

**IN THIS ISSUE:**

- *What's Driving Direct Deposit Conversions?*-4
- *Beyond DCLA: New Directions at DMS-6*
- *FMS Remembers Ken Carfene-7*
- *Gregg & Grippo Receive DMR Award-7*
- *TRS—What's Coming Next?-8*
- *Cash Forecasting: the Critical Cash Management of Government Dollars-10*
- *IPP Offers FPAs Cost Savings-11*

**Published by:**

Financial Management Service, a Bureau of the U.S. Department of the Treasury

**Publisher:**

Carolyn Dunston

**Editor-in-Chief:**

Teri Hoehn

**Associate Editor:**

David W. Burgess

**Editorial Board:**

Luz Davila  
 Jennifer Evans  
 Katrina Gersie  
 Shirley Hopkins  
 Vivian Lopez  
 Michael Norman

**Address:**

401 14th Street, SW, Room 404C  
 Washington, D.C. 20227  
 Phone: 202-874-6694  
 Fax: 202-874-6965  
 Website: [www.fms.treas.gov/finconn](http://www.fms.treas.gov/finconn)  
 Email: [financialconnection@fms.treas.gov](mailto:financialconnection@fms.treas.gov)

**For a free electronic subscription, visit: [fms.treas.gov/scripts/subscription](http://fms.treas.gov/scripts/subscription)**

## Direct Express® Debit Card Surpasses One Million Enrollments

By Dale Walton, EFT Strategy Division

On May 13, 2010 the Financial Management Service (FMS) and Social Security Administration (SSA) representatives gathered to celebrate a significant milestone – over one million individuals have signed up to receive SSA and Supplemental Security Income (SSI) benefits electronically using the low-cost prepaid Direct Express® Debit MasterCard.

Launched in 2008, Direct Express® was aimed at senior citizens, people with disabilities, and other Americans who lack access to traditional banking services. FMS's

financial agent, Dallas-based Comerica Bank, issues this card available nationwide.

Why are people signing up for the Direct Express® card? As with all electronic payments, the reasons are



*(Continued on page 5)*

## CCMM Implements New Debit Gateway and Retires Two FMS Systems

By Andrew Perniciaro and Gregory Till, Modernization Planning Office

The Collections and Cash Management Modernization (CCMM) project is an ongoing effort to implement a new systems architecture for the collections and cash management programs of the Financial Management Service (FMS) and the Department of the Treasury. CCMM will reduce the number of systems used for each collection channel (over-the-counter, mail, phone, and Internet), will lead to the use of gateway applications for various settlement mechanisms (checks, Automated Clearing House (ACH) debits, ACH credits, Fedwires, and debit and credit cards), and

centralize most transaction and deposit reporting to Federal Program Agencies (FPAs) through a single program. The following is a summary of recently completed and upcoming strides taken as part of CCMM this year.

**So Far This Year**

*Two Programs Retired*

In the move to a new collections architecture, recent months have seen the retirement of some legacy programs. The functionality of the

*(Continued on page 3)*



## Upcoming FMS Conferences

### 2010 Year-End Closing Seminar August 2, 2010

Ronald Reagan  
Building & International  
Trade Center  
Washington, D.C.

[www.fms.treas.gov/tas/  
conference/seminar.html](http://www.fms.treas.gov/tas/conference/seminar.html)

### 20th Annual Government Financial Management Conference August 3-4, 2010

Ronald Reagan  
Building & International  
Trade Center  
Washington, D.C.

[www.fms.treas.gov/tas/  
conference/annconf.html](http://www.fms.treas.gov/tas/conference/annconf.html)

# FMS Conference Features “Balancing Changes in Financial Management”

By Wanda Rogers, Deputy Commissioner, FMS

As I write this article I find it hard to believe but the last quarter of Fiscal Year 2010 is within view. That means planning for the Annual Government Financial Management Conference has been going on in earnest. For the twentieth consecutive year, the Financial Management Service (FMS) is sponsoring the conference to help Federal Program Agencies (FPAs) stay current with what’s happening in the Federal financial arena and look forward to what’s to come.

The theme for the 2010 conference is “Balancing Changes in Financial Management.” If you are in the government’s financial community, no explanation about the theme selection is needed. Balancing change is an everyday priority. Trying to balance new requirements and initiatives with continuing to get the job done is challenging, and is not going away.

To help Federal Program Agencies (FPAs) with “Balancing Changes in Financial Management,” we’ve put together a great conference that attendees will find relevant and engaging. The event will be held at the Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Avenue, NW, Washington, DC on August 3-4, 2010. The conference design includes plenary sessions, keynote addresses, concurrent breakout sessions, networking

reception, corporate and government exhibits, and offers up to 16 Continuing Professional Credits (CPE) hours.

Sessions are given by financial management experts, such as Chief Financial Officers (CFOs) and Deputy CFOs, in addition to selected

speakers from the banking community and private sector.

Topics for 2010 include:

- Covert Processes: Exploring the Hidden Barriers to Balancing Changes in Financial Management
- Collections and Cash Management Modernization Implications for Agencies



Wanda Rogers, Deputy Commissioner, FMS

- Holistic Approach: ARM your Agency with EFT Solutions
- The Transition to GWA Reporting, and more.

