The FINANCIAL Connection

News from the Financial Management Service • A Bureau of the U.S. Department of the Treasury

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Working Together in Government Makes All the Difference

By Dave Lebryk, Deputy Commissioner, Financial Management Service

I became the Deputy Commissioner of the Financial Management Service on January 4th of this year. To say the last 6 months have been very busy would be an understatement. This agency has a great deal going on and it's been truly amazing to see first hand, not only the varied work of this Treasury Bureau, but the commitment of its employees to their customers and mission accomplishment.

I've spent the majority of my

FMS and FRBs Collaborate to Create Successful PAM Project

By Brian Buckley & Julie Jensen, Kansas City Regional Financial Center

The foundation of any good Information Technology (IT) project is collaboration; the combination of individual strengths that help produce a project that is stronger than its parts. Projects that fail fall apart from the inside out. Successful projects emphasize communication and create a culture of cooperation. It is this culture of collaboration that has been emphasized between the Financial Management Service (FMS) and the Federal Reserve Banks as they partner on the Payment Application Modernization (PAM) Project.

The PAM Project is a Treasury/FMS initiative that will modernize the outdated applications and development techniques currently in place to process payments. Presently, there are over thirty different applications in place that process government payments today. Many of these applications use outdated coding and technologies that are becoming harder to maintain as the technological world moves toward more Java-based applications. With this, the PAM Project has begun to

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professional career within the Department of the Treasury. Most recently, I served for five years as the Deputy Director of the United States Mint, where I was responsible for running the daily operations of the world's largest manufacturer of coins, medals, and coin products. I am one of the few people who can honestly say that I've made a lot of money – I just didn't get to keep any of it.

Before my time at the U.S. Mint, I worked within the Departmental Office of the U.S. Treasury and there developed an appreciation of the importance of FMS's work in the payments, collections, debt management, and financial reporting areas. The criticality of these functions to the ongoing operations of the government has not changed. But I have been struck by how much progress has been made in each of these areas. For example, in the late 1990's, as the Deputy Assistant Secretary for Fiscal Operations and Policy at Treasury, I watched the Debt Collection Improvement Act of 1996 pass through Congress and even worked on its implementation at FMS. Last month, while preparing to speak at FMS's Debt Management Services annual conference, I had a chance to reflect on where we were and where we are now. A great deal has been accomplished. Since the inception of DCIA, over $36 billion in delinquent debt has been collected through FMS's Debt Collection systems and components with the help of our customer agencies. Almost half of that, or nearly $18 billion was to fulfill delinquent child support obligations. What an incredible difference. What an incredible success. This year we are on track to exceed all previous records for collections. A great example of

what government can do, working together.

FMS's other business lines (payments, collections, and governmentwide accounting and reporting) have equally impressive projects on-going. Here also much of our success can be attributed to the great partnerships we have with other agencies and the ways we work together. Governmentwide accounting has made huge improvements with reducing the period of time that it takes to release the annual Financial Report of the U.S. When the GWA Modernization Project is fully implemented, transactions received by

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FMS during business hours will be available the next business day on the appropriate Account Statement (similar to a bank statement). This will be a significant improvement for our agency customers.

It is also somewhat ironic that one of the first projects I've worked on since joining FMS was also one of the last ones I worked on just before departing for the United States Mint – tax relief stimulus payments. The main difference between the two efforts is our ability to issue many of this year's payments via electronic funds transfer (EFT) versus only by paper check in 2002. This has resulted in us making payments more quickly and at a lower cost to the taxpayer. In fact, our ability to issue so many payments electronically will save taxpayers over $22 million. Our Regional Financial Centers are just exceptional at getting payments out on time and at an accuracy rate close to perfect. We've increased production shifts to

accommodate the additional 130 million projected payments but the RFCs have approached it as just "business as usual". It's another example of the organization getting the job done without a lot of fanfare.

Finally, FMS is engaged in a major effort to modernize how we handle government collections (which totals over $3 trillion a year). The Collections and Cash Management Modernization effort will make FMS more efficient and effective in three major areas: collecting the government's revenue, assisting Treasury in cash forecasting, and investing excess operating balances. This is an area I have a particular interest in and I am excited about our efforts.

I look forward to meeting representatives from our customer agencies. As you'll read in this edition of the Financial Connection, our annual Financial Management conference is coming up and this is a great opportunity for everyone to do just that. Over the years, this conference has been exciting with presentations featuring new issues, projects and also areas of common interest. Plus, it's a great opportunity for everyone to network and discover the commonality between functions of federal agencies. I hope many of you will plan to attend also.

The Financial Management Service will continue to strive to maintain high quality daily operations, to practice effective cost management, to be a great place to work, and to perform our duties as good stewards on behalf of the United States taxpayers. These are principles that Commissioner Tillman and her predecessors, Ken Papaj and Dick Gregg, have laid out for the Agency. You will find me equally committed to them as well.

