

**IN THIS ISSUE:**

- *FMS Welcomes Two New Senior Executives-2*
- *South Korean Delegation Visits FMS-5*
- *IRS Proposes Rule to End FTD Coupons-6*
- *GWAMP 2010 Update for Federal Program Agencies-7*
- *Getting Up to Speed on GWA's New CTA Component-9*
- *SAM: Preparing FPAs to Report the GWA Way by 2014-10*
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**GWA's New "Common Sense" Solutions Improve Federal Accounting and Reporting**

*By David Rebich, Assistant Commissioner, Governmentwide Accounting*

I have been extremely fortunate throughout my career to have worked in various capacities within the Governmentwide Accounting (GWA) Assistant Commissioner (AC) area. For four years, I served as the Financial and Budget Reports Directorate Director, and two years as the Deputy Assistant Commissioner. When the opportunity to become the Assistant Commissioner of GWA was presented to me, I jumped at the chance to lead the organization.

There are several things that

*(Continued on page 3)*



**EFTPS Processes its One Billionth Electronic Federal Tax Payment**

*By Russell Kuehn, Tax Collection Division*

On August 27 2010, the Department of the Treasury processed its one billionth electronic tax payment, a milestone that illustrates Treasury's commitment to effective use of technology and service to taxpayers.

Treasury's Electronic Federal Tax Payment System (EFTPS) was launched in November 1996 and allows businesses and individuals to pay any federal tax payment electronically, 24 hours per day, 365 days per year. Today, EFTPS is the largest tax collection system in the world, processing more than \$2

trillion per year. The service is owned by the U.S. Department of Treasury's Financial Management Service (FMS) and is operated on behalf of the Internal Revenue Service (IRS).

Originally built to accept tax payments over the telephone, EFTPS was expanded in 2001 to process payments through [EFTPS.gov](http://EFTPS.gov), the Web site built for businesses and individuals. In addition, tax professionals, payroll providers, and financial institutions can make payments through special EFTPS

*(Continued on page 2)*



# EFTPS Processes its One Billionth Electronic Federal Tax Payment

By Russell Kuehn, Tax Collection Division

(Continued from page 1)

channels on behalf of their customers.

"EFTPS has gained wide acceptance among businesses and individuals," said FMS Commissioner David A. Lebryk. "Nearly 10 million people are enrolled, and 98 percent of federal employment tax dollars move through the service."

Businesses find the simplicity and security of EFTPS the preferred way to pay their federal taxes. So far in fiscal year 2010, EFTPS volume has increased by 7.8 million payments, or 7.83 percent, to 107.5 million items totaling nearly \$1.96 trillion. (By contrast, the number of paper transactions made by U.S. employers decreased by 4.5 million items, a 23 percent decline.

"The taxpayer is the real winner," Lebryk said. "IRS research shows that employers are 31 times less likely to incur a penalty or fee if they use EFTPS instead of paper for their payments."

Using EFTPS benefits taxpayers in many ways:

- Business payments can be scheduled up to 120 days in advance; individual payments, 365 days in advance.
- Users receive a printable acknowledgment number as soon as each payment is scheduled.
- Every secure transaction at EFTPS.gov requires three pieces of authentication—an Employer Identification Number (EIN) or Social Security Number (SSN); a Personal Identification Number (PIN); and an Internet password. The phone channel requires both the EIN/SSN and the PIN.

For more information about EFTPS, contact Russell Kuehn, EFTPS Program Manager at 202-874-5784.



- EFTPS is available 24 hours a day, year-round, from anywhere there's a phone (touchtone or rotary dial) or Internet connection.
- U.S.-based live-operator customer support is available via toll-free phone numbers 24 hours a day, year-round.



## FMS Welcomes Two New Senior Executives

Dr. Linda S. Kimberling was named the Assistant Commissioner for Management, Chief Financial Officer (CFO) for the Financial Management Service (FMS).

Dr. Kimberling is responsible for providing direction and leadership for FMS's administrative and financial programs, ensuring that policies developed and implemented for resource management conform with Federal and Departmental regulation requirements. Prior to FMS, Dr. Kimberling served as Director, Office of Regional Services, U.S. Geological Survey (USGS), in Denver CO.

Julie Edwards was named the Deputy Assistant Commissioner, Governmentwide Accounting (GWA) for FMS. Ms. Edwards will assist the Assistant Commissioner, for GWA in leading and overseeing the accounting and reporting operations of the federal government (including modernization efforts). Ms. Edwards is a licensed Certified Public Accountant (CPA) with a background in accounting, auditing, system implementation and consulting. Prior to FMS, Ms. Edwards worked in Compliance at the Treasury's Office of Financial Stability (OFS) and at Deloitte & Touche LLP.