It promises to be an excellent learning and networking opportunity for government financial managers and accountability professionals. For more information about the conference, session topics and general conference information, please visit the conference website at: [www.fms.treas.gov/tas/  
conference/annconf.html](http://www.fms.treas.gov/tas/conference/annconf.html)





# CCMM Implements New Debit Gateway and Retires Systems

By Andrew Perniciaro and Gregory Till, Modernization Planning Office

(Continued from page 1)

FEDTAX II system that allowed FPAs to make tax payments has been folded into the Electronic Federal Tax Payment System (EFTPS). The functions of the Pre-Authorized Debit (PAD) program have been incorporated into Pay.gov.

## Progress Made in Eliminating Additional Programs

The number of Federal Tax Deposit (FTD) coupons processed under the Paper Tax Application (PATAX) continues to decline in anticipation of the decommissioning of this system next year. FTD coupon volume is down over 20% compared with last year. In addition, the Treasury Department announced that coupons will no longer be used after the end of this year, which effectively will end PATAX.

Progress continues to be made in reducing the number of electronic lockboxes. Many of the ACH debit lockboxes have been converted to Pay.gov, while ACH credit and Fedwire lockboxes have been consolidated elsewhere as well.

## New System Implemented

The Debit Gateway has had its first production release with Pay.gov (Internet). It is the first of the new settlement gateways to be up and operational. Transactions from the over-the-counter, mail, phone, and Internet collection channels eventually will flow into the gateway. Other applications will migrate to the gateway over time. These migrations should be invisible to FPAs, but will consolidate many solutions currently used for electronically settling checks and ACH debit transactions.

## Upcoming Credit Gateway

The next settlement gateway to come online will be the Credit Gateway, planned for releases in

September and December. Implementation of the Credit Gateway will allow for the elimination of several systems. The Fedwire Deposit System (FDS), Remittance Express (REX), and the Federal Reserve Electronic Transaction Application (FR-ETA) will be retired this year, as incoming ACH credits and Fedwires begin to flow through the gateway. In the case of FDS and REX, agencies still will be able to view deposit details in CA\$HLINK II, which will make this information available at the end of the day. Transactions also will be reported to agencies through the Transaction Reporting System (TRS), often more expeditiously than will be the case through CA\$HLINK II.

## TRS

TRS is the heart of the CCMM architecture. TRS will serve as the single touchpoint for much of the collections data that currently flows to agencies through many programs. TRS is currently in production and will continue to expand on its operations throughout the year. Until recently, the focus of TRS has been in obtaining transaction data from other programs. With much of that data now coming into TRS, the emphasis is beginning to shift towards TRS providing data to FPAs. Dozens of FPAs will have access to TRS by the end of the year. For the foreseeable future, the information that TRS provides to FPAs will not replace the data that FPAs receive from collections programs, although at some point TRS will become the single touchpoint. For now, information will be made available in parallel through both TRS and the

collections programs.

## OTCnet

The first release of the OTCnet system will be coming in the next 6 months. OTCnet will replace both the Paper Check Conversion Over the Counter (PCC OTC) and TGAnet systems. To plan for the conversion, the onboarding of agencies to the PCC OTC and TGAnet systems will cease effective October 1. FPAs that want to implement PCC OTC or TGAnet through September 30 will be supported and are encouraged to use these systems. After that date, the focus will be on the preparation needed to convert FPAs to the OTCnet system and FPAs will only be able to implement OTCnet, not the legacy systems. The conversion of PCC OTC FPAs (as well as FPAs using CA\$HLINK II for deposit entries) is expected to last until 2012.

In another six months, we hope to confirm these upcoming milestones and tell you about additional changes that are



Greg Till (center), Director of the Modernization Planning Office (MPO) meets with Shalene Gupta (on left) and Andrew Perniciaro (on right) of the MPO staff. (FMS Photo/Teri Hoehn)

coming down the line. Stay tuned!

For more information about CCMM visit us on-line at [www.fms.treas.gov/ccmm](http://www.fms.treas.gov/ccmm). Also, check out our 2010 Webinars for FPAs available for download at [www.fms.treas.gov/ccmm/outreach.html](http://www.fms.treas.gov/ccmm/outreach.html)



# Go Direct® - The Cornerstone Driving Millions of Direct Deposit Conversions

By Shirley Hopkins, EFT Strategy Division

**A**head of the Department of Treasury's press release encouraging Federal benefit recipients to Go Green and receive their benefits electronically, *Go Direct®* Campaign efforts have succeeded in surpassing Treasury's goal of 1 million conversions from check payments to direct deposit. Promoting electronic (direct deposit) payments over check payments since 2005, *Go Direct®* is the nationwide campaign aimed at converting Federal benefit check recipients to direct deposit.

### Market Research & Media Outreach

In year five of the campaign, an additional 1,556,470 Federal benefit check recipients now receive their benefit payments by direct deposit, saving all taxpayers approximately \$1,164,812.42 in processing costs to make these payments. More importantly, the convenience, safety and timeliness advantages of receiving Social Security benefit payments are significantly improved. Walt Henderson, Director of the EFT Strategy Division, the group responsible for implementing the *Go Direct®* Campaign, is not surprised Treasury was able to exceed its goal, "More and more Federal benefit recipients are realizing the advantages of direct deposit, and the *Go Direct®* Campaign helps reinforce that message with check recipients and helps them make the conversion."

