

Federal Retirement Thrift Investment Board

Agency Mission

Rather than providing services to the general public, the Federal Retirement Thrift Investment Board (FRTIB) administers the Thrift Savings Plan (TSP). The TSP is a retirement savings plan for more than 6 million federal employees and members of the uniformed services; it is similar to the 401(k) plans offered by many private employers. Participants include federal civilian employees in all branches of government, employees of the U.S. Postal Service, and members of the uniformed services. Our goal is to provide participants with the services and information they need to retire with dignity and improve lifetime income for themselves and their beneficiaries.

Equity Action Plan

Action #1: Conduct focus groups to improve communication to underrepresented groups

Barrier to Equitable Outcome(s):

We began our assessment by reviewing TSP reports to determine if there were any disparities in TSP participation across various groups. Since the TSP does not have timely access to racial/ethnic or gender data, we focused our initial analysis on potential differences related to employee income. Based on data from 2020, we looked at participation rates, investment allocation, and deferral rates across salary quintiles. There were no notable differences in participation rate or investment allocation (indeed, on average, those in the lowest salary quintile had the *highest* overall allocation to our diversified L Funds as well as higher participation rates than all quintiles except the two highest paid).

However, we did note that federal employees in the lowest salary quintile were more likely than other groups to have stayed at the default contribution rate (3% of salary) after automatic enrollment, rather than increasing to at least 5% to get the full “match” available to them. (The participants in the analysis joined the plan prior to October 2020, when the default contribution for automatically enrolled employees rose to 5% of salary.) Receiving the full match is an important part of retirement saving, as it can make a significant difference in participant account balances over time. Thus, based on our initial assessment, we identified differences in full match saving rates as a potential barrier to equitable outcomes.

Next, we decided to investigate potential reasons underlying this difference. We organized five focus groups with dozens of participants between July and September 2021, working

with existing contacts and developing new relationships with affinity groups to help with recruiting. Groups were split almost evenly between genders and organized by race/ethnicity: American Indian or Alaska Native, Asian (including Indian subcontinent) or Pacific Islander, Black or African American, Hispanic or Latino, and White (non-Hispanic). Additionally, most participants were members of the lowest salary quintile. We investigated attitudes and potential barriers related to investing and saving, and asked specific questions to gauge participant understanding of and opinions about TSP matching. During the focus groups, we learned about how participants thought about saving and investing as well as the various personal and cultural influences on their views of retirement.

Action and Intended Impact on Barrier:

Based on what we learned from our extensive qualitative work, we adjusted many of our messaging related to receiving the full match based on participant feedback. We selected the messages that appeared to resonate best during our focus group work and began sending them to participants in the lowest salary quintile who were not contributing enough to get the full match. We anticipate this updated messaging combined with our default to 5% for all new employees will help reduce the disparity in lowest salary quintile participants not receiving the full match.

Tracking Progress:

We will continue to see how participants in the lowest salary quintile respond to our updated messaging and new 5% default, with an ultimate goal of determining which messages are most effective at encouraging increased saving. Over the next 1-2 years, we will also update our broader communication products as needed depending on what we learn.

Accountability:

We will report our findings to our Board, as well as the Employee Thrift Advisory Council (ETAC), which represents federal and uniformed services unions and management associations, and another major stakeholder who plays an active role in the guidance of FRTIB to our participants.

Action #2: Partner with the U.S. Office of Personnel Management (OPM) to receive de-identified gender and racial/ethnic data on civilian workforce

Barrier to Equitable Outcome(s): OPM can provide the FRTIB with demographic information collected from federal agencies, which will allow us to better understand any demographic differences in TSP investments, participation, and deferral rates. The work involved in completing the MOU and beginning the process of receiving and providing federal employee data is ongoing.

Action and Intended Impact on Barrier: The FRTIB is continuing work with OPM to complete a Memorandum of Agreement which will allow both agencies to exchange

information regarding the federal workforce to determine what tools and messaging is needed to provide better retirement outcomes.

Tracking Progress: We have met with officials at OPM and continue to work to finalize the MOU; however, there are predicate steps that must be taken by OPM before that can occur. When the MOU is in place, this data will be used to shape information the FRTIB can use to determine how it can create educational material and targeted outreach to low/noncontributing participant groups with the goal of increasing their participation in the TSP.

Accountability: This information is also used in our reports to Agency heads, the ETAC and the public on Participant Demographics, Outreach Evaluations Summaries, and requested reports to Congress.

Action #3: 508 compliance for TSP participants, beneficiaries, and the general public

Barrier to Equitable Outcome(s):

The FRTIB wants to ensure TSP participants and beneficiaries have access to services and information provided through the following:

- Tsp.gov public website
- Secure access to tsp.gov (allows access to participant accounts)
- Frtib.gov public website
- Access to participant information in Braille format
- Access to the TSP Contact Center

The FRTIB has a website accessible to the public oriented to the TSP program including an account access portal for TSP participants. The public site meets Section 508 compliance requirements. As the FRTIB continues its implementation of a new recordkeeping system, the vendor will establish a public website, secure access portal, and mobile application that meets Section 508 compliance. In addition, the vendor will review additional accessibility including the printing of TSP Participant Statements in Braille to provide privacy and accessibility to blind/visually impaired participants.

The FRTIB will work with its contract vendors to establish a business website (www.frtib.gov) that meets the requirements for accessibility under the Rehabilitation Act of 1973 (Section 508, as amended). The current version of our agency website is not fully compliant with Section 508 of the Rehabilitation Act of 1973.

Action and Intended Impact on Barrier:

The vendor for the TSP website will ensure all facets of accessibility are provided to everyone, including 508 compliant access by TSP participants to the secure portal of the website and the new mobile application it will launch in Summer of 2022.

Accessibility to the Agency business website (www.frtib.gov) will be scheduled after the award of the Agency IT Services contract in the Summer of 2022. This new website will allow access and readability by all participants and the public to Agency reports and information regarding the business of administering the Thrift Savings Plan (TSP).

Tracking Progress

The FRTIB is meeting with key vendor representatives for the new recordkeeping system and TSP website to ensure it will meet compliance requirements. There will also be post go-live discussions on additional accessibility features (such as Braille statements) can be included in addition modifications of work the vendor will provide to support the TSP.

Accountability:

The FRTIB will report this information to the ETAC and provide information to the TSP participants on accessibility features of the TSP website as they become available. The FRTIB has received several requests over the years from participants who desire information in formats that allow them access, privacy, and protection of information they will use to make decisions regarding their TSP participation and retirement outcomes.