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## CHAPTER 23

UNITED STATES SAVINGS BONDS2301 OVERVIEW

This chapter prescribes procedures and forms to be used for the Voluntary Payroll Savings Plan when purchasing U.S. Savings Bonds, Series EE by payroll allotments. The plan provides a means by which civilian employees and military personnel of the U.S. Government may regularly save a part of their earnings through a voluntary system of payroll allotments under the terms and conditions described in this chapter. This chapter also covers procedures for undeliverable, lost, and canceled savings bonds. Purchase of U.S. Savings Bonds by military members through allotment deduction is covered in Volume 7 of this Regulation. Purchase of U.S. Savings Bonds by civilian employees under the payroll savings plan is covered in Volume 8 of this Regulation.. Due to Treasury Department requirements to automate the sales of savings bonds, cash sales of savings bonds within DoD are not authorized. The Bureau of Public Debt, Department of the Treasury, is responsible for administering the savings bond program. The Treasury Department's U.S. Savings Bond Division is responsible for promoting and selling savings bonds.

2302 BOND ISSUING AGENTS

230201. Eligibility for Designation as Bond Issuing Agent. A DO or disbursing agent whose duties require the issuance of U.S. Savings Bonds shall be designated as a bond issuing agent. Generally, any DO or disbursing agent located in the United States, the Republic of Panama, Puerto Rico, or the Virgin Islands who is responsible for payment of civilian payrolls shall be designated as a bond issuing agent. The bond issuing agent for overseas areas outside those listed above may be the central bond issuing agent assigned to the supporting DFAS Center, or when authorized, an overseas banking facility. The central bond issuing agent assigned to the supporting DFAS Center issues all bonds purchased by military members through allotment deduction. DOs and disbursing agents assigned to tactical units and Naval vessels are not eligible for designation as bond issuing agents.

230202. Request for Designation. An initial request for designation of a DO or disbursing agent as a bond issuing agent shall be forwarded through command channels to the supporting DFAS Center. Normally, the commander will originate the request for designation.

230203. Bond Issuing Agent Certification. The supporting DFAS Center shall certify each designated bond issuing agent, by name, to the FRB which will service the bond issuing agent. The supporting DFAS Center also shall provide certified specimen signatures of the bond issuing agent to the FRB concerned.

230204. Bonds Issued by Bond Issuing Agent

A. General. Bond issuing agents shall be governed by the regulations of the servicing FRB in all matters concerning the requisition, issuance, and accounting for savings bonds. FRBs are governed by Treasury Department regulations concerning savings bonds. However, accounting procedures, forms, and instructions are not uniform in all Federal Reserve districts, therefore, bond issuing agents shall have in their possession and follow the latest instructions of the servicing FRB.

B. Bond Issuing Agent - DFAS Center. The central bond issuing agent at the supporting DFAS Center shall issue U.S. Savings Bonds, Series EE, as indicated in the following subparagraphs.

1. Bonds purchased through payroll deduction by civilian employees within CONUS. Bonds purchased through payroll deduction may also be issued to civilian employees outside CONUS, except as provided in subparagraph 230204.C, below.

2. Bonds purchased by military members under the payroll allotment system.

C. Bond Issuing Agent - Banking Facilities. DoD contract banking facilities in overseas areas, when authorized, will issue U.S. Savings Bonds purchased through the payroll savings plan by civilian employees who are citizens of the United States. When authorized, the banking facilities may also issue savings bonds directly to military members or civilian employees when payment is presented in cash by the individual.

D. Bond Issuing Agent - Other DOs or Disbursing Agents. DOs or disbursing agents in the United States (other than the DOs at the supporting DFAS Centers), the Republic of Panama, Puerto Rico, and the Virgin Islands who have been designated as bond issuing agents shall issue U.S. Savings Bonds, Series EE for purchases by civilian personnel through payroll deductions.

2303 ACQUISITION, CONTROL, AND SUPPLIES

230301. Blank Bond Stock

A. Bond Denominations. Series EE savings bonds are available only in denominations of \$100, \$200, \$500, and \$1,000 through the Voluntary Payroll Savings Plan. Issue purchase price, denomination maturity value, and bond prefix codes are shown in table 23-1.

B. Bond Assembly. Bond stock is available in various Series EE paper bond assembly types. The Type M assembly is used to report registration data on tape. Series EE bond stock is also available in double-up continuous stock. The continuous assembly type bonds

shall be separated either manually or by machines specially made for this purpose. The Type K assembly is designed for use in typewriters. When savings bonds are inscribed by typewriter, clear carbon copies shall be made.

C. Requisitioning Blank U.S. Savings Bonds - Series EE. Bond issuing agents will receive forms and instructions from their servicing FRB for ordering Series EE bond stock. The blank stock will be delivered by the FRB upon receipt of requisitions signed by either the bond issuing agent or by the deputy bond issuing agent. Only Series EE savings bonds may be issued under the payroll savings plan and bond issuing agents are not authorized to requisition bonds of any other series.

D. Bond Stock Levels. The FRBs permit bond issuing agents to maintain savings bond consignment ceilings equal to \$30,000 (face value) or a normal 60 - day requirement, whichever is higher. Such ceilings will be decided by the FRB semiannually based on the preceding 12-month sales history. FRBs will evaluate bond issuing agent requirements and establish individual ceilings commensurate with the issuing agents' legitimate needs. The FRBs will allow issuing agents the flexibility of determining a mix of denominations which will best meet the issuing agents' needs within the limits of their established consignment ceilings.

