



KFC Customer Advisory Board

Payment Application Modernization (PAM)

KFC CAB Meeting Atlanta, GA

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Jesse Chavez – PAM Program Management Analyst / Agency Outreach

Denise Quirarte – Technical Support Supervisor





PAM Overview

- ❖ Background
- ❖ Past and Future Releases
- ❖ International ACH Transactions (IAT)
- ❖ Corporate Trade Exchange Payments (CTX) & Courtesy Disbursements
- ❖ Reminders
- ❖ PAM 3.0 Transition
- ❖ PAM Website / Contact Information





Background

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.

- ❖ Centralized support roles
- ❖ One standard format to maintain

*Payments made through the system are done right the first time:
on time, every time*





Past Releases

- ✓ **Release 1.0** - SSI Monthly ACH payments
- ✓ **Release 2.0** – SSI Monthly Checks payments
 - All RFC's began printing checks through PAM
- ✓ **Release 2.08** - SSI Daily Check and ACH payments
- ✓ **Release 2.1** - SPS streaming functionality
 - SPS began streaming certifications June 5th
- ✓ **Release 3.0** – Daily, Vendor, Salaries, Travel and misc. payments
 - Implemented November 13-14, 2010
 - New Functionality for Release 3.0
 - TOP Offsets with interface to TCS
 - Partial Payments
 - CashTrack
 - Internet Payment Platform (IPP)
 - PrinCE Standard Check Face

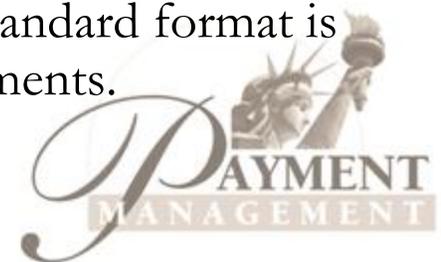




Prior Releases continued

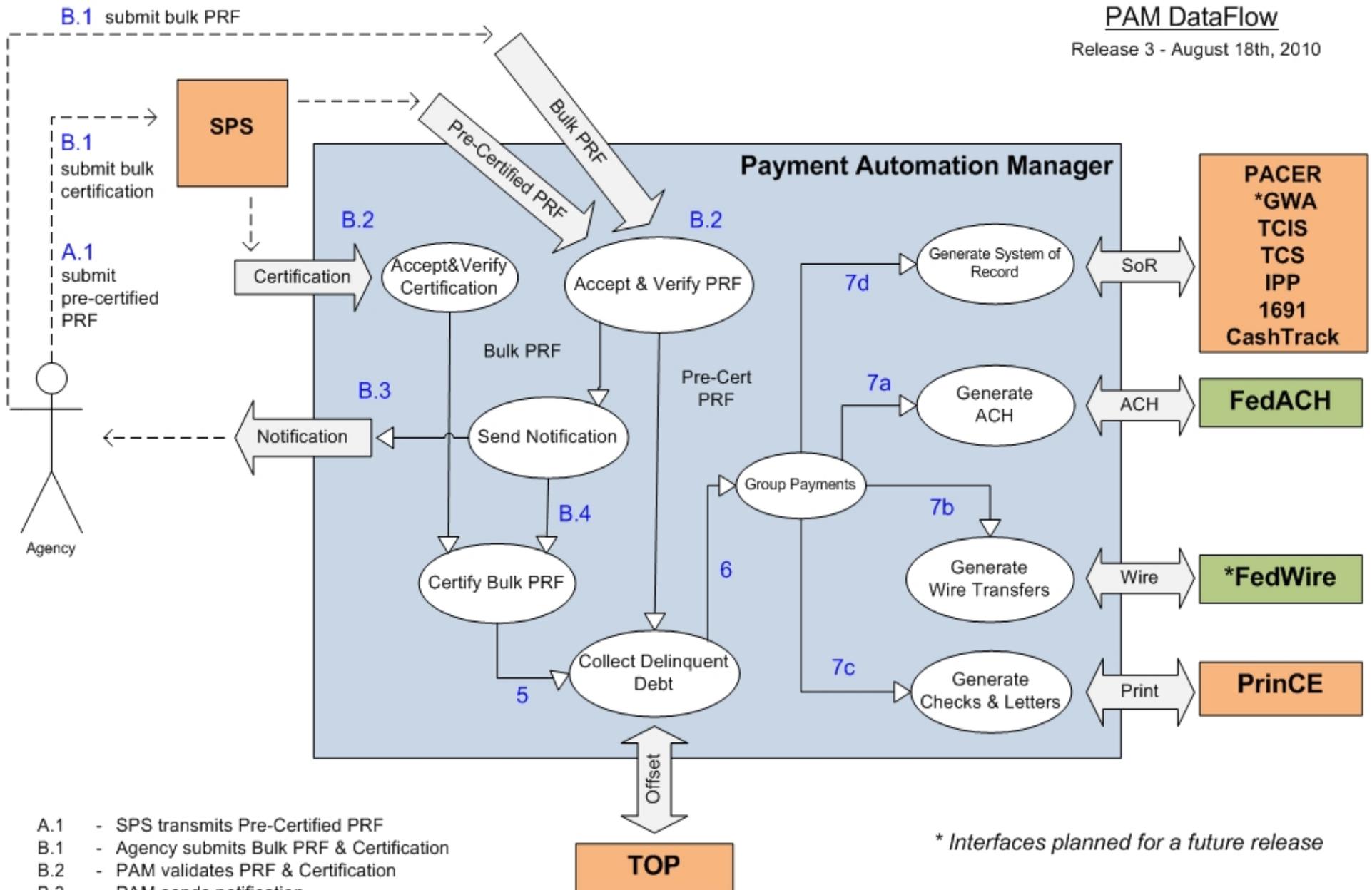
✓ **Release 3.0** – Daily, Vendor, Salaries, Travel and misc. payments (cont).

