
**Office
of
Participant Operations and Policy**

**Tom Emswiler
Director**

OPOP Functional Statement

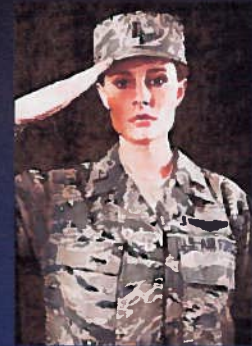
“We talk to our participants, efficiently execute their requests, and help solve their problems.”

Possumus et Volumus
(We can, and We Will)

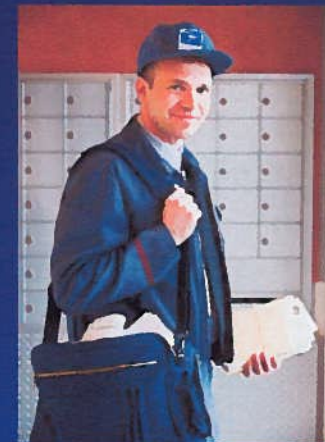
OPOP – The Locomotive on the TSP Train



Our Clientele



- More than 4.6 million participants – civilian and uniformed services – around the world, under the sea, and in space
- 108 civilian and uniformed services payroll offices
- Beneficiaries and numerous other third parties



OPOP Responsibilities

Operations & Policy

Money-in/Money-Out

- Contributions
- Loans
- Withdrawals

Life Events

- Court Orders
- Powers of Attorney/Guardianships
- Death Benefits

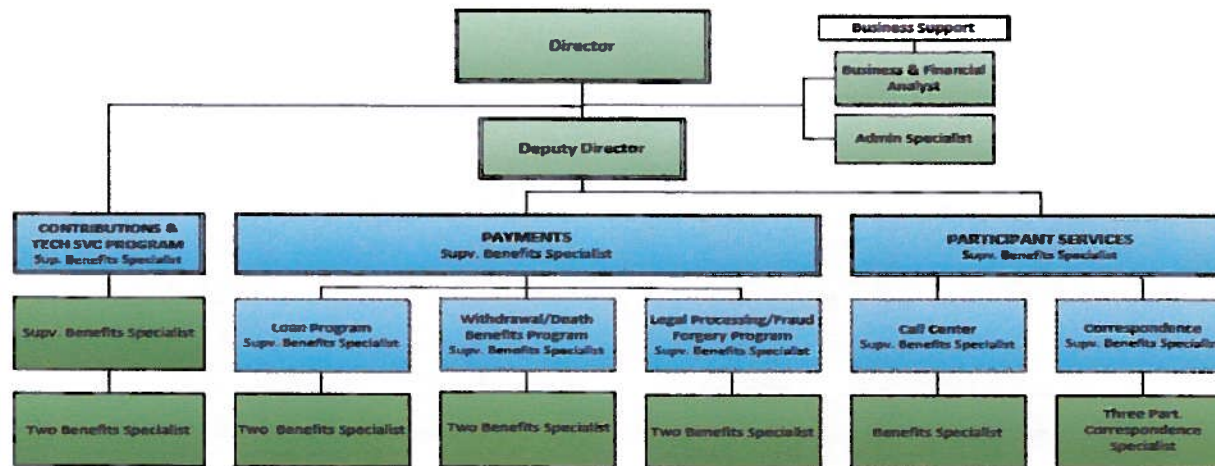
Participant Services

- Call Centers
- Correspondence

Payroll Office Interface

- Agency Technical Services
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Office of Participant Operations and Policy Organization Chart



Green = Filled

Blue = 2014 Hire

Contractors - Approximately 500 contract employees in phone centers, operations center, and service bureau

2013 Accomplishments

- Managed daily operations in accordance with service level metrics
 - Hurricane Sandy relief
 - IRS levy
 - Installed two digit retirement codes to comply with OPM
 - Launched E-messaging service
 - OPOP Restructure
 - Hired Deputy, Cont. & Tech. Svcs. Manager, Business Manager, Admin. Specialist
 - Hired five Benefits specialists, Corro. Specialist, Correspondence Coordinator
 - Correspondence (Reduced Backlog)
 - Closed Audit Recommendations
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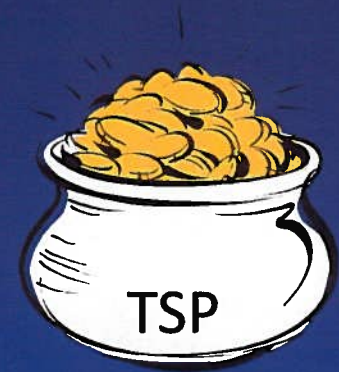
Initiatives for 2014

- Close remaining audit recommendations
- Enhance designation of beneficiary process
- Activate web adaptive authentication process
- Roth v 2.0 - In-plan conversions & other changes
- Execute Service Center RFP process
- Making roll-ins easier (deep-dive topic)
- Propose participant de-accumulation policy options
- Allow participants to change monthly payments anytime
- Extending 70 ½ rules to BPAs

