



ADM UPDATE

ADM: Federal Finance's Mission Critical Collection Bridge

By Tamara Whitaker, Director, Accounting and Data Management Division

The Accounting and Data Management Division (ADM) is responsible for a variety of accounting, imaging, and reporting systems that bridge Federal Finance's (FF) collection and deposit systems to other government-wide accounting and bank management systems. The Division oversees the federal government's deposit reporting, transaction reporting, and cash concentration systems that support revenue collection. It oversees the imaging systems that store data on paper checks and remittance documents for FMS's government-wide check collection systems. The Division is responsible for ensuring that all collection systems comply with government-wide accounting rules. Drawing on its various accounting and reporting systems, the Division produces the authoritative reports on federal revenue collection used by the Treasury to measure and manage the business line. It oversees financial and fiscal agent banks engaged in revenue collections reporting. It also coordinates the accounting functions of the collections business line with FMS's other business lines and the Governmentwide Accounting (GWA) Assistant Commissioner area.

ADM's systems also play a key role in FF's Collections and Cash Management Modernization (CCMM) initiative. CCMM is a multi-year initiative to simplify and modernize FMS's and Treasury's collections and cash management programs.

CCMM's three main objectives are to simplify collection processes and eliminate duplicative functionality; provide agencies with detailed, centralized access to collections information; and to promote and expand the use of electronic collection of receipts.

At end-state, the CCMM initiative will enable FMS to become more efficient, minimize costs, and reduce the operational risk to the federal

government by addressing all collections and settlement mechanism, transaction reporting, cash concentration, cash forecasting and investment practices.

There are 4 primary systems developed and/or managed in the ADM Division: CASHLINK II, the Foreign Currency Accounting System, the Treasury Cash Management System (TCMS), and the Transaction Reporting System (TRS).



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CASHLINK II is an electronic cash concentration and information system used to manage the collection of U.S. Government funds throughout the world. It links agencies, commercial banks, Federal Reserve Banks (FRB), and Treasury through an electronic network. CASHLINK II receives deposit information, initiates funds transfers, and concentrates daily deposits made through multiple collection mechanisms. It provides agencies with real-time information to reconcile their accounts. In addition, CASHLINK II assists the Treasury in managing depository services provided by financial institutions and monitoring the cash position of the U.S.

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Government. With the implementation of CCMM, CASHLINK II will be decommissioned, and its functionality will be replaced by other systems, including TCMS and TRS.

The Foreign Currency Accounting System (FCAS) was designed as an automated method of monitoring, consolidating and reporting collections and expenditures of foreign currency acquired, without expenditure of dollars, for goods sold and repayment of loans. This function is a requirement of the



Frances Jones-Tobin, of the Department of Housing and Urban Development, and Brenda Dickerson, of the Minerals Management Service, discuss upcoming collection changes and exchange notes.

Secretary of the Treasury, who has legislative mandate to exercise control over the foreign currency held by the U.S. Government. The FCAS system is designed to enhance the posting and reporting of foreign currency information. The primary objectives of FCAS are to: (1) improve the timeliness and accuracy of foreign currency reporting; (2) automate the posting and error correction process; (3) streamline the report generation process; and (4) comply with Department of the Treasury accounting policies, principles, and standards as documented in the Treasury Financial Manual (TFM) and other government directives.

TCMS, as one of the critical elements within the Collections and Cash Management future architecture, will be the FMS

application managing the settlement of inflows to and outflows from the Treasury's operating cash account at the FRB. TCMS will be developed as the sole provider of cash concentration from Depository Financial Institutions (DFI) and FRBs. TCMS will modernize, streamline and improve the processes and IT systems currently supporting collections business line by eliminating the duplicative cash concentration processes within the current CASHLINK II and FRB CASH-LINK systems.

The Transaction Reporting System (TRS) will be a foundational element for FMS efforts to modernize government cash management. TRS will provide a centralized data warehouse containing detail and summary records of all revenue collection transactions of the federal government. Central to the creation of TRS will be a transaction reporting capability that replaces the current ad hoc, multi-point to multi-point communications network between Financial Institutions (FIs) and Federal Program Agencies (FPAs) with a communications hub that provides revenue collection transaction details to FMS and to FPAs. TRS will also provide the capability for FMS and FPA users to access check images in the Image Archive.

Lastly, TRS will provide a wide range of business information and business analytical tools that will: (1) help FMS reduce the cost of collections; (2) help FMS manage the quality of incoming financial transaction information from the FIs; (3) provide more detailed information for deposit reporting and cash concentration purposes (4) provide more real-time information for cash forecasting; (5) reduce the burden and costs of reconciliation between FPA Core Financial Systems and the Governmentwide Accounting system (STAR or the new GWA); and (6) provide more real-time status information for purposes of budget execution management.



Debbie Holt, from the Department of Housing and Urban Development, and Andu Aklog, from the U.S. Patent and Trademark Office, discuss their agency's transition to TRS.

As part of its agency outreach project, the TRS team held 3 Agency User Group sessions in the first two months of 2009. Approximately 60 participants representing about 40 agencies were in attendance. Meeting participants were excited to hear about TRS, and curious about the differences between CASHLINK II and TRS. The TRS Agency Transition and Communications Plans are currently being developed.

To learn more about TRS visit www.fms.treas.gov/trs, for CASHLINK, visit www.fms.treas.gov/cashlink. For additional information about FMS's CCMM initiative, visit www.fms.treas.gov/ccmm.



Linda Howard, of the PNC TRS Team, shares information with Deborah Thompson, of U.S. Customs and Border Protection, during the day-long TRS meeting.