E. Custody and Storage. The bond issuing agent shall maintain DD Form 80 (Bond Control Record) to account for all bond stock. The DD Form 80 shall be maintained to show beginning balance of bonds on hand; bonds received, issued, and spoiled; and ending balance of bonds on hand. The DD Form 80 shall also show the quantity and serial numbers of bonds transferred to and returned by bond writers. A separate DD Form 80 shall be maintained for each denomination of bonds. Blank bond stock shall be safeguarded and stored in a vault or safe in the same manner as prescribed in Chapter 7 of this volume for blank Treasury checks. Bond stock may be stored in safes or vaults to which both the bond issuing agent and a minimum number of deputies have access. Depending upon the available storage facilities, the bond issuing agent or a deputy shall retain custody of all blank bonds in excess of current working stock. Bond stock placed in custody of assistants shall be covered by DD Form 80 to show the location of a block of bonds for administrative and inventory purposes. At least once each quarter, a physical inventory of the bond stock shall be made by the bond issuing agent to ensure the stock on hand agrees with the DD Form 80. The quarterly bond inventory may be assigned as a responsibility of the appointed cash verification team. An example of DD Form 80 is provided as figure 23-1.

F. Loss of Bond Stock. The bond issuing agent shall immediately report to the FRB any loss of blank savings bond stock and request instructions as to how credit can be obtained. The report to the FRB shall include a full description of the bonds, including denomination and serial number, and a statement of the circumstances under which the loss occurred. No request for relief of liability is necessary unless the bonds are fraudulently redeemed.

DENOMINATION OF U.S. SAVINGS BONDS, SERIES EE			
ISSUE PRICE	PURCHASE	DENOMINATION MATURITY VALUE	BOND PREFIX
50.00		100.00	C
100.00		200.00	R
250.00		500.00	D
500.00		1,000.00	M

**Table 23-1. Denomination of Bonds**230302. Validating Stamps

A. Requisition and Disposition. A validating stamp, authorized by the Treasury Department for use in validating U.S. Savings Bonds when mechanical equipment is not used for issuing bonds, shall be requisitioned from the servicing FRB. The FRB assigns a code number to the validating stamp. The number usually consists of the district number of the FRB followed by a dash and the identification number of the bond issuing agent. However, the bond issuing agent shall adopt the configuration of this number according to the servicing FRB's preference. The bond issuing agent may issue validating stamps to bond issuing subagents. To identify the individual subagents, the bond issuing agent shall request the FRB to supply a separate suffix for each subagent. When the validating stamps are no longer required, they shall be returned to the FRB by registered mail.

B. Safeguarding. Bond issuing agents or subagents shall keep validating stamps under protective custody in a vault or safe and shall be fully accountable for any improper use of such stamp. Upon change of bond issuing agents, the validating stamp shall be turned over to the successor bond issuing agent. The successor shall receipt for the validating stamp.

230303. Envelopes. Special envelopes have been approved for use in mailing U.S. Savings Bonds and shall be requisitioned through regular supply channels. The envelopes are available from and listed in the Federal Supply Schedules - FSC Group 75, Part V, Office Supplies (Envelopes), which is published every six months.

2304 REGISTRATION

230401. General. Savings bonds are issued only in registered form. The registration shall express the actual ownership of, and interest in, the bond. Savings bonds may be issued: in the names of natural persons in their own right in a single owner form (one person only), co-ownership form (two persons only), and beneficiary form (two persons only); or, in the name of a fiduciary or an organization, private or public (single owner form only). If registration is made in a name of other than individuals in their own right, the employer identification

number assigned by the Internal Revenue Service (IRS) shall be inscribed on the bond if there is no SSN. The use of courtesy titles on savings bonds is optional in all cases.

★ 230402. Registration Restrictions. Savings bonds may not be issued to civilian and military employees who are not citizens of the United States. Savings bonds may be issued as indicated in the following subparagraphs.

A. Residents of the United States, its territories and possessions, the Commonwealth of Puerto Rico, and Panama.

B. Citizens of the United States temporarily residing abroad.

★ C. Civilian employees of the United States or members of the Armed Forces, and dependents, who are citizens of the United States.

D. Other individuals as co-owners with, or beneficiaries of, any of the above. Registration is not authorized to include the name of any alien in areas where the Treasury Department restricts or regulates delivery of Treasury checks.

E. United States citizens who are permanent employees of exchanges, cafeterias, and similar organizations, and employees of contractors working on DoD contracts.

F. An organization, private or public, as provided in Treasury Department Circular 530 (reference (bk)).

230403. Forms of Registration. Subject to the above restrictions, savings bonds may be registered as indicated in the following subparagraphs.

A. In the name of any individual, whether adult or minor, in the individual's own right, in any of the following forms.

1. Single Owner. In the name of the person; for example, John A. Jones.

2. Co-Ownership (Two Persons). In the name of two (but not more than two) persons as co-owners; for example, John A. Jones or Mrs. Ella S. Jones. Note: Either co-owner may redeem bonds registered in this form without the consent or signature of the other.

3. Beneficiary (Two Persons). In the name of one person, payable on death (POD) to one (but not more than one) other person; for example, John A. Jones POD Mrs. Mary E. Jones.

B. In the names and titles of legal representatives of persons (guardians, custodians, conservators, etc.).

C. In the names and titles of trustees of personal trust estates set up by persons in their own right, for the benefit of themselves or other persons, and common trust comprised in whole or in part of such trust estates.

230404. Ownership Records. The Treasury Department maintains records of ownership of savings bonds. A name and address is no longer adequate identification of ownership by a person. Therefore, all savings bonds issued to persons shall be inscribed with the SSN of the registered owner or the first-named co-owner. Unless the owner specifically requests a reissue, it is not necessary to reissue a savings bond for the sole purpose of changing an incorrect SSN. However, when reissue is not requested, the correct SSN should be forwarded to the Accrual Bond Branch, Division of Accounts and Reconcilements, Bureau of the Public Debt, Box 1328, Parkersburg, WV 26106-1328.

## 2305 PURCHASE OF BONDS THROUGH PAYROLL WITHHOLDING

230501. Military Members. Military members desiring to participate in the payroll savings plan shall use the approved allotment procedures and forms as prescribed by the supporting DFAS Center. Deductions from the members' pay accounts for bond allotments are credited to deposit fund account \*\*X6050. When the deductions accumulate the purchase price of the denomination of the bond purchased by the allotment, an automated equivalent of DD Form 1084 (Bond Issuance Schedule, United States Savings Bonds - Series EE) (see paragraph 230602, below) is produced and forwarded to the central bond issuing agent. The central bond issuing agent assigned to the servicing DFAS Center issues all bonds purchased by military members through bond allotments.