- Implementation Strategy:
 - November 2010 – April 2011
 - Transition Type B's beginning with KFC followed by AFC, SFC & PFC
 - Type A's available mid-February
- After agencies are transitioned based on the PAM transition schedule, agencies will see these changes:
 - Standard check face
 - Standard notification report (via email or connect direct)
 - SSN suppression
- Release 3.0 supports the current file formats. The PAM Standard format is supported beginning with release 3.1, except for CTX payments. Please reference the PAM timeline.



PAM DataFlow

Release 3 - August 18th, 2010



- A.1 - SPS transmits Pre-Certified PRF
- B.1 - Agency submits Bulk PRF & Certification
- B.2 - PAM validates PRF & Certification
- B.3 - PAM sends notification
- B.4 - PAM certifies Bulk PRF
- 5 - PAM processes offsets
- 6 - PAM assigns payment groups
- 7abc - PAM disburses for payment
- 7d - PAM sends data to systems of record

* Interfaces planned for a future release

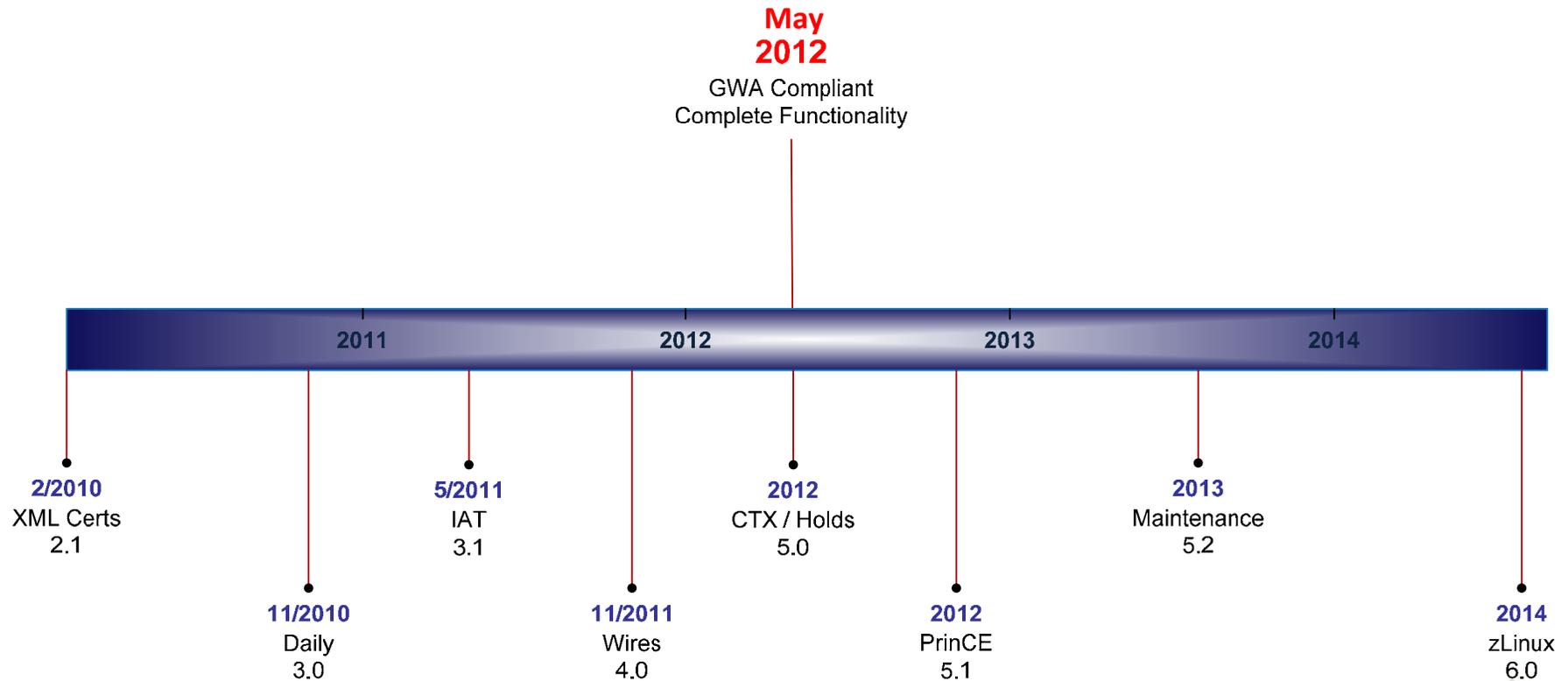


Future Releases





PAM Timeline





International ACH Transactions (IAT)





Release 3.1 IAT Payments

- ❖ NACHA rule change effective September 18, 2009 to support Bank Secrecy Act's "Travel Rule"
 - ACH payments to a domestic bank with the ultimate destination is overseas require Office of Foreign Assets Control (OFAC) screening.
 - OFAC administers the sanctions and embargos programs affecting target countries, target nationals, and other specifically identified companies and individuals on the Specifically Designated Nationals (SDN) list of "blocked parties"
 - Not ITS.gov payments
 - Contact Kansas City Regional Financial Center Help Desk at 816-414-2100





Release 3.1 IAT Payments

❖ PAM's Role

- PAM has the responsibility for providing the mechanism to accommodate IAT payments
- Must use PAM Standard Input Format
