



The Austin Financial Center FISCAL DIGEST

An AFC Bi-Annual Newsletter for Agencies

March 2008

Message from the Director

It is hard to believe that it has been just six months since our last newsletter. During the last six months, FMS and the AFC have successfully completed many endeavors that will better service our internal and external customers. This edition will bring you up to date on some of our ongoing initiatives and give you timely information on some of our existing programs. As AFC continues to advance all facets of payment services, we are preparing for many challenges this year to improve processes and update equipment. As always, we will ensure that our customers are kept abreast of these changes and afford our agencies every opportunity to communicate with us to help continue the improvement of our services.

One of the best ways we have found to articulate changes and information to you is with our Customer Advisory Board (CAB). Our last CAB was such a success that we are currently planning our fourth CAB to be held April in San Diego. (Be sure to look for additional conference details in our newsletter.) Because it is you who make this endeavor a success, I would encourage all our agencies to actively participate in this informative and fun board meeting.

This time of year is tax season and AFC will again manage an estimated 104 million payments in tax benefits. Additionally, we are planning for the added work load of projected economic stimulus payments, which will be processed toward the end of our regular tax season. This will be a busy year for us, but I am confident that we will live up to our Financial Management Service (FMS) motto: "On time every time!" The employees of AFC understand that these disbursements affect a real person at the receiving end of each payment. Our "zero tolerance" for late payments has ensured the quality of our service and the diligence of our staff. This quality is always reflected in the trust you have with FMS.

With best regards in 2008
Robert C. Mange
Regional Director
Austin Financial Center



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Special points of interest:

- CAB San Diego
- SPS Changes
- Changes to CTX Processing
- GWA and TAS/BETC

Upcoming Events

The Austin Financial Center is pleased to provide the following forums, meetings, training, and events:

AGENCY FORUMS:

To Be Announced

Tentatively scheduled for May and August 2008.

- For *Agency Forums*, please check our website for future dates and online registration.

www.fms.treas.gov/afc

GREEN BOOK ACH SEMINARS:

McAllen, TX	Mar 27, 2008
Midland, TX	Apr 28, 2008
Tyler, TX	Sep 3, 2008
Barlett, TN	Sep 23, 2008
Raymond, MO	Sep 24, 2008

Baton Rouge, LA Sep 25, 2008
Dallas, TX Sep 24, 2008

- *Green Book ACH Seminars* are primarily for financial institutions. If you are interested in attending or hosting this training, please contact the AFC Help Desk at (512) 342-7300.

VA/TREASURY MEETING:

- For *VA/Treasury Meetings* please contact our coordinators to obtain additional information on times and agenda.

Joan Harper at
joan.harper@fms.treas.gov

Gay Wallace at
gay.wallace@fms.treas.gov

Adriana Pena at
adriana.pena@fms.treas.gov

CUSTOMER ADVISORY BOARD

April 3rd-4th 2008, San Diego, CA

- For *Customer Advisory Board* agenda information, please check our website or contact

Joan Harper at
joan.harper@fms.treas.gov

Tabitha Guyton at
tabitha.guyton@fms.treas.gov



Treasury Financial Manual (TFM)

2008 TFM Bulletins :

#2008-01 Retention Bulletin

2008 TFM Announcements

#A-2008-01 Revised Federal Account Symbols and Titles (FAST) Book

#A-2008-02 Suspense "F" Account Discontinuance and Waiver Request
Reminder

An electronic version of the TFM, including all bulletins, announcements, and transmittal letters may be found at <http://fms.treas.gov/tfm/index.html>





“Self-Contained” Access to SPS

This new release provides the ability for the SPS user to access the SPS application in a new “Self-Contained” environment. This includes the ability to access SPS without using a Browser or an installed Java Plug-in on the desktop machine. The existing access mechanism (i.e., Web SPS) of accessing SPS using a Browser and an installed Java Plug-in, remains unchanged.

What’s New

All SPS users now have an additional way to access the SPS application using the “Self-Contained” method. With this new method, SPS can be accessed without using a Browser and using a locally installed version of the Java Plug-in. Note that the Datakey driver still needs to be installed on the machine and the SPS application still needs Internet access. The existing installations of SPS that use a Web Browser and a regular Java Plug-in installation will still work. However, we expect SPS users to choose one of the two available access mechanisms to access SPS – the existing “Web” access or the new “Self Contained” access.

The “Self-Contained” access to SPS is expected to provide relief to SPS users who are currently facing “installation issues” on their desktops because they

a) have to use Internet Explorer to access a different application in a way that causes conflict with the “Web” SPS,

or

b) have to use a Java Plug-in version that is not compatible with “Web” SPS (for example Java 1.3.x_y, or 1.6.x_y).