### 230502. Civilian Employees

A. Authorization for Bond Deductions. Civilian employees may participate in the Voluntary Payroll Savings Plan for purchase of Series EE savings bonds by preparing and submitting a Treasury Department approved form to authorize payroll deductions for the purchase of savings bonds. All entries on the form shall be typed or legibly printed in ink. The employee's name shall be entered as it appears on the payroll. The employee's SSN shall be entered in the designated space. The employing activity and location shall be entered in the designated space. The amount to be withheld each pay period and the denomination of the bond shall be indicated. The name, SSN, and address of the owner (not necessarily the purchaser) to be inscribed on the bond shall be shown. Allotments shall not be established if the SSN of the prescribed owner is not provided. The appropriate spaces of the form shall be marked to indicate whether a co-owner or beneficiary is elected, and the name and SSN (when available) of the co-owner or beneficiary to be inscribed on the bond shall be shown. The starting date of the pay period when the first withholding is to be made and any special handling instructions shall be indicated. The reverse of the form may be used to indicate the starting date, special handling instructions, or to denote when a bond is being canceled. The authorization form shall be signed in ink by the employee authorizing the payroll deduction.

B. Disposition of Authorization Forms. Employees shall deliver completed authorization forms to the payroll office that handles the employee's pay account. The authorization forms are used to enter allotment deductions into the bond accounting module of the automated payroll system.

C. Payroll Deductions. Payroll deductions shall be reported on the DD Form 592, Payroll for Personal Services - Payroll Certification and Summary as a credit (collection) to deposit fund account \*\*X6050. When the deductions accumulate the purchase price of the denomination of the bond purchased by the employee, automated equivalents of DD Form 1084 (see paragraph 230602, below) are generated and forwarded to the DO responsible for payment of the civilian payroll. If the DO responsible for payment of the civilian payroll is not a designated bond issuing agent, the actions prescribed in subparagraph 230502.D, below, shall be taken.

D. Disbursing Officer Not Authorized Bond Issuing Agent. When DD Forms 1084 are received from the payroll certifying officer, the DO shall take the actions prescribed below.

1. Ensure the balance in the deposit fund account \*\*X6050 is sufficient to pay for the bonds to be issued. If the balance is insufficient, the DO shall notify the payroll certifying officer in writing and return the DD Forms 1084 for reconciliation.

2. Prepare an SF 1049 to disburse the bond purchase collections previously credited to the deposit fund account \*\*X6050 and issue a Treasury check payable to the Department of the Treasury Department. The dollar amount of the Treasury check shall coincide with the total purchase price of the bonds scheduled on the DD Forms 1084.

3. Prepare the DD Form 77 (Transmittal of Bond Issuance Schedules) in triplicate as prescribed in paragraph 230702, below, for transmittal to the designated bond issuing agent.

4. Forward the original and one copy of the DD Form 77, the Treasury check, a copy of the SF 1049, and the DD Forms 1084 to the designated bond issuing agent. The copy of the DD Form 77 will be receipted by the bond issuing agent and returned. If the acknowledgement is not received within a reasonable length of time, tracer action shall be initiated.

230503. Termination of Service. If a member or employee is terminated from service, the payroll allotment shall be canceled by the payroll office. If, at the time of termination, the balance in the member's or employee's allotment account is insufficient to purchase a bond, the bond issuing agent shall refund the balance in the member's or employee's account. The transaction shall be documented by preparation of an SF 1049 charging the deposit fund account \*\*X6050 and issuance of a Treasury check payable to the member or employee.



2306 SCHEDULING BOND ISSUANCE

230601. Issuance of DD Form 1084. DD Form 1084 shall be issued by civilian payroll certifying officers for purchases by civilian employees under the Voluntary Payroll Savings Plan and by the DO at supporting DFAS Centers for issuance of bonds purchased by military members through bond allotments. Mechanized equivalents of DD Form 1084 may be generated by the applicable payroll systems.

230602. Preparation of DD Form 1084

A. General. Separate DD Forms 1084 shall be prepared for each bond denomination. The following subparagraphs provide detailed instructions for completion of DD Form 1084. The subparagraph titles coincide with the block titles of the form. An example of a completed DD Form 1084 is provided as figure 23-2.

B. Department. Enter the applicable DoD Component (e.g. Army, Navy, Air Force, or Marine Corps) of the military or civilian employees purchasing the bonds.

C. Organization. Enter the organization for which bonds are scheduled, or the civilian payroll unit submitting the schedule.

D. Station and Disbursing Station Symbol No. Enter the name, title, station, ZIP code, and DSSN of the disbursing office responsible for preparation of the schedule if different from the bond issuing agent.

E. Station and Disbursing Station Symbol No. (for use by issuing office only). Only the office issuing the bonds uses this space. The bond issuing agent shall enter the brief block stamp when the bonds are issued.

F. Schedule No. Assign a separate series of numbers for each denomination of bonds scheduled. The numbers consist of a prefix and a suffix separated by a dash. The prefix is shown for each bond denomination in table 23-1. The suffix shall begin with number 1 and number consecutively for each fiscal year.

G. Page of Pages. Enter the page number and number of pages used for each bond denomination.

H. Control No. If the same office schedules and issues the bonds, do not use this block. Otherwise, the control number shall be assigned by the bond issuing agent.

I. Voucher No. Leave blank. The bond issuing agent shall show the disbursement voucher number assigned to the SF 1049 prepared to make payment to the FRB.

J. Denomination. Enter the denomination of the bonds listed on this schedule. Prepare separate schedules for each denomination.

K. No. of Bonds. Enter the number of bonds listed on this schedule.

L. Unit Purchase Price. Enter the unit purchase price of the denomination of bonds on this schedule.

M. Effective Date of Bond. Enter the effective date of bonds listed on the schedule except when it includes average dated bonds, in which case the entry shall be "See below." The effective (issue) date shall be the first day of the month in which at least one-half of the purchase price is accumulated, regardless of the number of payroll deductions required to complete the full purchase price for issuance of the bond.