# GWA's New Solutions Improve Accounting and Reporting

By David Reibich, Assistant Commissioner, Governmentwide Accounting

(Continued from page 1)

really excite me about the GWA organization. First and foremost, GWA has some of the brightest and most dedicated employees in the Federal government. Second, GWA's operational mission is central to government financial management. The GWA AC area serves as the Federal government's banker, providing the financial infrastructure for Federal central accounting and governmentwide reporting, the reconciliation of agency and bank reporting differences, and the generation of regular daily, monthly, and quarterly financial reports. Finally, GWA is leading several initiatives that will fundamentally improve financial management in the government. These initiatives will improve the timeliness, accuracy, and transparency of financial management information available to decision makers and the public. To understand the magnitude of the changes we are leading, one must understand that we are making changes that will impact the financial reporting processes, data requirements, and financial systems at every agency in the Federal government.

GWA is the authoritative source for the government's budget deficit/surplus, which is reported in the Monthly Treasury Statement (MTS). Several functions are critical to accurately report on the budget results. From a reporting infrastructure perspective, GWA assigns official Treasury Account Symbols (TAS) and titles to agency programs, initiates all authority transactions (appropriation warrants and non-expenditure transfer authorizations), and centrally maintains funds control over all approved Congressional appropriations. From an operational and process

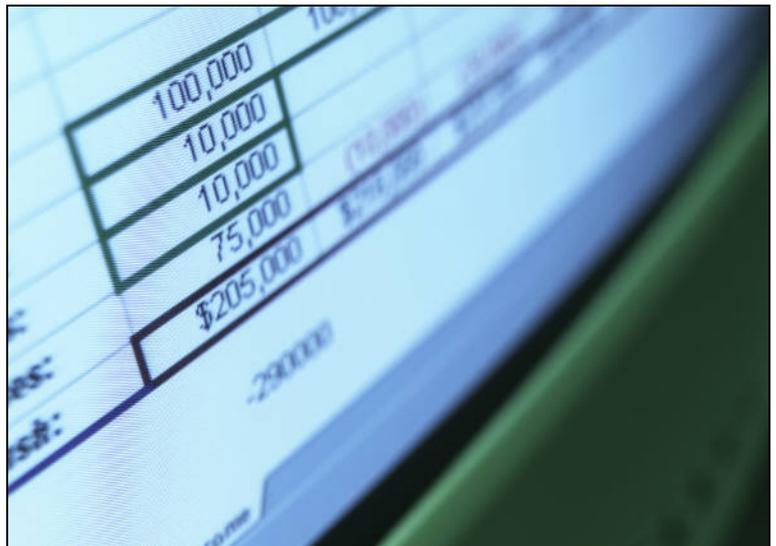
perspective, GWA works closely with the Office of Management and Budget (OMB) and Federal Program Agencies (FPAs) to develop operational methodologies and standards that ensure agreement and compatibility with OMB and Treasury budgetary data. Finally, GWA maintains and controls the collection of data to ensure the integrity of accounting and reporting of cash related activities by the financial institutions (FIs) and FPAs. The general ledger data of cash related activities is reported in the MTS and is also reported on Department of the Treasury financial statements which achieve a clean audit opinion of the U.S. Government's cash.

All of the above functions and processes are based on a monthly reporting cycle that has been in place for as long as Treasury has been reporting on the budget results. The current FPA reporting process is a two-tiered monthly transaction classification cycle that requires reconciliation on the agency's part, which restricts our ability to provide real time reporting on the budget results. It also restricts our ability to provide agencies with real time data on their fund balance at the account level.

## *Governmentwide Accounting Modernization Program (GWAMP)*

GWAMP was initiated with the goal of eliminating the two-tiered classification process while providing for the real time reporting of agency transactions. At the most basic level, by the end of November 2010, GWAMP will have leveraged the latest technology to develop a system that maintains the accounting and reporting infrastructure, initiates authority transactions, allows for real time classification of transactions by the FPAs that use the Financial Management Service (FMS) for disbursing functions, and provides real time reporting on fund balance back to those FPAs.