FMS and FRBs Collaberate to Create Successful PAM Project

By Brian Buckley & Julie Jensen, Kansas City Regional Financial Center

develop a new modern application; the Payment Automation Manager, which will replace these, outdated applications. The Payment Automation Manager application will allow FMS to rely more on readily available technology and remove many of the manual processes that are in place today.

Over the past two years, PAM Project team members included representatives from Payment Management Washington Office, all four Regional Financial Centers, Birmingham Debt Management Operations Center (BDMOC), Information Resources (IR) and three Federal Reserve Banks. Together, they have been working on the various aspects of this vast modernization effort. This work included the gathering of business requirements, development, construction and testing of the application. These efforts came to a successful culmination when, on March 15, 2008, PAM successfully processed over four million ACH Supplemental Security Income payments valued at over $2 billion.

While the PAM application will be providing production and maintenance benefits to FMS; it will also be advantageous to the Treasury as a whole. Once an agency's payments are converted to the new application, PAM will be able to process the new requirements that fulfill the Government Wide Accounting (GWA) reporting initiative. These standards have been put in place as part of the GWA Initiative, which is a massive redesign of the Federal Government Central Accounting process. The goal of the GWA initiative is to eliminate the current redundancy in accounting reports while providing effective financial reporting and reconciliation processes. With this, the PAM application will play an integral role in the successful implementation of this initiative.

The PAM application will also provide benefits to the hundreds of agencies that process their payments through the Treasury. One of the major agency benefits of PAM will be that real-time access of payment status information will be available for all the RFCs. This will allow an agency to be able to call their servicing RFC and receive the exact status of their payment. The PAM application will also bring about changes to the pre-edit report that agencies receive today. This report will now be available via email, with a much quicker turnaround, providing such details as validation information, the control number, item count and total payment amount.

With the PAM Application having a far-reaching impact on the entire Treasury Department, it has taken a strong Project Team to grasp the many facets of this project. The PAM Project has been co-managed by the FMS Kansas City Financial Center and the Federal Reserve Bank of Kansas City since June 2005. This successful partnership has allowed for knowledge transfer to be ongoing while not forsaking the timeline of the project. It is this co-managed team that will ensure the smooth transition to the PAM application while guaranteeing that all of Treasury's payments are made on time, every time.

PAM Software Development Group includes members from all 4 RFCs, the Federal Reserve Banks of Dallas and Kansas City, and contractor, EMC.

ASAP.gov Implements Two-Factor Authentication & Digital Signature

By Daphne Allen and Carol Cole, Automated Standard Application for Payments (ASAP) Program Office

ASAP.gov is a web-based electronic payment application that disburses over $450 billion annually. ASAP.gov is used by federal agencies to make payments to grantee organizations and to financial agents performing financial services for the federal government. With ASAP.gov's implementation of Public Key Infrastructure (PKI) technology in May 2008, Federal Agency Certifying Officers are required to use hardware-based digital certificates for system access using two-factor authentication and for digitally signing account funding transactions.

Two-factor authentication provides strong security by ensuring that the person logging in is, in fact, who they say they are.

This is achieved by requiring the user to physically possess something (i.e., a Datakey iKey token) in addition to knowing something (i.e., pin or password). A digital signature takes the place of a written signature for an electronic transaction and captures a legal binding document which provides non-repudiation. Non-repudiation means that an individual cannot successfully deny involvement in a transaction.

All ASAP Certifying Officers will be provisioned with a digital certificate on an iKey token by early fall. As FMS integrates PKI in multiple web-based applications, we are working to ensure that Certifying Officers can use the same digital certificate for all FMS applications.

With the integration of PKI, ASAP has achieved the strong level of authentication and non-repudiation critical for large dollar payment applications.

If you have questions about ASAP.gov's implementation of Public Key Infrastructure (PKI), please contact Daphne Allen at 202-874-7146 or Carol Cole at 202-874-6542.

New Treasury Offset Program (TOP) Web Client

By Debt Management Services

Effective September 2008, the Financial Management Service (FMS), Debt Management Services (DMS) will replace the current Treasury Offset Program (TOP) dial-up network connection with a new web-based application. The new TOP web client, also known as the Debt Common Client (DCC), is a single sign-on application that will provide federal program agencies (FPAs) access to TOP via the internet. To ensure a secure working environment, the TOP web client is a Public Key Infrastructure (PKI) Level 3 application that will require its users to have a user ID, password, and a SecurID card.

Benefits of the TOP Web Client include elimination of a dedicated phone line, a similar look and feel of the FedDebt web client, and a single sign-on for both TOP and FedDebt. Other enhancements are left-margin navigators for easier mobility between screens; reports that are available in PDF; and the ability to defer running reports. All in all, DMS customers will find the TOP Web Client to be more flexible.

At no charge, TOP Web Client one-day training sessions will be available throughout July, August, and September at FMS's Liberty Center location. This training is for individuals with Creditor Manager or Creditor Staff access. You may register for this training online at: www.fms.treas.gov/debt/Training_DCC_DC.html.