N. Method of Purchase. Enter payroll deduction.

O. Certification. The civilian payroll certifying officer or DO preparing the DD Form 1084 shall date and certify the schedule in the spaces provided.

P. Effective Date and Item No. Leave blank when all bonds listed have the same effective date and this is indicated in the Effective Date of Bond block and when the bonds are to be mailed to the owner. Use this block to enter the effective date for each bond when average dated bonds are included on the schedule and the effective date is not the same for all bonds listed.

Q. Name(s) and Address of Person(s) to Whom Issued. The full name of the owner shall always precede the name of the co-owner or beneficiary. Only one person may be designated as either co-owner or beneficiary. "Or" indicates co-owner. "POD" means "Pay on death" and indicates beneficiary. If bonds are to be mailed to a co-owner or beneficiary, the address shall be indicated and the applicable code from the bottom of the form entered in the Item No. column. Military grades shall not precede a co-owner or beneficiary's name. A married (military or civilian) woman's own given name shall be used. The SSN of the owner (the first-named individual on the bond) is mandatory and shall be shown. The SSN of the co-owner or beneficiary shall be shown if available.

R. Serial No. of Bonds Issued. Leave blank. The bond issuing agent shall complete this block when the bonds are issued.

2307 TRANSMITTAL OF BOND ISSUANCE SCHEDULES

230701. General. DOs and agents (not designated as bond issuing agents) who pay civilian payrolls shall prepare DD Form 77 in triplicate to transmit to an authorized bond issuing agent the DD Forms 1084 and the Treasury check(s) or debit vouchers issued in payment for the bonds.

230702.      Preparation of DD Form 77

A.      General. The following subparagraphs provide detailed instructions for completion of the DD Form 77. The subparagraph titles coincide with the block titles of the form. An example of a completed DD Form 77 is provided as figure 23-3.

B.      Date. Enter the date the DD Form 77 is prepared.

C.      Transmittal Letter No. Enter the DSSN and transmittal number. The transmittal number shall begin with number "1" each fiscal year and shall continue in numerical sequence for the entire fiscal year regardless of a change in DOs during the fiscal year.

D.      To. Enter the complete mailing address of the bond issuing agent to whom the bond issuance schedules are being forwarded.

E.      From. Enter the name and DSSN of the DO forwarding the bond issuance schedules.

F.      Station or APO. Enter the station address of the DO forwarding the bond issuance schedules.

G.      Body of Transmittal. Each DD Form 1084 included in the transmittal shall be identified in the body of the transmittal as shown below.

1.      Schedule Number. Enter the schedule number from each DD Form 1084 included in the transmittal.

2.      Organization or APO Number. Enter the organization from the Organization block of each DD Form 1084 included in the transmittal.

3.      Date of Schedule. Enter the date from the Certification block of each DD Form 1084 included in the transmittal.

4.      Denomination of Bonds. Enter the bond denomination from the Denomination block of each DD Form 1084.

5.      Total Issue Price. Enter the total issue price for all bonds included on each DD Form 1084. For example, if a DD Form 1084 listed four \$100 bonds at a unit purchase price of \$50.00 each, the total issue price of the DD Form 1084 would be \$200.00.

H.      Grand Total. Enter the grand total of all DD Forms 1084 included on the transmittal. The grand total of all DD Forms 1084 included on the transmittal shall coincide with

the dollar amount of the Treasury check or debit voucher issued in payment for the bonds scheduled for issuance.

I. Return Address. The DO preparing the transmittal shall include the complete station name and mailing address to which the bond issuing agent is to return a "receipt acknowledged" copy of the DD Form 77.

J. Signature. The DO preparing and forwarding the transmittal shall sign the original transmittal in the space provided.

K. Typed Name and Grade. The DO shall type his or her name, grade, and Component in the space provided.

2308 ISSUANCE OF SAVINGS BONDS

230801. Action by Bond Issuing Agents or Subagents. Upon receipt of DD Forms 77, the bond issuing agent shall ensure that all documents listed on the transmittal are attached and that the amount of the Treasury check is in agreement with the grand total shown on the transmittal and the total value of bonds scheduled on the DD Forms 1084. If there is a discrepancy between the check and DD Forms 77 or 1084, the bond issuing agent shall contact the DO who forwarded the transmittal. If necessary, the bond issuing agent shall return the entire transmittal and supporting documents for reconciliation. The bond issuing agent shall prepare DD Form 1131 crediting deposit fund account \*\*X6050 and deposit the check under normal Treasury check deposit requirements.

230802. Bond Inscription

A. Dating of Bonds. Bonds shall be inscribed to show the issue month and year and the actual date of issuance by the bond issuing agent. The issue month is the month from which interest is computed. Series EE savings bonds of \$100 or higher denominations, whether under bi-weekly, monthly, or other pay systems, shall be issued under average dating rules. Bonds shall be dated as of the first day of the month in which the end of a pay period falls when at least one-half of the purchase price is accumulated, regardless of the number of consecutive payroll deductions required to complete the full purchase price. The bond shall be issued and delivered when the full purchase price is accumulated through payroll deductions. Average dating does not change prescribed accounting procedures but does cause special handling of the larger denomination bonds. Average dating assures no loss of interest on the personal savings of Federal payroll savers who accept fewer and larger bonds for greater convenience and greater economy in operating a personal savings bond program. When applicable, average dating should be used if an account is cleared to allow an earlier effective date for a change in denomination or amount of allotment and part or all of the balance is taken in lower denomination bonds.

B. Names. The full name of the owner and co-owner or beneficiary, if any, shall be inscribed on the bonds identically as shown on the instrument authorizing the purchases

except that if there are two given names, an initial may be substituted for one. If a woman is to be the registered owner or first named co-owner, her SSN will provide adequate identification and she need not furnish a courtesy title such as "Mrs." or "Ms." The use of courtesy titles is optional in all cases. A married woman shall use her own given name, not that of her husband: for example, Mrs. Ella A. Jones, not Mrs. John A. Jones.