These accomplishments in and of themselves are impressive and meet the original goals of the project. With that,



we have successfully completed the phase of the project that enables GWA to implement a new way to account for financial transactions. GWAMP has also incorporated flexibility into this system that will allow for the

(Continued on page 4)



# GWA's New Solutions Improve Accounting and Reporting

By David Rebieh, Assistant Commissioner, Governmentwide Accounting

(Continued from page 3)

decommissioning of the current central accounting system (STAR), regardless of agency adoption of the new real time classification process and incorporated federal accounting data standards into GWA. Decommissioning STAR is critical to realizing cost savings and limiting risks posed by maintaining a system that uses old technology and is also critical to GWA's mission. The critical next steps for GWA are to continue the momentum established by GWAMP and migrate the reporting capabilities from STAR to the new GWA system. This will be done within a new GWA organizational infrastructure that leverages our operational expertise and implements a GWA-wide business architecture. This ensures that the new efforts implement systems thinking and are integrated with other initiatives within GWA, as well as FMS. This ultimately allows for the decommissioning of STAR and eliminates the risk and costs associated with maintaining mainframe systems that use old technology.

## *Financial Report (FR) of the Government*

Simultaneously, GWA is also undertaking two other initiatives with the goal of improving the accuracy and consistency of the FPA financial statement data that we use to compile the Financial Report (FR) of the government. The FR provides a comprehensive view of how the Federal government is managing taxpayer dollars by disclosing the government's financial position and condition, revenues and costs, assets and liabilities, and other responsibilities and commitments, as well as

important financial issues that affect the nation and its citizens, both now and in the future. For the last thirteen years, the U.S. Government Accountability Office (GAO) has "Disclaimed" on its opinion of the government's consolidated financial statements. Essentially, that means that the data and controls throughout the process are not auditable and, unfortunately, the auditor cannot issue an opinion. There are three "Material Weaknesses" cited by GAO, and Treasury has taken ownership for correcting two of them. The first weakness focuses on the government's inability to explain and eliminate intra-governmental transactions, and the second is to bolster the compilation process and the data available in the compilation process.

## *FIRST*

The first initiative aimed at improving the FR is coincidentally named Financial Information Reporting Standardization (FIRST). The goals of this effort are threefold. The primary goal is to improve the consistency and accuracy of accounting and financial statement data, by editing agency accounting records (Adjusted Trial Balances [ATB]) against U.S. Standard General Ledger (USSGL) posting logic and against authoritative agency data in the central accounting system. These edits will drive standardization and consistency of agency ATBs, which are used as the foundation to prepare audited financial statements. More consistent data in agency systems means more consistent data submitted in the FR compilation process. Another goal of this initiative is to replace four other stovepipe systems and reduce the number of data calls that we require of agencies from thirteen to four, on an annual

basis. Finally, as this initiative drives data standardization and consistency, the capability to perform analysis and other reporting will be greatly enhanced.

One might ask, "what is the difference between the GWAMP effort and FIRST?" It is easiest explained by understanding the process. GWAMP will improve the process that FPAs currently perform to classify their activity to the proper Treasury Account Symbol (TAS) in a more standard and timely manner. The result is more accurate and timely reporting of the budgetary results. FIRST will improve the consistency of how the agencies post those same transactions in their accounting systems. This is the data that the agencies use to prepare their financial statements which GWA consolidates in the preparation of the FR. The origin of the transactions is the same, but the purpose and timing of the reporting are different. Together, these initiatives will be integrated and share data to improve data consistency.

## *General Fund*

The other initiative, General Fund, is one that is very complex from a conceptual and accounting standpoint. To best describe the concept, one must understand the nature of the government's appropriation process. Congress appropriates budget authority to FPAs in order to operate their organizations and execute their programs. Currently, an entity does not exist to account for the "issuance" of the authority; however, the agencies do account for the receipt of that authority. The lack of the "General Fund" accounting leads to some very complex accounting issues when we try to consolidate the agency accounting data in the preparation

(Continued on page 11)



# South Korean Delegation Visits FMS to Learn about Debt Collection

By Marshall Kofler, Office of Legislative and Public Affairs

Recently a delegation from the South Korean Ministry of Finance and the Embassy of South Korea visited the Financial Management Service (FMS) to meet with representatives of FMS's Debt Management Services (DMS) program.

During the visit, the FMS Office of Legislative and Public Affairs (LPA) provided a briefing on the primary FMS business lines:

- FMS issues U.S. federal government payments in its capacity as the U.S. government's central disbursing agency.
- FMS processes U.S. federal government financial collections and manages the world's largest collections program.
- FMS performs the centralized governmentwide accounting and reporting function for the U.S. federal government, including maintaining the U.S. government's books, overseeing the central accounting and reporting system, and keeping track of U.S. federal government operating cash and monetary assets.
- FMS collects delinquent U.S. federal government debt, under the Debt Collection Improvement Act (DCIA) of 1996, which centralized the

collection of delinquent non-tax debt owed to the U.S. federal government and gave the U.S. Treasury Department responsibilities for collecting this debt.

