

TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES**PART III - EMPLOYEES****Subpart G - Insurance and Annuities****CHAPTER 84 - FEDERAL EMPLOYEES RETIREMENT SYSTEM****SUBCHAPTER III - THRIFT SAVINGS PLAN****§ 8439. Accounting and information**

- (a) (1) The Executive Director shall establish and maintain an account for each individual who makes contributions or for whom contributions are made under section 8432 of this title or who makes contributions to the Thrift Savings Fund.
- (2) The balance in an individual's account at any time is the excess of—
- (A) the sum of—
- (i) all contributions made to the Thrift Savings Fund by the individual;
- (ii) all contributions made to such Fund for the benefit of the individual; and
- (iii) the total amount of the allocations made to and reductions made in the account pursuant to paragraph (3), over
- (B) the amounts paid out of the Thrift Savings Fund with respect to such individual under this subchapter.
- (3) Pursuant to regulations prescribed by the Executive Director, the Executive Director shall allocate to each account an amount equal to a pro rata share of the net earnings and net losses from each investment of sums in the Thrift Savings Fund attributable to sums credited to such account, reduced by an appropriate share of the administrative expenses paid out of the net earnings under section 8437 (d) of this title, as determined by the Executive Director.
- (b) (1) For the purposes of this subsection, the term “qualified public accountant” shall have the same meaning as provided in section 103(a)(3)(D) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023 (a)(3)(D)).
- (2) The Executive Director shall annually engage, on behalf of all individuals for whom an account is maintained, an independent qualified public accountant, who shall conduct an examination of all accounts and other books and records maintained in the administration of this subchapter and subchapter VII as the public accountant considers necessary to enable the public accountant to make the determination required by paragraph (3). The examination shall be conducted in accordance with generally accepted auditing standards and shall involve such tests of the accounts, books, and records as the public accountant considers necessary.
- (3) The public accountant conducting an examination under paragraph (2) shall determine whether the accounts, books, and records referred to in such paragraph have been maintained in conformity with generally accepted accounting principles applied on a basis consistent with the manner in which such principles were applied during the examination conducted under such paragraph during the preceding year. The public accountant shall transmit to the Board a report on his examination, including his determination under this paragraph.
- (4) In making a determination under paragraph (3), a public accountant may rely on the correctness of any actuarial matter certified by an enrolled actuary if the public accountant states his reliance in the report transmitted to the Board under such paragraph.
- (c) (1) The Board shall prescribe regulations under which each individual for whom an account is maintained shall be furnished with—
- (A) a periodic statement relating to the individual's account; and

NB: This unofficial compilation of the U.S. Code is current as of Jan. 5, 2009 (see <http://www.law.cornell.edu/uscode/uscript.html>).

(B) a summary description of the investment options under section 8438 of this title covering, and an evaluation of, each such option the 5-year period preceding the date as of which such evaluation is made.

(2) Information under this subsection shall be provided on a regular basis, and in a manner designed to facilitate informed decisionmaking with respect to elections under sections 8432 and 8438 of this title. Nothing in this paragraph shall be considered to limit the dissemination of information only to the times required under the preceding sentence.

(d) Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund, the Fixed Income Investment Fund, the International Stock Index Investment Fund, or the Small Capitalization Stock Index Investment Fund, defined in paragraphs (1), (3), (5), and (10), respectively, of section 8438 (a) of this title shall sign an acknowledgement prescribed by the Executive Director which states that the employee, Member, former employee, or former Member understands that an investment in either such Fund is made at the employee's, Member's, former employee's, or former Member's risk, that the employee, Member, former employee, or former Member is not protected by the Government against any loss on such investment, and that a return on such investment is not guaranteed by the Government.

(Added Pub. L. 99–335, title I, § 101(a), June 6, 1986, 100 Stat. 555; amended Pub. L. 104–208, div. A, title I, § 101(f) [title VI, § 659 [title I, § 103]], Sept. 30, 1996, 110 Stat. 3009–314, 3009–372, 3009–373; Pub. L. 104–316, title I, § 103(j), Oct. 19, 1996, 110 Stat. 3829; Pub. L. 106–65, div. A, title VI, § 661(a)(5), Oct. 5, 1999, 113 Stat. 672; Pub. L. 106–361, § 2(b)(4), (5), Oct. 27, 2000, 114 Stat. 1401; Pub. L. 108–469, § 1(d)(3), Dec. 21, 2004, 118 Stat. 3892.)

Amendments

2004—Subsec. (c)(2). Pub. L. 108–469 substituted “on a regular basis” for “at least 30 calendar days before the beginning of each election period under section 8432 (b)(1)(A) of this title”.

2000—Subsec. (a)(1). Pub. L. 106–361, § 2(b)(4), inserted “who makes contributions or” after “for each individual” and substituted “section 8432” for “section 8432 (c)(1)”.

Subsec. (c)(2). Pub. L. 106–361, § 2(b)(5), inserted at end “Nothing in this paragraph shall be considered to limit the dissemination of information only to the times required under the preceding sentence.”

1999—Subsec. (a)(1). Pub. L. 106–65, § 661(a)(5)(A), in so far as it directed amendment of par. (1) by striking out “under section 8432 (c)(1) of this title”, could not be executed because the words “under section 8432 (c)(1) of this title” did not appear subsequent to amendment by Pub. L. 106–361, § 2(b)(4). See 2000 Amendment note above.

Pub. L. 106–65, § 661(a)(5)(A), struck out “under section 8351 of this title” after “Thrift Savings Fund”.

Subsec. (a)(2)(A)(i). Pub. L. 106–65, § 661(a)(5)(B), struck out “under section 8432 (a) or 8351 of this title” after “individual”.

Subsec. (a)(2)(A)(ii). Pub. L. 106–65, § 661(a)(5)(C), struck out “under section 8432 (c) of this title” after “individual”.

1996—Subsec. (b)(3). Pub. L. 104–316 struck out “and the Comptroller General of the United States” after “to the Board”.

Subsec. (d). Pub. L. 104–208 substituted “Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund, the Fixed Income Investment Fund, the International Stock Index Investment Fund, or the Small Capitalization Stock Index Investment Fund, defined in paragraphs (1), (3), (5), and (10),” for “Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund or the Fixed Income Investment Fund described in paragraphs (1) and (3),”.

Effective Date of 2000 Amendment

Amendment by Pub. L. 106–361 effective at the earliest practicable date after Sept. 30, 2000, as determined by the Executive Director in regulations, see section 2(c)(1) of Pub. L. 106–361, set out as a note under section 8432 of this title.

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Effective Date of 1999 Amendment

Amendment by Pub. L. 106–65 effective 180 days after Oct. 30, 2000, unless postponed, see section 663 of Pub. L. 106–65, as amended, set out as an Effective Date note under section 8440e of this title.

Effective Date of 1996 Amendment

Amendment by Pub. L. 104–208 effective Sept. 30, 1996, with provisions for certain funds to be offered for investment at earliest practicable election period, see section 101 (f) [title VI, § 659 [title I, § 104]] of Pub. L. 104–208, set out as a note under section 8438 of this title.