For users who have no current issues with “Web” SPS, there is no need to change to the “Self-Contained” SPS access.

A new install CD for the “Self-Contained SPS” will be provided to SPS users on an as-needed basis. The FPAs can contact their Primary Servicing RFCs for a copy of this new install CD. Before installing the “Self-Contained SPS”, SPS users are expected to remove the existing “Web” SPS application (if present). The Datakey driver installation, if installed, need not be un-installed or re-installed. Upon successful installation of “Self-Contained SPS”, a new shortcut to access SPS is placed on their desktop and users can launch SPS by double clicking this new desktop shortcut. The point of contact for AFC is Joan Harper at joan.harper@fms.treas.gov.



Secure Payment System (SPS) — Upcoming Changes

The next release of SPS is expected to provide support for stronger versions of cryptographic components (SHA-2 and 2048-bit keys).

Windows XP (with latest patches and updates) is the only supported Operating System for SPS. Even though our official support will be dropped for Windows 2000, we expect (but cannot guarantee) SPS to continue to function with Windows 2000 Operating System after June 2007. The support for Windows XP is expected to continue for the foreseeable future. SPS support for the new Windows Vista Operating System is expected to be available in late 2008 or early 2009.

The “Web” SPS supports two versions of Java Plug-ins – version 1.4.2_13 and 1.5.0_11. SPS support for the new Java plug-in version 1.6.0_x is, expected to be available late 2008. Note that the “Web” SPS support for the Java Plug-in version 1.4.2_13 is expected to be removed at that time.

Secure Payment System (SPS) and Treasury Offset Program (TOP) Interface

An enhancement was made to the SPS application to determine if payees of Same Day Payment requests have active delinquent debt in the Treasury Offset Program (TOP) database. If the tax identification number on the payment matches a Taxpayer Identification Number (TIN) with an active delinquent debt, the payment is challenged.

When the payment is challenged, it is expected that the agency will proceed to recreate the payment using a different payment type (Check or ACH), which can be processed through the existing offset process, or take the appropriate action of “deselecting” the TOP Offset Eligibility box if applicable.

The Debt Collection Improvement Act of 1996 (DCIA), codified in 31 U.S.C. 3716, requires Federal disbursing officials to withhold all or part of Federal payments made to persons who owe delinquent non-tax debts in order to satisfy the debts. This is the process known as “offset”. FMS has issued regulations governing offset of Federal payments to collect delinquent non-tax debt under 31

CFR 285.5. Authority for collecting delinquent tax debts through the continuous levy of certain Federal payments can be found at 26 U.S.C. 6331(h).

The Data Entry Operator (DEO) will enter a TIN, if there is a match, the DEO will receive a pop-up screen indicating there is an active debt, the payment cannot be made as a Same Day Payment, and instructions to re-create the payment as an ACH or Check payment. If the TIN does not match the process will continue as usual. If the DEO de-selects the “Top Offset Eligibility” box, the user action is captured in the SPS Audit database and in the Reporting tables.

“...if there is a match, the DEO will receive a pop-up screen indicating there is an active debt...”

A list of all payments that are exempt from the TOP, Standards for Exemption of Federal Payments into the TOP, and other information can be found at: <http://fms.treas.gov/debt/top> or by calling the TOP Call Center at **1-800-304-3107**

TOP and CTX (Corporate Trade Exchange) Offset

In 2005, The Government Accountability Office (GAO) auditors performed an audit which recognized that Corporate Trade Exchange (CTX) payments were not being considered for offset under the Treasury Offset Program (TOP). The auditors requested that FMS perform a study to determine the impact and develop a mechanism to accomplish identification and processing of CTX payment offsets. FMS committed to GAO and Congress to develop an efficient process to offset CTX payments.

FMS brought together a workgroup from many areas within the Treasury. The team consisted of representatives from Payment Management (PM), Debt Management Service (DMS), Debt Management Operations Center

(DMOC), PACER, TOP Control System (TCS), Kansas City Financial Center (KFC), and the Austin Financial Center (AFC). Led by PM, the team conducted a three



month feasibility study. Upon completion of the study, AFC then led the team in the development of an interface between CTX processing and TOP. Due to the complexity of CTX and the focus of a business process that would have the least technological impact to existing FMS systems and our custom-

ers, while maximizing offsets, the development took two years.

On December 28, 2007 FMS implemented the TOP and CTX offset process. Within the first few weeks of 2008 the Treasury collected over two million dollars in offsets.

Now all CTX transactions flow through PACER and TCS in the same manner as previous ACH offset accounting transactions.

