



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Tuesday, March 30, 2010

MEMORANDUM FOR: Other Stakeholders

FROM: John Berry, Director

Subject: Policy on Electronic Statements of Earnings and Leave

The Office of Management and Budget (OMB) issued a memo dated December 21, 2009, responding to General Government Proposals from the President's SAVE Award. Under the section, "Implementing immediate changes," it was noted that 64 percent of Federal employees still receive paper Statements of Earnings and Leave (SEL) through postal mail delivery. In response, the Federal government is taking action to make electronic statements the default option to increase the percentage of Federal employees who use this convenient, low-cost approach. This memorandum outlines the new policy.

Effective this fiscal year, OMB is directing the National Finance Center (NFC) to default all serviced employees of Executive Branch organizations to electronic delivery (no paper statements produced and mailed) of SELs. This change is a result of conversations with NFC and input provided by its serviced entities. NFC's electronic delivery system, the Employee Personal Page (EPP), will provide the capability for employees to opt out of electronic delivery and to replace electronic delivery back to paper SELs. However, OMB strongly encourages agencies to educate employees on the advantages of electronic delivery as compared to paper-based, postal delivery.

While 95 percent of employees serviced by NFC already have access to their electronic statements, 60 percent of employees serviced still receive paper-based, postal-mailed statements. The result is a cost of about \$4 million associated with the annual production and mailing of paper-based SELs which will be eliminated through implementation of this new approach.

OMB recognizes that Departments and Agencies will need time to implement this direction in Fiscal Year 2010. Agencies should work with NFC representatives to identify the earliest opportunity this fiscal year to implement electronic delivery as the default option.

OMB also encourages non-Executive Branch organizations to consider a similar change to an electronic delivery default position. The usefulness of this approach has proven to be important to employees and the cost savings are important for each organization and for the public.