

IN THIS ISSUE:

- *Stored Value Card Program Surpasses \$3B-2*
- *PrinCE Brings Tomorrow's Technology to FMS Today-3*
- *FEDTAX II Decommissioning-4*
- *GWA Reporter FAQs-6*
- *Card Acquiring Service Leads FPAs to Pay.gov-8*
- *FMS Hosts Annual ASAP Federal User Group Meeting-8*
- *FPAs Choose U.S. Debit Card-9*
- *Direct Express® Enrollments Up & Users Report High Satisfaction-10*

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Wanda J. Rogers Named New FMS Deputy Commissioner and COO

My last Financial Connection article was the May/June 2008 edition. At that time, I was the Assistant Commissioner for Payment Management writing the lead story saying I had just completed my second year of the most challenging position I've held during my career. Now here I am again, over a year later back as the Deputy Commissioner of FMS. What a difference a year makes! Since January 2009, I have been on a detail at the Treasury Departmental offices working as the Senior Policy Advisor to the Fiscal Assistant



(Continued on page 2)

GWAMP to Introduce New GWA Reclassification Component this Fall

By Luz Davila & Keith Jarboe, Governmentwide Accounting Modernization Program (GWAMP)

One of the long standing promises made by the Governmentwide Accounting (GWA) Modernization Program to any organization willing to put forth the effort to become a GWA Reporter, has been to provide a near real-time turnaround in presenting the impact of that organization's submitted transactions to their Fund Balance with Treasury (FBWT) position. On July 1, 2009, this promise was fulfilled with the deployment of the GWA Provisional Account Statement which provides GWA Reporters with a daily updated view of their FBWT reflecting all transactions submitted with valid

GWA Treasury Account Symbol/ Business Event Type Code (TAS/BETC) combinations.

Our Commissioner, Dave Lebryck, has described the Provisional Account Statement as "an important milestone for GWAMP as it takes us one step closer to information timeliness and accuracy to support improved financial analysis and decision-making. This change gives those agencies who report the "GWA way" an opportunity to perform a daily reconciliation of transactions and balances."

(Continued on page 5)



Wanda J. Rogers Named New FMS Deputy Commissioner & COO

(Continued from page 1)

Secretary and leading Treasury's Recovery Act implementation efforts. It was an exceptional experience. I was able to see the working of this great democracy at the highest level of government. It was awesome, but. . . I am so happy to be back home at FMS.

I am humbled and excited about my new position. Dave Lebryk brings exceptional talent to the helm of this organization. In his short tenure as the FMS Commissioner, he has begun to carve out his legacy. Dave and I share many of the same leadership ideas and work place values. I too embrace the FMS commitment to the six guiding principles and overarching priorities found in our

strategic documents:

- 1) Daily operations
- 2) Conversion from paper to electronics
- 3) Security of people, data, dollars, and physical locations
- 4) Cost management
- 5) Operating by our values
- 6) Being a great place to work

As the Deputy Commissioner and Chief Operating Officer (COO), I am responsible for the daily operations of the agency. FMS certainly has some big challenges on the horizon. In the FMS Conference Edition 2009 of the Financial Connection, Dave spoke about our tactical priorities. Many of the priorities relate to our modernization efforts underway to improve the underlying infrastructure of our core collections, payments, debt collections, and accounting and

reporting functions. Yes, these are exciting times for FMS.

Change is constant and happens fast, but with everything that is going on, I have every confidence that our reputation as a "can do" organization will continue and we will excel. I can honestly say that FMS has some of the most dedicated and committed employees in the federal sector. We have an extremely important mission and we are committed to accomplishing our mission by serving our customers at the federal program agencies and the U.S. taxpayers with world-class excellence.



Stored Value Card Program Surpasses \$3 Billion

By Graham Mackenzie, Agency Enterprise Solutions Division

What began in 1998 as a small test of emerging technology between Treasury and the U.S. Army has evolved into a main-stream cash management application that supports all branches of the military and has a global footprint. The Stored Value Card (SVC) Program, originally intended to help the military optimize financial operations at Basic Training sites in the U.S., was enhanced over the years and now supports operations at U.S. military bases overseas which support peace-keeping and combat missions, and on Navy ships which are capable of being deployed around the globe. In July 2009, the SVC program surpassed the \$3 billion mark (in physical currency converted to electronic value). This is notable given that only two years ago the program celebrated reaching the \$1 billion mark, a milestone that took ten years to achieve.



Soldiers in Iraq receive training on how to use the EagleCash SVC kiosk.

