

Payment Application Modernization (PAM)

**Kansas City Regional Financial Center
Customer Advisory Board**

June 10-11, 2009

Presenter: Jesse Chavez

PAM Project Update

- ❖ Overview
- ❖ Release 2.1
- ❖ Release 3.0
- ❖ PAM Process Overview
- ❖ PAM and SPS
- ❖ PAM vs. Legacy
- ❖ PAM 3.0 Transition
- ❖ PAM File Format



PAM Overview

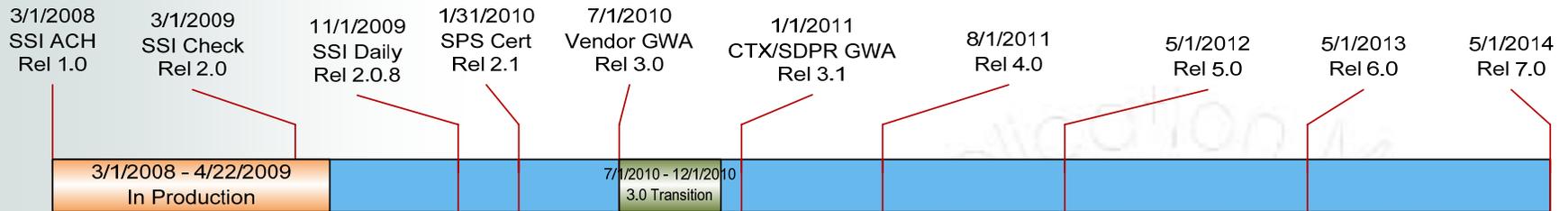


PAM Project Update: Overview

PAM is an effort to standardize and modernize the current main-frame based software applications that are used by the four FMS regional financial centers (RFC's) and Debt Management Service center to distribute approximately 1 billion federal payments annually.

- Release 1.0 successfully implemented on March 15, 2008
 - ✦ 51.2 M SSI ACH payments totaling over \$23 billion dollars annually
- Release 2.0 successfully implemented on February 21, 2009
 - ✦ 38.1 M SSI Check payments totaling over \$18 billion dollars annually

PAM Project Update: PAM Release Schedule



2.0.8 (Nov 2009)

SSI Dailies

2.1 (January 2010)

SPS Certifications (Type B)

3.0 (July 2010)

Daily Vendor, Misc., Salary, and Travel
 TOP Offsets
 Partial Payments
 Type B conversion from Legacy
 Type A conversion from Legacy

*3.1 (January 2011)

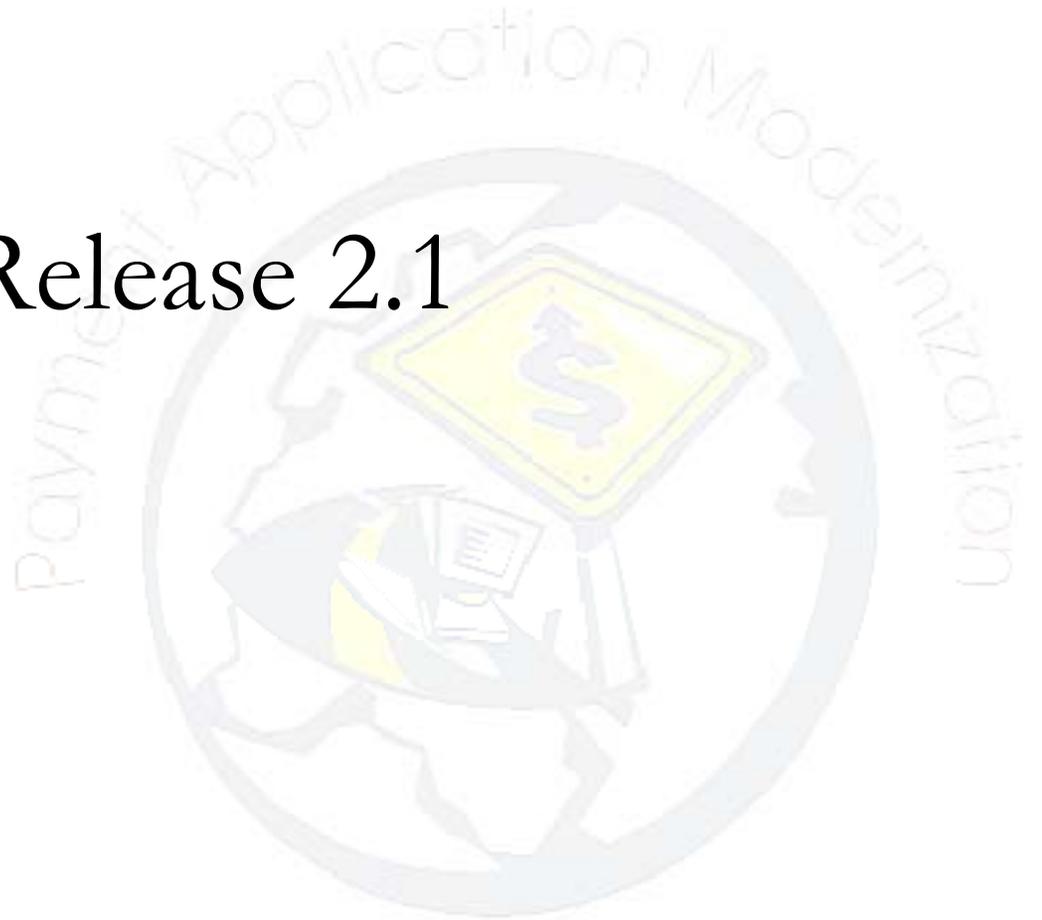
CTX
 Same Day (Wire) Payment Requests

4 – 11 (TBD)