- PAM will be able to receive IAT payments in the standard format in May 2011
- When ready, PAM will review in detail the Standard Input Format

❖ Recent decision by Treasury to send payments for secondary screening

- OFAC compliance for FMS and agencies
- PAM will not have functionality to send payments for screening until November 2011.





Release 3.1 IAT Payments

❖ Agency's Role

- Identify payments that meet IAT requirements
- Convert IAT payments to PAM standard format
- Agency will send payment data to PAM on a separate schedule/file as IAT
- Examples of additional information required for IAT payments
 - Request for additional address information
 - Party Name will be 35 for IAT as opposed to 22 characters for CCD & PPD
 - Payee Address Line 1
 - CityName
 - ISO Country Code (International Organization for Standardization)





Release 4.0 (Wires)

❖ Scheduled for November 2011

- No change to agencies
- Agencies will continue to enter information into SPS as you do today
- Streamed to PAM as they are received by agencies
- Same Day Pay Requests are subject to offset (New)
- OFAC Screening (NEW)
- GWA Alignment for GWA reporting
 - TAS/BETC Adjustments
 - Difference Report





Corporate Trade Exchange Payments (CTX) & Courtesy Disbursements





Release 5.0

- ❖ CTX and Courtesy Disbursements scheduled for May 2012
 - CTX – New Format (TBD)
 - Courtesy Disbursements – Result of PACER Claims processing (major benefit agencies)
 - Holds (major benefit agencies)
 - All functionality available in PAM to accommodate GWA with this release







Reminders

- ❖ PAM's automation involves schedules being streamed more quickly
 - Payment Request File is automatically matched to the SPS certification. In PAM there isn't any functionality to back out certified files, once they are matched, they are processed.



