Director of Retired Members

Thrift Savings Plan hodgepodge

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Other retirement columns this year have covered the Thrift Savings Plan (TSP) Roth accounts, contributions and funds. This retirement column will look at a few miscellaneous pieces not discussed recently.

Direct deposit

Even if you're not currently making withdrawals or planning to take a TSP loan, it's recommended that you add or update your direct deposit information. This can help prevent delays in receiving the money when it becomes necessary. Setting up or updating your direct deposit information is straightforward. Participants can log in to their account at tsp.gov and go to the "Financial Institutions" page to make changes.

Death benefits

What happens when a retired participant dies? The TSP provides a checklist, which boils down into three steps: gather the required information, get a copy of the death certificate, and notify TSP of the death.

The required information includes the full legal name, date of birth, date of death, mailing address, marital status at the time of death and, if the participant was married, the surviving spouse's full name. The last four digits of the Social Security number are not required, but they are helpful.

To notify TSP of the death, there are two options. The first is to call the ThriftLine (877-968-3778) to report the death and then mail a copy of the certified death certificate to TSP (see address below). The second option is to submit a letter by mail with the required participant information above, along with a copy of the certified death certificate, to either:

- Standard mail: TSP Death Benefits, Thrift Line Service Center, c/o Broadridge Processing, P.O. Box 1600, Newark, NJ 07101-1600
- Overnight delivery: ThriftLine Service Center, c/o Broadridge Processing, 2 Gateway Center, 283-299 Market St., 17th Floor, Newark, NJ 07102

If the participant was still an active employee, the Postal Service will notify TSP of the death. After the death is reported, it generally takes 30 to 45 days to process a death benefits claim after verifying the participant's information and identifying beneficiaries. Each identified beneficiary will receive a Confirmation of Beneficiary Asset Transfer notice from the TSP by mail once the death benefits claim has been processed.

Participants who want to designate a beneficiary (or beneficiaries) can log into their TSP account. TSP will only honor designations on file at the time of the participant's death. TSP cannot honor a will or any other document. If there is no designated beneficiary, TSP will use the statutory order of precedence. This order is:

- Your spouse;
- If none, to your children equally with the share due any deceased child divided equally among that child's descendants;
- If none, to your parents equally or to your surviving parent;
- If none, to the appointed executor or administrator of your estate;
- If none, to your next of kin who is entitled to your estate under the laws of the state in which you resided at the time of your death.

Comparing the TSP

Do you ever wonder if the TSP is worth it, or if there may be a better alternative? Well, the TSP has a "Keeping score" tool that can help you realize the value of the TSP. This tool can be found at tsp.gov/keeping-score, and it lets you compare the TSP to a plan of your choice by entering in the costs of a different plan. If you aren't sure that the TSP is a good fit for you, I encourage you to use the tool to compare plans before making any decisions.

Learning more

TSP offers educational materials to learn about the most important topics as well as new rules and changes. If you like to learn by viewing video/media, you're in luck. Over at tsp.gov/online-learning, you can watch recorded webinars on a variety of topics such as an introduction to the TSP, contributions, investment funds, loans, in-service withdrawals, distributions, death benefits and the Roth TSP. Or you can sign up for a live webinar. The recorded webinars, as well as other informational videos, are hosted on the TSP YouTube channel "TSP4gov" or by following the QR code at right.

The TSP (and, of course, the matching contributions from the Postal Service) provide a vital benefit to retirees. Understanding your benefits can help you achieve or maintain financial stability and independence throughout your retirement that you deserve.