



OTCnetSM
Deposits Made Simple

**U.S. Department of Treasury
Financial Management Service (FMS)
Over the Counter Channel Application
(OTCnet)**

Washington, DC
June 8, 2011



Over the Counter Channel Application (OTCnet)

OTCnet is a web-based system that enables federal agencies to integrate check conversion and deposit reporting activities, so that all check and cash deposits are handled by one web-based application.

OTCnet will improve over the counter collection by fully automating the collection, reconciliation, research, and reporting processes, in a single, secure web-based application.

OTCnet combined two existing collection systems for the over the counter activity (Paper Check Conversion –PCC OTC and Treasury General Account Deposit Reporting Network- TGAnet).



OTCnet provides immediate benefits to your agency's deposit reporting and check capture needs

Benefits of OTCnet

Easy to Use

- **Simple.** An easy to navigate system with a common look and feel and intuitive features
- **Convenient.** One system to use for deposit processing
- **Accessible.** Access information and reports anytime, anywhere

One System

- **Efficient.** Use of Single Sign On—One secure username and password combination to access OTCnet financial services, and other FMS systems
- **Flexible.** A web-based application that can be accessed online and offline (Offline for Check Capture activities only)
- **More Control.** Security Administrators from each agency will manage their users centrally

Training and Fully Compliant

- **Online Training.** Integrated Web-based-Training (WBT) can be easily accessed
- **Fully Compliant.** OTCnet was issued the Security Authorization in January 2011
- **GWA Compliant.** Accommodates deposit reporting and check capture "the GWA way"
- **Secure.** Compliant with FISMA , 508 regulations, and HSPD-12 and PIV standards



OTCnet integrates check capture and deposit reporting processing activities into two modules within a single system

Over the Counter Channel Application (OTCnet)

Check Capture and Check Processing Functionality

- Scanning of checks and the creation of scanned images for reference purposes
- Electronic submission of checks for settlement
- Automated creation of the Deposit Ticket (SF 215)

Deposit Processing and Reporting Functionality

- Reporting of cash and foreign currency deposits using an automated process
- Contingency for checks that cannot be scanned using Check Capture
- Daily classification of Treasury collections, enabling GWA reporting initiatives
- Electronic communication between banks and agencies and reduces double entry



OTCnet can be used to process a variety of items, ranging from personal checks to foreign currency

Items Processed Through OTCnet

Check Capture Items

- Personal Checks
- Non-personal Checks
- Money Orders
- Cashier Checks
- Federal, State Local Government Checks
- Travelers Checks

Deposit Processing Items

- In addition to the items you can process using Check Capture, you can also process the following items:
 - Foreign Currency
 - Foreign Checks
 - US Currency

OTCnet can be used to process check items received through three processing methods

OTCnet Processing Methods

Point of Sale (POS)

- Check is received and scanned during the face to face transaction with the customer
- Customer is given his/her VOIDED (personal) check back at the end of the transaction
- Non-personal checks (i.e. Money Orders, Treasury Checks) are safeguarded and destroyed by the agency

Mail

- Agency receives checks by mail or courier from check writers
- Customer is not given back check but agency will safeguard and destroy

Back Office Conversion (BOC)

- Items received through face to face transactions with the customer, but check is scanned at a later time
- Customer is not given his/her VOIDED (personal) check back at the end of the transaction
- All checks (i.e. Money Orders, Treasury Checks) are safeguarded and destroyed by the agency