Along with constant marketing efforts, Henderson particularly attributes this realization to the crafting of "solid messaging." Extensive market research, conducted under the *Go Direct®* Campaign, has developed a better knowledge of the Social Security Administration (SSA) and Supplemental Security Income (SSI) target audience, allowing for the creation of messaging important to this market.

Using data obtained from market research results, the *Go Direct®* message is constantly in the news media, including: print, online

and broadcast outlets. Along with traditional media avenues, Treasury is aware that for the news to be shared among those most interested, the latest social media outlets must also be used. As of May 14, the *Go Direct®* message was featured in 39 Blogs, 115 Tweets, and 10 Facebook posts.



Walt Henderson, Director, EFT Strategy Division

### Fundamental Aspects

Along with inclusive market research and media outreach, Henderson also attributes the success of the *Go Direct®* campaign to its fundamental aspects: the dedicated 1-800 number, available since its inception, which allows check recipients to enroll in direct deposit over the phone; online enrollment at [www.godirect.gov](http://www.godirect.gov); and Treasury's strong partnerships with financial institutions and community-based organizations. To date, 388 community-based and 47 national consumer organizations partner with Treasury to promote direct deposit to its constituents. More than 1,300 financial institution partners, around the country, implement the *Go Direct®* mission.

### Marketing Campaigns

A significant conversion event

first implemented in year 2 of the Campaign was the "Countdown to Retirement" Pillar. Recognizing that the first baby-boomers would reach retirement age, Treasury leveraged its relationships with the SSA and community-based organizations to direct Campaign marketing efforts at baby boomers eligible for Social Security retirement benefits in 2008.

In addition to media outreach, the Campaign included a paper and on-line pledge drive, for use in SSA pre-retirement seminars, to encourage baby-boomers to choose direct deposit when they start receiving Social Security benefits. Highly successful, over 57,000 pledge cards were ordered by local and regional SSA offices.

Another major contributor to the success of the Campaign is its annual *Go Direct® Champions* "competition." Financial institution partners across the country are solicited to participate in a "friendly competition" to convert the largest number of SSA and SSI check recipients to direct deposit. The partners are grouped into four tiers, each tier representing a portion of the country. The top three performers in each tier are named as *Go Direct® Champions*. One-hundred and twenty financial institutions, representing 2,400 branches nationwide, compete to convert SSA check recipients to direct deposit.

When asked about the future for Treasury and the delivery of benefit payments as Treasury moves closer to its overall goal of an "all electronic" environment for payments, Henderson proudly proclaims, "*Go Direct®* will be the cornerstone of that effort driving millions of direct deposit conversions. "





## Direct Express® Debit Cards Surpasses One Millionth Enrollment

By Dale Walton, EFT Strategy Division

(Continued from page 1)

obvious and include:

**Fast and Easy** – Funds get credited to their Direct Express® card account on payment day each month. There is no need to wait for the mail to arrive or make a special trip to cash a check.

**Safer** – There is no risk of lost or stolen checks, and there is no need to carry large amounts of cash. Money in the card account is FDIC-insured and there is other government liability protection against unauthorized use of the card. And, if a card is lost or stolen, it can be replaced.

**Convenient** – A payee can make purchases, pay bills, buy money orders and get cash at thousands of Automated Teller Machines (ATMs) and over-the-counter locations nationwide. The card can be used 24 hours a day, 7 days a week.

**Low Cost** - Most services are free with no sign-up fees, monthly fees, or overdraft charges. Moreover, people have a lower-cost alternative to check-cashing businesses.

When initially launched, FMS was unsure how many individuals would be attracted to this service. However, it is clear that many individuals like the benefits. As seen in a 2009 cardholder survey, 95% of the respondents were satisfied with the card, while 86% said they would recommend it to family members or friends who receive Federal benefit payments.

While one million enrollments is a significant achievement, work

continues to expand the Program, which is a key component of the recently announced Treasury initiative to dramatically increase electronic payments government-wide. A core team that includes FMS Payment Management, Comerica Bank, SSA, and other stakeholders is committed to increasing enrollments. Anyone receiving SSA or SSI benefits by paper check is encouraged to sign-up. In addition, the Program will be piloted this spring/summer with the Department of Veterans Affairs. Beginning May 12, 2010, direct mail was sent to the initial group of 150,000 veterans who currently receive Treasury checks seeking their participation. In the future, there are plans to expand the Direct Express card to those who receive benefits from the Railroad Retirement Board, the Office of Personnel Management and the Department of Labor. The functions of the Federal Reserve Bank of Dallas Call Center that handles traditional Direct Deposit enrollments under the Go Direct Program have been expanded to include Direct Express enrollments, therefore, expanding electronic payment enrollment services at the same location.

In addition to increasing enrollment volumes, there is a commitment to ensuring cardholders understand how best to use and secure the card. For some people, this may be their first or second time using a debit card. It is important that there be an effort to help these individuals understand and feel comfortable using the card, and in a way that meets their needs such as getting cash back at the point-of-sale in retail stores. In the long-run, this helps bring more Americans into the mainstream of financial products and services.