### *Focus on the FMS Debt Collection Program*

The primary focus of the South Korea visit was the FMS debt collection program. Jeff Schramek,

names and TINs of recipients of federal and some state payments and if there is a match, the payment is reduced (or "offset") to satisfy the debt.

- Cross Servicing Program – Cross Servicing is a program under which federal agencies refer delinquent non-tax debt to FMS for collection by means of a variety of tools, including offset, demand letters to debtors, repayment agreements, administrative wage garnishment, referrals to the U.S. Department of Justice, credit bureau reporting, and the use of Private Collection Agencies (PCAs). FMS has used PCAs to collect delinquent debt since 1998, working with them to utilize their expertise in locating debtors, establishing payment agreements, and administratively resolving debts.
- Other debt management initiatives and issues.



(Front row from the left) Hye Jin Choi, Korea Ministry of Strategy and Finance, Jeff Schramek, FMS, Beomseok Kim, Embassy of the Republic of Korea, John Lewin, FMS, (Back row from the left) Ji Hee Yoon, Korea Ministry of Strategy and Finance, Jeonghee Lee, Korea Institute of Public Administration, Alyssa Riedl, FMS, and Marshall Kofler, FMS. (FMS Photo/Teri Hoehn)

Deputy Assistant Commissioner for Debt Management Services, Alyssa Riedl, Director of the DMS Debt Program Division, and John Lewin, Director of the DMS Agency Liaison Division, briefed the South Korea delegation on the history of the debt program and key aspects of the program. Key topics included:

- Treasury Offset Program (TOP)—TOP compares the names and taxpayer identification numbers (TINs) of debtors with the

The South Korean Ministry of Finance and Embassy of South Korea visit was arranged as part of the FMS International Program. FMS frequently hosts international delegations, through LPA, to provide information and technical assistance in areas related to the bureau's role as the U.S. government's central financial manager.

To learn more about FMS's International Program, contact Marshall Kofler, Deputy Director, LPA at 202-874-0966.



# IRS Proposes Rule to End Processing of FTD Coupons

By Mark Stevens, Tax Collection Division

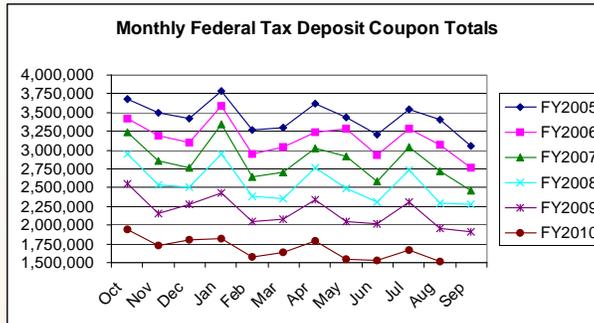
In response to the Financial Management Service's decision to discontinue the system that processes Federal Tax Deposit (FTD) coupons, the Internal Revenue Service (IRS) on August 19 published a proposed rule to end coupon processing after December 31, 2010. The FMS decision was part of an overall U.S. Department of the Treasury strategy to increase electronic transactions with the public.

The proposed rule called for many businesses that now pay their federal taxes with a paper FTD coupon to pay electronically as of January 1, 2011. Those who are not required to use coupons—businesses with a very small federal tax liability (generally, under \$2,500 per quarter)—would be able to continue to pay electronically or mail a check with their return. The proposed rule reflects Americans' growing comfort with electronic payment and the trend among financial institutions to stop accepting coupons.

Ending the coupon system will reduce paper payments to the federal government by approximately 20 million items annually. In addition, if the coupon system were to be retained, it would require improvements totaling \$65 million over the next five years. FMS has been working to end this manual, exception process since 1997, shortly after the launch of the Electronic Federal Tax Payment System (EFTPS), a free service from Treasury. Electronic options include using the EFTPS Web site (EFTPS.gov) or phone line (800-555-3453).

Fewer than thirty comments were received in response to the proposed rule and the hearing scheduled for September 27<sup>th</sup> to receive public comments was cancelled due to zero requests for testimony. IRS has begun drafting a final rule for publication to fully implement this change.

FMS and IRS planned to pre-enroll all affected taxpayers in EFTPS in mid-October. Those businesses were to receive a personal identification number (PIN) and then would be able to enter banking information via the Web or phone line and begin scheduling payments that day. Formal notification of any final rule would come from the IRS.