Should you need additional information concerning this process please reference the Treasury Financial Manual (TFM), Bulletin #2007-05, which provides instructions, websites, and other points of contact for inquiries and assistance.

Same Day Payments—Awareness Alert

In November 2007 a memorandum was sent by the AFC to our agencies as a reminder that ACH is the preferred mechanism for all electronic fund transfers for Federal Government Payments. This was in response to an observation in an increase in volume and frequency of relatively low dollar Fedwire payments for amounts less than \$100,000.

The AFC realizes that compelling reasons such as interest charges for late payments, legally imposed time restrictions, or other criteria could impose a hardship on the agency or their customer. In these situation, same day payments utilizing Fedwire are the best and most expeditious means of payment. Nevertheless, the Financial Management Service (FMS) encourages agencies to plan and schedule accordingly to efficiently and effectively utilize the ACH payment process. In doing so, agencies will avoid the administrative costs of Fedwire payments, as well as the processing charges imposed by receiving financial institution to recipients of Fedwire payments. Should you have questions or concerns regarding this issue, please call our Help Desk at 512-342-7300.



About *Go Direct*

Direct deposit is safer, easier, and more convenient than getting a check in the mail; yet despite the advantages, many people who rely on Social Security and Supplemental Security Income (SSI) still get checks.

The U.S. Department of the Treasury and the Federal Reserve Banks are sponsoring the *Go Direct* campaign to motivate people (who receive federal benefits checks) to use direct deposit.

Campaign overview

What: *Go Direct* reaches out to people through organizations they know and trust to inform them about the many benefits of direct deposit and help them sign up for it. Through one-on-one outreach events and media, *Go Direct* works to encourage people to switch to direct deposit.

When: The national campaign was kicked off in fall 2005.

Why: Direct deposit is simply the best way for people to get their Social Security and SSI payments because it eliminates the risk of stolen checks, reduces fraud, and gives them more control over their money—plus, direct deposit allows immediate access to funds from virtually anywhere.

A simple action like enrolling in direct deposit can offer much-needed peace of mind to people who rely on federal benefits, most of whom are seniors and people with disabilities.

In addition, direct deposit saves taxpayers money. If everyone who currently gets a federal benefits check switched to direct deposit, it would save taxpayers millions of dollars annually. The money saved as a result of *Go Direct* will be used to cover the costs of future Social Security payments -- a benefit to all Americans for generations to come. This is especially relevant today given that baby boomers started reaching retirement age in 2008.

Who: The Treasury's Financial Management Service and the Federal Reserve Banks are working with partners to implement the campaign. Partnerships with banks, credit unions, volunteer tax preparation sites, social service agencies, community-based groups, and other organizations are vital to the campaign's success in communicating the *Go Direct* message.

How: People who get Social Security and SSI checks are culturally, economically, geographically, and socially diverse. To reach all of them, the campaign relies on partners to communicate the *Go Direct* message, along with media outreach, direct mail, and web sites in English and Spanish.

(www.GoDirect.org and www.DirectoASuCuenta.org).

The campaign makes it easy for people to sign up for direct deposit -- they can call the *Go Direct* helpline at (800) 333-1795, visit www.GoDirect.org to sign up online, or stop in their local financial institution or Social Security Administration office.

Get on Board!! Customer Advisory Board (CAB) San Diego



Hosted by:

Austin Financial Center

Plus more.....

When:

April 3-4, 2008

Where:

San Diego Marriott Hotel
and Marina
333 West Harbor Drive
San Diego, California



Theme:

Our Relationship with America

Want more information? Visit our website http://fms.treas.gov/afc/cab/cab_2008_letter.html

Proposed Topics:

- Disaster Recovery
- Economic Stimulus Package
- Government Wide Accounting Modernization Project (GWAMP)
- Payments Application Modernization Project (PAM)
- Governance Process
- How to perform/prepare for an audit
- Impact of Retirement on the workforce

Don't miss out!
Make your reservation
today!



GWA Modernization Project

“TAS-BETC”

A new Government-Wide Accounting (GWA) process will bring change to and streamline the central accounting, reporting, and reconciliation process for Federal agencies and FMS. Under GWA, agencies will classify transactions to the proper Treasury Account Symbol (TAS) when transactions are initiated. The TAS is an account symbol assigned to each transaction based upon whether it is a receipt, appropriation, expenditure, or fund account. Additionally, agencies will be required to classify their transactions by a new data element, the Business Event Type Code (BETC), when initiating transactions. The BETC identifies the type of transaction and the accounting effect on the fund balance with Treasury.

