The Federal Workforce – Challenges and Opportunities

Greg T. Long
Executive Director
Federal Retirement Thrift Investment Board
# Annual FERS Participation Rates by Age

<table>
<thead>
<tr>
<th>Age</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;= 29</td>
<td>78.0%</td>
<td>83.9%</td>
<td>89.1%</td>
<td>91.7%</td>
<td>93.3%</td>
</tr>
<tr>
<td>30-39</td>
<td>83.3%</td>
<td>85.7%</td>
<td>88.2%</td>
<td>89.5%</td>
<td>90.5%</td>
</tr>
<tr>
<td>40-49</td>
<td>84.9%</td>
<td>86.1%</td>
<td>87.1%</td>
<td>87.6%</td>
<td>88.0%</td>
</tr>
<tr>
<td>50-59</td>
<td>87.1%</td>
<td>88.0%</td>
<td>88.5%</td>
<td>88.7%</td>
<td>88.9%</td>
</tr>
<tr>
<td>60-69</td>
<td>88.4%</td>
<td>89.0%</td>
<td>89.1%</td>
<td>89.1%</td>
<td>89.1%</td>
</tr>
<tr>
<td>70+</td>
<td>86.6%</td>
<td>87.1%</td>
<td>87.3%</td>
<td>87.5%</td>
<td>87.8%</td>
</tr>
</tbody>
</table>
Current FERS Deferral Rates by Age
### Age Breakdown

<table>
<thead>
<tr>
<th>Age</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 29 yrs</td>
<td>59.7%</td>
</tr>
<tr>
<td>30-39</td>
<td>44.5%</td>
</tr>
<tr>
<td>40-49</td>
<td>35.2%</td>
</tr>
<tr>
<td>50-59</td>
<td>34.7%</td>
</tr>
<tr>
<td>60-69</td>
<td>39.4%</td>
</tr>
<tr>
<td>70+</td>
<td>44.8%</td>
</tr>
</tbody>
</table>

### Tenure Breakdown

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 2 yrs</td>
<td>76.4%</td>
</tr>
<tr>
<td>2-5</td>
<td>55.9%</td>
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<tr>
<td>6-10</td>
<td>43.2%</td>
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<tr>
<td>11-20</td>
<td>27.2%</td>
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<tr>
<td>&gt;21</td>
<td>22.5%</td>
</tr>
</tbody>
</table>
Take FIVE for Your Future
Take FIVE for Your Future

tsp.gov/takeFIVE

IF YOU'RE YOUNGER THAN 45, RETIREMENT SEEMS FAR AWAY

But you could be missing out on $1,200 in MATCHED MONEY from your agency right now. If you aren't contributing at least 3% of your salary to your TSP account, you can never get that money back.

FIVE FUNDS

The TSP offers 36 funds to help you reach your retirement goals. Choose from Core Funds that are diversified to fit your needs or Lifestyle Funds that are professionally designed based on when you’ll need your money.

THE BOTTOM LINE

Contribute at least 5%. Choose from 3 funds. Make changes in 5 minutes. Consistent and early saving can make the difference between a comfortable retirement and a difficult one. It’s a lot easier if you start while you’re young.
Take FIVE for Your Future
Take FIVE for Your Future

https://www.tsp.gov/takeFIVE/

Complete Description: Retirement may seem far away. But if you’re a federal civilian employee, you could be missing out on thousands of dollars in matching money from your agency right now if you aren’t contributing at least 5% of your salary to your Thrift Savings Plan account. The TSP has launched the “Take FIVE for Your Future” campaign to highlight the importance of saving early for retirement. Our special website follows a sample employee as he increases his retirement savings.

Funding Agency: Federal Retirement Thrift Investment Board
Language: English
Audience: Individual, Researcher, Teacher
Tags:
THINK THE G FUND IS ALL THERE IS TO THE TSP?

Think again.

G Fund Leaflet

Should you branch out from the G Fund?

The TSP's Government Securities (G) Fund guarantees that you'll never lose money. This might make you feel safe, but it's important to consider whether the G Fund's relatively small gains will provide enough growth for a comfortable retirement.

The TSP's F, C, S, and I Funds can help you spread, or diversify, your money across different investments and keep your account more balanced.

Why diversify?

- Keeping all of your money solely in the G Fund decreases the potential to earn higher investment returns and, in turn, increases your chance of not attaining the retirement you picture. In other words, not varying your investments could be risky.
- With a mix of funds, you may be better able to side out the ups and downs of your investments while seeking the growth you want.
- While the TSP's other funds come with some risk, losses from some investments may be offset by the gains of others overtime.

Don't know where to start?

These key questions will help you decide whether to change how your money is invested:

- How much time do you have until retirement? The years you have before you need to start withdrawing money from your TSP account.
- What lifestyle do you want in retirement? Planning to travel? Work part-time? Start a business?
- How long do you expect to collect retirement income? 10, 20, 30 years or more? You will need your savings to keep up with inflation.
- What is your tolerance for risk? The more time you have, the more risk you can tolerate.

Not sure which TSP funds to choose? Let the I Funds do the work for you.

With the I Funds, you get a professionally designed mix of investments in all five TSP funds. First decide when you will need your retirement savings. Then pick the I Fund named for the year that most closely matches that time. Each quarter, your investments adjust to get more conservative until you need your money. That's automatic diversification!

Make your move now!

Find out how to move your money to the I Fund that's right for you. Watch our video, "Contribution Allocations and Interfund Transfers" on the TSP’s YouTube channel: TSPgov.

* The Fixed Income (F) Fund, Common Stock (C) Fund, Small Capitalization (I) Fund, and International (I) Fund
** The TSP’s lifestyle (L) Funds: L Income, L 2025, L 2030, L 2040, and L 2050
INVESTMENTS ALL OVER THE MAP?

401K FROM YOUR JOB

IRA WITH HIGH FEES

OTHER ELIGIBLE RETIREMENT PLANS

MOVE YOUR MONEY INTO TSP

Use Form TSP-60 or TSP-60-R

TSP.GOV

@tsp4gov  youtube.com/tsp4gov
Questions