

TSP Quiz: The Answers

By Tammy Flanagan

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Here are the answers to the [June 25, 2015 TSP Quiz](#).

- 1. b.** The TSP says you should begin making plans for how you will withdraw some or all of the savings in your TSP by submitting your withdrawal request no later than the end of February after you are separated from federal service if you are over 70 ½ years old and left before the end of December of the previous year. This will allow time to return improperly completed forms for correction and ensures processing of the forms by the IRS deadline of April 1.
- 2. b.** The TSP will send multiple letters telling you that you need to act before your account is considered abandoned. The TSP usually hears from participants promptly when they are informed of the potential abandonment of their account.
- 3. c.** The TSP declared 1,336 accounts abandoned in 2014, but they also restored 436 accounts that had been previously abandoned--allowing participants to reclaim more than \$32 million.
- 4. d.** A few months before your withdrawal deadline, the TSP will send you a letter reminding you of the date for required distributions. Your decision will be much easier when that time comes if you start thinking about your payment options before the letter arrives.
- 5. c.** This has been increasing over the past five years, but so has the total amount of assets in the TSP.
- 6. d.** The G Fund holds more of the TSP's assets than any of the other funds. The L Funds are beginning to become more popular and currently hold 17 percent of TSP assets. The C Fund holds 28 percent of total assets.
- 7. a.** Total plan assets grew to \$453 billion--a new record. This includes roll-ins to the TSP from other accounts. If you have a TSP account and you also have money in a traditional IRA or other eligible employer plan, there are benefits to consolidating your accounts with the TSP. These include simplification of your retirement assets, low administrative expenses and the ability to make interfund transfers among the TSP investment options.
- 8. c.** The average balance of a Civil Service Retirement System participant wasn't far behind, at \$117,478.
- 9. b.** That's a lot of FERS employees who are not contributing their own money to the TSP and thus not receiving any agency matching funds. However, there are more than 2.1 million FERS employees who are contributing to the TSP.
- 10. d.** As long as you keep your address current with the TSP, you will be notified of any important deadlines and you won't run the risk of abandoning your account.

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<http://www.govexec.com/federal-news/2015/06/tsp-quiz-answers/116338/>