Transition remaining Legacy Payments to PAM

*Tentative

PAM Release 2.1



PAM Project Update: Release 2.1

- ❖ SPS summary schedules streamed through PAM
 - PAM will receive and store all of the summary schedules
 - PAM will use the agency identifier and summary payment type code (i.e. vendor, travel, salary, etc.) to determine if the SPS certification needs to be matched to a payment file. If matched, the certified payment request file is processed through PAM.
 - If the certification is needed by legacy, PAM will store the certification file and create an outgoing file specification for printing of the certification.
- ❖ Production: January 2010
- ❖ No Impact to Customer Agencies

PAM Release 3.0



PAM Project Update: Release 3.0

❖ Production – July 2010

- 164 Million Payments Annually
- Daily Vendor, Misc., Salary, and Travel
- TOP Offsets with interface to TCS
- Partial Payments
- IPP for Types A and B payments

❖ Transition: July 2010 - December 2010

- Transition Type “B” Legacy vendor payments to PAM
- Transition Type “A” payments
- Excludes daily benefit payments
- Agencies will be able to send payments with TAS/BETC to GWA in 3rd Quarter 2011 using the PAM standard format.

PAM Project Update: Future Releases

❖ *Release 3.1 – 1st Quarter Calendar 2011

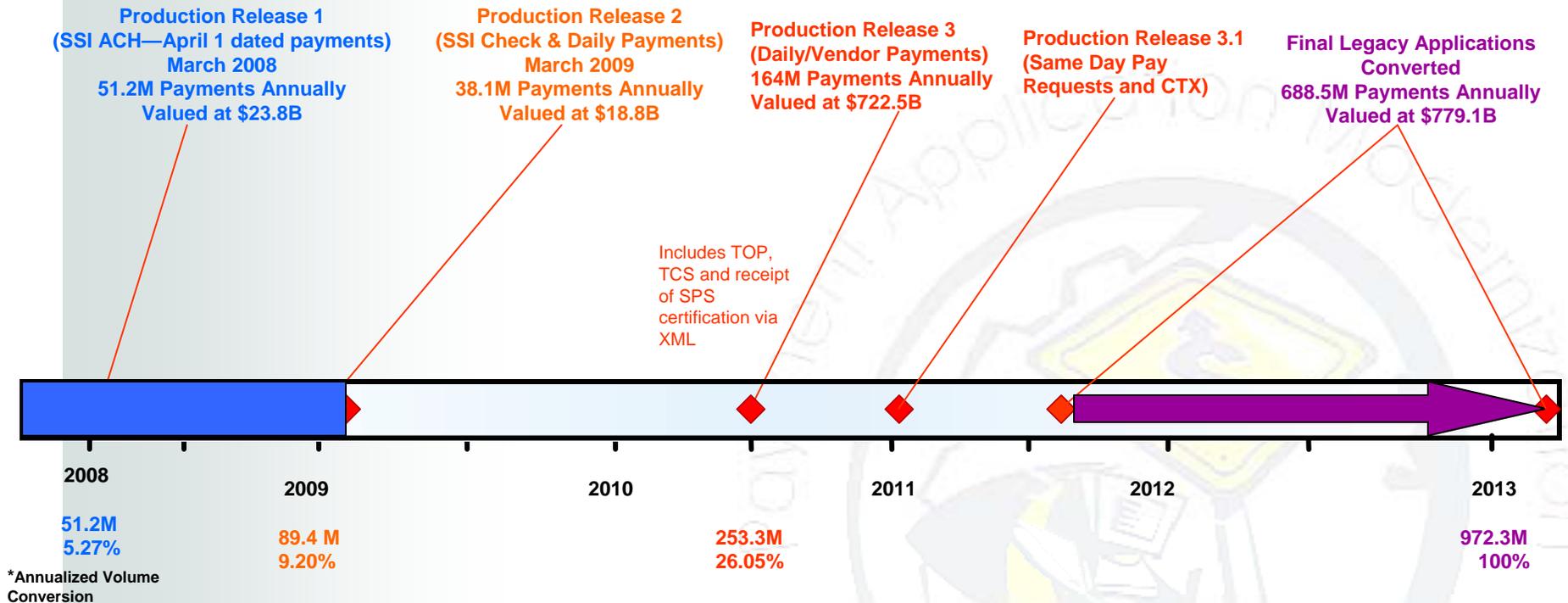
- CTX
- Same Day Wire Payments

❖ Releases 4 – 11

- Transition remaining Legacy payments to PAM (SSA, RRB, Tax, OPM, etc.)
- 688.3 Million Payments Annually
- Scheduled to have all payments transitioned over by CY 2013