To learn more about Direct Express® visit their website at: [www.directexpress.org](http://www.directexpress.org).





## Beyond DCIA: New Directions in Debt Collection

### DMS Contact Directory

**Administrative Wage Garnishment**  
202-874-8700

**Agency Cross-Servicing Policy**  
800-858-8700

**Federal Program Agency Inquiries**  
800-858-0725

**Child Support**  
202-874-0540

**Credit and Debt Management Policy**  
202-874-6600

**Cross-Servicing Debt Exemptions**  
202-874-6600

**Debt Check**  
202-874-0540

**Debt Collection Agency Training and Education**  
202-874-8580

**Debt Collection Center Designation**  
202-874-6600

**Debt Collection Performance**  
202-874-8580

**Debt Management Agency Facilitation**  
202-874-8580

**Debt Write-Off**  
202-874-6600

**Debtor Inquiries**  
**Treasury Offset Program Call Center**  
800-304-3107

**Debt Management Servicing Center**  
888-826-3127

**N**ext year, the Financial Management Service's (FMS's) Debt Management Services (DMS), will celebrate the fifteenth anniversary of the Debt Collection Improvement Act of 1996 (DCIA) and the establishment of a centralized debt collection program at Treasury. Since that time, and in partnership with the Federal Program Agencies (FPAs) and states, DMS has collected over \$43 billion in delinquent debt through its Treasury Offset and Cross-Servicing programs. A large part of the success of this program is due to the partnerships forged between DMS and Federal and state program agencies. DMS would like to take this opportunity to thank all of the FPAs and States that have participated in building this unique debt collection program and contributing to its great success. Although DMS has grown and evolved during this time, our mission remains the same. We are committed to meeting FPAs' needs to provide the best available debt collection service.

DMS is committed to sustaining an effective partnership with all Federal and state agencies with a renewed emphasis on refocusing efforts aimed at ensuring compliance with the law and adherence to sound debt collection practices. DMS plans to meet with major creditor agencies to discuss its plans to pursue new initiatives to achieve the mandates of the DCIA and other authorities.

These initiatives will focus on new ways in which DMS can help FPAs resolve their specific debt-related challenges, and exploit all available debt collection services and tools DMS provides. Some of the expanded services that we plan to offer include the use of improved analytics, forecasting, and predictive modeling; assistance with due process hearings; newly

designed FPA and state training activities; Web-based training; and tailored training support to improve debt collection results. Our goal is to partner with FPAs and assist them with their debt collection efforts.

Two debt collection tools that have proven to be very successful for the FPAs are Centralized Salary Offset and Administrative Wage Garnishment (AWG). In FY2009, over 30 FPAs participated in Salary Offset with combined collections in excess of \$79.9 million. The AWG Program has experienced significant growth with collections through April 2010 reaching more than \$8.6 million. DMS is currently conducting a pilot for AWG hardship hearings with several FPAs: United States Department of Agriculture (USDA), Federal Emergency Management Agency (FEMA), U.S. Coast Guard (USCG), FMS, Department of Transportation (DOT), and the Bureau of Public Debt (BPD). The pilot was developed to reduce the work load for FPAs when a debtor requests a hardship hearing by providing hearing services to the FPAs. The pilot began in November 2009 and will continue through the end of this fiscal year, when it will be evaluated for expansion to additional FPAs. We encourage FPAs to take full advantage of all the collection tools and services we offer. If you would like more information about AWG, Salary Offset or any other of our debt collection services, please call the Agency Liaison Division on 202-874-6660.

Throughout 2010 and beyond, we hope to build, strengthen and expand upon our FPA relationships. We look forward to working with you and to joining you in celebrating this important anniversary.



## FMS Remembers Fiscal Assistant Secretary, Kenneth E. Carfine

On April 23, 2010, the Financial Management Service (FMS) family lost one of its most treasured members, Fiscal Assistant Secretary, Kenneth Carfine. An expert in the field of managing the government's money—from cash management to payments systems to financing government's operations—Ken will always be remembered for his creativity, dedication and patience.

"Ken embodied the ethic of the Treasury civil service that I admire so much," Secretary Geithner said in April. "One of utmost integrity, with a commitment to advancing the public interest. He served as the voice of reason and responsibility—always doing what was right, not what was expedient. He worked to make our government more effective, and in doing so, our society better and fairer."



Former FMS Commissioner, Judy Tillman, welcomes and recognizes Fiscal Assistant Secretary, Kenneth Carfine at a Go Direct@ "Champions" celebration in June 2008 at the Department of the Treasury. (FMS Photo/Teri Hoehn)

Beginning his Treasury career at FMS in 1973, Ken worked in banking, cash management and government-wide accounting. In 2003, he was appointed as the Deputy Assistant Secretary for Fiscal Operations and Policy, where he worked closely with

FMS, the Bureau of the Public Debt and the Federal Reserve System. In 2007, Secretary Paulsen appointed him to the highest ranking career position at Treasury—Fiscal Assistant Secretary, where he helped direct Treasury's work under the American Recovery and Reinvestment Act and the implementation of a national debit card for Social Security benefit recipients.

It was fitting, for those of us who knew Ken, that the Treasury Department should bestow upon him the highest of honors last year for his lifetime of work—the Alexander Hamilton award.