A stored value card is a card-based financial instrument which functions like a pre-paid debit card and which can be customized by the issuer to meet specific business requirements. Treasury SVCs contain computer chips which store and process financial information (i.e. "debits" and "credits") when inserted into special peripheral devices designed to read and process the cards. Transaction security can range from low to high depending on

the pre-determined application of the card.

The SVC Program relies on close collaboration between FMS, each of the U.S. military service branches, numerous other agencies that support the military, technology providers, and the two Treasury Agent banks that provide back-office services (the Federal Reserve Bank of Boston, and JPMorgan Chase). FMS manages the SVC Program through a small U.S.-based support team, and five employees co-located with the U.S. military in Afghanistan, Iraq, Kuwait, and Qatar. The SVC team is focused on ensuring operational excellence, financial and systems integrity, and positioning the program for future success.

To learn more about the FMS SVC Program, contact Graham Mackenzie at 202-874-1845 or visit <http://www.fms.treas.gov/storedvalue/>



PrinCE Brings Tomorrow's Technology to FMS Today

By Louise Pilar Yeabower, Project Management Division

PrinCE, short for the **Printing and Check Enclosing** system, is an integral component of the Financial Management Service's (FMS) payment systems. PrinCE brings tomorrow's technology to today's government paper and electronic disbursements. Our overall objective is an enhanced, more efficient check printing and enclosing technology for printing and mailing Treasury checks and related payment information.

BACKGROUND

FMS's first efforts to modernize were directed at replacing its mechanical impact printers with high speed IBM Laser printers. This new technology gave FMS increased printing speed, a printing image quality improvement of up to 600 dots per inch and inspection technology in order to ensure the payments were 100% accurate. Upgrading the printers allowed FMS to respond to an unexpected high volume of Tax Rebate checks and to continue to qualify FMS for postal discounts. By using the 600 dpi printing speed, we have less items in question from the Federal Reserve and are better able to reduce claims and possible fraudulent checks. At the end of each print run, the PrinCE application produces a Post Print Verification (PPV) report. FMS is able to ensure that all check payments sent to the printers have been successfully printed and accounted for.

The next modernization effort was improving enclosing systems. FMS was using FL Smithe mechanical Check Wrappers (CWS), which basically "wraps" a check with paper, forming the envelope around the check. (The CWS system also has the ability to place card style inserts along with the checks.)

With the integration of Gunther inserters to the check wrapping operation, FMS was now in a position to not only print benefit letters, but to match the letters with the corresponding checks through new two-dimensional barcodes on the Gunthers with 100% accuracy. Between the two systems, FMS was wrapping single checks, inserting letters, or matching checks with letters. Customers such as the Department of Labor and the Veterans Administration had been sending out the benefit letters separately from the FMS issued check payments. Now FMS was able to provide this service to the agencies and ensure the recipients



would receive both items in the same envelope.

CURRENT MODERNIZATION

Our current modernization project is to replace FMS's aged CWS systems and slow speed Gunther inserters with high speed intelligent KERN inserting systems. Our focus is not only to replace the wrappers with modern state of the art technology, but to also add intelligence and robust flexibility to our enclosing operations.

PrinCE has evolved into a multi-component system on the FMS isolated encrypted networks located at each Regional Financial Center (RFC). High powered servers contain applications and resources necessary for printing FMS checks and documents. Data is sent from the FMS mainframe payment subsystems to the print servers,

merged into the PrinCE application software, and checks or documents are printed. High speed camera technology on the print train is used to verify the accuracy of each printed item, analyzing it for print quality, and ensuring that payment data integrity has been maintained.

Once the continuous form checks or documents are printed, they are transported to the KERN Inserter area. The new KERN 3000 single channel inserters are capable of enclosing single checks and code 2 vendor payments at a speed of 24,000 mail pieces per hour. The new KERN 3500 dual channel inserters are capable of enclosing single checks with matching letters or letters only at a rate of 22,000 mail pieces per hour. Both systems are able to add glossy magazine style inserts, automatically remove entitlement holds, and add variable printing to the front and back of the envelopes, while maintaining their speeds. At the end of each enclosing run, the KERN system produces a reconciliation report stating the disposition of every mail piece.

NEW FEATURES

- **INSERTS**
In addition to the card style inserts, the KERN systems can process and insert glossy magazine style inserts. With the added intelligence, we can now target specific customers to receive special inserts based on zip codes, and other specific criteria. This type of technology easily lends itself to specialized Treasury programs such as Go Direct®. FMS is now in a position where they can easily support targeted marketing options by customer agencies. PrinCE has tested this feature and is negotiating a glossy insert mailing in the very near future for the Go Direct® project office.