C. Social Security Numbers. The SSN of the first named person (the registered owner or the first named co-owner) shall be inscribed on all Series EE bonds. A savings bond allotment authorization that does not include the required SSN shall be canceled.

D. Address. If delivery is to be accomplished by mail, the purchaser shall be required to designate the address to which the bond is to be mailed on the bond application form. The mailing address shall include the ZIP Code for every account for which a savings bond is mailed. Purchasers who have no permanent residence, however, may request that a mailing address other than the address of the owner and/or co-owner be inscribed on their bonds. The name and address of a person or bank other than that of the owner, co-owner, or beneficiary is allowed. The name of the registered owner shall start next to the word "To" and the name of a person or bank in the mailing address shall be separated from the registered owner by a blank line. The name in the mailing address shall be prefixed by the words "Mail to". One or two lines, as appropriate, will be skipped before the co-owner or beneficiary's name and SSN are inscribed.

E. Validation Stamp. All inscribed savings bonds shall bear a validating stamp in the space provided. When automated equipment is used to inscribe bonds, bond issuing agents are authorized to imprint the information of the validating stamp in the same print used to inscribe the bond. The month, day, and year of the last day of the pay period when the full or final payment for the bond was withheld from the employee's pay shall appear on the validating stamp in lieu of the actual date of issuance. The purpose of this date is to inform the employee of the pay period when the allotment accumulated the purchase price of the bond; not necessarily the actual issue date of the bond.

230803. Serial Numbers of Bonds. The serial numbers of bonds issued shall be entered in the appropriate spaces on the DD Forms 1084.

230804. Spoiled Bonds. When errors are made on bonds during the issue process, the bond issuing agent shall stamp or imprint the word "SPOILED" on the face of the bond and file in a jacket bearing the caption SPOILED BONDS. A listing, in three copies, shall be prepared by the bond issuing agent at the end of each month, or at other intervals as required by the FRB to show, by bond serial number, the bonds spoiled during the period. The original and one copy of the listing together with the spoiled bonds shall be forwarded to the servicing FRB per the FRB's requirements. If the error is discovered after delivery of the bond (reported by the owner), payroll officers or other designated officials shall, by letter, cite the errors and DD Forms 1084 on which the erroneous bonds were certified and forward it (with the erroneous bond) to the bond issuing agent for correction. If the bond issuance has not been reported to the FRB (bond

issuance data is still in the possession of the bond issuing agent), the bond issuing agent may issue a replacement bond subject to instructions from the servicing FRB. If the bond issuance has been reported to the FRB (bond issuance data has been submitted to the FRB), the correct issue data must be submitted with the spoiled bond to the FRB with a request that the bond be reissued.

230805. Erroneously Issued Bonds. The bond issuing agent (DO) is pecuniarily liable when a savings bond is erroneously issued to a person other than the purchaser. Upon discovery of the error, the bond issuing agent shall issue a savings bond to the authorized person, and shall attempt to recover the erroneously issued bond or obtain payment from the person to whom the bond was erroneously issued. If the bond issuing agent is unable to obtain either the bond or payment, a warning shall be placed against the savings bond. The help of the local U.S. Secret Service shall then be requested. If such efforts fail, a complete report shall be made to the DO's supporting DFAS Center.

### 2309 DELIVERY OF BONDS

230901. Personal Delivery. Bonds may be delivered in person where local bond issuance is authorized. Bonds shall continue to show the permanent address of the owner even though delivery is to be made in person. The commander shall specify, in writing, key officers or employees authorized to receive and deliver bonds. The commander may name persons from any organization on the activity, base, or station. One or more alternates should be designated to prevent delays in delivery. All individuals designated to deliver bonds (including alternates) shall furnish their official signature to the DO on the DD Form 577 (Signature Card). Individuals designated to deliver bonds shall sign for all bonds received on the DD Form 1084, or applicable machine listing. The DO may require designated delivery officials to obtain receipts from the bond owner. Receipts from bond owners are not required when delivery is made by the DO or a member of the DO's staff. Designated bond delivery officials shall return to the DO all bonds that cannot be delivered on the same day as received. Bond owners shall then be required to call in person at the disbursing office to obtain their bonds. The DO may authorize designated persons located some distance away to keep undelivered bonds for a short period of time if adequate safekeeping facilities are available and the bond owner is absent but is expected to return soon. If the bond owner is on extended leave, the bonds shall be returned to the DO for mailing.

#### 230902. Delivery by Mail

A. Address. Every bond purchaser shall be requested and encouraged to designate a permanent address to which bonds may be mailed and which is not expected to change due to transfer of the purchaser. The permanent address of the owner and co-owner, if given, as well as the mailing address, shall be identical with those shown on the instrument authorizing purchase of the bond (authorization for payroll deduction). Active duty military personnel purchasing bonds by allotment may request the supporting DFAS Center to hold their bonds in safekeeping as provided in section 2310 of this chapter.

B. Mailing Instructions. Bond issuing agents shall mail savings bonds based on the instructions on DD Form 1084. Bonds shall not be sent by registered mail. The restrictions applicable to mailing of Treasury checks in Chapter 8 of this volume also apply to the mailing of bonds. Special window envelopes described in paragraph 230303, above, which bear the bond issuing agent's return address shall be used.

230903. Undelivered or Returned Bonds

A. General. Bond issuing agents shall maintain a record of all bonds returned as undeliverable using the DD Form 2658 (Returned and Undeliverable Check/Bond Record) prescribed in Chapter 8 of this volume for undeliverable Treasury checks. At a minimum, the record shall include: the denomination and serial number of the bond; date of the bond; name, address, and SSN of the owner; date of return; disposition; and date of disposition. If the bond is eventually delivered in person to the owner, the signature of the owner shall be obtained on the record.