	Total	% Decline
FY1998	60,700,000	--
FY1999	54,200,000	10.71%
FY2000	48,100,000	11.25%
FY2001	47,200,000	1.87%
FY2002	46,500,000	1.48%
FY2003	45,100,000	3.01%
FY2004	43,800,000	2.88%
FY2005	41,211,383	5.91%
FY2006	37,887,409	8.07%
FY2007	34,292,699	9.49%
FY2008	30,536,724	10.95%
FY2009	26,090,048	14.56%

Financial institutions, tax professionals, and other trusted third parties are encouraged to assist their customers through this transition. Free EFTPS marketing materials may be ordered in bulk at [www.fms.treas.gov/eftps/marketing.html](http://www.fms.treas.gov/eftps/marketing.html). For additional assistance, please contact Melanie Rigney, FMS electronic collections marketing coordinator, at 202-874-3530, or [melanie.rigney@fms.treas.gov](mailto:melanie.rigney@fms.treas.gov).

Some frequently asked questions (FAQs) about the initiative:

## Are coupons really going away?

IRS has proposed for comment a regulation that, if finalized, would end the processing of FTD coupons on December 31, 2010.

## Do banks and credit unions have to continue taking coupons until that time?

No, financial institutions are free to stop accepting coupons whenever they desire, and more than 100, large and small, across the nation already have done so.

## What payment options are available for current coupon users?

- EFTPS.gov and the EFTPS voice response system, both of which are free to businesses
- Payment via ACH Credit, if their financial institution offers that option
- Payments initiated by trusted third parties such as payroll services or tax professionals
- Same-day tax wire, if their financial institution offers that option
- For those with a low-dollar federal tax liability, mailing a check with the quarterly or annual return (businesses should consult their tax professional or call the IRS Business and Specialty Tax line at 800-829-4933 to determine whether this option is available)

For more information, contact Mark Stevens, Director, Tax Collection Division, at 202-874-4288.



# GWAMP 2010 Update for Federal Program Agencies

By GWA Modernization Program

The Governmentwide Accounting (GWA) Modernization Program continues to work towards more streamlined and efficient agency reporting. This year has been one full of new developments to ensure that we continue to streamline and modernize the way the Federal Program Agencies (FPAs) report.

As we mention in our presentations, GWA has accomplished a great deal over the past several years. The automation of the Borrowings, Non-Expenditure and Warrant transactions, the implementation of the Provisional Account Statement and the Re-classification tool are key accomplishments that lay the foundation for agencies to transition to daily classification. At this time, GWA is enabled to accept any Treasury Disbursing Office (TDO) transactions and we will continue to implement GWA Reporters as they are prepared to transition.

During this year, we have worked with agencies such as, Bureau of Public Debt, Social Security Administration, Bonneville Power Administration, U.S. Agency for International Development, Department of Justice – Bureau of Prisons, and National Business Center. GWAMP converted 4 different Agency Location Codes (ALCs) who are now reporting the “GWA way”. These agencies are including the classification information at the point of initiation, eliminating the redundant reporting and at the same time streamlining their financial reporting. Some of the agencies that we are planning to work with in the future are:

Department of Homeland Security (DHS), specifically the Immigration and Customs Enforcement (ICE) and the Department of the Interior. We also continue to reach out to different FPAs through conferences and/or individual meetings with FPAs who are interested in reporting their accounting data the “GWA way”.

On November 2010, we will enable one of our Non-Treasury Disbursing Office (NTDO) pilots, the Department of Defense (DoD)/ Navy. The DoD/Navy has been piloting for over one year and with our November implementation they

first change is the name of the application, which now is “Classification, Transactions, and Accountability”, our new CTA. The CTA component, which will be a component of the Agency Transaction Module (ATM) has new, important, and relevant features and processes that will make agency’s reporting much easier.

Things you need to do or know prior to the implementation of the new CTA component:

- Save your data! Unfortunately, we are not going to carry the data from the old Partial 224 to the new CTA
- Verify that you have the correct access and that your contact information is correct in the system
- Verify that your ALCs are listed on the new system
- Implementation date, November 2010, for December reporting

## GOVERNMENTWIDE ACCOUNTING & REPORTING **gwa** Modernization

will be enabled to start reporting Treasury Account Symbol (TAS) and Business Event Type Code (BETC) classification information in their transactions. Another milestone schedule for this year is the implementation of the new Classification, Transactions, and Accountability (CTA) component, which will be implemented in November 2010 as well. Finally, GWA will be Common Governmentwide Accounting Classification (CGAC) compliant by the end of this year. GWA will give customers the opportunity to see their financial data in the CGAC or the current format in applications such as the Account Statement and the new CTA.