(Continued on page 11)



FEDTAX II Decommissioning: What It Means for Federal Program Agencies

By Russell Kuehn, Tax Collection Division

FEDTAX II, the system many federal program agencies (FPAs) use to transmit federal tax deposits and forms, will not be available after November 30, 2009. The Financial Management Service (FMS) will assist agencies in moving to the Electronic Federal Tax Payment System (EFTPS) to make those payments.

EFTPS, a free service of the Internal Revenue Service (IRS) and FMS, launched in 1996. Since its inception, EFTPS has processed more than 875 million transactions totaling more than \$20 trillion. Many FPAs already use EFTPS.

On approximately October 26, 2009, all current FEDTAX II FPA contacts will receive a pre-enrollment letter from EFTPS. At that time, FPAs will be able to download relevant documents at www.eftps.gov and www.fedtaxii.com.

In addition, Webinars will be held on October 27 at 10 a.m. ET; October 28 at 4 p.m. ET; November 17 at 10 a.m. ET; and November 18 at 4 p.m. ET to walk FPA users through the payment process. Information about registering for the Webinars will appear at www.fedtaxii.com.

FPAs will be able to complete the following tasks using EFTPS.gov:

- Electronically file 941 tax forms.
- Fill out and print 945 and CT-1 tax forms and mail the forms to the IRS.
- Make payments for 941, 945, CT-1, 720, and 1042 tax forms.

The calculations to complete the forms will need to be done by



Russell Kuehn answers questions from FPAs about the FEDTAX II decommissioning at the 19th Annual Government Financial Management conference in Washington, D.C.

using EFTPS.gov, up to sixteen months of filing and payment history can be viewed.

This transition is part of the larger FMS Collections and Cash Management Modernization (CCMM) strategy, which aims to reduce the number of systems and processes and eliminate duplication of data, applications, products, interfaces, and technologies. FEDTAX II has been in existence for more than ten years, and its maintenance increases the cost of tax code compliance which results in significant overhead expenses.

Until FPAs receive the letter in early November, they should continue to use FEDTAX II and contact FEDTAX II (1-877-FED-TAX2) with any questions (Monday through Friday between 6 a.m. and 6 p.m. ET). As FPAs make the transition and beyond, they may continue to use this number for assistance with payment and enrollment questions.

the FPAs before payments are scheduled.

FPAs can make payments to settle the same day by meeting the 8:00 p.m. ET deadline or by scheduling payments up to 120 days in advance.

Existing FEDTAX II information will not be available after the system is decommissioned. FPAs will need to save these data on another medium (paper, disk, etc.). The historical information may include enrollment information, payment activity, filing activity, and wage data.

Once FPAs begin



Melanie Rigney, of Federal Finance, listens to an FPA's transition plans from FEDTAX II to EFTPS during a recent "FEDTAX II Decommissioning" session.



GWAMP to Introduce New GWA Reclassification Component

By Luz Davila & Keith Jarboe, Governmentwide Accounting Modernization Program (GWAMP)

(Continued from page 1)

As mentioned, this release has been dubbed the Provisional Account Statement as it provides a new balance type option for all available reports permitting official GWA Reporters to see a daily updated (albeit provisional) view of their FBWT. This information is labeled as provisional because, while the GWA Reporter submitted transactions have been run through all available edits and validations within the GWA System, at the time of presentation (within the GWA Provisional Account Statement Reports) the transactions have not yet been posted to the current Treasury System of Record (STAR). Provisional Transaction and Balance reports will be available to all GWA account statement users and will be presented for the current calendar month only.

The level of detail presented for provisional transactions is at a more granular level than that which is provided for the accounting and published balance views in the Account Statement. Provisional transaction and balance information is based on the daily activity files processed by the GWA Central Accounting Front End (Café) component. These files consist of the daily submitted Intra-Governmental Payment and Collection (IPAC), collection, and payment transactions submitted by official GWA Reporters with TAS and BETC. Provisional transaction and balance displays are updated on a daily basis to give GWA Reporters the latest information available regarding their FBWT position. Prior to July 2009, daily submitted GWA

Reporter transactions were stored, packaged, and transmitted to STAR on behalf of the reporting agency location code (ALC) by GWA during the month-end reporting cycle. Those packaged transaction submissions appeared on the GWA Account Statement in the form of summarized items as if the GWA Reporter had submitted them on a regular 224. Using the new Provisional Balance Display option permits GWA reporters to see the individual transactions that will be packaged at month-end and submitted on their behalf. This affords GWA Reporters an

functionality never before available within any GWA system reporting component.