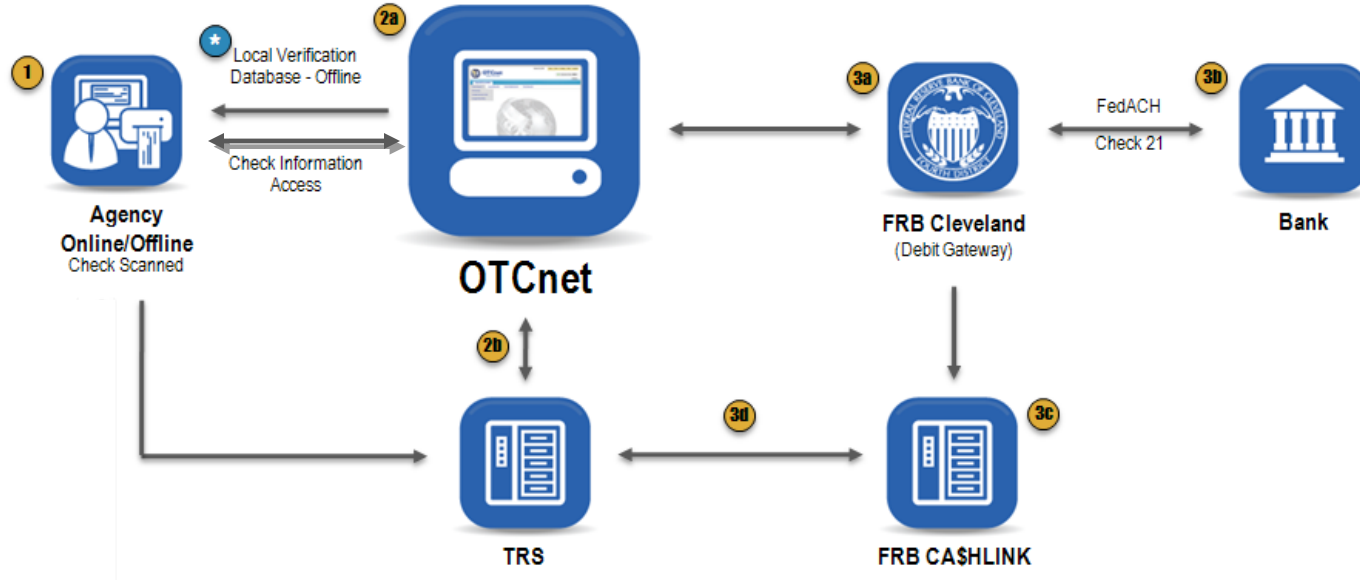


The check capture function of OTCnet offers several features to improve check collection processes

Imaging	Check Capture provides a complete electronic image of the check and allows for the retention of a facsimile, without retaining any paper
Verification	Verifies against a negative check database that there is no historical return information for the account upon which the item is written for that particular agency
Conversion	Converts personal paper checks to electronic debits for processing through the Automated Clearing House network
Truncation	The process of imaging a physical check and creating a substitute check which is the legal equivalent of the original check. Primarily used for non-personal checks
Representation	Resubmits returned items up to 2 additional times. The representations can be timed to occur on specific days of the month (e.g. 1 st , 15 th).
Reporting	Deposit Tickets (SF215) and Debit Vouchers (SF 5515) are prepared by the system and available the next business day



OTCnet Check Capture and Processing flow



1 Your agency uses a scanner to capture an image of the front and back of each check. You can search the check images as well as the check capture and transaction data throughout the CIRA Query feature in OTCnet. You can also access FRB CASHLINK to pull your transaction data and access Transaction Reporting System (TRS) to retrieve deposit information.

2a The captured image of the check is stored for seven years in OTCnet. OTCnet is the over the counter application that provides check capture, check processing, and deposit processing to your agency.

2b OTCnet sends deposit voucher information to TRS.

3a OTCnet will send the captured check data to Debit Gateway at the Federal Reserve Bank (FRB) Cleveland. FRB Cleveland/Debit Gateway sends the data to the appropriate Financial Institutions (FIs) either through FedACH (personal check) or Check 21 (non-personal check) where the check was written.

3b The FI where the check was written shows the account was debited.

3c FRB Cleveland sends the accounting information to FRB CASHLINK and makes your reporting information available (eg. SF215 and SF5515) the next business day in OTCnet.

3d FRB CASHLINK sends the deposit information to TRS.

