



VESTING IN THE THRIFT SAVINGS PLAN

Congratulations on completing two years of service in the Coast Guard! This anniversary marks an important milestone in your military career and the Thrift Savings Plan (TSP). Under the Blended Retirement System (BRS), eligible Coast Guard Members who complete two years of service become vested in the TSP.

HANDOUTS

- Basic Investing
- Military Retirement
- Thrift Savings Plan
- Spending Plan Worksheet

★ Vesting and the Blended Retirement System (BRS)

- ☐ Understand what vesting means.
 - Vesting in the Thrift Savings Plan (TSP) means you have met the service requirement that entitles you to keep automatic and matching contributions. When you separate or retire from the Coast Guard, you can keep the money the military has added or “matched” to your TSP account. It’s important to note, you are always vested in your own contributions and earnings.
 - There are two different scenarios when vesting begins based on when you joined the military:
 1. If you were serving as of December 31, 2017, and opted into the BRS, then you became eligible for an automatic contribution of 1% and matching contributions up to 4% of basic pay in your TSP. You are already vested in service matching contributions but are required to complete two years of service to vest in the automatic 1% contributions.
 2. If you joined the service on or after January 1, 2018, then you are automatically enrolled in BRS. You will begin receiving an automatic 1% Coast Guard contribution 60 days after entering service and will begin receiving matching contributions up to 4% of basic pay after completing two years of service. You will be vested after serving two years in both the 1% automatic and the Coast Guard matching contributions.
- ☐ Understand the importance of preparing for retirement. Review the *Basic Investing* Handout.
- ☐ Understand the components of the Blended Retirement System. Review the *Military Retirement* Handout.
 - The Blended Retirement System (BRS) is a modernized retirement plan that went into effect for all new Service members on January 1, 2018.
 - Components of the BRS include a defined contribution (consisting of Coast Guard automatic and matching contributions to a Coast Guard member’s TSP); a defined benefit (also known as a pension) after at least 20 years of service, a midcareer incentive called Continuation Pay, and a lump-sum option at retirement.

You Contribute (Roth and/or Traditional)	Coast Guard Automatic (1%) Contribution (Traditional)	Coast Guard Matching Contribution (Traditional)	Total Contribution
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%
More than 5%	1%	4%	Your contribution +5%

Additional notes: _____

★ Understanding the TSP

- ☐ Review the *Thrift Savings Plan* Handout to learn more about the features and benefits of the TSP.
 - The TSP is a retirement saving plan open to federal employees and members of the uniformed services. Similar to a civilian 401(k), the TSP offers the opportunity for members to save and invest for retirement.
 - Under the BRS, you may receive up to 4% in Coast Guard matching contributions, on top of the Coast Guard Automatic 1% contribution into your TSP account. Note: The automatic and matching contributions are deposited into the traditional TSP.
 - Automatic and matching contributions continue through the end of the pay period until you reach 26 years of service.

- ☐ Evaluate your retirement goals and visit <https://www.tsp.gov> to learn about annual contribution limits* and investment choices.

**The elective deferral limit is \$23,000 in 2024 for those under the age of 50. Limits may be higher in certain situations.*

- ☐ Use the *Spending Plan Worksheet* Handout to analyze your plan. When creating your plan, consider budgeting at least 5% of basic pay to contribute to your TSP. By contributing 5%, you take full advantage of government matching contributions to boost your retirement savings to 10% of your basic pay.
- ☐ Decide between Traditional or Roth contributions in your TSP account.
- ☐ Review the investment fund options listed on the *Thrift Savings Plan* Handout to determine which fund(s) work for your objectives, risk tolerance and time horizon.

Make sure to visit <https://www.tsp.gov> for the latest information and guidance.

Additional notes: _____

★ Managing Your TSP

- ☐ Visit Direct Access to start, stop or change the contribution amounts to your TSP. Verify and update your address in Direct Access as well, if applicable.
- ☐ Log onto your TSP account at <https://www.tsp.gov> to manage your current and future investment choices.
- ☐ Review and update beneficiaries for your TSP account, if applicable.
- ☐ Update contact information for your TSP account, if applicable.
- ☐ Inform members that the TSP mobile app now has “AVA,” a virtual assistant, that can be accessed 24/7 to help find answers and resources. When logged into “My Account” or the TSP mobile app, AVA can connect you with a ThriftLine Representative during business hours using a live chat.

Additional notes: _____

CFS/PFM Printed Name

Member Printed Name

Signature

Date

Signature

Date