Looking ahead to late 2009, the GWAMP is planning to introduce the new GWA reclassification component. This new functionality will provide full GWA Reporters (those no longer needing to submit a month-end Statement of Transactions) the opportunity to use an online GWA transaction component to accomplish all reclassification activity formerly submitted via Section 1 of their GWA-224 submission. Once implemented, full GWA Reporters will no longer be permitted to submit a monthly GWA-224 report thus effectively transforming their accounting and reporting procedures from a monthly to a daily process.

In conclusion, the GWAMP is extremely excited about the new Provisional Account Statement and pending reclassification components. We view these two releases as critical

deliveries of promises that have been made to those organizations who have undertaken the difficult steps of transforming their accounting and reporting processes to become GWA Reporters. We look forward to working with our current GWA Reporters as they begin utilizing these new GWA modules and hope that these new functionalities encourage other organizations to begin transitioning towards becoming GWA Reporters.

To learn more about how your agency can become a GWA Reporter, contact Luz Davila at 202-874-8599 or luz.davila.lopez@fms.treas.gov.



opportunity to perform a daily reconciliation of individually submitted transactions and their associated balances.

Additional download functionality has also been introduced as part of the Provisional Account Statement. The new download options permit all GWA account statement users to customize the amount of information contained in the output files to suit their individual accounting, reconciliation, and reporting needs. Users are now afforded the opportunity to create custom download templates that can be stored and reused as needed providing an ad-hoc style reporting



How Can My Agency Become a GWA Reporter?

By Luz Davila, Governmentwide Accounting Modernization Program (GWAMP)



FMS Photo/Betty Hall

During the past several years, our customers have continued to ask questions related to the Governmentwide Accounting Modernization effort and how can they transition to become a GWA Reporter.

Here are a few of the questions we continue to receive and believe address most of our customer's concerns.

Luz Davila



What is the difference between a GWA pilot, player and Reporter?

A Governmentwide Accounting (GWA) Pilot Agency Location Code (ALC) is one that participates in the parallel reporting phase or testing phase. These ALCs are classifying transactions on a daily basis, reviewing their data for any discrepancies and still reporting the transactions on their Partial 224. On the other hand, we refer to ALCs that have completed the implementation phase as, GWA players or Reporters. These ALCs are reporting the "GWA way" and the Financial Management Service (FMS) is reporting transactions for them.

What do we mean by reporting the "GWA way"?

Agencies that report the "GWA way" are those agencies that are including the Treasury Account Symbol (TAS)/ Business Event Type Code (BETC) information on the transactions at the point of initiation. These agencies no longer need to report their transactions on the Partial 224; instead FMS reports those transactions for them at the end of the month.

Is my ALC a good candidate to become a GWA Reporter and how can we determine that?

One of the simple questions you can ask yourself is, is our agency/ALC able to provide TAS/BETC information, as well as your trading partners? If the answer is yes, you might be a good candidate to become a GWA Reporter for the processing of Intra-Governmental Payment and Collection (IPAC) transactions. Other scenarios can be discussed on the initial meetings and during the preparation phase.

Does an ALC have to transition all of the systems types (IPAC, Payments, and Collections) to report the "GWA way" at the same time?

No, we transition ALCs by system type. For example, if your ALC is willing to become a GWA reporter for IPAC only, we will transition that system type only. The agency will continue to report other system types the normal way.

What are the different phases involved in the transition process?

The three phases involved in the transition process are: preparation, parallel reporting, and implementation. In the preparation phase, we analyze the agency's reporting process and discuss the possibility of becoming a GWA Reporter. In the parallel reporting phase we start to receive TAS/BETC information on each transaction affecting the ALC in transition (for testing purposes only, not live data) to perform data analysis on these transactions. During this time the GWA data analysis team conducts meetings to discuss the data and any discrepancies. These discrepancies need to be resolved before moving to the next phase which is the implementation phase. Lastly, the implementation phase is when FMS starts to report transactions for the agency and the agency only needs to report any reclassifications on Section I of the Partial 224.

How will I be affected if an ALC I do business with becomes a GWA Reporter? Does that mean that I need to become a GWA Reporter too?

If an ALC that you do business with
(Continued on page 7)



Learn How with GWA's Frequently Asked Questions

(Continued from page 6)

becomes a GWA Reporter that means that you will need to start providing TAS/BETC information every time you submit a transaction to this ALC. You don't need to become a GWA Reporter to provide this information to your trading partners, but you will need to make sure that you provide the correct TAS/BETC information.

