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Edition



FMS.TREAS.GOV/SFC

San Francisco Financial Center

Financial Express

BEST FINANCIAL MANAGEMENT NEWS IN THE WEST

Customer Driven Approach: Cutting-edge Trend-setters

One would not normally consider a team of software testers and an accountant to be exciting; however, the air is consistently charged with excitement in the Debt Management Support and Testing Branch (DMSTB). Celebrating its second anniversary in July 2007, the DMSTB Manager, Margaret Tong, said that she is very fortunate to have such a talented, motivated and diverse branch. Her team consists of 11 professionals: Ferdinand Ralleta, Kevan Gross, Gil Gatchalian, Elaine Laurel, James Prial, MaryAnn Thomas, Edwin Gasang, Kevin, Becker, Pat Hori, and Angela Mayorga.

DMSTB provides services for debt collection initiatives, collecting billions of dollars by partnering with Debt Management Services (DMS) and other key stakeholders in a customer driven approach to new product and enhancement development. DMSTB focuses on areas such as:

- **Software and Systems Testing**

The Test Team collaborates with Debt Management Services, Regional Operations (RO), Information Resources (IR), and the Federal Reserve Bank (FRB) of San Francisco to test Financial Management Service (FMS) applications. The team goes beyond requirements testing, by also performing systems integration testing and “a day in the life of a payment” testing. By studying the payments and offset processes and then brainstorming possible scenarios that can occur during the life cycle of a payment or debt-match, the testers help improve the final product and ensure application/system success for the user. As Ferdinand Ralleta said, “We try to break the system so that the user won’t have to experience the same problem.”

(continued on next page)



DMSTB Branch: Front Row (L to R): Ferdinand Ralleta, Gil Gatchalian, Kevan Gross, Kevin Becker. Back Row (L to R): Margaret Tong, Edwin Gasang, Pat Hori, James Prial, Mary Ann Thomas, Angela Mayorga, Elaine Laurel.

- **Rapid Application Development (RAD)**

The RAD team participates in designing, developing requirements, and testing the DMS and RO systems. This method of software development brings key stakeholders together to define, design, develop, deploy, and implement software/systems. Mary Ann Thomas said, “I have noticed a remarkable decline in the number of change requests necessary throughout the project.” Kevan Gross added, “Since we started using the RAD process, the timeliness and quality of coded delivery has been greatly enhanced.”

- **Disaster Recovery**

Disaster Recovery and Business Continuity is a hot topic for the Financial Management Service (FMS) and its partner agencies. Margaret Tong stated that during the San Francisco Financial Center’s Customer Advisory Board meeting in Las Vegas, many agencies expressed interest in partnering with SFC to develop a strategy for Disaster Recovery. The Disaster Recovery team supports the Electronic Operations Branch (EOB), DMS, and federal agencies in testing backup/recovery systems for disaster recovery. Kevin Becker believes that the team offers a broad knowledge base to FMS’s strategy for embracing new technology and developing contingency plans.

- **Accounting Audits**

The Treasury Offset Program Control System (TCS) accounting team works closely with the Regional Financial Centers (RFCs), the RO Washington Office, and DMS to improve internal controls and correct accounting deficiency findings. Pat Hori said, “Team is the word that should be most emphasized here. Gil Gatchalian and Kevin Becker do a wonderful job ensuring the TCS changes are thoroughly tested.”

- **Payment Application Modernization (PAM)**

The PAM team participates in the payments applications modernization effort. PAM is a group of testers, users, management, and developers working together from conception to final production. As James Prial said, “This method will produce a superior product. All stakeholders have the opportunity to contribute to the success at each level of the product development cycle.”

- **Technical Training and Guidance Support**

DMSTB provides technical/user training and support. The team drafts and updates user guides and provides technical training to operations staff and management. For example, this year, Kevan Gross provided in-house training on the RAD process and Mary Ann Thomas partnered with the Electronic Operations Branch to host a TCS workshop.