Certifying Officers should be sure that information is correct prior to certifying

- ❖ Payments will be processed with much less manual intervention.
 - No manual batch processing by an RFC operator. Certified schedule files are automatically picked up by PAM within seconds.





Reminders continued

- ❖ All validations are conducted upfront.
- ❖ PAM 3.0 will provide the status of your Payment File via email and/or Connect:Direct file transmission.
 - Email distribution list maintained by the agency.
- ❖ Notification reports from PAM can be expected shortly after the transmission of the payment file.
 - Time could vary depending upon internet speed
- ❖ Check symbols are different for payments issued by legacy and PAM. Symbols will change as payments transition to PAM.





Infamous Letter/Memo

❖ Upcoming FMS Systems Changes and Timelines

- Signed January 14, 2011
 - Addressed to CFOs and Deputy CFOs
- Addresses payments, collections and central accounting and reporting
- Payments
 - Mid-2012
 - PAM – Agencies are required to submit payment data in newly developed standard input format
 - » Available now for IAT and daily vendor/misc payments
 - » Accommodates GWA reporting requirements (TAS/BETC)
 - » Accommodates all payments types in mid-2012 (Monthly, Daily Vendor/Misc, Salary, Travel, SDP, CTX)
 - SPS on-line functionality available
 - ITS.gov
 - End-2012
 - ASAP.gov





PAM 3.0 Transition





PAM Transition – Release 3.0

❖ Impacted Agencies:

- Bulk Payment File Formats:
 - Daily EFT
 - Vendor Check
 - Salary Check
- SPS Type A (excluding Same Day Pay Wires)

❖ Approach:

- Transition all bulk file processing in coordination with the Agency
- Transition Type A SPS payments to PAM by FPAID (transparent to the Agency)

