



Thrift Savings Plan Participant Survey 2006

October 31, 2006

Dear TSP Participant:

I am pleased to inform you that you have been randomly selected to complete a confidential survey regarding the Thrift Savings Plan (TSP). By sharing your thoughts and impressions in this survey, you will directly contribute to our efforts to continually improve the TSP.

This survey has been developed by an independent consulting firm in partnership with the Federal Retirement Thrift Investment Board. Your feedback will allow us to measure participant satisfaction with TSP plan features, services, and communications. By improving our understanding of why participants join the TSP and make contributions, you will help us identify ways to increase TSP participation. The survey will also identify participant interest in new services and investment options.

Please complete the survey and mail it in the enclosed pre-paid envelope by November 22, 2006. We are eager to receive your feedback and study participants' impressions of the TSP. Your feedback is extremely valuable. I therefore encourage you to complete the survey with others in your family or anyone else who helps you with your retirement decisions. Please be assured that your individual responses to the survey will be kept strictly confidential. All responses will be collected and held in confidence by our independent consultant, Watson Wyatt Worldwide.

On behalf of all TSP participants who will benefit from this survey, I thank you in advance for your efforts.

Very truly yours,

Gary A. Amelio
Executive Director
Federal Retirement Thrift Investment Board

PRIVACY ACT NOTICE

The Federal Retirement Thrift Investment Board is authorized to solicit this information under Section 8474 of the Federal Employees Retirement System Act (Public Law 99-335). Your individual responses to the survey will be kept strictly confidential. Our staff and consultants will use the information to prepare summary statistical reports of all responses received. This information will help us improve our TSP communications and services, and may lead to the introduction of new TSP features. Furnishing this information is voluntary. Although we need your help and urge you to respond, if you do not do so, it will have no effect on you.

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INSTRUCTIONS

Some tips to keep in mind as you complete the survey:

- Answer the questions based on how you personally feel, not on how you think others may feel.
- If you do not have an opinion on an item or it does not apply to you, select the "Don't Know / Not Applicable" response.
- There is a set of responses for most questions in the survey. To answer any question, simply mark the response that corresponds to your answer for that question. **Please use a black ballpoint pen.**

Correct Mark Incorrect Marks

- If you make a mistake, please put a line through it and mark the correct response.



Part A: Please answer the following questions regarding your retirement savings and your contributions to the Thrift Savings Plan (TSP).

1. In the past two years, have you contributed to the TSP?

- Yes
- No

2. What percentage of your pay are you currently contributing to the TSP? (ENTER 0 IF YOU ARE NOT CONTRIBUTING.)

_____ % of pay **OR** \$ _____ per pay period
 I don't know

3. Why aren't you currently contributing to the TSP? (Mark all that apply.)

- I am contributing to the TSP.
- I have already contributed the maximum amount allowed.
- The TSP is too complex.
- I don't have enough money to save right now.
- I'm saving in other ways.
- I can't access my money before I retire.
- I'm not satisfied with the investment options.
- I'm not sure how to sign up for the TSP.
- I'm not eligible to participate in the TSP.
- I'm a new employee, and I don't yet qualify for matching contributions.
- My contributions were suspended because of my hardship withdrawal.

4. Whether or not you are contributing to the TSP, which of the following are (or would be) your reasons for contributing to the TSP? (Mark all that apply.)

- Tax benefits
- Matching contributions
- My supervisor/superior recommended that I do so.
- A co-worker/friend recommended I do so.
- So I can retire when I want to
- Administrative costs are low.
- Convenience of payroll deduction
- Other (Please specify) _____
- Don't know



Less than 40% of my annual pay	40% to 59% of my annual pay	60% to 79% of my annual pay	80% to 99% of my annual pay	100% or more of my annual pay	Don't know
<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

5. Approximately what percentage of your annual pre-retirement pay do you think you will need to live comfortably when you retire? For example, if you think you will require half as much annual pay, please choose "40% to 59%"; if you think you will require the same amount as you currently earn, choose "100% or more."

6. If you have set aside money specifically for retirement, indicate the type of accounts where you have retirement savings. (DO NOT include your contributions to the TSP or your FERS/CSRS annuity or military pension.) (Mark all that apply.)

- I have no other retirement savings accounts.
- Bank/credit union account (not including checking accounts)
- Traditional IRA
- Roth IRA
- Other employer's tax-deferred account (e.g. 401(k) or 403(b))
- Mutual funds, stocks, bonds or brokerage accounts (not tax-deferred)
- Other (Please specify) _____

7. Rank your **TOP 3** most important expected sources of retirement income. Use a "1" to indicate the most important, a "2" to indicate the 2nd most important, and a "3" to indicate the 3rd most important source.