Our hearts go out to his wife, Deborah, and two sons, Ken Jr. and Gregory. At FMS, we are grateful for the opportunity to have worked along side of, and under the direction of, this humble and visionary leader, who taught us all the importance of personal integrity and dedication as civil servants. Ken will be deeply missed.

## Richard L. Gregg and Gary Grippo Receive U.S. Army DMR Award

On May 7, 2010, Richard L. Gregg, Fiscal Assistant Secretary, and Gary Grippo, Deputy Assistant Secretary for Fiscal Operations and Policy of the U.S. Department of the Treasury, received the prestigious Distinguished Member of the Regiment (DMR) award from the U.S. Army Finance Corps. The recognition ceremony took place in Columbia, SC (near Ft. Jackson). The DMR award honors individuals whose legacy of landmark contributions and special acts brings significant credit to the Finance Corps. Distinguished Members of the Regiment show a lasting dedication to the Army's Financial Management Command's core values of patriotism, integrity, competence, and service.

The U.S. Army Finance Corps cited Mr. Gregg and Mr. Grippo for their significant contributions to military members and their families,

as well as civilian personnel in the area of cash management. Their strategic vision and leadership brought innovative e-commerce solutions, like EZpay and EagleCash smart-card technologies, the U.S. Debit Card, and Paper Check Conversion Over the Counter (PCC OTC) to Army locations worldwide. These Treasury applications have become the Army's standard for reducing the amount of cash used to support financial operations.

To date, Treasury has issued more than 3.9 million stored value cards with a financial value of more than \$3.7 billion. The PCC OTC program, to date, has converted 30.2 million paper checks with a financial value of \$52.7 billion.

The U.S. Debit Card, another globally used cash management tool for military travel, cash advances, and disaster relief, currently has 60,000 active cards with an average daily balance of \$4.1 million.



(From left to right) Gary Grippo, Deputy Assistant Secretary for Fiscal Operations and Policy, U.S. Department of the Treasury; COL Troy A. Clay, Commander, U.S. Army Financial Management Command, Richard L. Gregg, Fiscal Assistant Secretary, U.S. Department of the Treasury.



# TRS is in Production: How to Prepare and What's Coming

By *Da Vida Beamer, Accounting and Data Management Division*

On September 28, 2007, when the Financial Management Service (FMS) and its financial agent partner, PNC Bank, completed the platform infrastructure and application framework for the new Transaction Reporting System (TRS), the news may have been received by Federal Program Agencies (FPAs) as just one more upcoming adjustment in the ever-changing business environment. Still, it was a change that was going to happen in the distant future. That future is now upon us.

Today, FPAs are largely aware that TRS is a core component of the Collections and Cash Management Modernization (CCMM) initiative, which is a multi-year effort to simplify and modernize the collections and cash management programs of the Financial Management Service (FMS) and the Department of the Treasury. It has been widely publicized that TRS is designed to take over the deposit reporting function of CA\$HLINK II (CL II), in turn becoming an FMS-wide transaction broker, data warehouse, and reporting solution that will provide agencies and FMS with a single touchpoint for the exchange of all financial transaction information across all collections systems. What some FPAs may not know is that TRS development is well underway and is being deployed using a phased-implementation strategy. Using this approach, different collections sources will begin reporting financial transaction information over a three-year period, allowing agencies to use TRS and CL II in parallel. Currently, there are several collections agents providing information to TRS, including TGA.net, Fedwire, and Card Acquiring Service. Additional collections sources will begin reporting data to TRS throughout Calendar Years (CY) 2010 and 2011. By the end of 2011, the plan is for all major collections sources to report data to TRS.

## TRS Benefits to FPAs

The benefits of using TRS are

noteworthy. Once completed, TRS will greatly improve the way FPAs collect, analyze, and redistribute financial transaction information, which will eliminate redundancies and disconnects across and between the numerous point-to-point connections currently in place between collection agents and FPAs. TRS reporting capabilities will minimize the time it takes an agency to research multiple financial and fiscal agents to gain knowledge of posted transactions. All TRS reports can be accessed online and downloaded into PDF, Excel and Comma Separated Values (CSV) formats. TRS also gives FPAs the option of using file transmissions, which can be scheduled. Information that is currently received from the numerous collection agents and CL II will be available using a variety of reports including the following TRS reports currently in production: the Voucher Report, Fedwire Summary Report, Plastic Card Report, and the Financial Transaction Report. The TRS Team's goal is to listen to FPAs and learn how to improve TRS capabilities and processes. To date, FPA representatives have played a role in the development of the TRS reports by providing feedback during Introduction to TRS sessions and focused report reviews.

As progress continues on TRS development, the TRS Agency Enrollment Team is working diligently to enroll FPAs in TRS. An important first step is for key agency collections and cash management decision makers to attend an Introduction to TRS session. The information that follows provides a high-level overview of the purpose of the Introduction to TRS sessions and what general information is covered.