If we decide that after going through the different phases we don't want to become a GWA Reporter, can we go back?

No, as soon as an agency starts the parallel reporting phase there is no way back. In order to avoid this from happening, we spend as much time as needed on initial meetings and the preparation phase. After these meetings, agencies are not forced to transition, but after the parallel reporting and implementation phase, we do need to continue moving forward.

Is there any mandate date to become a GWA Reporter?

Not at the moment. GWA is working on drafting a letter that will provide guidance to federal program agencies.

What are the benefits of becoming a GWA Reporter?

Some of the benefits of becoming a GWA Reporter are: eliminates your Statement of Difference; eliminates reporting any transactions reported the GWA way; use of the Partial 224 just for reclassification purposes; and access to your data via use of Provisional Account Statement (daily updates of Fund Balance with Treasury [FBWT]).

What do I need to do to get ready to become a GWA Reporter?

In order to get ready to become a GWA Reporter an agency must: (1) identify how moving from monthly reconciliation to daily reconciliation will impact their agency's reconciliation processes; (2) communicate the need to provide TAS/BETC codes on all IPAC transactions to their trading partners; (3) establish trading partner agreements detailing the correct TAS/BETC reporting requirements; (4) modify accounting packages and/or systems to be able to identify, provide, and accept TAS/BETCs on IPAC transactions for both the sender and receiver; (5) have a zero balance Statement of Difference for the type of transactions (IPAC, payments, and/or collections) being reported the "GWA way"; (6) submit access requests to the required GWA applications (Account Statement, Authority Transaction Module (ATM), IPAC, etc.); (7) set up profiles and default validation rules with the Shared Accounting Module (SAM); (8) create your special requirements to mandate the TAS/BETC for IPAC transactions and (9) provide points of contact to FMS.

What is a full Reporter?

A full Reporter is an ALC that is reporting all of its system types the "GWA way". For example, if an ALC reports *only* IPAC and they are reporting those IPAC transactions the "GWA way", this ALC is considered a full GWA Reporter.

What are the benefits of becoming a full GWA Reporter?

In addition to the benefits mentioned previously, one of the great advantages of becoming a full GWA Reporter is the capability of using the new reclassification module. This module will be available at the end of calendar year 2009 and only full GWA Reporters will see the advantages. These users will no longer use Section I of Partial 224 to do their reclassification; instead they will use the reclassification module which will be part of the GWA system. A reclassification icon will appear next to the transactions that can be reclassified and with a single click, you will be able to reclassify to the correct TAS.

How can I know the current GWA Reporters and Parallel Reporters?

Every month GWA publishes a list of all of their current GWA Reporters and Parallel Reporters. To see the current list, please visit the GWA website at http://fms.treas.gov/gwa/ref_guidance.html.

Whom should I contact if I want to become a GWA Reporter?

If your agency is considering becoming a GWA Reporter, please contact Luz Davila at: luz.davila.lopez@fms.treas.gov or 202-874-8599 or, Michael Norman at michael.norman@fms.treas.gov or 202-874-8788. We can schedule a meeting to discuss your agency's reporting process, identify any changes, and system type you want to transition (IPAC, Payments, or Collections).



Card Acquiring Service Leads FPAs to Pay.gov Efficiencies

By Alexander Ip, Settlement Services Division

The Card Acquiring Service has had a continuous flow of new Federal Program Agencies (FPAs) applying to the program since the conversion to Fifth Third Bank as its sole card processing agent, completed in September 2008. In addition to new FPAs enrolling in the program, FPAs that have existing Card Acquiring accounts have also been steadily adding new processing locations. As a result, a combination of over 200 new accounts and locations have already been opened in the 2009 fiscal year.

The processing of new applications is a joint effort between the Settlement Services Division and the General Revenue Collection (GRC) Division. FPAs that are interested in joining the program begin by submitting the Card

Acquiring Service Application, which was revised in July 2009 to help agencies more easily complete the form. GRC receives all applications that are submitted, and approves agencies based on a set of criteria. Approved applications are then sent to Fifth Third Bank for setup of their Merchant identification numbers.

Additionally, GRC directly interacts with Card Acquiring Service applicants to set the FPA up on Pay.gov when it has been selected as the card processing option. Pay.gov traffic will continue to grow as a consequence of the Card Acquiring Service discontinuing use of third party processors in preparation for the upcoming new Card Gateway. The Card Gateway will support FMS's Collections and Cash Management Modernization (CCMM) initiative, a

multi-year plan to simplify and modernize FMS's and Treasury's collections and cash management programs. The majority of those FPAs affected will move to the Pay.gov government-wide Internet collection portal. Representing 30 percent of total sales volume for the program in the 2008 fiscal year, Pay.gov is one of the more popular channels for card acceptance among FPAs today.

