



**Ohio Department of  
Administrative Services**  
HUMAN RESOURCES DIVISION  
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Payroll Letter 751

To: Payroll Officers, Personnel Officers, Labor Relations Officers and Fiscal Officers of all Departments, Institutions, Boards and Commissions

From: Robert L. Cruse, State Payroll Administrator

Subject: United States Savings Bonds

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Each pay period we receive several calls regarding some facet of the bond process. To answer your questions and assist you in providing the appropriate customer service to your employees, we have outlined the entire bond process. In addition, we will be giving you access to view your employee's bond information via computer terminal as soon as we can make the necessary program changes.

Savings Bonds are available for all state employees.

The purchase price of a bond is half the denomination of the bond. For example: a \$100.00 bond will be printed when \$50.00 is deducted or has accumulated.

To start payroll deductions for Savings Bonds, a completed Savings Bonds card must be submitted to Payroll Support.

Use a Savings Bonds Card for every action concerning Savings Bonds (i.e. starting bonds, adding inscriptions, canceling inscriptions, canceling bonds and refunding bond money).

The owner of the bond (s) must have a social security number, but the social security number is not required for co-owners and beneficiaries. Bonds can be made payable with up to two names using one of the following configurations:

- 1) One Owner only
- 2) One Owner and one Co-owner
- 3) One Owner and one Beneficiary

Savings Bonds can be made payable to "Natural Persons" only (under no circumstance can they be made payable to fiduciaries and private or public organizations).

Payroll Support receives bond deductions on payday and prints the bonds the following Tuesday. The bonds are generally ready for distribution to agencies by the end of that week. In order to maintain the security of the Savings Bonds, we will require that all local agencies pick up and sign for their bonds. Most agencies, boards, and commissions hold the bonds until the following payday and distribute them with employee paychecks.

## **INSCRIPTION SCHEDULES AVAILABLE**

Inscription -

- A. Owners name and social security number
- B. Owners address - number, street, city, state and zip code
- C. Co-owner and social security number (optional)
- D. Beneficiary and social security number (optional)

1. **Single Inscription:** This is the most common inscription schedule. The employee has the same inscription for all of their bonds. Bonds are produced when enough money is deducted to cover the purchase price (half of the denomination).
2. **Rotating Inscriptions:** This schedule will allow employees to have up to 26 different inscriptions. A bond card is filled out for each inscription (The employee can specify the print order by writing "A" on first card, "B" on second card and so on. Staple cards together and write "ROTATE" on the first card. The bond deduction will be applied to the first inscription until it reaches the purchase price for that inscription. It will then generate a bond and move to the second inscription on the following pay period. Any money left over after a bond is produced will remain as a leftover balance in the inscription associated with the bond that was printed. When the system rotates back to that inscription, deductions will be applied to this remaining leftover balance. Using deductions that are equal to the purchase price, or will add up to the purchase price eliminate this problem.
3. **Dividing Inscriptions:** This system also allows employees to have up to 26 different inscriptions. Have the employee fill out a bond card for each inscription and staple them together. Write "Divide" on the first card. The bond deduction will be divided equally among all of the inscriptions each pay period, and will produce a bond for each inscription when it reaches the purchase price. You can not designate different deduction amounts for each of the inscriptions.

## **STARTING BOND DEDUCTIONS**

1. The employee fills out a bond card(s) completely and legible.
2. Post the deduction via the terminal on the effective date indicated on bond card(s).
3. Make a copy of the bond card(s) and send the original(s) to Payroll Support, Savings Bonds Coordinator. It is very important to send the card(s) in as soon as the bond deduction is put on payroll so that Payroll Support can create an inscription record.

### **ADDING ADDITIONAL INSCRIPTIONS**

The following procedures are important in minimizing confusion to the payroll officers and bond coordinator when an employee wishes to add inscriptions. This applies both if they want to change from a single inscription to multiple inscriptions or if they wish to add inscriptions and they are already using one of the multiple inscription schedules.

1. The employee fills out a bond card for each inscription (even for the inscriptions they are already receiving) otherwise we may interpret this as a request to delete the inscription(s) already on the bond file.
2. If the employee is changing the amount of the deduction, post the deduction via the terminal on the effective date.
3. Make a copy of the cards and send the originals to Payroll Support, Savings Bond Coordinator.

### **CANCELING AN EMPLOYEE OUT OF THE SAVINGS BONDS PROGRAM**

*Follow these steps for employees who want to stop their bond deduction or if the employee is separating from State employment.*

*The bond card will automatically generate a refund if the employee is due one and cancel the bond inscription.*

1. The employee fills out bond card(s) and writes "cancel" on card.
2. Take the deduction off via the terminal on the effective date indicated on card(s).
3. Make a copy of the card(s) and send the original(s) to Payroll Support, Savings Bonds Coordinator.

### **CANCELING ONE OF SEVERAL INSCRIPTIONS**

*These procedures will eliminate any confusion:*

1. Have the employee fill out a bond card for each inscription they want to cancel and write "cancel" on the card(s), The employee must also fill out a bond card for each inscription they want to continue.
2. Make a copy of the bond card(s) and send the original(s) to Payroll Support, Savings Bonds Coordinator.