If you have any questions regarding the TOP Web Client, please contact Katrina Gonzalez at (202) 874-7626. For additional training inquiries, please contact Denise Hammond at (202) 874-8580 or denise.hammond@fms.treas.gov. Also, Stephanie Anderson at (202) 874-8580 or stephanie.anderson@fms.treas.gov.

Governmentwide Accounting Modernization Project (GWAMP) Making the Transition to Improved Accounting

By Michael Norman and Luz Davila, GWA Modernization Project

Does your agency want to improve its reconciliation processes? Would you like to eliminate your month-end reporting? If the answer to both of these questions is yes, you should continue to read the remainder of this article as the Financial Management Service (FMS) is in the process of rolling out an initiative that will work to move your agency in this direction.

GWAMP is a multi-year effort to modernize the federal government's central accounting and reporting system. Once fully implemented, GWAMP will change the cyclical business processes governing Federal Program Agency (FPA) reporting of financial transactions on a monthly basis to FMS via the Statements of Transactions and Accountability (SF-224, SF-1218/1221, SF-1219/1220). Currently, FMS returns the processed information to FPAs via the Account Statement on a monthly basis. Under the new "GWA Way," agencies will classify financial transactions when they are initiated, eliminating the need to classify them on the Statement of Transactions at month end. In turn, FMS will provide FPAs with a bank-like account statement of their Fund Balance with Treasury on a near real time basis in a safe and secure internet-based application. Classifying each transaction at its origin improves the accuracy and timeliness of the financial data. The next-day availability of the Account Statement with the transactions that increased or decreased the Fund Balance with Treasury ensures that agencies have the information necessary to accelerate reporting deadlines and manage their account balances.
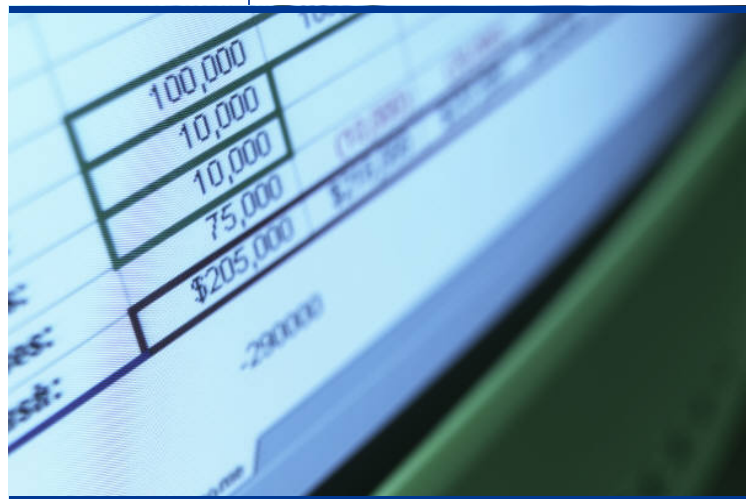
Recording a financial transaction the "GWA way" will require that the Treasury Account Symbol (TAS) be provided with each transaction. A new data element, the Business Event Type Code (BETC), is also required for each transaction. This new BETC identifies the type of transaction being reported and the accounting effect on the Fund Balance [plus (+) or minus (-)]. For example, a BETC of REDTSEC represents the Redemption (sale) of U.S. Treasury securities.

Use of both the TAS and BETC will ensure that transactions are processed correctly by FMS and are easily identifiable on the Account Statement. FMS has developed an on-line tool, the Shared Accounting Module (SAM), which FPAs will be able to use to validate the TAS and BETC and to set up unique profiles for their Agency Location Code (ALC) to derive or default TAS/BETC information when it's not readily available.

The TAS and BETC will be captured with the transactions in the current systems interfacing with the GWA System, (Intra-governmental Payment And Collection [IPAC], Secure Payment System [SPS], etc.). The program owners of these systems will work with customers to ensure that required changes and implementation schedules have been communicated. These interfacing systems are in various stages of implementation as each system will develop its schedule based on available resources, other changes planned, and current business constraints.

As many of you may have noticed, the first transactions requiring TAS/BETC have been IPAC transactions. GWA has been working over the past year to rollout the new "GWA Way" of processing transactions that will help improve the reconciliation and reporting processes for FPAs. Agencies like Internal Revenue Service, Government Printing Office, Bureau of Public Debt, Executive Office of the President, etc., have transitioned to become GWA Reporters, reporting their IPAC transactions with TAS/BETC information. As these agencies became GWA Reporters, their respective trading partners were required to provide a valid TAS/BETC combination for both sides of the IPAC transaction(s). IPAC has begun rejecting transactions containing a TAS/BETC not appearing on the valid list for the GWA Pilot ALCs.

Hyattsville Regional Operations Center (HROC) Moving To Philadelphia (PROC) and Kansas City (KROC)

Customers that Exchange Bulk Files with FMS Will Need to Establish a New Connectivity

Beginning this summer and continuing through CY 2009, FMS will be de-commissioning its Hyattsville, MD Regional Operations Center (HROC). Portions of HROC's current workload will move to the existing ROC in Kansas City, MO (KROC). The balance of HROC's workload will move to a new ROC in Philadelphia (PROC).