B. Action to Effect Delivery. The bond issuing agent shall make every effort and utilize all possible sources of information to effect delivery. If delivery still cannot be made, the bond issuing agent shall determine the bond to be undeliverable and shall keep the bond for a period of three months, except as provided in subparagraph 230903.D, below.

C. Disposition After 3-Month Period. All bonds which have been held as undeliverable for a period of three months after receipt shall be forwarded, uncanceled, by first class mail to the Department of the Treasury, Bureau of Public Debt, ATTN: Division of Transactions and Rulings, 200 Third Street, Parkersburg, WV 26101. A letter, in duplicate, shall be mailed separately to the above address to provide advance notice that a shipment of undeliverable bonds is in transit. Upon receipt of the shipment, the duplicate copy of the letter will be signed and returned to the sender. A listing of the serial numbers of the bonds being shipped shall be prepared in duplicate. One copy of the listing shall be enclosed with the letter and the other copy kept by the sender.

D. Deceased, Missing, and Mentally Incompetent Personnel

1. Deceased or Missing Military Member. Any bond which has not been delivered at the time of receipt of notification of death or missing status shall be mailed by the bond issuing agent to the co-owner, beneficiary, or third party if such a designation is on the bond. To determine the rightful owner, refer to Treasury Department Circular 530, revised (reference (bk)).

2. Mentally Incompetent Military Member. Any bond which has not been delivered at the time of receipt of notification of mental incompetence shall be held by the bond issuing agent pending receipt of instructions from the legally appointed guardian or from the person designated to receive the member's active duty pay.

3. Deceased, Missing, or Mentally Incompetent Civilian Employee.  
Refer to Volume 8 of this Regulation.

4. Deactivation of Disbursing Office. Forward all undeliverable bonds, regardless of the period held, under a letter of transmittal to the central bond issuing agent at the supporting DFAS Center. File all receipted copies of the transmittal letters with the retained accounts of the DO (bond issuing agent) for transmittal to the designated custodian of the retained accounts.

230904. Inquiries Regarding Non-receipt of Bonds. When the bond issuing agent receives notice of non-receipt of a savings bond, the bond issuing agent is required to verify and certify that the bond was properly issued and forwarded to the owner. Then the bond issuing agent shall send the member or employee a PD Form 3062 (Claim for Relief on Account of Inscribed United States Savings Bonds Lost, Stolen or Destroyed Prior to Receipt by Owner, Co-Owner or Beneficiary) for completion. The completed PD Form 3062 shall be returned to the bond issuing agent for validation. The bond issuing agent shall then forward the completed form to the Bureau of Public Debt, Box 1328, Parkersburg, WV 26106-1328. If the bond has not been redeemed, the Treasury Department will issue a replacement bond. If the original bond has been redeemed, a photocopy of the bond will be provided for verification of endorsement(s). The PD Form 3062 may be obtained from the servicing FRB. When savings bonds are hand-delivered, the bond issuing agent is required to obtain statements from all persons who handled the bonds and then follow the above procedures.

230905. Lost, Stolen, or Destroyed Bonds. If the owner notifies the bond issuing agent that a savings bond was lost, stolen, or destroyed after receipt, the bond issuing agent shall give the owner with a PD Form 1048 (Application for Relief on Account of Loss, Theft or Destruction of United States Savings and Retirement Securities) and have the owner write to the Claims Branch, Division of Transactions and Rulings, Bureau of Public Debt, Box 1328, Parkersburg, WV 26106-1328. The bond issuing agent shall give the owner with the serial numbers and registration of the lost bonds, if available, from retained records. If records are not available, the applicant will be informed that, if bond serial numbers cannot be provided to the Treasury Department with the claim, replacement can be facilitated if the issue months and the names and addresses appearing on the bonds can be provided. The PD Form 1048 may be obtained from the servicing FRB.

230906. Inquiries Regarding Changes to Issued Bonds. If the bond issuing agent receives a request from an owner to change a bond already issued (e.g., add beneficiary or co-owner, eliminate beneficiary or decedent, show change of name, and/or correct error in registration), the bond issuing agent should advise the owner to complete a PD Form 4000. This form along with the bonds requiring a change should be forwarded to the Bureau of Public Debt, Box 1328, Parkersburg, WV 26106-1328. The PD Form 4000 may be obtained from a financial institution or a FRB.



230907. Fraudulent Claims Presented by the Purchaser. The bond issuing agent is not pecuniarily liable for bonds issued, when replacement bonds are subsequently issued by the Treasury Department or the FRBs in settlement of a fraudulent non-receipt or loss claim presented by the purchaser. The bond issuing agent is responsible, however, for making the initial effort to recover the replacement bond or restitution in money equal to the redemption value of the bond redeemed. The bond issuing agent shall notify the Treasury Department if unsuccessful in accomplishing recovery or restitution.

### 2310 SAFEKEEPING OF BONDS BY DFAS CENTERS

231001. Military Personnel. Active duty military personnel purchasing bonds through the payroll deduction plan (allotment) may designate bonds issued in their names as owners to be held in safekeeping by the supporting DFAS Center. The following procedures pertain to bonds maintained for safekeeping.

A. Site. At the request of active duty members, U.S. savings bonds may be accepted for safekeeping by the supporting DFAS Center maintaining the member's Master Military Pay Account.

B. Storage Facilities. Vault storage which meets the same security requirements for storage of Treasury checks shall be provided for the bonds. Where available, bonds may be held electronically via the "Book-Entry" system on the supporting DFAS Center's files.

C. Records. Records shall be maintained for each member showing the bond number (except Book-Entry), issue date, and denomination. For Book-Entry bonds, complete inscription data will be maintained on the file so that bonds may be issued on demand. At least once each year, a random inventory of bonds held in safekeeping shall be conducted. Bonds to be inventoried shall be selected using accepted random sampling techniques. Annually, each member with bonds held in safekeeping shall be advised of the number of bonds held by denomination, or notified that the information is available on request.