This year the Partial 224 is undergoing another change. The

Some of the new features of the CTA component:

- No FMS approval will be needed for the submission of supplementals
- New workflow process that will simplify the approval process
- Increase of fiscal year line from one digit to two digits

If you were not able to take advantage of the summer training sessions that were available to the Partial 224 users, we have a great online tutorial that can help you understand and get familiar with the new CTA changes. (Note: For more

*(Continued on page 8)*



# GWAMP 2010 Updates for Federal Program Agencies

By *GWA Modernization Program*

(Continued from page 7)

information on the CTA component, please see Eugenia Ferrette's article on page 9).

The GWA Modernization Program is also working on two other main projects, the new automated Combined Statement and the General Fund.

The new version of the Combined Statement, still in its early stages, is going to interact with the Office of Management and Budget (OMB) to share key attributes of the Treasury Account Symbol (TAS). This new release will also share information with the following divisions and publications: Governmentwide Treasury Account Symbol (GTAS) Adjusted Trial Balance System, Combined Statement of Receipts, Outlays, and Balances of the U.S. Government (CS), Monthly Treasury Statement (MTS), Financial Report (FR), and the General Fund. Other important features are the automation of the footnotes, the realignment process will virtually be eliminated and the tedious account file maintenance will be

greatly reduced.

Again, the CS is in its early stages. Be on the look out for more information on the new release. The tentative implementation date is January 2011 with a minor release that will not impact our customers.

Work on the new General Fund (GF) financial reporting entity is well underway. Since its inception in April 2009, the GF Task Group (GFTG) has been working diligently to make strides in the definition and development of the GF. They are continually working on defining the accounting posting model, as well as developing a GF Sandbox application (i.e., short term software solution) which will allow the GFTG to validate their logic and generate balance information in support of prototype financial statements.

In addition, the Financial Management Service (FMS) recently submitted a consolidated customer satisfaction survey to all of its customers. In the past, we have created individual customer surveys that were administered

to customers on different time-frames. The FMS consolidated survey gave us the opportunity to evaluate our customers' concerns as a whole and to speak to our customers with "one voice."

The results of the FMS Customer Satisfaction Survey were discussed in depth by the FMS Commissioner, David Lebryck, during the Payments Management Conference in August of this year. The Governmentwide Accounting area has evaluated all of its customers' concerns and is taking into consideration the changes suggested by their customers. We would like to take this opportunity to thank you for taking the time to complete the survey and for your honest feedback. You can be sure that FMS and GWA are listening to your concerns!

If you would like to see how your agency can transition to report the GWA Way, contact Michael Norman at 202-874-8788 or Luz Davila Lopez at 202-874-8599.

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To view the full FMS 2010 Contact Directory, please visit [www.fms.treas.gov/finconn/fms\\_contact\\_directory\\_2010.pdf](http://www.fms.treas.gov/finconn/fms_contact_directory_2010.pdf).



# Getting Up to Speed on GWA's New CTA Component

By Eugenia Ferrette, GWA Modernization Program (GWAMP)

The FMS 224 (Statement of Transactions) is a report submitted by Federal Program Agencies (FPAs) on a monthly basis to report their monthly accounting activity to Treasury, Financial Management Service (FMS). The FMS 224 monthly reports transmitted to Treasury serve as a basis of Treasury's publications to Congress and the public regarding federal revenues and expenditures. With the implementation of the Government On-line Accounting Link System (GOALS) II, FPAs are able to submit their monthly reporting via a Windows based environment using a SecurID card. The GOALS II FMS 224 application was upgraded to GWA's Partial FMS 224 (P224) application which allowed users to submit the monthly reporting via a Web-based application. With P224, agencies were able to eliminate the use of the SecurID card, and allowed for the implementation of GWA Reporters. In an effort to modernize and consolidate the various GWA applications, P224 and Reclassification users will now be converting to the Classification, Transactions, and Accountability (CTA) component. Next, you will learn more about the enhancements the CTA component will have.

## Why did we change the name?

Partial FMS 224 (P224) was created as a system which would allow the user to become a Partial reporter by disabling sections of the application. Therefore, the Agency would only use P224 to report their activity they are not a reporter for; thus partially reporting.

A decision was made to move all the FMS 224 users off of a legacy system—GOALS II 224. This means that users were using P224 to report all sections (Classification, Payments, and Collections.) Thus the name Partial FMS 224 was no longer the best fit.