- **Configuration Management Support (CMS)**

The Configuration Management (CM) team supports the management of software migrations for the San Francisco Financial Center and leads the SFC Local Change Control Board. As programs are developed, the CM team tracks software releases and manages migration of programs among the development, test, and production environments.

- **Information Systems Security Officer (ISSO)**

Working closely with the ISSO, Elaine Laurel acts as the backup for SFC’s ISSO. This allows the Center to participate in the Business Continuity testing and operate smoothly when users have access control problems.

These creative and cutting edge ways of conducting business are made possible by DMSTB’s professionals, dedicated to developing strong partnerships and strategies for improving how government does business.

ITS.Gov: International Treasury Services

What is ITS.Gov?

ITS.Gov is a comprehensive international payment and collection system used for processing international electronic and check payments. ITS.Gov enables federal agencies to issue foreign currency payments via direct deposit, wire transfer, or draft to recipients in over 150 countries. Additionally, ITS.Gov enables agencies to issue international U.S. dollar wire transfer payments without a corresponding U.S. financial institution. Currently, FMS processes monthly recurring benefit payments, foreign payroll, vendor, and miscellaneous payments through ITS.Gov.

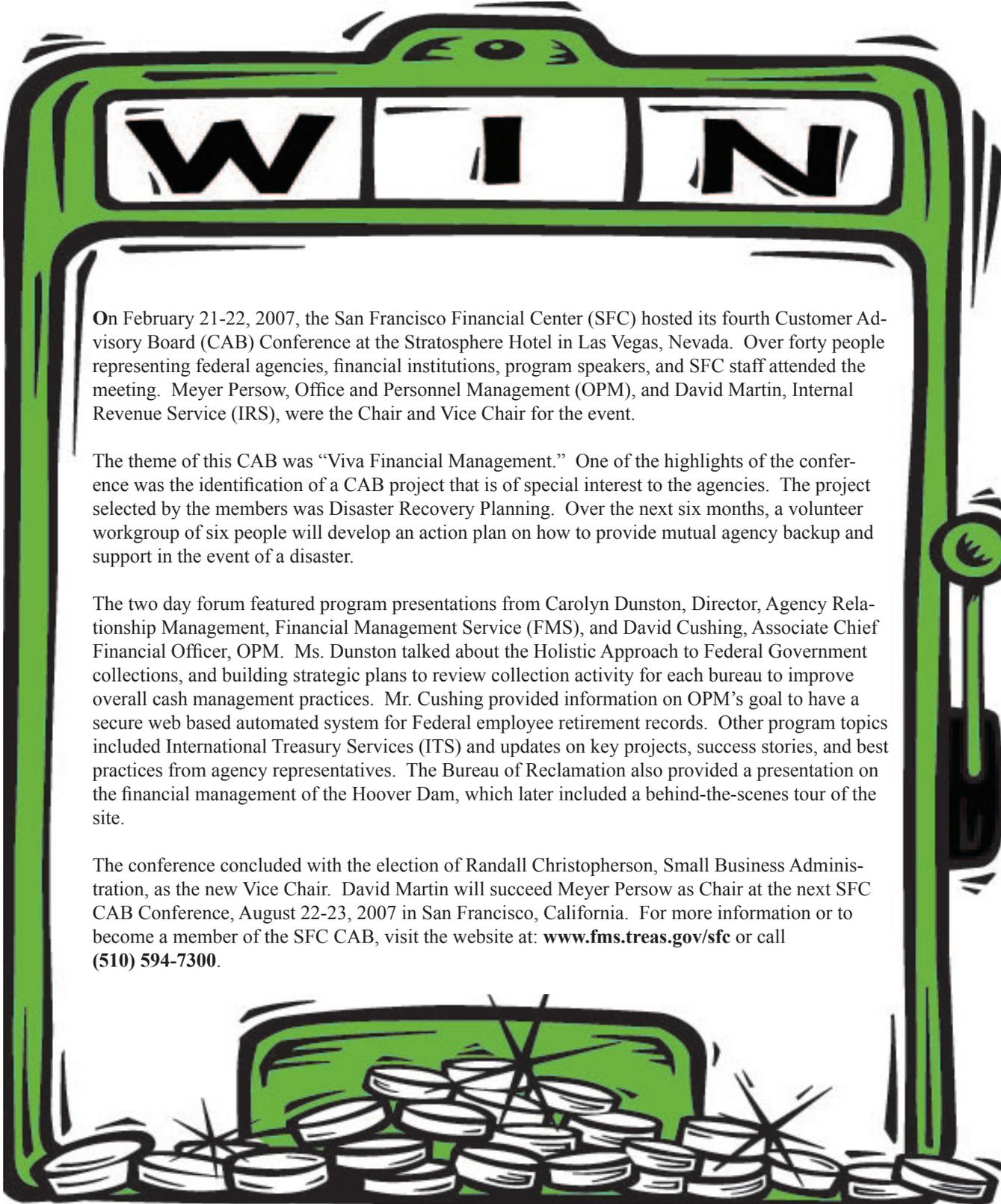
Benefits

- Offers worldwide connectivity through one easy-to-use application
- Offers the lowest costs for sending international payments
- Eliminates the need for U.S. correspondent financial institutions (i.e. extra handling and coordination between U.S. banks and foreign banks)
- Expedites payment settlement
- Increases the ability to process international electronic payments in emerging markets
- Purchases the foreign currency amount at the time of payment at the most competitive rate possible, maximizing agency cash management
- Provides fast and easy-to-use foreign exchange currency purchase capabilities
- Supports multiple levels of verification and various types of foreign exchange options, fixed-to-variable, variable-to-fixed, and fixed-to-fixed
- Compatible with current agency file formats and effectively handles exception processing