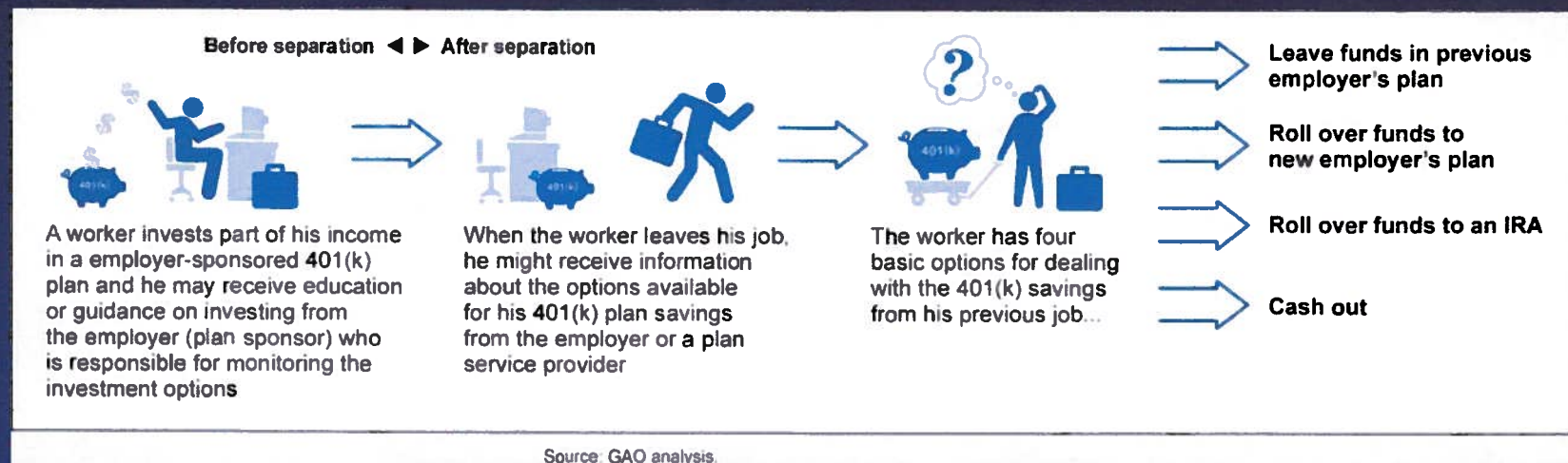


Deep Dive Topic

Making Transfers/Rollovers to the TSP Easier



Separating 401(k) Plan Participants Generally Have Up to Four Options for Their Plan Savings



GAO Findings on 401(k) Rollovers*

- The current process for separated plan participants favors cash outs and rollovers to IRAs
- Participants are subjected to pervasive marketing of IRAs, but may receive limited assistance regarding their distribution options
- Cash-out or rollover to an IRA results in complete depletion of retirement savings, or gradual depletion through high and hidden IRA fees.
- Rollovers have a complex verification process such that rolling over into another employer plan can be daunting process.
- There is a lack of standardization among plans for rollovers

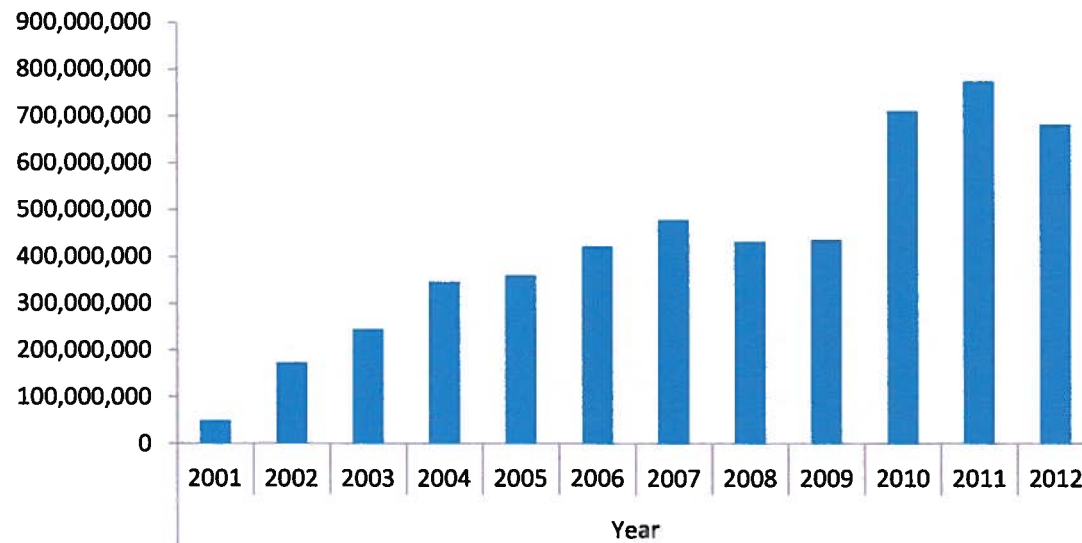
*GAO Report, “401(k) Plans: Labor and IRS could Improve the Rollover Process for Participants” (March 2013)

The TSP's Experience

- In 2001 the TSP began allowing rollovers-in but did not actively encourage the activity.
 - In 2007/2008, industry efforts to persuade participants to transfer TSP accounts to IRAs led to a change in our education/communication message and a simplification of our rollover verification process.
 - Rollovers-in increased in 2009-11.
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Transfer Trend to Date

Dollars Transferred to the TSP, 2001-12



What now?

- In 2013 FRTIB formally adopts policy to encourage rollovers-in to TSP.
 - We recently initiated a pilot consultative phone group for participants who want to transfer money out from the TSP.
 - Our current process requires the participant to “push” rollover form through current provider – and then be forwarded to TSP. IRA vendors often have dedicated teams to assist in “pulling” data and funds from old plan.
 - We are evaluating the merits of directly assisting participants to transfer money into the TSP
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Questions?