- _____ Home equity
- _____ Income from work
- _____ Other retirement plan (not TSP) from a non-Federal employer
- _____ Personal savings (including IRA funds)
- _____ Social Security
- _____ FERS/CSRS annuity
- _____ Military pension
- _____ TSP account
- _____ Other (Please specify) _____

8. At what age do you plan to retire from all full-time employment?

- I'm already retired. (Skip to question #12.)
- Younger than 55
- 55 to 59
- 60 to 61
- 62 to 64
- 65
- 66 or older
- I never plan to retire.
- Don't know

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Indicate whether you agree/disagree with the following statements.

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	Don't Know/ Not Applicable
9. I plan to stay with the Federal Government for at least the next two years.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
10. I plan to continue working for the Federal Government until I reach retirement age.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Very Likely	Somewhat Likely	Neither Likely Nor Unlikely	Somewhat Unlikely	Very Unlikely	Don't Know/ Not Applicable
11. Assume you continue to work for the Federal Government until you can retire. What is the likelihood that you will work for pay after you retire?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. At what age do you anticipate starting to withdraw money from your TSP account?

- I've already started withdrawals.
- Before I am 55
- 55 to 59
- 60 to 61
- 62 to 64
- 65
- 66 or older
- Don't know/ Not applicable

Part B: The following questions are about the TSP benefits and services available to you.

13. How often do you review your TSP account?

- At least monthly
- Quarterly
- Twice a year
- Annually
- Rarely
- Never

14. How do you usually access/receive your TSP account information? (Mark all that apply.)

- On line from work
- On line from home
- Receive paper statements
- Call the TSP ThriftLine
- I don't review it.

15. When was the last time you called the TSP ThriftLine and spoke to a telephone service representative?

- Within the last month
- Within the last 6 months
- Within the last year
- More than a year ago
- I have never called the ThriftLine.
- I don't know.



16. How would you describe your approach for investing the money in your TSP account? (Mark one response only.)

- Very aggressive - High risk
- Somewhat aggressive - Moderate risk
- Balanced between aggressive and cautious
- Somewhat cautious - Low risk
- Very cautious - No risk
- Don't know/ Not applicable

17. How did you determine where to invest your TSP money? (Mark all that apply.)

- Kept my money in the G Fund
- Selected one of the L Funds, so my investment mix is professionally determined
- Received advice from a financial professional
- Received advice from family/friends
- Received advice from co-workers
- Reviewed TSP website/publications
- Spoke with agency/uniformed services representative
- Other (Please specify) _____

18. Indicate whether you agree/disagree with the following statements: (Mark only one response per row.)

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	Don't Know/ Not Applicable
a. The information available about the TSP is helpful in explaining the benefits that I receive from the plan.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. The information available about the TSP helps me make decisions about my TSP account.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. It's easy to make changes to the way my TSP money is invested.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. It's easy to make changes to the amount of pay I contribute to the TSP.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. In the past two years, the TSP has become a better program.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19. How satisfied are you with each of the following characteristics of the TSP? (Mark only one response per row.)

	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied	Don't Know/ Not Applicable
a. Amount of agency/uniformed services matching contributions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Waiting period required for a new FERS employee to become eligible for agency contributions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Ability to borrow from my account while actively employed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Ability to withdraw money from my account after separation from service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Ability to access information about my account and general plan features on the TSP Web site	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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	Very Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Very Dissatisfied	Don't Know/ Not Applicable
f. Ability to access information about my account and general plan features through the automated TSP ThriftLine	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g. Quality of services provided by the TSP telephone service representatives (ThriftLine)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h. Accuracy and timeliness of the processing of forms submitted to the TSP	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i. Overall quality of services provided by the TSP (i.e., Web-based services, automated ThriftLine, and TSP telephone service representatives)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
OVERALL SATISFACTION						
20. Overall satisfaction with the TSP	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part C: The TSP is considering changes to help participants better prepare for retirement. As you respond to the following questions, please consider whether you believe these changes would benefit most TSP participants and improve the overall value of the program.

Some Federal employees and uniformed service members do not sign up for the TSP. The TSP is considering automatic enrollment for new employees and members by having their agencies or services automatically begin deducting employee contributions, unless a person chooses not to participate. **Indicate whether you agree or disagree with the following statement.**

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	I Don't Know
21. Automatically enrolling new employees/members in the TSP is a good idea.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

22. If a TSP participant does not make an investment decision, his/her contribution is automatically invested in the Government Securities (G) Fund. The G Fund earns interest and does not incur losses, but may not provide a high enough return to meet long-term retirement goals. The TSP is considering changing this process to automatically invest these contributions in an age-appropriate Lifecycle (L) Fund, based upon the specific participant's estimated retirement date. In the Lifecycle funds, money is allocated more heavily toward stocks for younger employees/members - with greater asset fluctuation, but higher expected returns. As retirement nears, the fund is invested more heavily in Government securities and bonds. **Please indicate which of these options you would prefer.**