For more information about the Card Acquiring Service, contact Dena Corson, Program Manager at 202-874-0807. For information about Pay.gov, contact JoDee DeVillier, Financial Program Specialist at 202-874-6920.

FMS Hosts the Annual ASAP Federal Agency User Group Meeting

By Faye Allen and Carol Cole, ASAP Program Office

The Automated Standard Application for Payments (ASAP) is an electronic payment system used by Federal Program Agencies (FPAs) to disburse funds to grant recipients. ASAP's Federal Agency User Group meeting was held June 30, 2009 in Washington, DC. The ASAP Federal Agency User Group meeting is a forum to exchange information with FPAs and to discuss enhancements that have been made to the application since the previous meeting. We also solicit feedback from the users on issues that they may be experiencing and modifications that they would like to see in the application.

The focal point for this year's Federal Agency User Group Meeting was an overview of ASAP's plans for meeting Governmentwide Accounting (GWA) requirements. These requirements include the ability to capture the Treasury Account Symbol (TAS) and Business Event Type Code (BETC) for every payment transaction.

FPAs create and fund accounts in ASAP and recipients initiate payments from these accounts. FPAs will define one or more TAS values at the account level and ASAP will offer FPAs a choice of two models for allocating the TAS/BETC to a payment: the Percentage model and First in First out (FIFO) model.



Multiple ASAP releases are required to develop complete GWA functionality for capturing, allocating, and reporting the TAS/BETC. The first release was implemented in May 2009 but will not be available in the application until all GWA functionality is developed.

A representative from GWA

attended the Federal Agency User Group Meeting to answer agency questions regarding TAS/BETC requirements. GWA communicates their plans and schedules with federal agencies through their GWA Agency Liaison Group. GWA also presents at numerous forums such as the FMS Regional Financial Center Customer Agency Boards, the Association of Government Accountants (AGA) conference, and FMS's Annual Government Financial Conference. GWA representatives will also attend agency meetings and conferences, upon request.

As FMS continues designing and developing GWA functionality in ASAP, we will continue to solicit input from FPA users and the GWA staff to ensure that customer and program needs are met.

For more information about ASAP, contact Carol Cole, ASAP Operations Manager, at 202-874-6542.



Federal Program Agencies Choose FMS's U.S. Debit Card Program

By Richard Haug, Agency Enterprise Solutions Division

As we all know, the government continues to seek ways to increase efficiencies, enhance reporting, eliminate paper, and embrace technology wherever possible. One of the many tools the Financial Management Service (FMS) uses, to help government agencies accomplish this mission, is the U.S. Debit Card program.

The U.S. Debit Card Program is operated by the Agency Enterprise Solutions Division of Federal Finance at FMS. The primary focus of the program is to provide Federal Program Agencies (FPAs) with the ability to eliminate Treasury checks or paper vouchers, enhance their missions and provide modern methods to achieve their goals.

One of the original customers of the program, the U.S. Census Bureau, began using the card in 1999 for some of its demographic surveys. You may not be aware that Census continually conducts surveys, in addition to the census, which is done every 10 years. Some Census surveys offer the debit cards as an incentive for respondents to participate in the survey, which may result in improved response rates. In addition, using the debit card eliminates the need for Census staff to mail or carry other forms of payment for these incentive programs, thereby minimizing loss and enhancing safety.

Another FPA that has enjoyed success using the U.S. Debit Card is the Office of the Special Trustee for American Indians (OST). This office is responsible for the



Richard Haug, Program Manager for the U.S. Debit Card explains its many benefits and uses to attendees at the 19th Annual Government Financial Management conference in Washington, D.C.

administration and management of Individual Indian Money (IIM) accounts containing funds held in trust by the United States for individual American Indians. Significant portions of these recipients are unbanked and receive funds from their accounts by Treasury check. OST felt that the U.S. Debit Card would provide their agency with a method to reduce costs (eliminating checks), but more importantly allow their beneficiaries a faster and safer receipt of their money. A recent survey for the U.S. Debit Card program indicated a satisfaction rate greater than 80% among users.

A third participant in the U.S. Debit Card Program is the Immigration and Customs Enforcement (ICE), the largest

investigative branch of the Department of Homeland Security. On a frequent basis, ICE field agents require immediate access to funds for enforcement activities. The U.S. Debit Card has proven to be a successful means for ICE to accomplish their mission— so much so that they recently expanded its use.