*Tentative

PAM Production Release Schedule



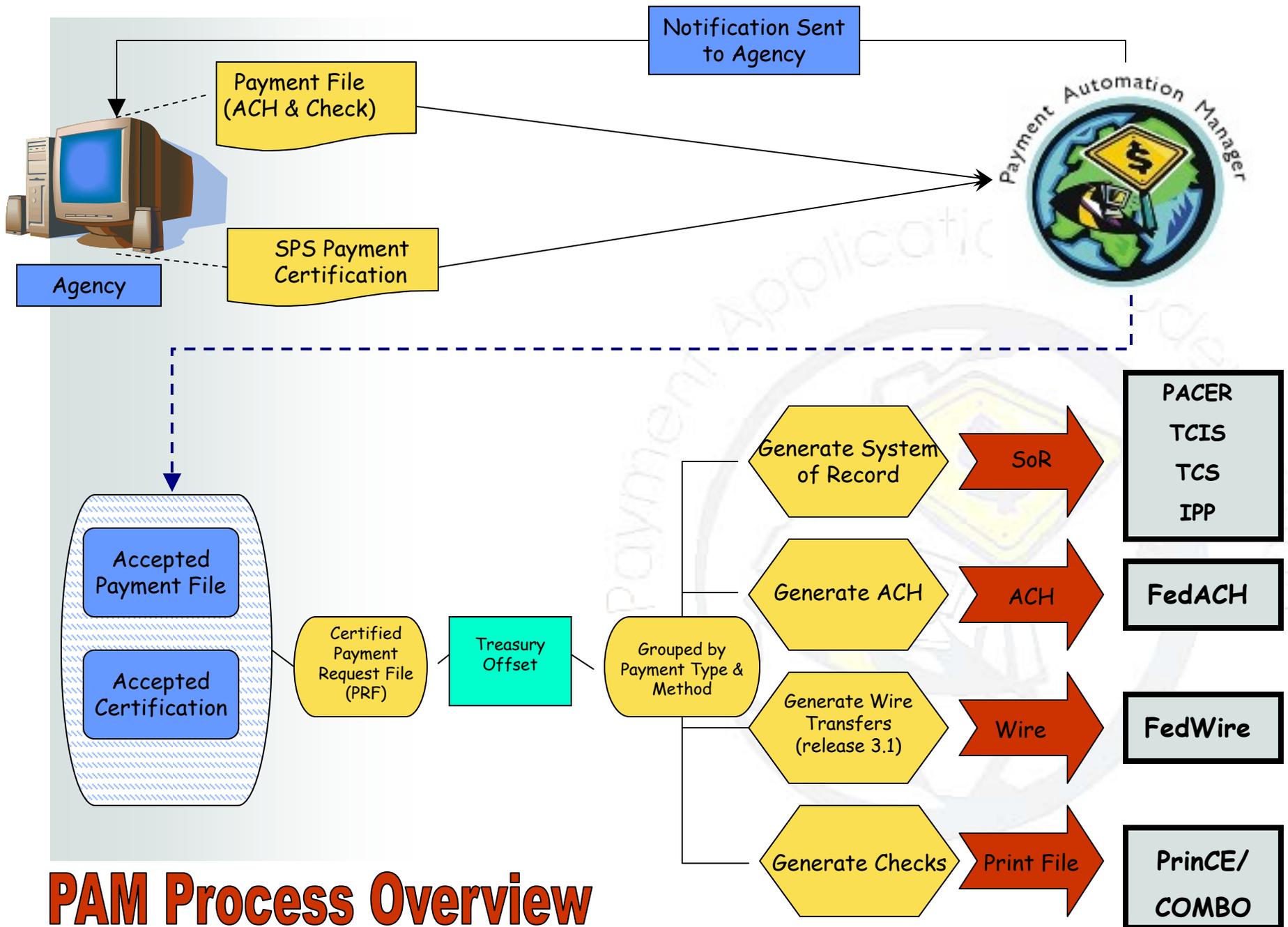
Production Release 2 includes interface with COMBO & TCIS
 Production Release 3 includes interface with TOP, TCS and receiving SPS certifications via XML.
 Note: TAS / BETC will be dependent upon future SPS Production Release scheduled for 2011
 The remaining releases of PAM will focus attention on implementing the outstanding Payment Types/File Formats (e.g., VA, tax, etc), as most of the functionality for the system will have been implemented as part of the first four releases



* % Annualized Volume Conversion based upon 972 Million total check and ACH payments for the period July 2006 through June 2007