D. Retention of Bonds. Bonds shall be held for safekeeping only as long as the member is on active duty. The bonds shall be withdrawn from safekeeping at the time of separation, discharge, or retirement from active duty. The supporting DFAS Center shall notify the member to request release of the bonds held in safekeeping. Bonds not withdrawn from safekeeping 120 days from the date of separation, discharge, or retirement shall be forwarded for disposition to the Bureau of Public Debt, Division of Transactions and Rulings, 200 Third Street, Parkersburg, WV 26101.

★ E. Return of Bonds. Savings bonds shall be released to a service member upon receipt of a written request from the member. For bonds sent to the Bureau of Public Debt (including those sent before July 1, 1968), the Bureau will release those bonds upon receipt of requests and completed custody receipts which are sent to the members.

F. Death of Service Member. In the event of a service member's death, the bonds shall be mailed to the co-owner, beneficiary, or executor designated upon proof of entitlement to ownership. If no co-owner, beneficiary, or executor was designated, or if unable to locate the designated co-owner, beneficiary, or executor, the bonds shall be forwarded for disposition to the Bureau of Public Debt, Division of Transactions and Rulings, 200 Third Street, Parkersburg, WV 26101.

231002. Civilian Employees. Civilian employees are not eligible for safekeeping of bonds. Effective March 31, 1955, the Treasury Department ordered the FRBs to discontinue safekeeping civilian employees' bonds. The FRBs continue to hold those bonds received for safekeeping before that date until the owner requests release. For information write to the Bureau of Public Debt, P.O. Box 1328, Parkersburg, WV 26106-1328.

2311 SETTLEMENT WITH THE FEDERAL RESERVE BANK

231101. Preparation of Voucher. Monthly, or at other intervals as required by the FRB, the bond issuing agent shall prepare an SF 1049 for the total amount of all bonds issued. The voucher, certified as prescribed below, shall be charged to the deposit fund account \*\*X6050. The original of each DD Form 1084; magnetic tape; all savings bonds spoiled in the process of issue; and any other documentation required by the servicing FRB shall support the original SF 1049 on which payment for the bonds is made. Copies of DD Forms 1084 shall be filed with the retained copy of the voucher. A Treasury check payable to the FRB in the amount of the voucher, together with the required accounting report, shall be mailed to the FRB. The bond accounting report shall be verified with DD Form 80.

231102. Certificate Executed by the Bond Issuing Agent. The certification attached to SF 1049 shall be as follows: "I certify that for each bond listed on the DD Forms 1084, enumerated below, the amount of the bond has been withheld from pay settled on vouchers taken into my accounts in the month(s) of (month(s)) and credited to \*\*X6050, Employees' Payroll Allotment Account, United States Savings Bonds. Such bonds were purchased as follows: (number of bonds on each DD Form 1084 and dollar amount)."

231103. Report of Voucher Payment Number. The bond issuing agent shall furnish the following information in writing to each civilian payroll certifying officer who certifies payrolls and DD Forms 1084.

- A. The voucher number of the SF 1049 prepared for payment of bonds issued.
- B. The month the voucher was processed in the accounts of the DO.
- C. A citation to each DD Form 1084 included in the payment.

D. A quarterly listing of all DD Forms 1084 for which bonds have not been issued.

231104. Relief or Detachment of Bond Issuing Agent. A final accounting for savings bonds shall be made to the FRB by the bond issuing agent relieved or terminated from duty. The new bond issuing agent shall request certification from the servicing FRB and transfer of accountability for bond stock on hand. When a bond issuing agent is relieved, the relieved agent shall prepare a report to show the balance in the deposit fund account \*\*X6050 up to and including the date of relief. A signed copy of the report indicating the name of the relieving agent shall be forwarded to the servicing DFAS Center. The original report shall be turned over to the relieving agent for use in preparing the monthly report. Any adjustments of a previous difference shall be reported in detail in the following month's report.

2312 REDEEMING SAVINGS BONDS

231201. General. DOs must receive written authorization from the servicing DFAS Center and the Treasury Department to redeem any U.S. savings bonds. This authorization shall not be given except under the most unusual circumstances. Requests for bond redemption authority shall be in writing and contain complete justification. In overseas areas where DoD contract banking facilities are not available, DOs may request authorization through their chain of command to the servicing DFAS Center. If the request is justified, the servicing DFAS Center will forward the request to the Treasury Department. Disbursing offices that currently have authority to redeem savings bonds are authorized to continue this service.

231202. Cashing of Bonds

A. DOs who have been authorized to redeem savings bonds shall do so according to redemption tables and procedures in Treasury Department Circular 750 (reference (b)).

B. Redeemed bonds shall be returned on a separate SF 215 per instructions provided by the FRB.

C. Upon discovery that an amount was paid above that authorized by the applicable redemption table, report the cash shortage as an increase on line 7.2B of the DD Form 2657 and attempt to recover the overpayment from the payee. If collection is made, prepare an OF 1017-G to document the collection and record the transaction as a decrease to line 7.2B and an increase to cash. If collection action is unsuccessful, process the shortage as a physical loss of funds as prescribed in Chapter 6 of this volume.

D. DOs are required to issue an IRS Form 1099-INT (Statement for Recipients of Interest Income), to recipients of \$10 or more of interest paid on redemption of savings bonds. The IRS Form 1099-INT includes the amount of interest paid, name, address, and Tax Payer Identification Number (TIN) of the person to whom paid, and other information

required by the IRS. The TIN usually is the bond holder's SSN. Do not cash a bond for an individual who refuses to furnish this number. Since individuals redeeming bonds may move by yearend, DOs should furnish the IRS Form 1099-INT to the recipient at the time of the transaction.

### 2313 SEMIANNUAL SAVINGS BOND REPORT

The DoD Component Military Personnel Commands or Centers are responsible for transmitting to the Treasury Department a savings bond operations summary, twice yearly, on the level of participation in the savings bond program. Twice yearly, DFAS Centers that are responsible for military payrolls and all civilian payroll offices shall provide the bond issuing agents with bond participation statistics on or before the 25th day following the end of each semiannual calendar period (March 31 or September 30). The report shall include the following:

- A. The pay period ending date.
- B. The unit identification code (UIC) and title of the reporting payroll office.
- C. The UIC and title of each employing activity.
- D. A column with the total number of active, full time, permanent employees only.
- E. A column with the number of employees enrolled in the payroll savings plan.
- F. The total dollar amount allotted for the purchase of Savings Bonds during the entire six-month period.