The Bureau of Prisons, Federal Emergency Management Agency and U.S. Marshals Service are just a handful of FPAs that have recently approached FMS with regards to using the U.S. Debit Card Program to help them meet their mission.

We, at Agency Enterprise Solutions, stand ready to provide innovative solutions that will help FPAs achieve their goals, while also providing tremendous value to the taxpayer.



For more information on the U.S. Debit Card program, contact Richard Haug at 202-874-6955 or richard.haug@fms.treas.gov.



Direct Express® Enrollments Increase and Users Report High Satisfaction

By Dale Walton, EFT Strategy Division

Fifteen months after introducing a low-cost prepaid debit card option for Social Security check recipients, more than 600,000 beneficiaries have signed up for the **Direct Express®** Debit MasterCard® card. Also, according to a recent survey of cardholders, 95 percent say they are satisfied with the card and 86 percent say they would recommend it to family members or friends who receive a federal benefit payment.

In a recent press release recognizing the one-year anniversary of the program, FMS Commissioner Dave Lebryk said “millions of senior citizens, people with disabilities, and other Americans who lack access to traditional banking services now have a safer, more convenient way to receive their federal benefit payments than paper checks. In its first year, the **Direct Express®** card has helped to bring hundreds of thousands of Americans into the financial mainstream. With this card, people now have a lower-cost alternative to visiting check cashing facilities and carrying large amounts of cash.”

The **Direct Express®** card was designed for the approximately 4 million Social Security and Supplemental Security Income (SSI) recipients without bank accounts. Those individuals who have a bank account but primarily rely on alternative financial service providers, such as check cashers, can benefit from the **Direct Express®** card.

Cardholders can make purchases, get cash, and pay bills. No bank account or credit check is required to enroll, there are no sign-up fees, no monthly fees or overdraft charges, and most services are free. Some fees for optional services may apply.

Among cardholders who say they are satisfied with the card, eight in 10 cite convenience,

safety, or immediate access to money as reasons they are satisfied.

- **More convenient:** More than half of satisfied cardholders say they like the convenience the card offers. Cardholders can make purchases, get cash, and pay bills – there’s no need to go anywhere to cash or deposit a check.
- **Safe:** One in five satisfied cardholders stress security as a reason for their satisfaction. If a **Direct Express®** card is lost or stolen, it will be replaced. In addition, the card accounts are insured by the Federal Deposit Insurance Corporation (FDIC) and can be used for signature and Personal Identification Number (PIN) transactions. With the debit card, there is no need to carry large amounts of cash, and no risk of losing a check or having a check stolen.

- **Immediate access to money:** One in three satisfied cardholders say they like the card because it provides immediate access to their money on payment day. There is no more waiting for a check to arrive in the mail.

FMS is taking steps to ensure people have information through ongoing public service announcements, the **Direct**



Express® card Web site, cardholder materials, and distribution of information to national and

local organizations involved in FMS’s efforts to increase electronic payments.

FMS’s financial agent – Dallas-based Comerica Bank – issues this nationally available card exclusively for payment of federal Social Security benefits. Americans currently receiving Social Security or SSI checks may sign up for the card by enrolling through Comerica Bank by telephone or website, or talking to their local Social Security office.

Future plans include increasing Social Security and SSI volumes through additional marketing, and expanding the program to other benefit-paying agencies.

For more information on **Direct Express®**, contact Dale Walton at 202-874-7118 or dale.walton@fms.treas.gov.



PrinCE Brings Tomorrow's Technology to FMS Today

By Louise Pilar Yeabower, Project Management Division

(Continued from page 3)

- **AUTOMATED ENTITLEMENT HOLDS**

Entitlement holds are check payments that need to be withheld. FMS receives a holds listing from agencies, instructing us to intercept the payment. In our previous operations enclosing area, FMS personnel spent many hours manually pulling the "holds" from the trays where the checks were staged for mailing. With the new KERN inserters, the hold payments are automatically collected on the KERN and accumulated into a separate bin. All of the valid checks or letters continue down the inserter belts, inserted into an envelope, sealed and are placed into the mailing trays.

- **VARIABLE PRINTING**

A new feature for FMS is the ability to print black or color variable print on the front and back of our envelopes. The majority of our envelopes will be preprinted, but we will have the ability to add targeted messages to the backs of envelopes when needed, and also the check delivery date on the front of envelopes as well. We will also be able to use the print feature when we have unique specialty jobs, thus reducing the inventory footprint.