***** If your agency uses the Master Verification Database (MVD) (which provides downloads of prior negative check information and blocked items) and is working offline, the information is passed to the agency's Local Verification Database (LVD) when each batch is closed. The LVD is then used to determine the check writer's status and implement your agency's bad check policy if applicable.

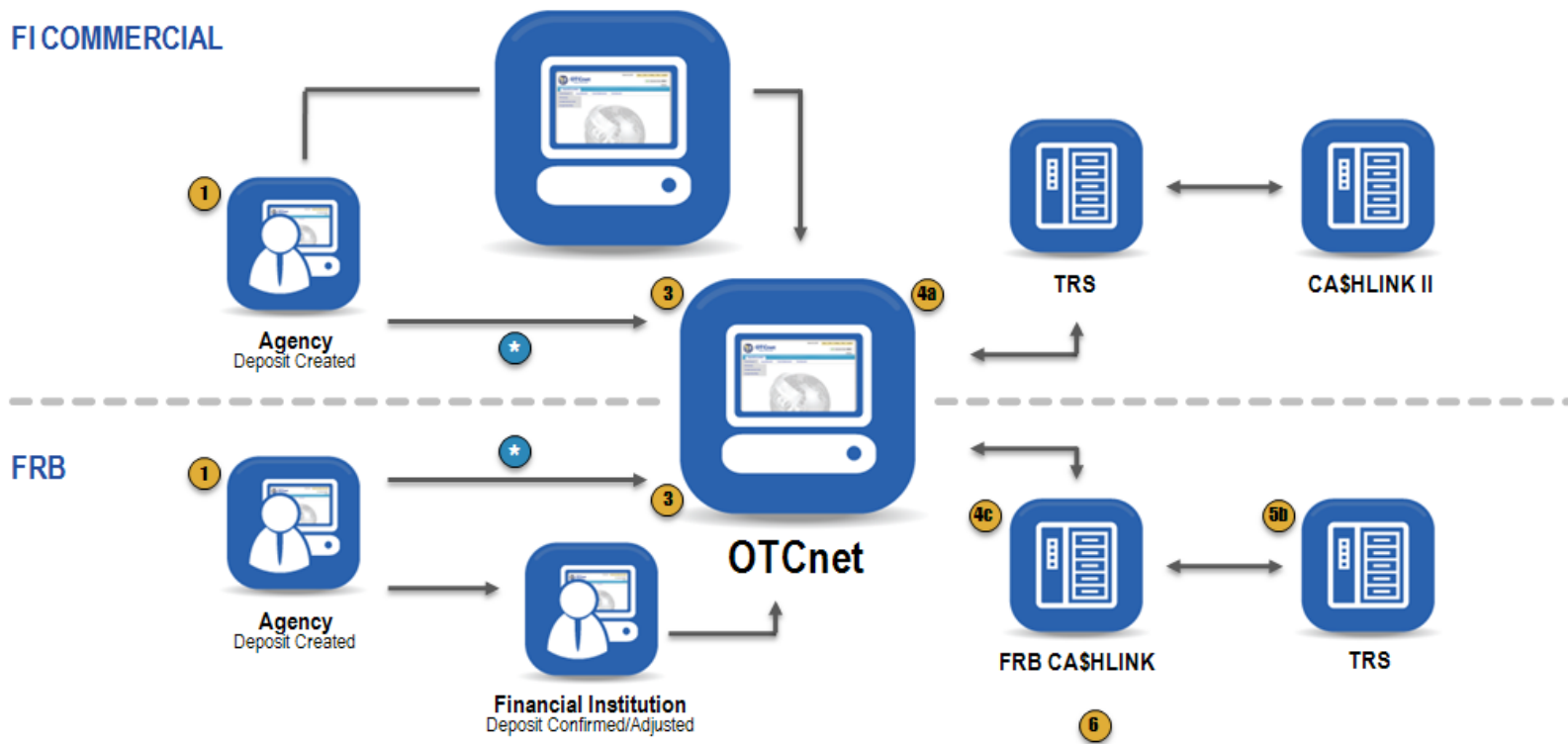
The deposit processing function of OTCnet offers several features to improve deposit processing and reporting