PAM Process Overview



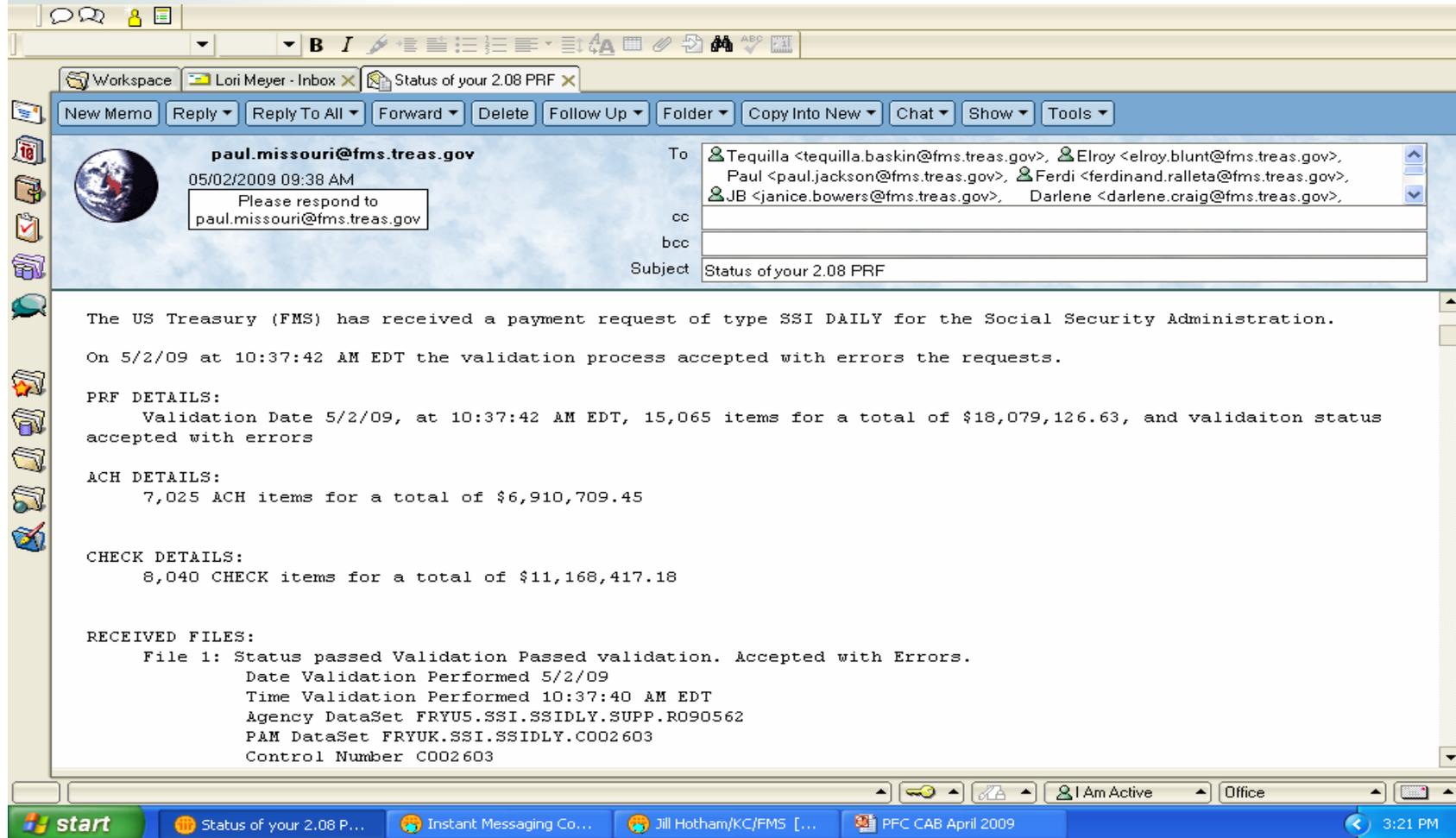


PAM Process Overview

PAM Project Update: Process Overview

- ❖ PAM 3.0 will provide the status of your Payment Request File (PRF) via email or Connect: Direct file transmission.
- ❖ PAM will provide one standard validation (pre-edit) report by Connect:Direct. The format will be similar to the legacy format but may require a few agency modifications if the file is uploaded into an internal application.

PAM Project Update: Sample E-mail



PAM Project Update: Process Overview

- ❖ Email and C:D will include notification if the file was:
 - Successfully validated with no invalid records
 - Successfully validated with invalid records
 - Rejected and include reasoning

- ❖ Email and C:D will also detail:
 - Type of payment request
 - Date and time the request was accepted
 - Payment Request File (PRF): total items and total amount received
 - ACH: items and total amount received
 - Check: items and total amount received

- ❖ Received file status will also be provided including:
 - Control Number
 - Date and Time Validation was performed

PAM and SPS



PAM Project Update: PAM and SPS

- ❖ Information received from PAM notifications will be used for SPS certifications
- ❖ This includes:
 - Type of Payment
 - Total Item and Payment Amount
 - Item Count (ACH and Check)
 - Payment Amount (ACH and Check)
 - Control Number

PAM and SPS

Workspace | Lori Meyer - Inbox | Status of your 2.08 PRF

New Memo | Reply | Reply To All | Forward | Delete | Follow Up | Folder | Copy Into New | Chat | Show | Tools

paul.missouri@fms.treas.gov
05/02/2009 09:38 AM
Please respond to paul.missouri@fms.treas.gov