## When will we begin to use the Classification Transactions and Accountability (CTA) component?

Users will submit their first 224 report using the CTA component on

- The TAS when entered online will use 2 digits for the fiscal year (no change to the bulk file format.) For example, if you have 2009 account, the TAS would now be entered 2016090500; for a 2009/2010 account you will now enter it as 201609/100500
- Multiple rows can be entered at one time (the system will default to 5 rows but the user has the capability to create up to 2,000 rows at one time)
- The capability to enter more than 12 prior month transactions on a single report. No need to create a supplemental just for additional prior month transactions
- Enhanced workflow (optional) - Addition of two new roles (Agency Preparer and Agency Certifier); this will create a separation between the person creating the report and the person who reviews the report. The agency certifier can review and approve the report electronically without having to print.

## What are users saying about GWA's new CTA component?

Here's actual feedback below.

- "Great! Really enhanced from P224."
- "It was very easy and more efficient."
- "A great improvement!"
- "(I) Don't like change, BUT this is very nice."
- "User friendly"
- "CTA is a good application, faster result and more user friendly."

December 1, 2010 (for November's reporting). Users should log on to GWA between November 15 and November 30, 2010 to: 1) verify they have access to CTA via the Agency Transaction Module (ATM); and, 2) verify that the Agency Location Codes (ALCs) used in P224 are available on the CTA ALC drop down. If you have any problems, please contact the Treasury Service Center at 877-440-9476 prior to December 1.

## What are the Enhancements?

Some of the enhancements of the CTA component include:

- No authorization needed to create a supplemental note

## How is GWA preparing users for the transition from P224 to CTA?

Between July and September GWA has provided hands-on training sessions in Denver, CO, Dallas, TX, Hyattsville, MD and Kansas City, MO.

In addition, in July of this year the Online Tutorial was updated to reflect the new CTA component. This tutorial is broken down to multiple videos that provide a simulation of the application. The online tutorial can be located at <http://www.fms.treas.gov/gwa/tutorial/default.html>.



## SAM: Preparing FPAs to Report the GWA Way by 2014

By Scott Trilling, Federal Reserve Bank of St. Louis

The Shared Accounting Module (SAM) is a Web-based application that supports the Financial Management Service (FMS) in its effort to modernize financial reporting. SAM is an enterprise resource that allows a Federal Program Agency (FPA) to efficiently manage its ability to report Governmentwide Accounting (GWA) compliant financial transactions and serves as a central hub for distributing accounting data to agency users and accounting systems.

As a part of the Governmentwide Accounting Modernization Program (GWAMP), an FPA will be expected to classify financial transactions to an appropriate Treasury Account Symbol (TAS) and Business Event Type Code (BETC) on a more real time basis, rather than through the current month-end classification process. As a result of this change, Treasury will have a better understanding of the fund balance that each FPA maintains and an FPA will no longer encounter statements of difference.

### What will SAM do for you?

SAM will help ensure that all financial transactions reported by an FPA are classified to a valid TAS/BETC. There are three primary functions by which SAM will achieve this objective:

- **Validation:** For transactions that can be associated with a TAS/BETC at point of entry, SAM will review the transaction to determine if the TAS and BETC included are valid. The source for this validation is GWA's master list of accounting data. If the transaction passes validation, it is stored in the system of record and

can be viewed on the agency Location Code's (ALC) account statement.

- **Translation:** For transactions that are accompanied by uniquely identifiable system or agency accounting data instead of a TAS/BETC, SAM will use that information to identify the appropriate TAS/BETC that should be associated with the transaction. Within SAM, an FPA that prefers to use unique information, such as Tax Class codes for IRS, or what is called a classification key (C-Key), can establish translation rules in SAM that dictate the appropriate TAS/BETC that should be attached to a transaction. For example, if IRS were to use Tax Class 1 as a C-Key, SAM would have in its database a crosswalk that would be invoked anytime Tax Class 1 appeared on an IRS transaction. That transaction would then be returned to GWA with the valid TAS/BETC classification.
- **Default:** For transactions that do not have a valid TAS/BETC combination or an applicable C-Key, SAM will apply the appropriate default account established for the FPA. When an ALC is selected as a GWA reporter, it will become a user of SAM and be required to establish a predetermined default TAS/BETC that would be applied to all transactions that fail validation and translation. This ensures that all transactions processed by SAM are classified to a valid TAS/BETC before passing on to GWA.

As a part of its data management capabilities, SAM

currently distributes ALC, TAS/BETC, and American Banker Association (ABA) information. FPA users and accounting systems can get this information from SAM in a scheduled or on demand frequency through several different delivery options. FPA consumers of this data can also locate listings of current TAS/BETC information on the SAM public website at <https://www.sam.fms.treas.gov/sampublic/>. For more information on becoming a system partner, please visit [http://www.fms.treas.gov/sam/ent\\_ref\\_data.html](http://www.fms.treas.gov/sam/ent_ref_data.html) and review the Trading Partner Integration Guide.

