



State of North Carolina

Office of the State Controller

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STATE CONTROLLER

September 1, 2010

RE: Paper Payroll Savings Bond Program to be Discontinued;
Electronic Payroll Savings available through Treasury Direct

The U.S. Department of the Treasury has announced it will stop issuing paper savings bonds through payroll savings plans as of January 1, 2011. This change will reduce the costs associated with the U.S. Savings Bond Program and supports the Treasury's long-term plan to issue all securities electronically through their TreasuryDirect website www.treasurydirect.gov. Paper savings bonds remain available for purchase at financial institutions.

To coincide with this change effective **September 1, 2010**, requests to start and or change savings bonds through BEACON will no longer be accepted. Employees currently enrolled in the savings bond program may cancel their savings bonds at any time prior to October 8, 2010 for employees paid bi-weekly and October 20, 2010 for employees paid monthly.

Employees currently enrolled in the savings bond program will receive a separate notice mailed to their home concerning their individual information. These employees will have their last payroll deduction for savings bonds occur October 29, 2010 for employees paid bi-weekly and October 31, 2010 for employees paid monthly.

Future savings bond purchases must be made at a financial institution or through the TreasuryDirect website. Materials to help employees set up and fund an online account with TreasuryDirect are available at FRBservices.org/PayrollSavings. Employees may also speak with a customer service representative at TreasuryDirect by calling, 1-800-245-2804, select menu Option 7, then Option 5.

For OSC BEACON support, call 866-NCBEST4U (866-622-3784) or e-mail: BEST@osc.nc.gov .