To: Tequilla <tequilla.baskin@fms.treas.gov>, Elroy <elroy.blunt@fms.treas.gov>, Paul <paul.jackson@fms.treas.gov>, Ferdi <ferdinand.ralleta@fms.treas.gov>, JB <janice.bowers@fms.treas.gov>, Darlene <darlene.craig@fms.treas.gov>
cc:
bcc:
Subject: Status of your 2.08 PRF

The US Treasury (FMS) has received a payment request of type SSI DAILY for the Social Security Administration. On 5/2/09 at 10:37:42 AM EDT the validation process accepted with errors the request.

PRF DETAILS:
Validation Date 5/2/09, at 10:37:42 AM EDT, 15,065 items for a total of \$18,079,126.63, and validation status accepted with errors

ACH DETAILS:
7,025 ACH items for a total of \$6,910,709.45

CHECK DETAILS:
8,040 CHECK items for a total of \$11,168,417.18

RECEIVED FILES:
File 1: Status passed Validation Passed validation. Accepted with Errors.
Date Validation Performed 5/2/09
Time Validation Performed 10:37:40 AM EDT
Agency DataSet FRYU5.SSI.SSIDLY.SUPP.R090562
PAM DataSet FRYUK.SSI.SSIDLY.C002603
Control Number C002603

Annotations: "Type of Payment" points to SSI DAILY; "C002603" points to the Control Number.

start | Status of your 2.08 P... | Instant Messaging Co... | Jill Hotham/KC/FMS [... | PFC CAB April 2009 | 3:21 PM

PAM and SPS

Action **Print** Configure SPS Version:RELQ14.4.1
 User: JANICE BOWERS (DEO)***LIVE*** Screen: Create Summary Schedule
 FPA: SSI1 05/14/2009 08:38 EDT

Schedule Type	Summary	Agency Name	SOCIAL SECURITY A... ***LIVE***
Total Amount	\$18,079,126.63	Agency Billing Address 1	123 ELM STREET
Destination RFC*	KFC	Agency Billing Address 2	OMAHA, OHIO
Office Number (ALC)*	28040004	Agency Billing Address 3	92334
Schedule Number*	00005SIDLYTEST	Agency Phone Number	123-345-7777
Total Number of Payments*	15,065		

Check And EFT Totals:
 Check: 8,040 items totaling \$11,168,417.18
 EFT: 7,025 items totaling \$6,910,709.45

<p>Schedule Details</p> <p>Payment Date (MM/DD/YYYY)*: 05/15/2009</p> <p>Summary Type Codes*: Daily Benefits (D)</p> <p>Sub-Type Codes*: Mixed Check/ACH (M)</p> <p>Control Number*: C002603</p>	<p>Mixed Schedule Totals</p> <p>Total Number of Checks*: 8,040</p> <p>Total Dollar Amount of Checks*: 11,168,417.18</p> <p>Total Number of EFTs*: 7,025</p> <p>Total Dollar Amount of EFTs*: 6,910,709.45</p>
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Total Payments 15,065

Daily Benefit

Control Number C002603

Treasury Account Symbol (1-10)	Amount (1-10)	Remark (1-7)
28X0406	\$18,079,126.63	TEST TEST TEST TEST TEST TEST

Add	Delete	1 Edit	2 Update	Add	Delete	3 Edit	4 Update
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Symbol* Amount* Schedule Remarks |

PAM vs. Legacy



PAM Project Update: PAM vs. Legacy

❖ Differences between PAM and Legacy:

- All validations will be conducted upfront
- When you certify your payments, they will be processed immediately
- Validation reports from PAM can be expected shortly after the time of file receipt via email or Connect:Direct.
 - ✦ Time could vary depending upon internet speed