- **INCREASED ACCOUNTABILITY**

Prior to the KERN inserting systems, FMS was not able to produce a post inserting verification report. The CWS systems did not have the intelligence to account for every single mail piece. With the addition of the intelligent KERN inserters, a reconciliation balancing report is produced at the end of each job, which adds individual mail piece accountability, a new process

for FMS. Each mail piece has a status of good, a hold, or a PPV (printing error). The good mail pieces are sent to the post office, the holds are processed as returns to the agencies, and the PPVs are sent back to the printing systems to be reprinted. Every single mail piece is accounted for from beginning to end, which enhances our internal controls process.

CURRENT STATUS

PrinCE is operational at the Austin and San Francisco RFCs with PrinCE application software, which is compliant with the new FMS standards, the Hi Speed 4100 Printers and KERN inserting systems. The Kansas City and Philadelphia RFCs are currently testing and training on the KERN 3000 and the new PrinCE application software. We are continuing our hardware roll out and expect to be in full production at all sites before 2011.

- **ROLL TO ROLL PILOT**

The PrinCE Staff is working on an enhancement known as the Roll to

Roll (R2R) Pilot. The R2R pilot is currently scheduled to be conducted at the Philadelphia RFC. When using the CWS or Gunther inserters in our production environment, we are a roll to cut sheet or cut check environment. Initially, the check-stock or white paper is on a large continuous rolled up web. The checks or paper are unwound and fed into the high speed printers. The checks or paper is then cut into the appropriate size and stacked in trays. They are then transported on a cart to the CWS or Gunther for enclosing. With the introduction of the KERN Inserters, we became a Roll to fan-folded check or sheet environment. The checks or letters (after they are printed) are then stacked (in a zig zag pattern) on an autoloader table, still attached to each other. This feature actually provides an increase in security, as a single check can not be removed from the stacks. All items must go over whole (not as individual checks) to the KERN system for inserting.

(Continued on page 12)



The KERN Inserter during implementation at the San Francisco Regional Financial Center. (L to R) Ulrich Kern of KERN, Nathaniel Horn, Louise Pilar Yeabower, and Jimmie Rile of FMS.



PrinCE Brings Tomorrow's Technology to FMS Today

(Continued from page 11)

With the R2R pilot, we are evaluating Roll input to Roll output, which would add the ability to roll the large print jobs back onto a roll. This feature would allow us to process larger jobs in a more streamlined fashion. FMS would retain the fanfold ability for smaller jobs, but use the R2R process for the larger print jobs.

• FINAL RFC CONFIGURATIONS

Once the pilot is concluded, Payment Management at FMS will evaluate this new environment to see if it is a match for our workload and printing processes, select the workload distribution and inserting environment for each site, and complete the rollout of equipment. The PrinCE Hardware and Equipment Peripheral team will finish outfitting the rest of the sites in accordance with management's direction.

FUTURE

Our future modernization efforts will focus on putting into

place an Automated Document Factory (ADF) solution. ADF is a software suite which contains a centralized dashboard, providing a unique view of host to post processing. Dashboards can be displayed on large high definition screens. The information can be accessible to management and operations via controlled personal computer (PC) screens. Indication of job status will be color coded, for example green indicates on time, yellow indicates time to process, and red is an indication that the associated work needs to be completed immediately. This provides FMS opportunity to quickly respond in the event of a disaster, seamlessly switching operations to another facility, and further improves the ability to provide check payments both timely and with integrity. The ADF will allow PrinCE to interface with FMS payment systems by providing accurate, real time quality data regarding check payments. System management benefits from ADF would include; real time tracking of individual mail pieces; job scheduling and monitoring

dashboard; streamlined operation; centralized processing for Business Continuity Process (BCP); centralized processing for distributed workflow and work reallocation; diagnostic functionality; and integrity and increased product quality. Functionality and efficiency benefits would include; enhanced automated entitlement holds, automatic reprints, automated sortation and traying; automated post print verification; selective inserts; elimination of manual reconciliation and balancing; and automated inventory control.

The PrinCE project brings new exciting state of the art printing and enclosing technology to FMS, heralding a new era of improved customer support for Federal Program Agencies, FMS business partners and customers.

For more information about PrinCE, contact Louise Pilar Yeabower at 202-874-8266.

**Philadelphia Financial Center
Agency Meeting**
October 27, 2009

Philadelphia Skyline Photo Credit: B. Krist for GPTMC

**Federal Reserve Bank of
Philadelphia**
10 Independence Mall
Philadelphia, PA 19106-1574
8:00 AM - 4:30 PM

**For More Info or to Register
Online Visit:**
<http://www.fms.treas.gov/pfc/training.html>