The above data should be provided separately for each geographical location (i.e., assigned location of the installation, station, base, or post) of the member or employee. After the report is completed, the bond issuing agent will send the report and summary by May 5 for the six-month period ending March 31, and by November 5 for the six-month period ending September 30, to the DoD Component Military Personnel Commands or Centers. A copy of the report and summary will be retained by the bond issuing agent for three years.

<b>BOND CONTROL RECORD</b>							
SERIES	EE	DENOMINATION					
		\$100.00					
DATE	RECEIVED	ISSUED	SPOILED	BALANCE			
				ON HAND		REMARKS	
	QUANTITY	SERIAL NUMBERS <i>(From - To Inclusive)</i>	QUANTITY	SERIAL NUMBERS <i>(From - To Inclusive)</i>	QUANTITY	SERIAL NUMBERS <i>(From - To Inclusive)</i>	
01 OCT XX	12,500	11,195,674-11,208,179					12,500
02 OCT XX			400	11,050,201-11,050,600			12,100
04 OCT XX					1	11,050,601	12,099

DD Form 80, MAR 51 REPLACES NME FORM 80, 1 SEP 48, AND WD AGO FORM R-5100, 1 AUG 1945, WHICH ARE OBSOLETE

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**Figure 23-1. Sample DD Form 80 (Bond Control Record)**

BOND ISSUANCE SCHEDULE				
UNITED STATES SAVINGS BONDS - SERIES E				
DEPARTMENT Department of the Army	STATION AND DISBURSING STATION SYMBOL NO. <i>(For use of Issuing Office only)</i> T.S. TIMOTHY, LTC, FC Disbursing Officer Ft. Finance, IN 46216 DSSN 0001		SCHEDULE NO. 2-1	
ORGANIZATION Civilian Payroll Office			PAGE 1 OF 1 PAGES	
STATION AND DISBURSING STATION SYMBOL NO.			CONTROL NO.	
			VOUCHER NO.	
DENOMINATION \$100.00	NO. OF BONDS 4	UNIT PURCHASE PRICE \$50.00	EFFECTIVE DATE OF BONDS 01 Nov 19XX	METHOD OF PURCHASE Payroll Deduction
IT IS REQUESTED THAT UNITED STATES SAVINGS BONDS BE ISSUED IN ACCORDANCE WITH INFORMATION HEREON FOR THE INDIVIDUALS SHOWN ON THE FOLLOWING LIST CONSISTING OF 1 SHEET(S). THE FULL PURCHASE PRICE OF \$ 50.00 HAS BEEN WITHHELD FROM PAY OR COLLECTED IN CASH.				
15 Dec 19XX				
<i>(Date)</i>		<i>(Signature of Certifying Officer) (Sign original only)</i>		
DATE	EFFECTIVE AND ITEM NO.	NAME(S) AND ADDRESS OF PERSON(S) TO WHOM ISSUED	SERIAL NO.	OF BONDS ISSUED
	1	Ted D. Brown                      123456789 4315 Forest Drive Indianapolis, IN 46278 POD Betty A. Brown                      234567890		
	2	Don L. Green                      345678901 411 Pond Street Indianapolis, IN 47234		
	3	Mike E. Blacke                      456789012 2613 Chester Avenue Indianapolis, IN 46268 or Miniefred Blacke                      567890123		
	4	Chester N. Bailey                      678901234 or Stella Bailey                      789012345 1223 Oak Street Charlotte, Vermont 05445		
	5			
	6			
	7			
The letter A, B, C, or D in the item number column indicates items to be forwarded by mail is A - the owner, B - the co-owner or beneficiary, C - Federal Reserve Bank for safekeeping, service members only, or D - Departmental safekeeping <i>(not applicable to Army)</i> . Where no disposition is indicated, the bonds will be forwarded for personal delivery.				

DD Form 1084, DEC 66  
207/147

REPLACES EDITION OF 1 DEC 57,  
WHICH IS OBSOLETE.

Form Approved by Comptroller General U.S.  
19 November 1957

Figure 23-2. Sample DD Form 1084 (Bond Issuance Schedule)

<b>TRANSMITTAL OF BOND ISSUANCE SCHEDULES</b>		DATE 12 Mar XX	TRANSMITTAL LETTER NO. 51	
TO: Major Jack Peterson Accounting and Finance Officer Bolling AFB, Wash DC 20332 THRU: Major R. D. Kepner  Accounting and Finance Officer APO AE 09633		FROM: <i>(Name and symbol of finance officer)</i>  Captain T. Constable A&D Agent		
		STATION OR APO APO AE 09130		
ATTACHED ARE THE FOLLOWING BOND ISSUANCE SCHEDULES LISTING NAMES OF PERSONS TO WHOM UNITED STATES SAVINGS BONDS ARE TO BE ISSUED.				
SCHEDULE NUMBER	ORGANIZATION OR APO NUMBER	DATE OF SCHEDULE	DENOMINATION OF BONDS	TOTAL ISSUE PRICE
66	APO AE 09130	3 Mar XX	100.00	1500.00
67	APO AE 09130	3 Mar XX	200.00	600.00
			TOTAL	2,100.00
RETURN ADDRESS		SIGNATURE		
●  Captain T. Constable Accounting and Disbursing Agent 330th Bomb Wing APO AE 09130  ●		●          ●		
		TYPED NAME AND GRADE T. CONSTABLE, Captain, USAF		

DD Form 77, AUG 53

PREVIOUS EDITIONS OF THIS FORM MAY BE USED

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**Figure 23-3. Sample DD Form 77 (Transmittal of Bond Issuance Schedules)**