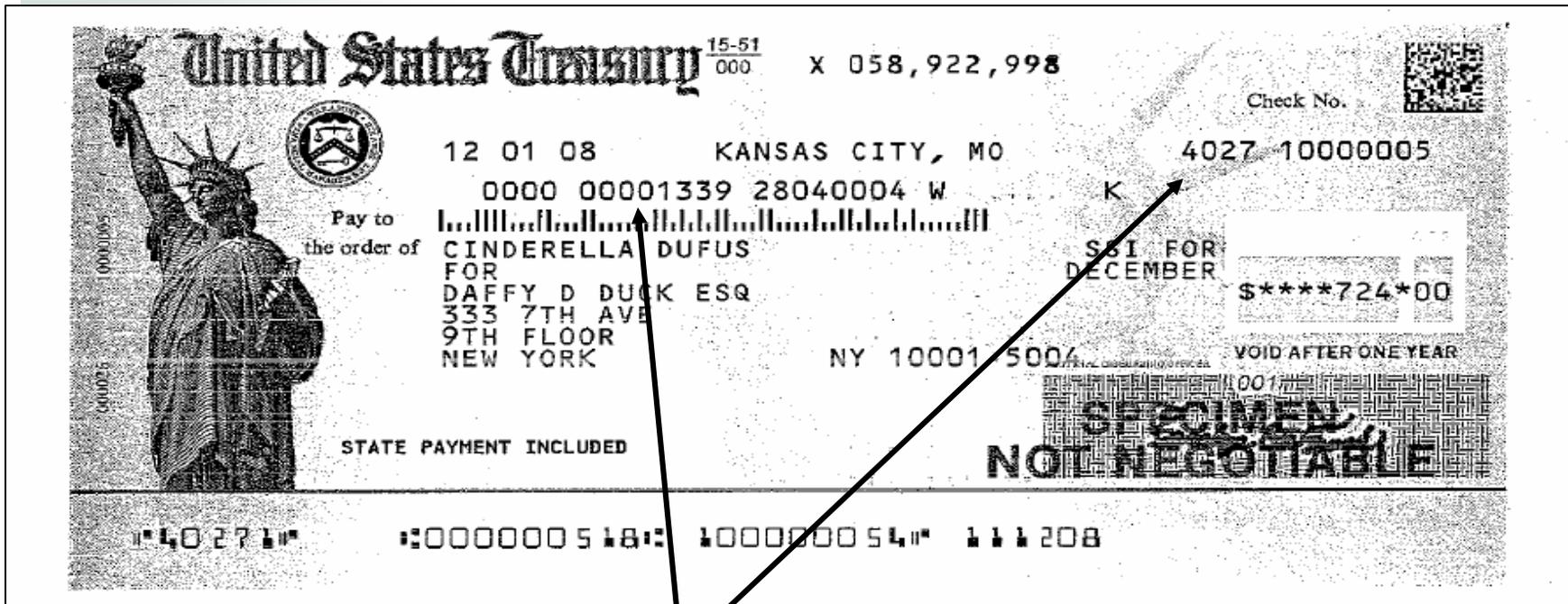
PAM Project Update: PAM vs. Legacy

- ❖ PAM's automation will involve schedules being streamed more quickly
 - Payment Request File is automatically matched to the SPS certification. PAM does not contain functionality to back out certified files, once they are matched, they are processed.
- ❖ Payments will be processed with much less manual intervention.
 - No manual batch processing by an RFC operator. Certified payment files are automatically picked up by PAM Input Management and processed every 15 minutes.
- ❖ Reminder - Certifying Officers should be sure that information is correct prior to certifying

PAM Project Update: Print Sequence Number

- ❖ Legacy: Check numbers assigned in the order received within the customer agency payment file.
- ❖ PAM 2.0:
 - Check numbers assigned according to the order received within the customer agency payment file.
 - Entire file sorted by zip code to receive a better postal discount.
 - Print sequence numbers assigned and checks printed.

