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TT&L
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August 23, 1999

Cynthia L. Johnson, Director
Cash Management Policy and Planning Division
Financial Management Service, Room 420
401 14th Street, S.W.
Washington, D.C. 20227

Re: Proposed Amendment to TT&L Rate of Interest

Ms. Johnson:

This bank has historically maintained a TT&L balance account to help recover some of the costs associated with collecting (employee time, processing, etc.) TT&L payments for the Treasury. The 25 basis point spread to Fed Funds allowed us some relief from the burden of this task. Why we are charged for providing this service for the Treasury in the first place has long been a mystery to me. The amendment that Financial Management Services is proposing will take away the only relief from these expenses that we have, the ability to make a small spread on the account balance. I ask that Financial Management Services please re-think this amendment and try to keep in mind who is providing services for whom.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James E. Lott".

James E. Lott
Senior Vice President/
Chief Financial Officer

JEL/jl