In addition, the new Payment Automation Manager (PAM) will eventually replace FMS legacy payment-generation applications which disburse ACH and paper checks on behalf of customer agencies. Most of the legacy payment applications currently run at HROC. PAM will run at KROC.

These changes can have major

implications for FMS customers that have bulk file transfer capability (typically using a commercial product called "Connect: Direct") to HROC. **If your agency or organization currently has bulk** file connectivity <u>only to HROC</u>, **you need to establish connectivity to KROC and PROC in order to continue to transmit bulk files to FMS.** Failure to do so will delay delivery of payment request files to FMS, which in turn, will result in late creation and release of your payments. There could also be delays in debt collection updating, payment aftermath processing (e.g., claims of non-receipt), and other business you conduct with FMS involving bulk file transfer.

FMS's preferred solution is through the Sprint MPLS Peerless IP (PIP) private network as described in the FMS Standards Document for External Network Connections. This document is available from your servicing Regional Financial Center.

GWAMP Transitions to Improved Accounting

By Michael Norman and Luz Davila, GWA Modernization Project

As additional agencies move toward classifying their IPAC transactions on a daily basis and become GWA players, these same TAS/BETC requirements will become mandatory for other agencies.

The final result: FMS is now reporting agency's IPAC transactions for them, eliminating the need to include them on their end-of-month reporting. And, since the classification information was included on their IPAC transactions instead of separately at month-end, this also eliminates any IPAC Statement of Differences.

Before we forget, are you a current 224 reporter? Well, you should know that GWA is in the process of transitioning all 224 users to the new Partial 224, eliminating the need for a separate dial up PC, secure-ID cards and providing access thru the current web-based GWA environment. This transition should be completed by the end of the fiscal year, so keep your eyes and ears open for more information. If you would like additional information as a 224 user, please contact Eugenia Savoy at 202-874-8209 or at Eugenia.Savoy@fms.treas.gov.

After reading about all the great benefits of becoming a GWA

Reporter, please contact either Michael Norman at 202-874-8788, Michael.Norman@fms.treas.gov or Luz Davila at 202-874-8599, Luz.Davila@fms.treas.gov if you have any questions or would like to set up a meeting to begin the GWA transition process.

64 Million Tax Filers Choose Electronic Tax Refunds

By Shirley Hopkins, Payment Management Division

Once again, the majority of tax filers chose safer, more convenient electronic tax refunds. As of May 31, the Financial Management Service's disbursement totals show that 64 million tax filers received their tax refunds by direct deposit. That's an 8% increase over last year!

The big news this tax season has also been the receipt of stimulus payments, issued to help boost the slowing economy. If eligible taxpayers filed a 2007 tax return, they automatically received a stimulus payment without taking any action. According to President Bush, "This money is going to help Americans offset the high prices we're seeing at the gas pump and at the grocery store." These payments are not taxable, won't reduce your 2007 or 2008 refund or increase the amount you owe when you file your 2008 return.

Those tax filers who received their tax refunds by direct deposit also received their stimulus payments by direct deposit. Direct deposit receivers are expected to get their stimulus payments about 2 weeks - 2 months sooner than check receivers.

To find out how to receive your tax refund by direct deposit, please visit the FMS web site at http://www.fms.treas.gov/eft/promotional/ddtaxrefund.html. For general tax information, call IRS's toll-free help line at 800-829-1040 or visit www.irs.gov.

Taxpayers can also learn about the status of their refunds by visiting www.irs.gov and clicking on "Where's My Refund?" or by calling 800-829-1954.

2008 Filing Season Returns/Refunds – Direct Deposit Data For Week Ending May 31, 2008			
Refunds	2007 Actual	2008 Actual	% Change
Total # (000's)	102,164,391	102,828, 419	0%
Direct Deposit # (000's)	59,730,000	64,315,619	7.68%

TGAnet Release 2.5 Readies Agencies for TRS

By Tepricka Morgan, Over the Counter Revenue Collection Division

Since March 2005, the Treasury General Account Reporting Network (TGAnet) has facilitated federal agency deposits to Treasury General Accounts (TGAs) at financial institutions across the world. Allowing for electronic communication and updates between TGA banks and agencies, this user-friendly, certified and accredited system automates the paper-intensive Standard Form 215 preparation and consolidates reconciliation data for the monthly Statement of Transactions, FMS Form 224. The system's latest release includes even more functional upgrades designed to assist agencies with GWA reporting requirements and the handling of foreign items.

Creating an entry in TGAnet is both simple and intuitive. Deposit preparers select deposit type from a drop-down menu that includes domestic and foreign checks and cash. With the June 2008 implementation of TGAnet Release 2.5, agencies submitting foreign items can select "Foreign Check" or "Foreign Cash" from the menu to alert Citibank, N.A. Foreign Check Clearing or Bank of America Foreign Currency Services, respectively, of the items' impending arrival. Selecting the right option reduces currency conversion and collection time as the TGA bank spends less time on research.