### "Introduction to TRS" Session — Taking the First Step

As reported in the Special FMS Conference Edition 2009 of the "Financial Connection," TRS aims for a smooth transition by providing open and ongoing communication with agencies. The "Introduction to TRS" sessions provide FPA representatives with a full day's

access to key TRS subject matter experts and Agency Enrollment Team members. In these interactive, working sessions, participants receive a comprehensive overview of TRS. Sample agenda items include an overview of CCMM and TRS, a comparison of TRS and CL II, a live demonstration of FPA reports in production, TRS release strategies, and an overview of the transition planning and enrollment process. Participants have opportunities to share and provide insight about TRS, including how they would use the system, the types of data elements that they would like to see displayed in reports, and even FPA-specific issues that may affect system migration.

The "Introduction to TRS" sessions have benefited greatly from FPA participation as well. FPA feedback through dialogue and session evaluations has resulted in adding: agency breakout sessions that focus on topics of special interest to FPAs, a live TRS demonstration, greater emphasis on how TRS facilitates a simplified GWA process, and an overview of the agency enrollment strategy and process.

The TRS Agency Outreach Team has conducted Introduction sessions in various parts of the United States in order to reach and attempt to inform all agencies of how TRS can change their everyday processes. Once a FPA representative has attended an "Introduction to TRS" session, your agency can begin the journey of TRS enrollment. Over the years of conducting "Introduction to TRS" sessions, more and more FPAs have expressed their interest and need for internal preparation to fully utilize TRS and attending an "Introduction to TRS" session can put your agency on the fast track of becoming a TRS enrollee.

For more information visit our website at: [fms.treas.gov/trs/events.html](http://fms.treas.gov/trs/events.html) or contact the TRS Agency Outreach Team via the outreach hotline: 301-699-6814. You can also email us at: [TRSAgency-Outreach@pnc.com](mailto:TRSAgency-Outreach@pnc.com).



# Enrolling in TRS—Strategy, Benefits and Getting Onboard

By Jeff Matus, Accounting and Data Management Division

On September 13, 2010, the Transaction Reporting System (TRS) will reach its most significant milestone to date with the implementation of the Credit Gateway. The Credit Gateway will be a new Financial Management Service (FMS) service intended to receive all incoming wire transfers and Automated Clearing House Network (ACH) credit payments sent to the Federal government. It will replace the Fedwire Deposit System, Remittance Express (REX), and other electronic fund transfer credit collections mechanisms currently accessed through CASHLINK II (CL II). After the release of the Credit Gateway, Federal Program Agencies (FPAs) will be able to go through TRS rather than CL II to access their data from these collections systems.

Fedwire and REX collections information will still be available in CL II until its sunset date of 2012; however, the timing of data availability will be affected. Those FPAs that utilize the Agency Fedwire Message Query in CL II for transactions settling during the current day and the REX/ACH Query to search for transactions to be settled at a future date will no longer find this data in CL II. The ability to access these specific Fedwire and REX/ACH transactions will be available in TRS with the implementation of the Credit Gateway. In order for FPAs to access this data they must be enrolled in TRS.

## TRS Agency Enrollment Strategy

The TRS Agency Enrollment Team has prioritized FPAs needing access to same-day Fedwire and pre-settled REX/ACH transactions as being in the first wave of FPAs to be enrolled. The Enrollment Team has divided FPAs into three waves of enrollment. The first wave consists of those FPAs mentioned above. The second wave includes those FPAs that specifically requested to enroll in TRS, participated in the TRS Pilot, or User Acceptance Testing, or have all of their collections reporting to TRS. Finally, the third wave of enrollment consists of all the FPAs

that were not included in either of the first two waves.

Enrollment of the Wave One FPAs has already begun with many currently accessing TRS to view their collections data. All Wave One FPAs will need to be enrolled in TRS by the September 13, 2010 Credit Gateway implementation date so that they do not lose any of their current Fedwire and REX/ACH collections capabilities. In the third quarter of calendar year 2010, Wave Two FPAs will begin to be enrolled, with the Wave Three FPAs beginning near the completion of Wave Two.

All Wave One FPAs received a letter from the TRS Agency Outreach Team in April of this year describing their enrollment status and nearly all have been personally contacted by a member of the Enrollment Team to begin the enrollment process. Once the process has begun, it takes approximately four to six weeks, depending on the complexity and level of commitment of the FPA, to be completely enrolled. If your FPA needs access to same-day Fedwire data or pre-settled REX/ACH transactions but did not receive the communication from the TRS Agency Outreach Team acknowledging the need to be enrolled in Wave One, please contact the Enrollment Team through one of the avenues provided at the end of this article so that we can complete your agency's enrollment before the September 13, 2010 implementation of the Credit Gateway. Additionally, if your FPA is not considered a Wave One agency but is interested in early enrollment, your FPA should also contact the Enrollment Team to begin making the requisite changes to see its collections activity in TRS.

## Benefits of Early Enrollment and Getting Enrolled

Enrolling early in TRS has numerous benefits. Your FPA will have early access to a more modern, single touchpoint for your FPA's collections reporting. In addition, your FPA will be able to make the changes necessary to access collections data on TRS on your

time schedule. Early enrollment also provides that extra time for end users of TRS to become acclimated to the system as well as compare the differences between TRS and CL II. As the CL II sunset date gets closer, more FPAs will feel the urgency to enroll in TRS. We encourage FPAs wanting a personal, more hands-on TRS enrollment experience to begin the process sooner rather than later. This will avoid any potential bottlenecks that could occur due to late responders.