Example of PAM Check



**PAM Check Includes:
Print Sequence Number &
Check Number**

PAM 3.0 Transition



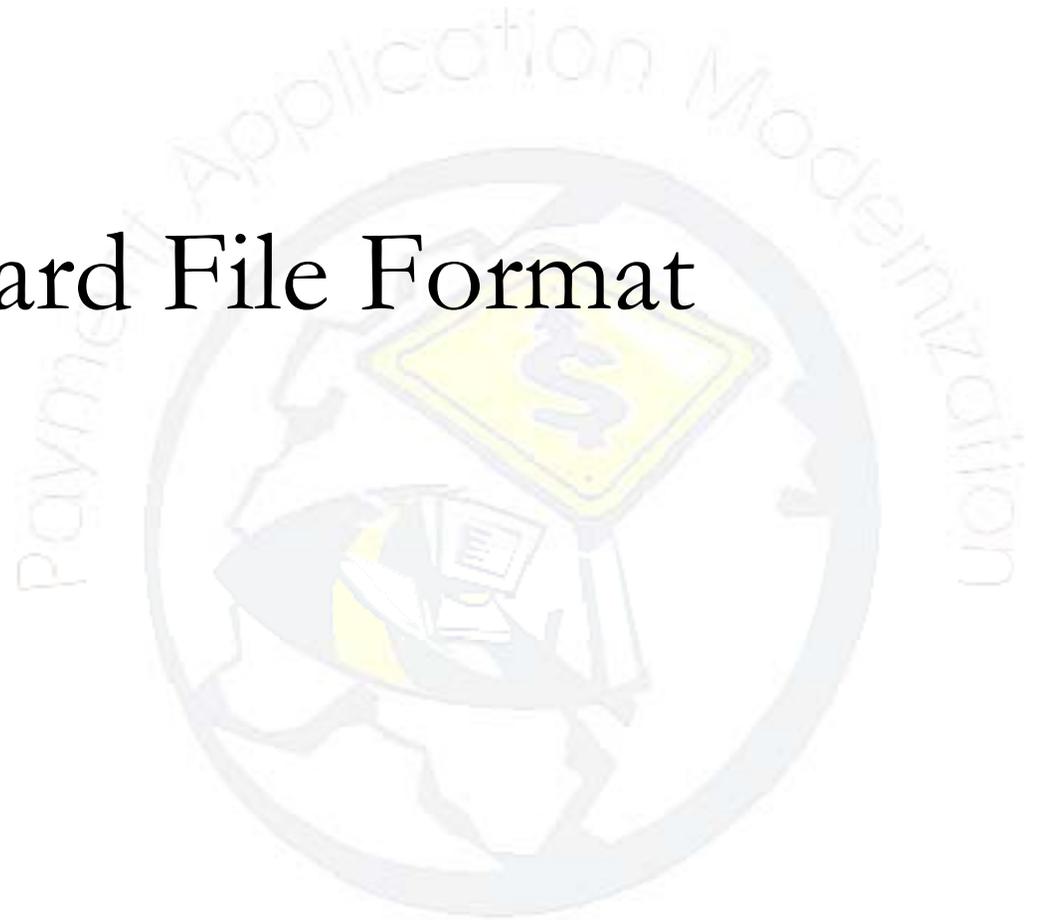
PAM Project Update: 3.0 Transition

- ❖ Projected production for July 2010
- ❖ Transition daily payments over to PAM from Legacy
 - Daily Vendor, Misc., Salary and Travel
 - TOP offsets
 - Partial Payments
- ❖ Based on a recent decision approved by the RFC Directors, SPS will convert type A payments to PAM by using FPAID

PAM Project Update: 3.0 Transition

- ❖ Includes XML interface with SPS for certifications bearing TAS/BETC information passed to GWA using the PAM standard format.
- ❖ Includes requirements for all payment types
 - Majority of Legacy payment functionality will be captured in PAM by this release
- ❖ Once payments are transitioned and processed thru PAM, payments will be streamed thru application

PAM Standard File Format



PAM Project Update: PAM File Format

- ❖ PAM is expecting to only receive data elements that are necessary to make the actual payments and report to accounting systems downstream
- ❖ There will be one “common” record that will accommodate every type of payment
- ❖ For those types of payments with unique information necessary to issue the payment, a “secondary” record that includes that information will be provided

PAM Project Update: PAM File Format

- ❖ A file can include multiple schedules
- ❖ A schedule can only include one type of payment (i.e. Benefit, Vendor, Salary etc.)
- ❖ Separate files required for ACH and Check. Each ACH and Check file can contain multiple schedules
- ❖ PAM format will need a schedule number for ease in matching to the certification
- ❖ The assigned Input Management control number will be used to correlate the payment files to the certification
- ❖ PAM payment format available on website.
 - Revised format will be available by the end of July 2009.
 - Register for updates on the PAM website

PAM Project Update: PAM File Format

❖ PAM will be ready to accept new Format after Release 3.0 implementation

- Initial PAM 3.0 implementation, testing with the legacy formats (July 2010 – December 2010)
- PAM will then start agency testing with the standard format (after January 2011)
 - ✦ Testing coordinated through the agencies servicing RFC
- GWA, SPS, PACER will start accepting TAS/BETC information third Quarter 2011

PAM Project Update: PAM File Format

- ❖ 100 appropriations records will be allowed for each payment being received; 300 per schedule
 - This meets the GWA Requirement
- ❖ PAM will not validate the accuracy of TAS / BETCs, they will be passed along to PACER
- ❖ PAM will not stop a payment due to invalid TAS / BETCs
- ❖ Certified Accounts at Schedule Level are official Agency Accounting Entries
- ❖ Agencies must be converted to the PAM Format when they begin reporting the GWA Way

PAM Project Update: PAM File Format

PAM project management office will conduct a monthly walkthrough of the PAM standard format as part of RFC/Agency outreach effort. These sessions will be held via WebEx conferencing sessions.

❖ Proposed Format Walkthrough dates for 2009:

- August 4, 2009 – 1:00 to 3:00 CT
- September 3, 2009 – 9:00 to 11:00 CT
- October 6, 2009 – 1:00 to 3:00 CT
- November 5, 2009 – 9:00 to 11:00 CT
- December 8, 2009 – 1:00 to 3:00 CT
- 2010 – Twice a month as we near release 3.0