- Employs the latest enhanced security technology

If your agency is interested in entering payments via ITS.Gov, contact the Kansas City Financial Center at **(816) 414-2100**.

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S.F. Financial Center Customer Advisory Board Hits Jackpot!



On February 21-22, 2007, the San Francisco Financial Center (SFC) hosted its fourth Customer Advisory Board (CAB) Conference at the Stratosphere Hotel in Las Vegas, Nevada. Over forty people representing federal agencies, financial institutions, program speakers, and SFC staff attended the meeting. Meyer Persow, Office and Personnel Management (OPM), and David Martin, Internal Revenue Service (IRS), were the Chair and Vice Chair for the event.

The theme of this CAB was “Viva Financial Management.” One of the highlights of the conference was the identification of a CAB project that is of special interest to the agencies. The project selected by the members was Disaster Recovery Planning. Over the next six months, a volunteer workgroup of six people will develop an action plan on how to provide mutual agency backup and support in the event of a disaster.

The two day forum featured program presentations from Carolyn Dunston, Director, Agency Relationship Management, Financial Management Service (FMS), and David Cushing, Associate Chief Financial Officer, OPM. Ms. Dunston talked about the Holistic Approach to Federal Government collections, and building strategic plans to review collection activity for each bureau to improve overall cash management practices. Mr. Cushing provided information on OPM’s goal to have a secure web based automated system for Federal employee retirement records. Other program topics included International Treasury Services (ITS) and updates on key projects, success stories, and best practices from agency representatives. The Bureau of Reclamation also provided a presentation on the financial management of the Hoover Dam, which later included a behind-the-scenes tour of the site.

The conference concluded with the election of Randall Christopherson, Small Business Administration, as the new Vice Chair. David Martin will succeed Meyer Persow as Chair at the next SFC CAB Conference, August 22-23, 2007 in San Francisco, California. For more information or to become a member of the SFC CAB, visit the website at: www.fms.treas.gov/sfc or call (510) 594-7300.