After an FPA has been contacted by the Enrollment Team to begin the enrollment process, the TRS Enrollment Initiation Questionnaire is sent to the FPA's point of contact for the transition to TRS. Upon receipt of the completed Questionnaire, one of the members of the Enrollment Team will conduct a Kick-Off Meeting with representatives from the FPA to discuss the FPA's current collections activity and the TRS user enrollment configuration. Once the Enrollment Configuration Summary is completed and verified, the FPA's access group and user profiles are set up in TRS. Training of TRS is provided by Web-based training modules that users can access on their schedules. When an FPA's users have completed the training, the FPA is officially enrolled in TRS!

Any questions regarding enrollment in TRS should be directed to the **TRS Agency Enrollment Team** at [TRSAgencyOutreach@pnc.com](mailto:TRSAgencyOutreach@pnc.com) or **301-699-6814**. All FPAs are encouraged to visit the TRS website at: [fms.treas.gov/trs/index](http://fms.treas.gov/trs/index) for further information about TRS and how it will affect your FPA. Specifically, FPAs are encouraged to view the "Introduction to TRS" Webinar located on the website.



# Cash Forecasting: The Critical Cash Management of Government Dollars

By Karen Thomas, Cash Forecasting Division

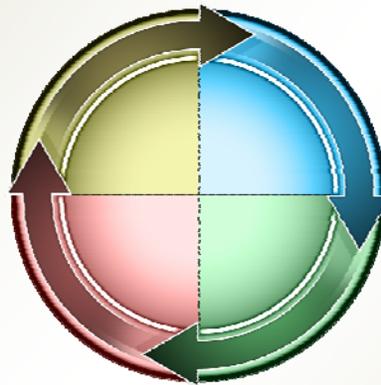
The Cash Forecasting Division (CFD) is responsible for preparing and publishing the Daily Treasury Statement (DTS) which summarizes the U.S. Treasury's cash and debt operations for the Federal government. The DTS is reported on a cash basis; deposits are reported as received and withdrawals are reported as processed. CFD publishes the DTS and it is available on the Financial Management Service (FMS) website each business day at 4:00pm EST ([www.fms.treas.gov/dts](http://www.fms.treas.gov/dts)). In addition to publishing the DTS, CFD provides program support to the Office of the Fiscal Assistant Secretary (OFAS) in monitoring, forecasting, and managing Treasury's cash and debt position.

The information reported daily is used for this critical cash management function which is collected and maintained in the CASHTRACK system. CASHTRACK records daily cash transaction data to allow Treasury to make the necessary cash management decisions that meet the Government's daily payment requirements, maintain a desirable operating cash balance, and allows for the investment of excess cash. CASHTRACK collects and records cash transaction information relating to deposits, withdrawals and public debt financing. These actual transactions result in the publication of the Daily Treasury Statement.

## What does the Treasury Financial Manual (TFM) State?

Federal Program Agency (FPA) Financial officers, Treasury Regional Financial Centers, non-Treasury disbursing offices and FPAs with disbursing offices, and FPAs with delegation of disbursing authority must report in advance

all disbursements and deposits totaling \$50 million or more. Large disbursements or deposits must be reported in advance of the transaction settlement date. A minimum of two business days' notice is required for transactions totaling \$50 million or more; and five business days for transactions of \$500 million or more. Some financial officers may not presently be informed in advance of upcoming disbursements. If this is the case in your agency, it is required that a formal system of notification be established with



your agency to ensure that the necessary disbursement and deposit information is provided to the CFD for cash forecasting purposes. For additional information, please review TFM Volume 1, Part 6, Chapter 8500, Section 8535 (<http://www.fms.treas.gov/tfm/vol1/v1p6c850.pdf>).

## How can the Agencies help?

Your role in managing the nation's money would be in the daily submission of your Large Dollar Notifications (LDNs). LDNs are essential to maintain accurate estimates of the Treasury's Operating Balance and ensure that the Federal government has an effective cash flow to make payments and invest extra cash.

LDNs reported to CFD must include the following information:

- Name of the FPA
- Contact name and telephone number
- Agency Location Code
- Description of Transaction
- Transaction settlement date
- Amount of deposit/disbursement
- Payment mechanism

When reporting LDNs, agencies can notify the Cash Forecasting Division by using the following:

### CASHTRACK Web

[www.cashtrack.fms.treas.gov](http://www.cashtrack.fms.treas.gov)

### E-mail

[Funds.control@fms.treas.gov](mailto:Funds.control@fms.treas.gov)

**Fax** 202-874-9945

**Telephone** 202-874-9789

## How can CASHTRACK Web benefit you?

CASHTRACK Web allows government entities to provide more accurate and timely notifications. It allows CFD and OFAS to provide better forecasting that meets the Government's daily cash management decision needs. CASHTRACK Web eliminates manual entries, faxes and telephone calls, and allows for the continuation of daily operations during contingency situations.

For more information about FMS's Cash Forecasting, contact Karen Thomas, Staff Accountant, Cash Forecasting Division at 202-874-8949.