Deposit Processing Options	System allows for the customization of Deposit Processing Options by agency and endpoint
Deposit Sub-Totals	Information about Treasury Account Symbols and/or Accounting Codes is imported into OTCnet and deposits are assigned at the time of creating a deposit
Reporting	Deposit Tickets (SF215) are created online and printed out, no longer requiring the use of the paper SF215. Additional reports can be pulled to provide information on deposit activity
Deposit History Searches	Information about deposits is stored in OTCnet and can be searched for using the system query functions



OTCnet Deposit Processing and Reporting Processing Flow

FI COMMERCIAL



- 1 At your agency, the Deposit Preparer electronically fills out the SF215 (deposit ticket) using OTCnet and prints out the deposit ticket. The bank deposit ticket, SF215 (deposit ticket), cash, and checks (US and foreign) are taken to your Financial Institution(FI).

* The Deposit Preparer and Deposit Viewer can access OTCnet to view their deposit ticket information, as well as access reports, receive rejections, and view adjustments.

- 2 At the FI, the Deposit Confirmer confirms the deposit, rejects the deposit or creates an adjustment to the deposit using OTCnet.

- 3 OTCnet is the over the counter application that provides check capture, check processing and deposit processing to your agency.

- 4a OTCnet sends deposit voucher information to TRRS.

- 4b Transaction Reporting System (TRRS) receives deposit information from OTCnet for reconciliation and makes it available for CASHLINK II.

- 4c FRB CASHLINK receives deposit information from OTCnet, facilitates settlement with the US Treasury and sends the information to TRRS.

- 5a CASHLINK II obtains the reconciled deposit data from TRRS and makes it accessible in OTCnet for agency retrieval.

- 5b TRRS reconciles the deposit data and makes it available to agencies.

- 6 OTCnet sends deposit voucher information to TRRS.



OTCnet Training consists of four types of learning opportunities, with Web-based Training serving as the primary method

Completion of Web-based training is required prior to logging-in to the OTCnet system.

Self-paced Web-based training

- Complete training solution on demand
- Practice critical tasks in a safe environment
- Users can complete a full curriculum, depending on their responsibilities and prior knowledge of PCC OTC or TGAnet
- No cost to agencies and FI's

Web-based Training (WBT)*

Instructor-led Training (ILT)**

Instructor-led Training Sessions

- Provides offline and online OTCnet users with classroom or phone-based instructor-led sessions
- Available upon request for agencies first implementing OTCnet

Context-sensitive Online Help

- Provides easily accessible (within the application) instructions for performing all system tasks
- Printable as a job aid
- Develop the online help in conjunction with the development team

Context-sensitive Online Help

Paper-based Reference Materials

Paper-based Reference Materials

- Provide offline and online OTCnet users with printable step-by-step instructions for all system tasks
- May be used as classroom materials during ILT sessions.
- Can be used as job aids for infrequently performed tasks

* WBT is the primary method . ** ILT is available only by request and upon FMS approval.



OTCnet System Requirements

OTCnet has been designed to function using Internet Explorer 7.0 or 8.0 on the following commonly used operating systems:

- Windows XP
- Windows Vista
- Windows 7

In-depth technical information about system requirements and instructions on system configuration are available on the OTCnet website at:
www.fms.treas.gov/otcnet/sys_req.html.