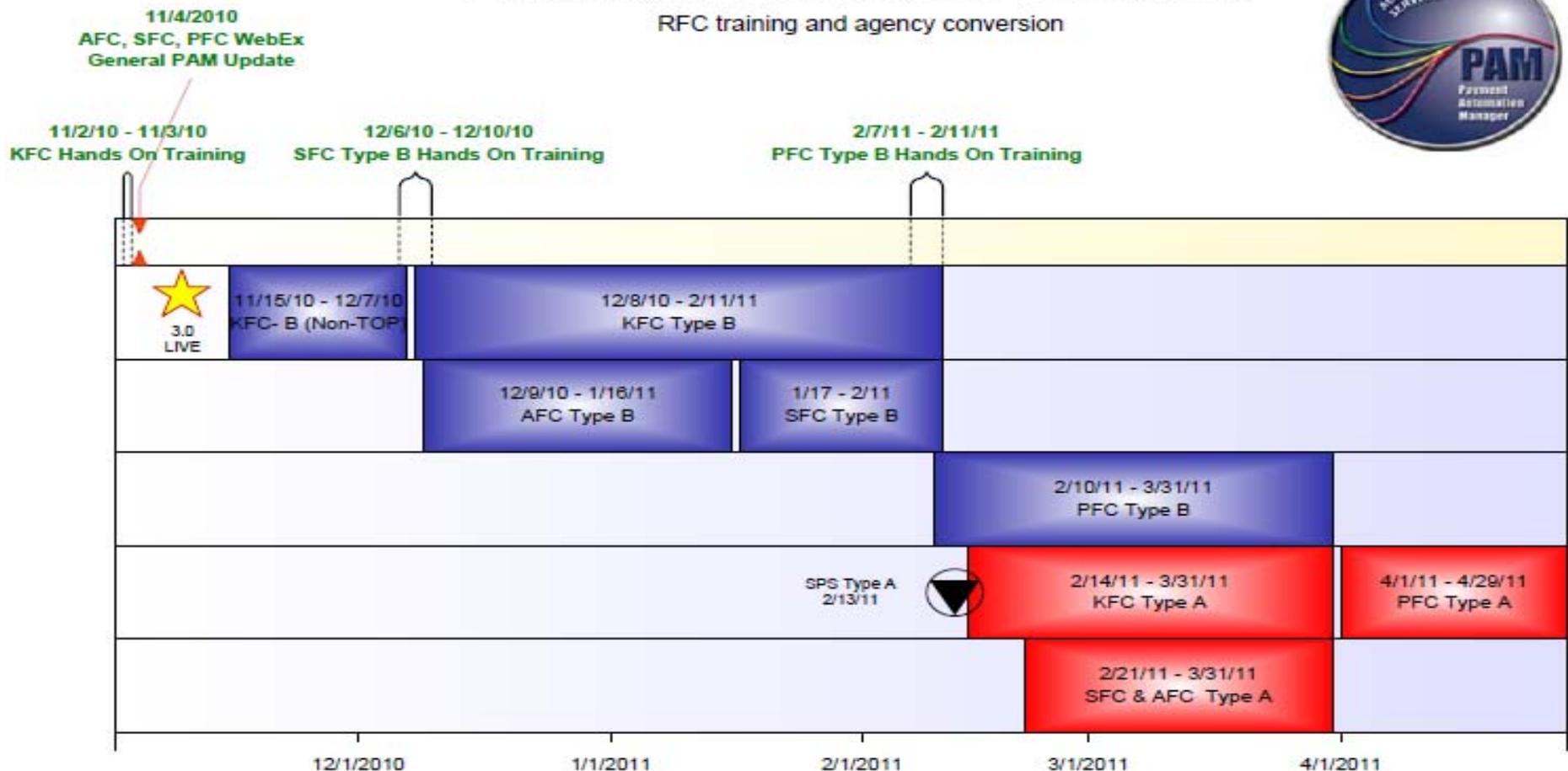




PAM Transition – Release 3.0

PAM 3.0 Transition Timeline

RFC training and agency conversion





PAM Transition – Release 3.0

❖ Setup and Testing:

- KFC Coordinates transition date and activities with the Agency
- Agency establishes e-mail group (if e-mail desired)
 - E-mail Benefits:
 - Agency group can contain group mailbox and/or e-mail addresses.
 - Access to notification on blackberry for after-hours or weekend system support, monitoring, or use in a contingency situation as needed.
- KFC and Agency test C:D transmit and e-mail
 - Testing:
 - The agency can transmit test files or KFC can sanitize copies of production files for use in the test environment.
 - Testing includes manual processes and results are not generated in the same time frame as production. This process could take a day or more depending on the number of files being tested.
 - Connect Direct and e-mail notification is configured in the PAM test environment and will only be set up when testing is ready to occur.
 - The KFC technical contact will work closely with the agency to confirm receipt of the Connect Direct and e-mail notifications.
 - E-mail Lessons Learned:
 - PAM production e-mails use a sending address of pam.prod@kfc.fms.org. Agency needs to ensure that their mail system passes through e-mails received from a .org address.





PAM Transition – Release 3.0

	uat.missouri@uat.org	To	PAM UAT <PAM.UAT@FMS.TREAS.GOV>
	01/12/2011 01:08 PM	cc	
	Please respond to uat.uat@uat.fms.gov	bcc	
		Subject	Status 3.0.10f PRF

The US Treasury (FMS) has received a payment request of type Daily ACH for the US AID.

On 01/12/11 at 01:07:53 PM CST the validation process was accepted.

PRF DETAILS:

119 items for a total of \$234,828.00
Control Number T001075

PAYMENT DETAILS:

Schedule Number: 00000AP11M1214
1 ACH items for a total of \$5,610.00
Certification control number is T001075
Agency Location Code is 72000036

Schedule Number: 00000AP11M1206
55 ACH items for a total of \$129,707.03
Certification control number is T001075
Agency Location Code is 72000001

Schedule Number: 00000AP1100430
8 ACH items for a total of \$14,975.07
Certification control number is T001075
Agency Location Code is 72000058