### How will you be involved?

To date, the SAM Conversion team has held numerous conversations with FPAs to identify how best they can leverage SAM to meet GWA reporting requirements. Through those conversations, the team has captured preliminary information on what each agency would use as a C-Key if they are unable to report TAS/BETC classifications at the time of deposit. As users are formally enrolled in SAM, the outreach team will be revisiting that information and working with each FPA to ensure the proper crosswalk and a proper default account is established in SAM.

The SAM Conversion team continues to appear at agency forums and other events to share information on SAM and prepare each FPA for what will be expected of them by 2014, when they will be required to report financial transactions the GWA Way. If you would like further information on SAM, please contact [sam.conversion@stls.frb.org](mailto:sam.conversion@stls.frb.org) or visit the SAM website at <http://www.fms.treas.gov/sam/index.html>.



## GWA's New Solutions Improve Accounting and Reporting

By David Rebich, Assistant Commissioner, Governmentwide Accounting

(Continued from page 4)

of the FR. Also, as a single transaction, the appropriation example seems straight forward.

However, when agencies begin to use that authority, transfer that authority, and issue debt to fund that authority, the lack of a General Fund reporting entity results in financial statements that do not balance or properly reflect the results of the financial transactions. These types of transactions should eliminate and have no effect on the Net Position on the government's consolidated financial statements — but how can the transactions eliminate if the accounting for one side of those transactions is missing? Today, we do not have a central entity to account for and report the General Fund transactions, and thus we are left with a "plug" to make our financial statements balance. So, to put it in the simplest terms, the General Fund initiative will establish an entity here in GWA to account for and report the General Fund activity for the government. Pretty easy, right?

### *Other GWA Operations*

If that is all GWA had on its plate, our plate would be full enough. However, GWA operations are our number one priority and our track record is very impressive. Let me take some time to highlight our other operations.

GWA provides program support to the Office of the Fiscal Assistant Secretary (OFAS) in forecasting, monitoring and managing the Treasury's cash and debt position. We coordinate and participate in the Daily Cash Position Management Conference Call conducted every banking day at 9:00 am EST. Historically, the purpose of the call is to maintain

an approximate \$5 billion daily target balance in the Treasury General Account held at the Federal Reserve Bank of New York, through investments or withdrawals to the Treasury Tax & Loan accounts. Since November 2008, the Treasury stopped targeting a Treasury General Account balance and temporarily suspended all investments. Currently, Treasury is maintaining higher cash balances in the Treasury General Account while maintaining an approximate \$2 billion balance in the Treasury Tax and Loan accounts.

In addition, the staff prepares the Daily Treasury Statement (DTS), which summarizes the U.S. Treasury's cash and debt operations for the federal government. GWA also serves as the business owner of the CASHTRACK system, a centralized cash management and reporting system that provides data to Treasury for use in its daily cash management activities.

GWA is also responsible for maintenance and oversight of the USSGL. We work closely with OMB and the agencies to facilitate governmentwide accounting and reporting using the USSGL chart of accounts. Part of the FIRST initiative will improve the process for updating the USSGL document through the implementation of a database-driven production of the USSGL chapter in the Treasury Financial Manual (TFM).

With the transition of the USSGL process to FIRST, GWA ensures consistency of the data throughout the USSGL document. The communication vehicle for the USSGL and most other FMS operational policy guidance is the TFM. GWA is responsible for the maintenance and oversight of the TFM and will be leading an effort to modernize and enhance the TFM content in years to come.

Treasury Agency Services is a critical part of the GWA area with a

mission to improve the quality of Federal government financial management by assisting FPAs with their financial management problems. Although Agency Services was established in 1991, it became part of GWA on 2007. Agency Services offers financial management advisory services (on a reimbursable basis) to any Federal entity requesting assistance. In recent years, Agency Services has assisted the National Security Agency, The Central Intelligence Agency, the US Coast Guard, The Department of Defense, the Department of Justice's Office of Justice Programs and the Department of Transportation's Pipeline Hazardous Material Agency.

Agency Services also offers financial management training that assists agencies in complying with Treasury and OMB financial guidance, coordinates the annual Treasury Financial Management Conference, and coordinates the annual Year End Closing seminar. In addition, Agency Services can provide training services at the FPA's location provided at least 15 students attend.

As you can see, GWA has extremely complex and far-reaching responsibilities related to the accounting function and financial management of the Federal government. You can also see that GWA is in the midst of several far-reaching initiatives designed to improve the efficiency and effectiveness by which the Federal government carries out its financial management and accounting functions. I am very proud of our organization and excited to be the AC for GWA.





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