The screenshot shows the OTCnet website interface. At the top, it reads "FINANCIAL MANAGEMENT SERVICE A Bureau of the United States Department of the Treasury fms.treas.gov". Below this is a navigation menu with links for Home, FAQ's, Training & Events, Publications, Programs, About FMS, A-Z Index, and Navigation Help. A search bar is present with a "Search" button and links for "Advanced Search", "RSS", "Subscribe", and "Contact FMS". The main content area features the OTCnet logo with the tagline "Deposits Made Simple" and the heading "OTCnet Online System Requirements". Underneath, it states "System and Configuration Requirements" and provides a brief overview of the document's purpose. It then lists "OTCnet General Requirements" and "Operating System" requirements, which include Windows XP, Vista, and 7. A "System Requirements" section follows, listing "Web Browser" requirements as Internet Explorer 7.0¹ or 8.0.

❖ *All users are advised to review system requirements and configuration information prior to using OTCnet.*

Preparing for CA\$HLINK II decommissioning

- CA\$HLINK II is targeted to sunset in 2012
- All agencies using CA\$HLINK II will need to convert to OTCnet by October 2012, in particular:
 - Agencies preparing paper SF 215's will implement OTCnet Deposit Reporting
 - Agencies using PCC OTC will convert to OTCnet

Agencies converting from CA\$HLINK II to OTCnet will follow these steps:

Preparing for CA\$HLINK II Decommissioning – High-Level Summary	
Step 1	<u>Enroll in OTCnet</u> , working with FMS to complete all necessary steps to get set-up in the system, including adding Deposit Processing to endpoint functionality.
Step 2	<u>Enroll in the Transaction Reporting System (TRS)</u> , by December 31, 2012. TRS is the one-stop centralized revenue collection data repository, to view detailed and summarized collection data (replacing data provided through CA\$HLINK II).
Step 3	<u>Convert all over the counter deposits entered into CA\$HLINK II</u> to OTCnet Deposit Reporting, by October 2012
Step 4	<u>Convert all PCC OTC users</u> over to OTCnet
FMS will complete all steps to break apart and decommission CA\$HLINK II	



Mandatory Conversion to OTCnet for Deposit Reporting

Agencies converting to OTCnet for deposit reporting should follow these steps:

Conversion Steps High-Level Summary	
Step 1	<u>Visit the OTCnet Website</u> : Visit the OTCnet web page (Go to http://www.fms.treas.gov/otcnet/index.html and review documentation provided)
Step 2	<u>Review the System Requirement Document</u> : Review the System Requirements document to ensure your workstation has the necessary system requirements
Step 3	<u>Contact the OTCnet Team</u> : The OTCnet Team will work with you through the onboarding process
Step 4	Complete training for Deposit Reporting. Go to http://fms.treas.gov/otcnet/training/wbt/index.htm
Step 5	Use OTCnet: Begin reporting deposits using OTCnet Deposit Reporting
All locations must implement OTCnet prior to October 2012 for Deposit Reporting	



Mandatory Conversion from PCC to OTCnet

Agencies converting to OTCnet for check capture will need follow these steps:

Conversion Steps High-Level Summary	
<u>Continue to use PCC OTC</u> until you have been contacted by the OTCnet Team to schedule your conversion	
Step 1	<u>Visit the OTCnet Website:</u> Visit the OTCnet web page (Go To http://www.fms.treas.gov/otcnet/index.html and review documentation provided
Step 2	<u>Review the System Requirement Document:</u> Review the System Requirements document to ensure your workstation has the necessary system requirements
The OTCnet Team will contact your location to <u>schedule your Conversion</u> and will assist you in preparation for your Conversion	
Step 3	Work with local IT group to install necessary components according to the System Requirement document for Check Capture
Step 4	<u>Complete</u> training prior to making your first deposit in OTCnet (Go To http://fms.treas.gov/otcnet/training/wbt/index.htm). Training is recommended to be completed by all OTCnet users
Step 5	Work with the OTCnet Team to create user identities through ITIM to establish new user IDs and passwords if not already using OTCnet
Step 6	Make First Deposit into OTCnet for Check Capture



To learn more about OTCnet or for questions, you may contact an OTCnet representative via three methods



www.fms.treas.gov/otcnet/



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