TGAnet Release 2.5 readies agencies for the Transaction Reporting System (TRS), a centralized repository of detailed collection transaction information. Agencies that now gather data from CA$HLINK II for over the counter deposits at commercial banks will soon have the capability to review this information in TRS, as TRS is planning to pilot this capability to an agency by the end of 2008 and make it available to more agencies in 2009. Also, with this release, TGAnet begins feeding accounting data through TRS to Governmentwide Accounting, another step toward elimination of the SF 224 monthly reconciliation process.

TGAnet has facilitated the collection of more than $820 billion worldwide as agencies and financial institutions prepare deposits and reports. Once CA$HLINK II has been decommissioned, sometime after 2010, TGAnet will be the only way to report over the counter collections deposited to TGAs and ITGAs. This secure web-based system is a much-needed deposit reporting tool for the federal agencies and the TGA depositaries processing agency deposits.

For more information, contact Tepricka Morgan at 202-874-6786.

U.S. Department of the Treasury

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as of July 2008

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Federal Agencies Ask: What's TRS and How Will it Impact Us?

By Christina Cox, Accounting and Data Management Division

Editor's Note: Recently, we asked Christina Cox, Project Manager for FMS's new Transaction Reporting System (TRS) to help us answer agency questions about TRS and its upcoming impact. What follows are a list of questions asked, which we hope will help federal agencies to better understand TRS and prepare for it.

What is TRS?

TRS will be an FMS-wide transaction broker, data warehouse, and reporting solution that will provide Trading Partners and FMS with a single touch point for the exchange of all financial transaction information across all collection systems. This will enable FMS to normalize financial transaction reporting and standardize the availability of financial information across all settlement mechanisms and collection systems. TRS is a self-contained system with various related external system interfaces.

What are the benefits and impacts to agencies?

TRS will provide the ability to view detailed collection and deposit information in their lowest detail in one place and be the single touch point for all agency collection activity. Utilizing data warehouse technology, TRS's business intelligence capabilities will permit agencies to extract and analyze their data in various scenarios according to their needs. TRS will provide flexible reporting formats accommodating various business needs, transaction volumes, and technical capabilities. By providing statistical and analytical reporting, TRS will significantly improve an agency's ability to more precisely manage its financial position, on a

real-time basis, throughout the day. Once completed, TRS will provide integrated transaction and deposit reporting of revenue activity across all collection systems. Additionally, TRS will greatly improve the way federal agencies collect, analyze, and redistribute financial transaction information, which, in turn, will eliminate redundancies and disconnects across and between the numerous point-to-point connections currently in place between collection agents and federal agencies.

If my agency uses TRS, will my agency still need to access CA$HLINK II to confirm deposits?

You will not need to access CA$HLINK II once all of your agency detailed collection and deposit information is reported to TRS. Until that time, agencies will be able to continue to use CA$HLINK II for all deposit information. CA$HLINK II will not be retired until information on all collection activities are available in TRS.

Will TRS have all information needed by my agency?

As the single touch point for all agency collection activity, TRS will have the information agencies currently receive from all collections systems. This includes financial data needed to settle a transaction, move funds, perform accounting, etc. and program data which is other business data associated with a collection transaction. The program data will only be available in TRS for a limited time period, such as six months. Agencies will need to retrieve this data and manage it in their own systems.

What file formats will TRS support?

For automated system-to-system exchanges, TRS will use the standard XML schema developed by FMS's Enterprise Data Architecture Team. This schema can be found at: http://www.fms.treas.gov/eda/schema.html.

How will my agency download files from TRS?

Agencies will be able to view, save, and download transaction detail and deposit summary information through a web browser. By using the Business Intelligence tools available in TRS, agency users will be able to create downloadable files that fit their agencies' specific requirements. In the near future, agencies will be able to implement automated interfaces with TRS in order to receive files of their collection detail and deposit summary information on a scheduled basis.

When will my agency be able to get reports from TRS?

Agencies wanting to participate in the TRS Pilot program will have several standard and customizable reports available to them by the end of 2008. General transitioning of agencies from CA$HLINK II to TRS will begin in 2009.

What types of access control will TRS have? Will it require multi-factor authentication?

Users will access the TRS application with a web browser over the Internet. No TRS application software will be installed on the client machine. The security model will be similar to CA$HLINK II. Groups within federal program agencies will be granted access privileges. Each group will designate specific individuals as security

administrators for their group. The security administrators will be able to authorize access to other members of the group. TRS will not initially require multi-factor authentication, but multi-factor authentication will be required in the future.

Can I reclassify this information through TRS? If not, why?

Subsequent reclassifications will not be reflected in TRS (as TRS is not intended to be an accounting system). Agencies will send reclassifications directly to Governmentwide Accounting.

Will I be able to run *ad hoc* queries using the TRS business intelligence and reporting tools?

