited to TSP: \$13.33

- Amount due participant for “as of” date (add contribution and breakage)
 $\$70.31 \quad (\$40 + \$3.64 + \$40 + (\$13.33))$

For “as of” date **12/31/2002:**

- Number of shares that would have been purchased:
 $\$40/\text{F fund} = 4 \text{ shares} \quad (40/10)$
 $\$40/\text{C Fund} = 3.3333 \text{ shares} \quad (40/12)$
- Value of this number of shares on the posting date.
 $4 \text{ shares}/\text{F Fund} = \$48 \quad (4 \times \$12)$
 $.3333 \text{ shares}/\text{C Fund} = \$33.33 \quad (3.3333 \times \$10)$
- Breakage:
 $\$48 - \$40 = \$8 \text{ F Fund}$
 $\$33.33 - \$40 = (\$6.67) \text{ C Fund}$

Amount charged to payroll office: \$8

Amount forfeited to TSP: \$6.67

- Amount due participant for “as of” date:
 $\$81.33 \quad (\$40 + \$8 + \$40 + (\$6.67))$