

# Review your retirement investments in the Thrift Savings Plan

**W**hile many employee benefits have an open season, there's no open season for enrollment in the Thrift Savings Plan (TSP). That means that anytime is the right time to take stock of your finances. This is true whether you've just converted to career or are a longtime carrier. As a letter carrier, the TSP can play a valuable role in your retirement strategy.

The TSP is an essential component of the Federal Employees Retirement System (FERS), the retirement program that covers most USPS employees. Like many 401(k) savings plans offered by private-sector employers, the TSP allows federal employees to save pre-tax dollars each month in an investment account—giving letter carriers who participate the chance to save for retirement quickly and easily. TSP participants choose how the money in their account is invested.

The Postal Service automatically enrolls new career carriers in TSP. City carrier assistants (CCAs) converted to career, or career letter carriers hired after July 31, 2010, have been automatically enrolled. Five percent of the base pay of new enrollees and of those hired after Sept. 30, 2020, is automatically deducted and deposited in a TSP account each pay period, though participants may choose to eliminate, increase or decrease their level of contributions. Letter carriers hired between Aug. 1, 2010, and Sept. 30, 2020, were automatically enrolled at 3 percent of their base pay. Letter carriers hired before Aug. 1, 2010, were enrolled without automatic employee deductions and must set those up themselves.

The Postal Service deposits matching contributions up to 4 percent of basic pay, as well as automatic agency contributions equal to 1 percent of basic

pay, for a total of up to 5 percent. All career carriers receive USPS's automatic 1 percent contribution. USPS will then match a portion of the first 5 percent of an employee's contributions. The first 3 percent is matched dollar for dollar; the next 2 percent are matched with 50 cents per dollar, for a maximum matching contribution of 4 percent. Letter carriers should take note of their date of hire and ensure that they are enrolled in employee deductions if they wish to receive matching contributions by USPS, beyond the automatic 1 percent.

Participating employees can also make unmatched contributions (above the 5 percent level), but the IRS annual limit for total contributions to the TSP and other such retirement savings plans is \$23,000 in 2024. Participants might be eligible to make additional "catch-up" contributions to boost their savings beginning the year they turn 50. These catch-up contributions are not matched by USPS and are limited to \$7,500 in 2024.

For CCAs who have not yet converted to career status, NALC's Mutual Benefit Association offers a CCA Retirement Savings Plan, where traditional IRA funds can be rolled into the TSP once the CCA becomes a career letter carrier.

Carriers can use LiteBlue to enroll in the TSP or to make changes to their deductions or investments at any time of the year. The benefits of easy, tax-deferred savings through TSP are amplified by the Postal Service's matching contributions to your account.

Carriers covered by the Civil Service Retirement System also can join TSP, but they do not receive matching contributions from USPS. Nevertheless, like their FERS counterparts, they can keep more of what they save because of the tax savings and the TSP's mini-



mal administrative costs. Indeed, such costs are much lower than those of similar private plans. In 2023, the TSP charged participants a net administrative expense of no more than 79 cents per \$1,000 invested for each investment fund, or .079 percent. That is much lower than the .25 to 1 percent that many private financial advisors typically charge.

TSP accounts do not expire when letter carriers separate from federal service. Letter carriers can still change their investment mix while their account continues to accumulate earnings; they can even transfer IRAs or eligible employer plans such as 401(k)s into a TSP account.

The TSP has a mobile app, which allows letter carriers to monitor their TSP accounts and complete transactions from anywhere. Users can check their account balance, track fund performance, make transaction requests, submit documents, manage payment information, scan checks and more.

TSP also has a record-keeping system available on the TSP website that displays letter carriers' investments clearly, and that makes it easy for them to find and use account management tools.

In addition to investing in TSP funds, letter carriers who meet eligibility requirements have the option to

invest some of their TSP savings in mutual funds. The mutual fund option, referred to as the mutual fund window by the TSP, is designed for TSP participants who are interested in greater investment flexibility. However, there are fees for these transactions.

Letter carriers have several flexible withdrawal options when they leave federal service, such as multiple single withdrawals and the ability to change the frequency and the amount of installment payments at any time during the year. Explore these options and more in

the booklet *Withdrawing from Your TSP Account for Separated and Beneficiary Participants*, available at [tsp.gov](https://tsp.gov).

Visit [tsp.gov](https://tsp.gov) or call TSP-YOU-FRST (877-968-3778) to check out planning tools and calculators designed to assist with retirement decisions. **PR**

# Make a contribution through the Combined Federal Campaign

**A**s federal employees, letter carriers can support charities of their choice by donating through the Combined Federal Campaign (CFC), the world's largest annual workplace giving program. Since its inception in 1961, the CFC has raised more than \$8.7 billion for charities and people in need.

Anyone can be a changemaker through CFC. This year's campaign, "Show some Love: Be the Face of Change," began on Sept. 1 and ends on Jan. 14, 2025. Federal and postal employees participate in the CFC by choosing from a list of charities to support through automatic deductions from their paychecks.

"Letter carriers are known for taking care of our communities," NALC President Brian L. Renfroe said. "The CFC is a convenient way for letter carriers to support their favorite charities and help those in need."

All active letter carriers can participate in the CFC through payroll deduction. Participants can use payroll deduction, credit or debit cards, or bank accounts to make recurring donations. They also can make a one-time donation using any of these methods except payroll deduction. Participants can even volunteer for the

charity and count the value of the hours as money raised.

The easiest way to sign up is through the CFC Donor Pledging System at [cfcgiving.opm.gov](https://cfcgiving.opm.gov) or through the CFC Giving smartphone app, available on the App Store and Google Play. Retired letter carriers may donate through a deduction from their annuity or by making a one-time or recurring donation using a credit or debit card. They also can do so through an automatic deduction from their bank account using the CFC Donor Pledging System. To donate online, register an account at [givecfc.org](https://givecfc.org).

Letter carriers can choose to support any of the 2,000-plus nonprofit charitable organizations through CFC. By looking at the list and choosing a charity's CFC number, you can donate directly to one or more charities. You can search for charities at [cfcgiving.opm.gov/offerings](https://cfcgiving.opm.gov/offerings).

NALC is directly involved in two charities eligible for support through the CFC: The Muscular Dystrophy Association (MDA) and United Way Worldwide.

MDA, which has been NALC's official charity since 1952, is the world's leading nonprofit health organization sponsoring research into the causes of, and



effective treatments for, neuromuscular diseases. MDA research grants support research projects worldwide, as well as camps and activities for children who have any of these diseases. MDA's CFC number is 10561.

United Way Worldwide is the leadership and support organization for the network of nearly 1,800 community-based United Way organizations in 40 countries and territories. United Way focuses on creating community-based and community-led solutions that provide the foundation for a good quality of life. The CFC number for the United Way Worldwide is 11188.

Carriers can choose the charity or group of charities they want to support from a list of more than 2,000 eligible charities, and an amount they choose will be deducted from their paychecks each pay period and automatically sent to each charity.

For more information, go to [nalc.org/cfc](https://nalc.org/cfc). **PR**