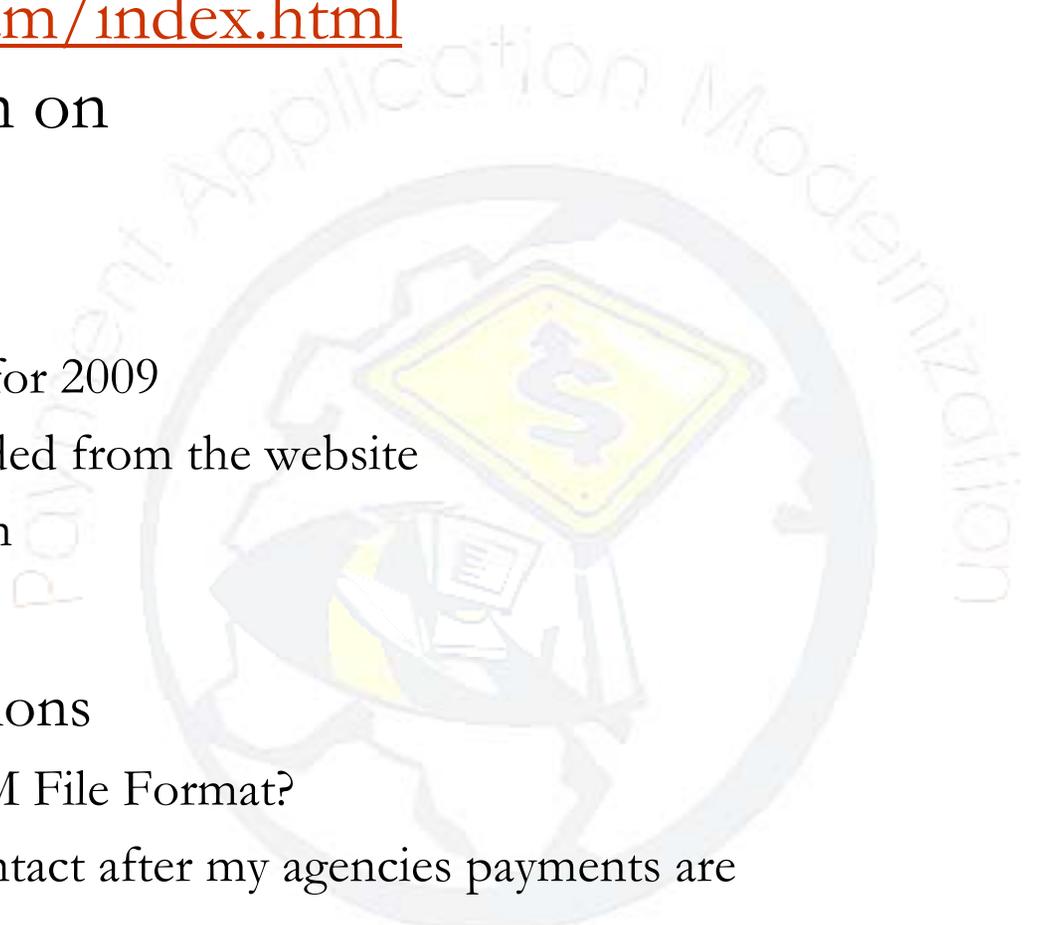
❖ If your agency is interested in any of the training classes, please contact Lori Meyer, PAM Training Coordinator at (816) 414-2337.

PAM Project Update: PAM File Format

- ❖ As PAM is implemented you will continue to work through your RFC Customer Assistance Branch
- ❖ Austin Financial Center: 512-342-7300
- ❖ Kansas City Financial Center: 816-414-2100
- ❖ Philadelphia Financial Center: 215-516-8000
- ❖ San Francisco Financial Center: 510-597-7300

PAM Project Update: PAM Website

- ❖ <http://fms.treas.gov/pam/index.html>
- ❖ Will contain information on
 - PAM Project Updates
 - PAM File Formats
 - ✦ Training Dates & Times for 2009
 - ✦ Formats can be downloaded from the website
 - ✦ TAS / BETC information
 - Related websites
 - Frequently Asked Questions
 - ✦ Do I have to use the PAM File Format?
 - ✦ Who will be my RFC Contact after my agencies payments are processed by PAM?



PAM Project Update: PAM Website

The screenshot shows a web browser window with the URL <http://fms.treas.gov/pam/>. The browser's address bar and menu bar are visible. Below the browser, the website's navigation menu includes links for [FMS Home](#), [Publications](#), [Programs & Services](#), [FAQ's](#), [Glossary](#), and [Site Map/A to Z Index](#). A search bar with the text "Find: Google Custom Search" and a "Search" button is present. The main content area features a circular logo for "Payment Automation Manager" with a dollar sign and a globe. Below the logo, the title "Payment Application Modernization (PAM)" is displayed, followed by an "Overview" section. The overview text states: "The PAM Project is an effort to modernize the current mainframe-based software applications that are used to disburse approximately 1 billion federal payments annually. The existing payment system is a configuration of numerous software applications that generate check, wire transfer, and ACH payments for federal program agencies (FPA's), including Social Security, IRS, VA and others." A "Receive E-Mail Updates" section contains links for "Subscribe to Updates" and "Revise Subscriptions". A vertical watermark "Modernization" is visible on the right side of the page.

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Payment Automation Manager

Payment Application Modernization (PAM)

Overview

The PAM Project is an effort to modernize the current mainframe-based software applications that are used to disburse approximately 1 billion federal payments annually. The existing payment system is a configuration of numerous software applications that generate check, wire transfer, and ACH payments for federal program agencies (FPA's), including Social Security, IRS, VA and others.

The vision for the PAM initiative involves replacing 30+ COBOL and Assembler applications that have evolved over the last

Updates

Updated January 07, 2009

- [UPDATE Milestone Chart & Release Schedule](#)
- [Letter from PAM Project Sponsor SPS, PAM File Formats with GWA Changes](#)

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Modernization



Any Questions?



Contact Information

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