What’s new

This new reporting process will have substantial benefits for agencies, as it will eliminate the multiple and duplicative reporting and reconciliations performed by agencies on a monthly and annual basis. Specifically, this reporting process allows FMS to provide agencies with an account

statement. The account statement will provide agencies with online near real-time access to their beginning fund balance, receipts and disbursements by transaction date, and the ending fund balance.

Agencies may also use the account statement to drill down to the transaction level for more detailed information on payment and collection activities. When fully implemented, the account statement will enable agencies to reconcile their fund balance with Treasury accounts on a daily basis, close their books earlier to meet accelerated reporting deadlines, and eliminate the need for monthly reporting.

Eventually, agencies will realize the full benefits of the account

statement when reconciling transactions having both the TAS and BETC information. The Secure Payment System (SPS) project team is working on changes to SPS to accommodate the inclusion of the TAS and BETC in payment schedules. Agencies becoming a “GWA Player” will need to include TAS/BETC information on all

schedules and payments entered into SPS and ensure that at least one TAS/BETC combination is included for each payment on bulk files. Once an agency has been designated by GWA as a “GWA Reporter”, they will not be able to create a payment schedule without at least one valid GWA component TAS/BETC combination.

To help with this transition, your agency should have received an SPS Agency Questionnaire in October, 2007 relating to the inclusion of TAS/BETCs on payment files and schedules. As we progress in this process, additional GWA updates and training will be provided at Agency meetings and future publications.

For additional information, please visit the GWA website at

<http://www.fms.treas.gov/gwa>

or call the AFC GWA team:

Customer Support:

Gay Wallace @ 512-342-7288,
Joan Harper @ 512-342-7307,
Adriana Pena @ 512-342-7354,

Accounting:

Kerry Laake @ 512-342-7239

SPS:

David Gibson @ 512-342-7306

“This new reporting process will have substantial benefits for agencies.....”

“.....the account statement will enable agencies to reconciledaily.....”

AFC Help Desk: Frequently Asked Questions

(512) 342-7300

- **Agency:** “Can I extract one EFT payment from a pay file containing multiple payments?”

No. You can cancel the entire file and resubmit a new file without the desired payment, but this must be requested within certain time limits.

- **Agency:** “Can I extract a paper check payment?”

Yes. If the request has been provided to AFC no later than 08:00 AM on the date of pay and the action has been approved by a Certifying Officer.

- **Agency:** “What can be modified on a Certification once it has been submitted via the Secure Payment System (SPS)?”

If the certification has been submitted incorrectly, you can change the type of pay, date of pay, and control number via fax. Using agency letter head, fax the relevant information to identify that payment file and the Certifying Officers signature.

- **Agency:** “Can a backup or “acting” employee sign for the Certifying Officer in the CO’s absence?”

Not unless the “acting” employee is registered as an official Certifying Officer. Otherwise, the official Certifying Officer must be present and their signature active in order to certify payments.

- **Agency:** “Can an individual be a Certifying Officer and a Data Entry Operator?”

Yes, but they cannot certify the same ALC’s that they enter as an operator. They can only do one or the other, but not both function, for each ALC.





Department of the Treasury
Financial Management Service
Austin Financial Center

The Fiscal Digest is published by the Austin Financial Center, a regional office of the Financial Management Service, Payment Management, a bureau of the U.S. Department of the Treasury. Our address is 1619 E. Woodward St., Austin, TX 78741; phone: (512) 342-7300. For an electronic version, visit www.fms.treas.gov/afc

The Austin Financial Center (AFC) was established in 1969 as a disbursing office for the Financial Management Service (FMS), a bureau of the Department of the Treasury. In 1984, the AFC became one of five FMS Regional Financial Centers (RFC). Each RFC is responsible for the disbursement of public monies on behalf of federal civilian agencies. The regional system was developed to bring agency operations and services closer to its customers.

The AFC is not only responsible for services within our five-state region, which includes Arkansas, Louisiana, New Mexico, Oklahoma, and Texas, but also provides various services to customers worldwide.

The mission of the AFC is to be ever vigilant in serving the public trust by advancing all facets of payment services.

On time every time!

Austin Financial Center Services

- Issue payments, by check or electronic funds transfer (EFT), on behalf of federal agencies to recipients throughout the United States and other countries where U.S. citizens may be living abroad.
- Process claims and inquiries related to EFT payments and government checks that have been returned, lost, or stolen.
- Process Explanation of Benefits (EOB's) for VA payments.
- Implement and monitor cash/credit management, debt collection, and accounting programs for federal agencies.
- Serve as a financial consultant and advisor to federal, state, and local governments, the financial community, and the Federal Reserve System to ensure that FMS initiatives are carried out in a practical, efficient, and effective manner.
- Provide training on existing and new programs and initiatives through workshops or seminars that are designed to meet the needs of our customers.