Left to right: Chair, Vice Chair, SFC Regional Director



Meyer Persow (OPM), CAB
Chair aka "Elvis"

Customer Advisory Board February 21-22, 2007 Las Vegas



2007 SFC Customer Advisory Board Members



Hoover Dam Tour
Group Picture



David Martin (IRS), CAB Vice Chair

Direct Express

Direct Express is a new pilot program focused at recipients of federal government benefit payments. The United States Department of the Treasury's Financial Management Service (FMS) has launched a Debit Card pilot program to enable unbanked government benefit recipients to receive their benefit payments electronically. The Direct Express card is a debit card provided by JP Morgan Chase as FMS's financial agent.

At the end of December 2006, FMS sent out a direct mail solicitation letter to approximately 35,000 social security and supplemental security income (SSI) check recipients in the Chicago and southern Illinois area. FMS hopes to get responses from at least 3000 participants in this pilot program and use the findings to fine tune the concept of delivering federal benefits via a debit card. As of the end of January, over 900 beneficiaries have signed up for Direct Express.

There are substantial cost savings to the taxpayers when recipients choose an electronic payment over a paper check. Hundreds of millions of checks are still issued by the government each year and they cost 80 cents more per payment than an electronic transaction. From 1986 through 2005 alone, approximately \$6 billion has been saved by reducing the number of checks issued.

Instead of receiving a check for benefit payments, money is automatically deposited into the recipient's Direct Express card account on their payment date. They can use their Direct Express card and Personal Identification Number (PIN) to withdraw cash at Automated Teller Machines (ATMs) or make purchases and get cash back at stores that accept MasterCard debit

cards. Recipients can also use their Direct Express card to purchase money orders at U.S. Post Offices and other locations.

There are no charges for most basic services. There is no monthly fee or fee for point-of-sale transactions and cash back transactions. Cardholders will receive one free

ATM cash withdrawal per month and surcharge free withdrawals at Chase and Allpoint ATMs.

Cardholders will be able to access account information either through a toll-free number or through the Internet at no cost. The money on the card will be FDIC-insured and subject to banking and consumer, protection laws (Regulation E). In most cases, cardholders will not be liable for unauthorized purchases made with their Direct Express card.



Ask SFC

Q: What is the Treasury Financial Manual (TFM)?

A: The TFM is the Department of the Treasury's (Treasury's) official publication for financial accounting and reporting of all receipts and disbursements of the Federal Government. Treasury's Financial Management Service (FMS) issues the TFM to provide policies, procedures, and instructions for Federal departments and agencies, Federal Reserve Banks (FRBs), and other concerned parties to follow in carrying out their fiscal responsibilities.

Q: When are updates made to the TFM?

A: When changes in procedures or policies occur, FMS revises a chapter to reflect the change. However, if the change requires advance notice or is temporary in nature such as interest rate changes, then FMS prepares a bulletin.

Q: Where can federal agencies find updates once FMS makes a change to a TFM chapter?

A: FMS does not widely distribute copies of updates because of printing costs. However, FMS does make full text of these supplements available online at: **www.fms.treas.gov/tfm**. You can also sign-up to receive e-mail notifications from FMS electronically at: **www.fms.treas.gov/scripts/subscription**.

Q: What is CCMM?

A: CCMM is an acronym for Cash and Collections Management Modernization (CCMM). The CCMM is a comprehensive, multiyear effort to streamline, modernize, and improve the processes and systems supporting FMS and Treasury's collections and cash management programs.

Q: How does Pay.Gov send reports to federal agency users?

A: The Pay.Gov reporting service delivers transaction details using two mechanisms, online reports and activity files. Online reports display the transaction details as web pages while activity files provide the transaction details in electronic format, allowing the agency to download and incorporate the information directly into their own databases.

If you have a question you would like SFC to answer, please email us at: **FinancialExpress@fms.treas.gov**



CALENDAR OF EVENTS

San Francisco Customer Advisory Board Conference
August 22-23, San Francisco

Community Action Partnership Conference
August 28-31, San Diego

Wespay: Payments Symposium
September 9-11, Las Vegas

AARP: Life@50
September 6-8, Boston



Visit the new SFC Web site at:
www.fms.treas.gov/sfc

Comments/Questions

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