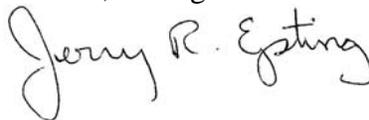


For: FFAS Employees

Eliminating Federal Payroll Deductions for Savings Bonds

Approved by: Acting Deputy Administrator, Management



1 Overview

A Background

The Department of Treasury (Treasury) will discontinue issuing paper savings bonds through Federal payroll savings plans as of September 30, 2010 (Pay Period 20). By discontinuing paper savings bonds, the Treasury will:

- support the long-term plan of issuing securities electronically
- reduce cost to the U.S. Savings Bond Program.

B Purpose

This notice provides guidance for employees who wish to continue purchasing savings bonds. Employees may do so by enrolling in the electronic Savings Bond Program through **Treasury Direct** at www.treasurydirect.gov.

Note: The paper Savings Bond Program is not ending. Only paper savings bonds issued through payroll savings plans are affected. Paper savings bonds will remain available for sale over-the-counter at financial institutions.

2 Responsibilities

A Agency Responsibilities

Effective Pay Period 19 (September 12, 2010) payroll processing, NFC will:

- discontinue deductions for savings bonds
- provide refunds for savings bonds if deductions are **not** sufficient to purchase a savings bond through Pay Period 19.

Disposal Date	Distribution
January 1, 2011	All FAS, FSA, and RMA employees; State Offices relay to County Offices

Notice PM-2774

2 Responsibilities (Continued)

A Agency Responsibilities (Continued)

The servicing Human Resources Office will:

- inform employees of the Savings Bond Program changes and that no savings bond deductions will be made after September 30, 2010
- assist employees during the Savings Bond Program transition to using Treasury Direct for purchasing savings bonds
- provide agency points of contact for assisting employees with savings bond payroll/processing problems.

B Employee Responsibilities

Employees may adjust their deductions before September 30, 2010, to ensure that their deductions will complete the purchase of a savings bond.

If an employee's savings bond deductions are **not** sufficient to purchase a savings bond, those savings bond deductions will be refunded to the employee in Pay Period 19.

Employees wishing to purchase savings bonds on a recurring basis may enroll in the electronic Savings Bond Program through Treasury Direct at www.treasurydirect.gov. This user-friendly, web-based system allows individuals to purchase, manage, and redeem electronic (paperless) savings bonds and Treasury marketable securities (bills, notes, and bonds) online at any time. While a paper security will **not** be issued, users may establish recurring purchases to continue investing in Treasury securities.

For further information on establishing electronic savings bonds, employees may view the Treasury video at http://www.treasurydirect.gov/indiv/tools/tools_video.htm.

Note: Savings bond refunds will be displayed as a separate line on the employee's Leave and Earnings Statement. Employees may also go the Treasury Direct Frequently Asked Questions web site for further information on the Savings Bond Program at http://www.treasurydirect.gov/news/news_elimination_paperpayrollqa.htm.

Notice PM-2774

2 Responsibilities (Continued)

C Action Required

To obtain additional information about the changes in the U.S. Savings Bond Program, contact a servicing Human Resources Office according to the following table.

IF located in...	THEN contact...
FSA National Offices	LaShawn Smith, HRD, Talent Acquisition Branch (TAB), at 202-401-0670.
FAS Offices	either of the following: <ul style="list-style-type: none">• Geavonta Jefferson, HRD, FAS Branch, at 202-401-0154• Karen Williams, HRD, FAS Branch, at 202-401-0663.
FSA State or County Offices	State Administrative Officer.
FSA or RMA Offices	Ernie Kary or Gail Nichols, HRD, TAB, at 816-926-6225.

D Who to Contact for Savings Bond Inquiries

In most cases, local banks:

- can help with savings bond inquiries
- can process transactions
- are usually fast and convenient.

However, if local banks are **not** able to help, feel free to:

- write or call the Treasury Retail Securities Site that handles savings bond transactions in the region at:

Federal Reserve Bank of Minneapolis
P.O. Box 214
Minneapolis, MN 55480
1-800-553-2663 (select option 4 and then option 2)

- contact the local servicing Human Resources Office for assistance.