Depending upon your permissions, you will be able to run ad hoc queries using the TRS business intelligence and reporting tools. FMS expects that most agency users will be able to get the information they need from standard reports.

Will I be able to access images of checks and remittance documents through TRS?

Yes. Images of checks and remittance documents that agencies currently access through collection systems will be available through TRS.

Will the information currently housed in CA$HLINK II be transitioned for 7 years back, or will both systems need to be maintained simultaneously for information warehousing purposes?

FMS is currently working on a strategy to provide agencies with historical CA$HLINK II data. Once all of the collections systems are reporting to TRS,

FMS does not plan to maintain both systems simultaneously beyond a short transition period.

What system changes will I have to make to get information from TRS?

FMS is hoping to minimize the system changes required by your agency to receive files from TRS. If your agency uses the Business Intelligence tools available in TRS, you will be able to create downloadable files that may fit your agency's system requirements and avoid major system changes. If your agency needs an automated interface to receive data, then your agency will need to use FMS's standard XML schema for automated interfaces. The standard XML schema is available at: http://www.fms.treas.gov/eda/schema.html.

How can I participate in a pilot with TRS?

To participate in a pilot with TRS, please contact TRS Project Manager, Christina Cox at (202) 874-7207 or email: Christina.Cox@fms.treas.gov.

What is the current implementation schedule for TRS?

TRS is being implemented in phases. In order for TRS to provide collection transaction information to federal program agencies, TRS must first implement interfaces with various sources of collections data. As these interfaces are implemented, increasing amounts of transaction data will become available to agencies through TRS. TRS will begin piloting to agencies in 2008 and begin general transitioning of agencies in 2009. In all cases, TRS will work closely with your agency in the planning of an implementation process.

TRS Update

FMS Completes Another Major Step Toward the New Deposit and Transaction Reporting Process and Reporting Collections the "GWA Way"

In June 2008, the Financial Management Service (FMS) and its Financial/Fiscal Agent Partners, PNC Bank, the Federal Reserve Bank (FRB) of St. Louis, and the FRB of New York, completed system interfaces between the Transaction Reporting System (TRS), CA$HLINK II, the Treasury General Account Deposit Reporting Network (TGAnet), and Governmentwide Accounting (GWA). This effort, which involved the collaborative development and implementation of TRS Release 3.2, TGAnet Release 2.5, the Central Accounting Front End (CAFÉ) Release 3.0, and CA$HLNK II Release 3.2.167, provides the capability for TGAnet deposits at commercial banks to be reported to TRS, which then transmits the deposit report information to CA$HLINK II and generates and transmits to GWA validated accounting entries that have been successfully reported to CA$HLINK II. In the future, CA$HLINK II deposit reporting and reconciliation processes will be migrating to TRS, and CA$HLINK II will be decommissioned. This transition will be phased in between 2008 and 2010.

CRMs Provide Agencies with a Central POC for Collections

By Peter O'B. Moore, Agency Relationship Management Division

The Agency Relationship Management (ARM) Division Customer Relationship Managers (CRMs) are the central contact points for federal program agencies to modernize and improve their collections. These modernization efforts are moving collections to an all-electronic Treasury that will better meet both agency and remitter needs in the 21st century.

CRMs are the core for Federal Finance's agency outreach, providing assistance to federal agencies to improve cash management and minimize collection risk. Federal Finance is the FMS area that develops and manages innovative cash management and collection tools, and oversees banking services. Each CRM is responsible for specific Chief Financial Officer Act (CFO) and Non-CFO agencies. CRMs are the first point of contact for agencies with collection questions. They are knowledgeable about the wide range of FMS's collection mechanisms, as well as services provided by the financial and fiscal agents that comprise our network of lockboxes, Treasury General Accounts (TGAs) and the Federal Reserve Banks. For accounting or payment issues, CRMs can direct an agency to the appropriate contact within other FMS areas such as Payment Management or Governmentwide Accounting.

In addition to being an FMS resource for agencies, CRMs play a very proactive role with their agencies. The

(From left) Peter Moore, Joann Franklin, Carolyn Dunston, Bobette Meads, David Burgess and Gregory Crawford. (FMS Photo/Teri Hoehn)

centerpiece of this activity is FMS's holistic approach to collections, which focuses on overall cash management improvements beginning with the CFO agencies. CRMs analyze a target agency's entire collections portfolio and recommend an improved mix of more effective collection mechanisms, with particular focus on Electronic Funds Transfer (EFT) conversion. CRMs work with departments/bureaus and agencies developing relationships and business knowledge. These long-term relationships benefit both parties, leading to the development of Cash Management Agreements that detail how cash flows will migrate to more efficient electronic collection mechanisms. EFT significantly reduces collection costs, increases accuracy and data flow, and improves cash management practices.

Through speaking engagements and agency contacts, CRMs keep agencies abreast of the development of new collection systems and capabilities, as well as changes in FMS rules and regulations. All these efforts support FMS's goal to collect 90 percent of all receipts via EFT by 2010. For several years, the EFT collection rate has been stagnant at 79 percent. However, the collaborative efforts of the CRMs, the collection mechanism program areas and the federal program agencies to achieve the 90 percent EFT goal will move FMS, along with the agencies, firmly into the 21st century.