	Strongly prefer the L Fund	Prefer the L Fund	Don't Know or No Preference	Prefer the G Fund	Strongly prefer the G Fund
<p>If a participant does not make an investment choice, his or her money should be invested in the appropriate Lifecycle (L) Fund, based on the participant's estimated retirement date.</p>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<p>If a participant does not make an investment choice, his or her money should be invested in the G Fund.</p>					<input checked="" type="radio"/>



23. The TSP is considering adding new funds and services, which would modestly increase the expenses that all participants pay. The new funds that are being considered may provide participants greater flexibility and opportunities for investment diversification. The new services may aid participants in tax planning decisions. At the same time, these changes may increase the complexity of the plan. The flexibility, diversification, and tax planning benefits of the added new funds and services may or may not be worth the increased expense and complexity. **Considering both the positive and negative aspects, indicate whether you agree or disagree with the following statements.** (Mark only one response per row.)

The TSP would be a better program if it...:	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	I Don't Know
a. provided an option to contribute to a Roth 401(k) account. (This would allow participants to have some or all of their future contributions treated differently for tax purposes.)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. offered a wider selection of investment options.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

24. The individual funds in the TSP currently cost participants about \$4 a year for every \$10,000 they have in their accounts. If new funds are added to the TSP, they might have expenses that are significantly higher than this. The annual expenses of any new fund would be assessed only to participants who invest money in that fund. **Considering this information, indicate the cost level, in comparison to current TSP funds, where you think adding each of the investment options listed below would be beneficial for most TSP participants.**

Mark only one response per row.

	Do not add fund regardless of cost	Add fund if costs would be about the same as current TSP funds	Add fund even if costs would be somewhat higher than current TSP funds	Add fund regardless of cost	I Don't Know
a. Emerging Markets Bond Fund - A fund that invests in corporate and government bonds from emerging or developing countries, such as nations in Southeast Asia and Eastern Europe	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Emerging Markets Stock Fund - A fund that invests in companies from emerging or developing countries, such as nations in Southeast Asia and Eastern Europe	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. High Yield Bond Fund - A fund that invests in public and private bonds that pay higher rates of return, but have a higher risk of default	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. International Bond Fund - A fund that invests in higher-quality corporate and government bonds from outside the United States	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e. Precious Metals Fund - A fund whose value is based upon the value of "precious metals" (e.g. gold, silver, platinum), strategic metals (e.g. titanium, chromium), strategic minerals, or diamonds	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f. Real Estate Investment Trust (REIT) Fund - A fund which invests in publicly traded real estate investment companies that own portfolios of income-producing commercial real estate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g. Socially Responsible Fund - A fund that holds stock in companies that adhere to social, moral or environmental beliefs	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h. Treasury Inflation Protected Securities (TIPS) Fund - A fund which invests in U.S. Treasury bonds that guarantee a return above inflation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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25. Adding new funds may require the TSP to establish restrictions on the number of interfund transfers participants can make and/or the amount participants can invest in some funds. **Consider the fund(s) in the previous question that you selected as appropriate to add to the TSP; would adding those funds still benefit TSP participants if restrictions were required?** (Mark one response only.)

- I do not think any new funds should be added.
- New restrictions would not change my opinion.
- New restrictions would change my opinion.
- It depends on how the specific restrictions would be imposed.
- I don't know.

26. **Which of the following changes to the TSP do you think will encourage more Federal employees/service members to become contributors to the TSP?** (Mark all that apply.)

- Automatic enrollment of new employees/members
- More investment choices
- Immediate matching contributions for new employees/members
- Other (Please specify) _____
- None of the above

27. **Please provide any comments or suggestions that you may have regarding the TSP.**

Demographics

1. **Age**

- Under 30
- 30-39
- 40-49
- 50-59
- 60-69
- 70 or over

2. **Gender**

- Male
- Female

3. **Annual Pay**

- Less than \$25,000
- \$25,000 to \$40,000
- \$40,000 to \$60,000
- \$60,000 to \$80,000
- \$80,000 to \$100,000
- \$100,000+

4. **Highest Education Level**

- Some High School
- High School Graduate
- Some College
- College Graduate
- Some Advanced/ Post-Graduate Education
- Advanced/ Post-Graduate Degree

5. **Homeowner**

- Yes
- No

6. **Marital Status**

- Single
- Married

6a. **If you selected "Married", is your spouse offered a retirement benefit by his or her employer?**

- Yes
- No

7. **Number of years employed by the Federal Government/uniformed services.** (please round)

_____ Years

8. **Number of different non-U.S. Government employers for which you have worked full time.**

9. **Do you have Internet access from home?**

- Yes
- No

9a. **If yes, is it high-speed or dial-up?**

- High-speed
- Dial-up

10. **Do you have Internet access from work?**

- Yes, all the time
- Yes, on a limited basis
- No

Thank you for your participation!

