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# Payment Application Modernization (PAM)

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Kansas City Regional Financial Center  
Customer Advisory Board  
PAM Update  
June 27, 2007



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# Agenda

- Background
- Development Approach
- Status of Project
- Recent and Future Development Activities
- Platform/Environment Dates
- Production Release Schedule
- Benefits & Goals of PAM
- Impact to Agencies

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# Background

- The PAM project was initiated to replace 30+ applications currently used to process payment requests
- A substantial percentage of the payment functionality is common to all payment types, therefore, development of a single application is the appropriate course of action
- Develop and deploy a robust, standardized application (Payment Automation Manager) employing new technologies where appropriate
- Meet all functional and nonfunctional business requirements set forth by FMS users and business owners

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# Development Approach

- Take a phased approach to the development and delivery
  - Development by FMS, FRB, and Geniant
  - Development at Kansas City and Dallas FRBs
  - Focus on Knowledge Transfer
  - Proof of Concept (Elaboration)
  - Paired Programming
    - On-site and Remote
  - UP / Iterative Process

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# Status of Project Today

- Elaboration Phase - Demonstrate that a working subset of the application will run on the proposed architecture
  - Integration of Components / Technologies
  - Throughput Measurement
  - Security
  - Techniques and Methods
  - Baseline for Production Releases

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# Status of Project Today

- Production Release 1
  - SSI ACH only
  - Single RFC view
  - Restart/Recovery work-arounds
  - Minimal User Interface (UI) for RFC's
- Performance Testing
  - 4 million records per hour

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# Next Steps for Development

- Close Out Elaboration
- Complete Prototype in 4 Iterations
- Construction Phase
  - April through mid-August 2007
  - Overlaps with Elaboration Phase
  - Train 4 additional FMS developers

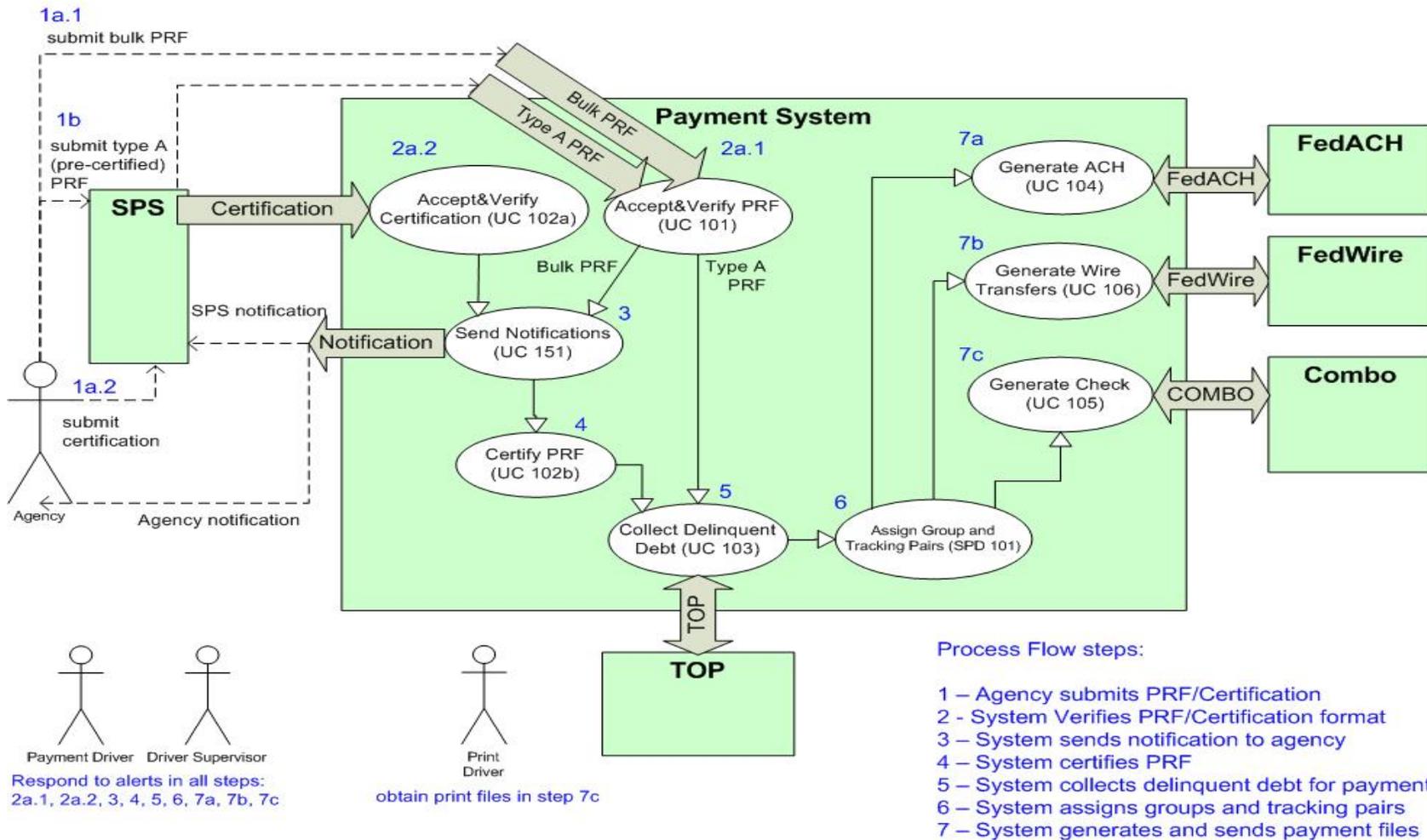
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# PAM Production Release Schedule

- PAM Release 1 – November 2007
- PAM Release 2 – April-June 2008
- PAM Release 3 – 4 to 6 months after Release 2
  - Will include TOP offset functionality & holds

# PAM Processing Flow:

## Main process flow



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# Benefits of PAM

- Standardized Payment System
- Use of new technologies and methodologies
- 85% decrease in manual processing
- Real time access to payment status information
- Enhanced Disaster Recovery
- Payments made through the system are done right the first time, on time, every time

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## Agency's View of PAM

- Trace number and check numbers assigned in the order received
- Internal process automation
  - Reduces workload
  - Increases accuracy
  - Moves payments thru the system quicker
- Increases FMS's visibility into processing
- Improves ability to recover from outages
- System more flexible to changing needs

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# Impact on Agencies

- Free Flowing Files
- Brownout / Blackout Procedures
- Timeline For Rollout
- Service Level Agreement (SLA)

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# Impact on Agencies

- Review Payment Type Requirements (Benefit Agencies)
- Testing
- Notification of Planned Agency Changes
  - Enhancements
  - New Systems
  - Legislation Changes

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# Impact on Agencies

- PAM Standard Agency Format
  - Status of Format Development
  - Format Structure
  - Target Completion Date for Format
  - Posting of Standard Format to FMS Website
  - GWA TAS/BETC Requirements

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# Impact on Agencies

- 100 unique TAS / BETC within certification per payment
- PAM will not stop payments based on TAS / BETC validation
- MOU from agencies for deriving TAS / BETCs
  - One for One (ALC / BETC)

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# Impact on Agencies

- Type “A” Payments
  - Agencies will define TAS/BETC combinations for:
    - Default rules
    - Classification translations
- SAM will validate TAS/BETC Combination
- Agencies are expected to transition to TAS/BETC by August 2009.
- Work with RFC Staffs

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# RFC/Agency Roles

- User Acceptance Testing (UAT)
  - Testing and Training
- Business Requirements
  - Document “As Is”
- Subject Matter Experts
  - Workgroup Representation

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Any Questions?