SAMPLE



PAM Transition – Release 3.0

RUN DATE = mm/dd/yyyy

PAM VALIDATION REPORT

RUN TIME = hh:mm

PAGE nnn

ACH

AGENCY FILE DSN: FROK agency.type.moreinfo

IM FILE DSN: FROPr.agency.type.cnnnnnn

CONTROL NUMBER	AGENCY ID	AGENCY FILETYPE	ALC NUMBER	SCHEDULE NUMBER	ITEMS	AMOUNT
Cnnnnnn	nnnnnnnnnn	nnnnnnnn	nnnnnnnn	nnnnnnnnnnnnnn	n, nnn, nnn, nnn	\$n, nnn, nnn, nnn, nnn. nn
Cnnnnnn	nnnnnnnnnn	nnnnnnnn	nnnnnnnn	nnnnnnnnnnnnnn	n, nnn, nnn, nnn	\$n, nnn, nnn, nnn, nnn. nn

Accumulated Payments =

Reported Totals =

File is Accepted with Errors

- 5 invalid RTN 1st occurrence on payment request # 1015
- 3 invalid CityName 1st occurrence on payment request # 983

CHECK

AGENCY FILE DSN: FROK agency.type.moreinfo

IM FILE DSN: FROPr.agency.type.cnnnnnn

CONTROL NUMBER	AGENCY ID	AGENCY FILETYPE	ALC NUMBER	SCHEDULE NUMBER	ITEMS	AMOUNT
Cnnnnnn	nnnnnnnnnn	nnnnnnnn	nnnnnnnn	nnnnnnnnnnnnnn	n, nnn, nnn, nnn	\$n, nnn, nnn, nnn, nnn. nn
Cnnnnnn	nnnnnnnnnn	nnnnnnnn	nnnnnnnn	nnnnnnnnnnnnnn	n, nnn, nnn, nnn	\$n, nnn, nnn, nnn, nnn. nn

Accumulated Payments =

Reported Totals =

File is Accepted with Errors



PAM Transition – Release 3.0

❖ Transition Coordination:

- On Last day of Legacy Processing:

1. Agency notifies PAM Help Desk when the last files to be processed in legacy have been sent and certified.
 - 816-414-2340
 - PAM.Help.Desk@fms.treas.gov

2. KFC sets up Input Management & PAM configuration

- On Transition Day:

1. KFC monitors initial file processing in PAM including e-mail and C:D Notification
2. Agency contacts the PAM Help Desk to confirm receipt of the C:D report and e-mail notification

❖ Useful Information:

- Different Check Symbols are used by Legacy and PAM.

- Legacy KFC Daily Check Symbol = 3091
- PAM KFC Daily Check Symbol = 4030
- Note: Bulk Payments and SPS Type A Payments transition into PAM at different times. The Agency may see both check symbols for a short period until all Daily Payments are in PAM.





PAM Transition – Release 3.0

Converted Bulk Payments

January 2011	
11th	GSA - Kansas City
12th	National Finance Center
13th	DHS - ICE (from AFC)
19th	USAID
26th	DHHS

* Updated Transition Calendar located on the PAM website





PAM Website / Contact Information





PAM Website

❖ <http://fms.treas.gov/pam/index.html>

❖ Will contain information on

- PAM Project Updates
- PAM 3.0 Transition Schedule
- PAM File Formats (PAM Standard Format, C:D File Format)
 - Training Dates & Times for 2010
 - Formats can be downloaded from the website
 - TAS/BETC information
- Related websites
 - <http://www.fms.treas.gov/pam/resources.html>
- Sign up to receive e-mail notifications when the PAM website has been updated.
- 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 Contact Information

❖ RFC Contacts

- 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 Program Management Office Contacts

- **Jesse Chavez**, PAM Program Management Analyst
 - Contact for Agency Outreach
 - 816-414-2108
 - Jesse.Chavez@fms.treas.gov
- **Lori Meyer**, PAM Training Coordinator
 - Contact to schedule Standard Format Training
 - (816) 414-2237
 - Lori.Meyer@fms.treas.gov
- **Denise Quirarte**, PAM Technical Support Supervisor
 - Contact for Transition Schedule questions
 - (816) 414-2333
 - Denise.Quirarte@fms.treas.gov





Questions

