



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

December 11, 2006

The Honorable Henry M. Paulson, Jr.
Secretary of the Treasury
U. S. Treasury Department
Washington, DC 20220

Dear Mr. Secretary:

For more than 23 years and in particular the past 9 years as Fiscal Assistant Secretary, I have had the honor and the privilege of serving the American public as a professional at the Department of the Treasury. My service at Treasury has allowed me to work with the most dedicated and impressive professionals and to be involved in a wide range of important financial issues. After careful reflection and consideration, I believe it is now time for me to start another chapter in my public service career.

Throughout my time at Treasury, I have always been in awe of the commitment, energy, creativity and intelligence of everyone I have been fortunate to have worked with in both political and career positions. One constant throughout my tenure has been a clear organizational focus on doing things right. For me, continuous improvement of the effectiveness and efficiency of the government's financial operations has been a guiding principle. I am very proud of the people and operations of the Fiscal Service and believe that it is well positioned to continue in pursuit of this objective.

To begin the next stage of my career, I have accepted an offer from the Board of Governors of the Federal Reserve System to be Deputy Director of the Division of Reserve Bank Operations and Payment Systems. This exciting opportunity will provide me new challenges and perspectives in advancing the public interest.

Accordingly, I offer my resignation as Fiscal Assistant Secretary to be effective in early February. I look forward to providing you with a smooth transition. My time at the Treasury has been personally rewarding and I hope that I have given back some small measure of what I have received.

Sincerely,

Donald V. Hammond
Fiscal Assistant Secretary