



United States Department of the Interior
Office of the Secretary



D-2670

May 10, 2016

Memorandum

To: FPPS User Group Representatives

From: Linda Y. Rihel-Todd, Chief *//signed//*
Payroll Operations Division

Subject: Thrift Savings Plan (TSP) Missed Contributions Due to an Agency Administrative Error

The Interior Business Center, Benefits Processing Branch (BPB), requests that you share this information regarding the correct handling of TSP missed contributions with the Servicing Personnel Offices (SPO) and all other appropriate staff. Due to an increase in the number of incorrect forms sent to us, we have included retroactive calculation examples to help reduce errors on the Thrift Adjustment Authorization Forms that we receive.

When there is an agency administrative error resulting in missed TSP contributions for prior pay period(s), the BPB mails the Retroactive Thrift Adjustment letter (Attachment 1) to the employee along with the Retroactive Thrift Adjustment Authorization Form (Attachment 2); this information advises the employee and SPO what actions to take. According to 5 CFR 1605.11, Employing Agency Errors-Makeup of missed or insufficient contributions, "The length of the schedule may not exceed four times the number of pay periods over which the error occurred."

Prior to approving the requested payment schedule from the employee, the SPO should verify and ensure that the requested payments do not exceed four times the number of pay periods over which the error occurred. The BPB will return any authorization forms that exceed four times the number of pay periods missed. We hope the examples below will assist the SPO and employees in determining the minimum amount that can be approved for a retroactive TSP payment schedule:

Example 1: An employee missed a \$349.65 TSP deduction for PP1604. Since the employee only missed one pay period, they have four times the number of pay periods to make up this missed contribution.
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Step 1: Determine how many pay periods were missed. For this example one pay period was missed
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Step 2: Determine what four times the number of pay periods is. In this example $4 * 1 = 4$

Step 3: Divide the missed contributions by four times the number of pay periods. $\$349.65 / 4 = \87.41 (this is the minimum contribution amount that can be approved by the SPO)

Example 2: An employee missed \$100 of TSP contributions for PP1601-PP1609 totaling
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\$900. Since the employee missed nine pay periods, they are allowed four times the number of pay
Step 1: Determine how many pay periods were missed. For this example 9 pay periods were missed
Step 2: Determine what four times the number of pay periods is. In this example it is $9*4=36$
Step 3: Divide the missed contributions by four times the number of pay periods. $\$900/36=\25 (this is the minimum contribution amount that can be approved by the SPO)

Please share this information with the SPO and all appropriate staff. If you have any additional questions, contact Baranda Anderson at (303) 969-7487.

Attachments