To find your assigned CRM, view the CRM Contact Directory below, the CFO Act Agency list on the opposite page, or visit www.fms.treas.gov/crm online.

CRM Contact Directory

Carolyn Dunston (Director) Agency Relationship Management Division	202-874-7491	carolyn.dunston@fms.treas.gov
Bobette Meads (Program Manager)	202-874-0694	bobette.meads@fms.treas.gov
David Burgess	202-874-8645	david.burgess@fms.treas.gov
Gregory Crawford	202-874-6857	gregory.crawford@fms.treas.gov
Joann Franklin	202-874-6881	joann.franklin@fms.treas.gov
Peter Moore	202-874-6578	peter.moore@fms.treas.gov

CFO Act Agency	CRM Representative
Agency for International Development	Bobette Meads
Department of Agriculture	Bobette Meads
Department of Commerce	Gregory Crawford
Department of Defense	Peter Moore
Department of Education	Carolyn Dunston
Department of Energy	Gregory Crawford
Environmental Protection Agency	David Burgess
General Services Administration	David Burgess
Department of Health and Human Services	Joann Franklin
Department of Homeland Security	Gregory Crawford
Department of Housing and Urban Development	Gregory Crawford
Department of the Interior	Joann Franklin
Department of Justice	David Burgess
Department of Labor	Peter Moore
National Aeronautics and Space Administration	Joann Franklin
National Science Foundation	Gregory Crawford
Nuclear Regulatory Commission	David Burgess
Office of Personnel Management	Peter Moore
Small Business Administration	Carolyn Dunston
Social Security Administration	Bobette Meads
Department of State	Peter Moore
Department of Transportation	Joann Franklin
Department of the Treasury	Joann Franklin
Department of Veterans Affairs	Peter Moore

A FULL LIST OF NON-CFO ACT AGENCIES AND CRM REPRESENTATIVES IS AVAILABLE ONLINE AT

WWW.FMS.TREAS.GOV/CRM

FASD Deploys FMS's First RAD Project — JFICS

By Phyllis S. Robinson, Financial Accounting & Services Division (FASD)

Some of you may be a bit too young to remember a popular 1970's TV commercial applauding a lady for her ability to bring home the bacon and fry it up in the pan. What made this commercial recognizable was its climactic summation: "You've come a long way, Baby!"

Agency officials from the Departments of the Army and Justice who participated in a pilot program echoed a similar sentiment about the Judgment Fund Internet Claims System (JFICS). "It's a long way from when I started submitting payments to FMS 20 years ago," stated Kenneth Roberts of the Army Tort Claims Office in Fort Meade, MD.

Vivian Cooper, Director of the Financial Accounting & Services Division (FASD), which administers JFICS, has kept her hand on customers' pulse throughout its development. "Deploying JFICS was just one part of this achievement," Ms. Cooper said. "The real satisfaction comes in knowing we provide service above and beyond our customers' expectations. Based on agencies' responses, I believe we achieved that."

Judgment Fund System—A Bit of History

To better understand how vital electronic submissions and real-time status are to agencies and users, a bit of history is in order. Prior to 1996, Judgment Fund claims were processed at the Government Accountability Office (GAO), formerly the General Accounting Office, and paper-based spreadsheets were used to track claims and transactions. In 1996, FMS took on responsibility for the Judgment Fund. Paper forms were also used to submit claims to the Financial Management Service (FMS) for payment processing. In 2001, we launched an application called the Judgment Fund System (JFS) to facilitate faster processing. Kevin McIntyre, Manager of the Judgment Fund Branch (JFB), which administers the Judgment Fund, summed it up this way: "JFS served FMS well but did not allow agencies to file claims electronically."

> " This is a very significant milestone. The JFICS project epitomizes customer service at its best — Management, IR, agencies and users all put tremendous effort into ensuring the customers were part of the process to guarantee complete customer satisfaction."
>
> **Scott Johnson,
> Assistant Commissioner, Management**

Process not Perfection

The way JFICS works is that agencies that submit claims to the Judgment Fund Branch access the JFICS web site through a secure password, user ID and Public Key Infrastructure (PKI), an added level of security due to sensitivity of the information.

Once the claim information is entered, it is approved at the agency side and submitted to the Judgment Fund. The JFB staff reviews it along with any supporting legal documentation sent through a companion secured fax. JFB analysts review the file and make a decision either to accept the case or to request more information. When the case is accepted, a determination is made as to whether the case is appropriate for payment under the various laws governing the Judgment Fund. If the case is not appropriate for payment or is incomplete, JFB sends it back to the submitting agency for more information.

If the case is acceptable, an analyst approves and sends it for second-stage review and verification. If the verification is successful, the claim is transferred out of JFICS into the FASD Accounting System (FASDAS). At that point the process for payment begins. Once payment is made successfully, information from the payment system is transmitted back to JFICS, so JFCIS will show the status of the payment as having been successfully made.