# Internet Payment Platform Offers Significant Cost Savings for FPAs

By Pavita Murthi, Agency Enterprise Solutions Division and Paul Lionikis, Federal Reserve Bank of Boston

The Internet Payment Platform (IPP) is a centralized electronic invoicing and payment information service offered by the Financial Management Service (FMS) at no cost to Federal Program Agencies (FPAs) and their commercial vendors. IPP is a managed service that compliments existing agency and vendor financial systems and is provided by FMS as a means of reducing costs and improving financial processing across the Federal government. FPAs do not deploy the IPP application within their own system environment; rather, agency systems and users electronically exchange files with a single centralized instance of IPP hosted within a secure Treasury infrastructure.

IPP provides FPAs with cost saving opportunities through reduced reliance on paper-based invoice processes and expedited payment approval cycles. By providing a single centralized portal for the FPA and supplier users, the IPP:

- Improves access to payment information for all users by interfacing with existing FMS disbursement and accounting systems, as well as the procurement, accounts payable (A/P) and accounts receivable (A/R) systems of users.
- Provides on-line self-service functionality for supplier users, reducing burdens on FPA staff related to answering inquiries on invoice and payment status.
- Enables FPAs to send electronic purchase orders (POs) and receive electronic invoices, reducing the cost of paper-based orders, supplier correspondence, associated postage and the cost of manually processing incoming invoices.
- Facilitates shorter payment approval cycles by providing

web-based workflow for expedited approvals of invoices, savings on handling costs per payment transaction and improving FPA-supplier relations.

One FPA using IPP reported savings of 24% to 46% per commercial vendor payment over manual invoice processing.

IPP utilizes a modular design to allow FPAs to select and implement the specific services most appropriate to their business needs. At present, there are four modules offered in IPP:



- **Purchase Orders:** Allows FPAs to upload POs from their procurement system, notifies suppliers that they have received a PO and allows them to access it.
- **Invoices:** Gives suppliers the ability to create and submit invoices, notifies FPAs when an invoice has been received, and exports the invoices back to the core financial system.
- **Workflow:** Supports a sophisticated invoice approval process. Offers multiple approval steps, escalation if the invoice is not processed promptly, delegation and reassignment.
- **Payment Notifications:** Provides suppliers with remittance data on their payments made by Treasury, including

Treasury Offset information.

An FPA does not have to use all four IPP modules, and may roll them out in phases. For instance, an FPA may opt to use their core financial system's workflow instead of IPP's workflow module. In addition, each FPA can configure IPP to support their specific business processes. This includes setting up the agency's business rules for screening invoices, various email notifications, workflow routing and parameters, etc.

FPAs using IPP today for PO and invoice processing are the Bureau of Engraving and Printing (BEP), the Bureau of Public Debt's Administrative Resource Center (BPD/ARC), and the Department of Interior (DOI). BPD/ARC is rolling out IPP for all of their customers, several of whom are already in production. DOI is implementing IPP at each of their internal bureaus as part of the conversion to their new core financial system, FBMS. IPP also provides Payment Notifications to suppliers on behalf of over 168 different Federal entities.

IPP is currently in implementation for the Department of Agriculture's (USDA/FS) Forest Service, and it is under evaluation by many other departments and FPAs.

Another exciting IPP initiative is a pilot program for Intra-governmental buy/sell transaction processing between BEP and BPD. Under this pilot, BEP uses IPP to post purchase orders for goods or services that BPD will provide, and BPD submits invoices against those purchase orders. IPP allows the two FPAs to better track and reconcile their transactions. Future releases will include support for additional data from the standard Interagency Agreement, workflow processes to facilitate submission and acceptance of buy/sell transactions and an automated interface to IPAC for settlement.

For further information on IPP, please contact Pavita Murthi at 202-874-3685/[pavita.murthi@fms.treas.gov](mailto:pavita.murthi@fms.treas.gov), or Paul Lionikis (FRB Boston) at 617-973-3637/[paul.lionikis@bos.frb.org](mailto:paul.lionikis@bos.frb.org), or visit the IPP website at: [www.ipp.gov](http://www.ipp.gov).



## PAYMENT MANAGEMENT CUSTOMER CONFERENCE

Presented by the FMS Regional Financial Centers

August 24-25, 2010

Omni Interlocken Hotel in Broomfield, CO

Payments • Collections • Accounting Programs

### TOPICS →

- Evolution of U.S. Payments
- Payments 101
- Payment Application Manager (PAM)
- GWA & Agency Best Practice
- International Treasury Services (ITs.gov)
- Collections and Cash Management Modernization
- Treasury Offset Program
- and much more...

### Who →

- Chief Financial Officers
- Finance Officers
- Payment & Collection Managers/Supervisors
- Accountants

### WHERE →

Omni Interlocken Hotel  
500 Interlocken Blvd.  
Broomfield, CO 80021  
303-438-6600

**To Register Visit : [www.fms.treas.gov/rfctraining.html](http://www.fms.treas.gov/rfctraining.html)**

#### **For Additional Information, Contact Your Servicing Regional Financial Center (RFC):**

Austin Financial Center (AFC): Joan Harper 512-342-7307 or Catherine Young 512-342-7206

Kansas City Financial Center (KFC): Thomas Nelson 816-414-2185 or Lauren Ray 816-414-2113

Philadelphia Financial Center (PFC): Lisa Andre 215-516-8142

San Francisco Financial Center (SFC): Richard Corrigan 510-594-7323 or Michelle LaCome 510-594-7327