Now agencies, who are users of JFICS, are able to view claim status online from the time of submission to the payment of the claim— previously they either had to call JFB or go to another Web site.

Positive User and Agency Response

On April 4, 2008, FASD deployed JFICS. JFICS is the antidote to staff and agencies handling mounds of paper and manually tracking or waiting on the status of claims. "This is the crux of what distinguishes JFICS from previous methods. One of the crucial benefits of JFICS is that it gives agencies the capability to access the system *externally* to FMS. Agencies can now enter their own information. Once the

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information is submitted and accepted it gets updated immediately in the database," says Kevin McIntyre, Manager of the Judgment Fund Branch.

Lynn Bain of the Department of Justice's (DOJ) Environmental Division agreed. "We can electronically submit claims and follow them from submission to the date when the claim can be paid. This is extremely helpful—filing a claim and payment and knowing what the status of it is." JFICS is also quick and ensures accuracy, she noted. "There's something about using screens to complete claims that forces you to get all your ducks in a row—the screen has so many built-in controls that it doesn't let you overlook anything." She added, "JFICS is extremely fast. We have gotten some really fast turn-around on some of the payment notices—cases with no problems have been paid very promptly."

A Team Effort

JFICS is still a work in progress; DOJ in Washington, DC, came on board with the first pilot, Release 3, in 2005.
The Department of the Army joined the pilot at Release 4. Since JFICS's inception, these pilot users have been submitting claims through JFICS and JFB has been processing the pilot claims in parallel with the older JFS. This allowed for "official" processing in JFS and "unofficial" processing in JFICS at the same time, providing evidence that JFICS was able to disposition cases just as well as JFS. Release 5 is the first version in which developers could build enough functionality into the system to replace JFS.
"This is a very significant milestone," said Scott Johnson, Assistant Commissioner for

Management. "The JFICS project epitomizes customer service at its best—Management, IR, agencies and users all put tremendous effort into ensuring the customers were part of the process to guarantee complete customer satisfaction. I am proud of their hard work and tenacity."

First-Time Use of New RAD Process

JFICS was FMS's first exercise of the Rapid Application Development (RAD) methodology. RAD, relies heavily on extensive cooperation and communication between developers and business owners from project outset. It builds the application in smaller blocks instead of all at once—which allows for testing, modifying or even redirecting functionality if needed. With JFICS, the business group laid out requirements and IR learned and understood them.

The JFICS team included a cadre of programmers from FMS' Information Resources' (IR's) Web Development Staff and database group; a JFICS Project Manager (Laura Carrico); and several people from JFB. Dialogue among these groups laid the foundation for JFICS' current functionality, McIntyre said. "Because the development effort entailed program area input from the start, users were confident of JFICS's capabilities and functionality. Now, at the 3-year point we have a good working relationship with IR— especially in terms of giving a system what it needs to function as a system of record."

Implementation Schedule

JFICS receives claims from

offices in all 50 states and the U.S. territories, with an estimated 1 million potential JFICS users, says McIntyre. This, coupled with security requirements, created the need for a four-stage implementation plan, starting with most frequent users (agencies that submit 100 or more claims per year). JFICS will bring in other agencies and offices with progressively fewer numbers of claims in subsequent stages so that the most casual users will be given access at the final stage. Everyone should be on board with JFICS within 12 to 18 months, McIntyre said.

JFICS Information Sharing Seminar September 23-24, 2008

Mark Your Calendars!

The JFICS Seminar is designed to share information with JFB customers to facilitate better communications and improved efficiency of JF claims processing. The seminar will feature a number of relevant topics including an overview of the Judgment Fund and the JFB claims process, the JFICS, payment reconciliation via the JFB website, legal matters, and much more.

For more information, contact JFB Manager, Kevin McIntyre at (202) 874-1130 or Yvette S. Camp at (202) 874-3987.

The tentative date for the seminar is September 23-24, 2008, from 8 a.m. to 4 p.m. Detailed registration information is available online at www.fms.treas.gov/judgefund/training.html

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Upcoming FMS Event

PAYMENT MANAGEMENT CUSTOMER CONFERENCE

Presented by the Regional Financial Centers

August 26-27, 2008

The Allerton Hotel
701 North Michigan Avenue
Chicago, IL 60611

Who should attend:

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

Agenda:

Payments

- Secure Payment System and the TAS-BETC (SPS)
- Payment Application Modernization
- Automated Standard Application for Payments (ASAP)
- International Treasury Services (ITS.gov)
- Treasury Check Information System (TCIS)

Debt Collection

- Treasury Offset Program (TOP)
- Fed Debt

Collections

- Collections and Cash Management Modernization

Accounting

- Governmentwide Accounting (GWA) and Reporting Modernization Project

Please note: there is no fee to attend this conference!

FOR MORE INFO OR TO REGISTER ONLINE VISIT:

fms.treas.gov/rfctraining.html