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San Francisco Financial Center

Financial Express

BEST FINANCIAL MANAGEMENT NEWS IN THE WEST

Agency Visit: SFC Makes a Landing at NASA

Like a sonic boom, the San Francisco Financial Center (SFC) Products and Initiatives Branch (PIB) landed at National Aeronautics and Space Administration (NASA) Ames Research Center in Mountain View, California for an agency visit on November 15, 2007.

Every NASA mission is based on the need for discovery from small spacecraft to supercomputers, science missions to thermal protection systems, information technology to aerospace. NASA Ames Research Center provides products, technologies and services that enable NASA missions and expand human knowledge. The SFC PIB has a different, but equally important mission: to assist financial managers with identifying cash flows that can be converted to electronic formats using Financial Management Service (FMS) electronic payment and collection programs. The Financial Management Division at NASA received an overview of four

major FMS programs that would benefit their line of business: Pay.gov, TGA.net, ITS.gov, and Paper Check Conversion-Over the Counter (PCC-OTC). Through a successful partnership, NASA has begun rolling-out PCC-OTC. Eventually, over 50 checks daily will be converted from paper check to Electronic Funds Transfer (EFT).

The team of financial professionals at SFC is eager to help customer agencies obtain the full benefits of FMS products and services. If your agency would like to improve your cash management practices using the latest technologies, please contact the PIB at (510) 594-7300.



*NASA Ames Research Center
Financial Management Division*

TREASURY'S STRATEGIC PAYMENTS PLAN REVEALED WESPAY "PAYMENTS SYMPOSIUM"

The Western Payments Alliance's 6th Annual Payments Symposium on September 9-11, 2007, provided the perfect opportunity for FMS's Assistant Commissioner, Wanda Rogers, to reveal the Treasury's strategic view of payments. Ms. Rogers talked about the strategic plan for Universal Direct Deposit, that when implemented, will save the taxpayers millions of dollars on future benefit payments. Ms. Rogers explained the strategic vision as being a three-pronged approach that offers solutions to all individuals receiving federal benefit payments:

1. People signing up for Social Security benefits for the first time would sign up for Direct Deposit.
2. Individuals without bank accounts would receive a debit card called Direct Express. The Direct Express card will be offered in the Spring of 2008.
3. FMS will continue to support the Go Direct campaign to tell people about the many benefits of Direct Deposit and encourage them to sign up.



Left to Right: Wanda Rogers, Assistant Commissioner, Payment Management, Philip Belsile, Regional Director (SFC), Fay Rurup, PIB Manager (SFC)

Ms. Rogers stated that, in 2008, more than 77,000 baby boomers are expected to begin receiving Social Security benefit payments. If the current trend of 15% of the new enrollees receiving their payments via check continues, then FMS will experience an increase in the number of checks that it issues annually. This increase could be as high as 8 million checks in 2010 and even 45 million additional checks by 2020. The Treasury plan is designed to avoid this growth in checks through the increased use of electronic payments.

continued on next page

*Taking a networking
break at the Wespay
“Payments Symposium”*



Left to Right: Sandra Young, Fay Rurup, Rhonda Lambert (SFC)

| | | |
|--|--|--------------|
| I N S I D E | Agency Visit: SFC Makes a Landing at NASA | Cover |
| | Treasury’s Strategic Payments Plan Revealed | 2 |
| | CAB Members Leave Their Hearts in S.F. | 4 |
| | Special Payments & Claims Branch News | 6 |
| | CCMM Initiative | 7 |
| | Calendar of Events | 8 |

CAB Members Left Their Hearts in SAN FRANCISCO

On August 22-23, 2007, the San Francisco Financial Center (SFC) presented its fifth Customer Advisory Board (CAB) Conference at the San Francisco Federal Reserve Bank (FRB). The moderator for the two-day conference was Dave Martin, CAB Chairperson. Mr. Gopa Kumar, Vice President, San Francisco FRB, welcomed over fifty people representing federal agencies, program speakers, and SFC staff to the event.

The theme of the CAB was **“Success Through Financial Management”**. Guest speakers included Judy Tillman, Deputy Commissioner, Financial Management Service; Kathleen McGettigan, Deputy Associate Director, Office of Personnel Management; and Joe Vitale, National Finance Center. Ms. Tillman provided an overview of future FMS initiatives, including the Governmentwide Accounting (GWA) Modernization Project, GO Direct, and the Electronic Federal Tax Payment System (EFTPS). Ms. McGettigan delivered an update

on federal employees’ benefits programs, including a new initiative called the Retirement Systems Modernization (RSM). Mr. Vitale gave a moving presentation of the lessons learned from Hurricane Katrina which included dramatic photos of this natural disaster.

Other program topics focused on FMS program initiatives, agency updates, and the FRB’s FedACH and Treasury services. The National Park Service provided a presentation on the financial management of Alcatraz Island, which later included a guided tour of this national landmark. Lake Gardner, Minerals Management Service, and Joe Paule, San Francisco Financial Center, reported on the Disaster Recovery workgroup project. The CAB workgroup is developing an action plan to provide agency back up and support in the event of a disaster.

The San Francisco Financial Center gave special recognition to two agency members for outstanding

service to the CAB. Mr. Meyer Persow, Office of Personnel Management, was given a beautiful engraved crystal gavel for his contribution as Chairperson for the 2006/2007 SFC CAB. Mr. Kevin Werner accepted the 2006 SFC Vanguard Award on behalf of Paul Agnew, Chief Financial Officer, NASA Ames Research Center. The Vanguard Award acknowledged NASA Ames for their sponsorship and contribution to the February 2006 Conference.

The conference concluded with a behind-the-scenes tour of the San Francisco Federal Reserve Bank, followed by closing remarks from Phil Belisle, SFC Regional Director. The next CAB meeting will be held at the Hyatt Regency Hotel, February 26-27, 2008, in Albuquerque, New Mexico.

For more information on becoming a member of the SFC Customer Advisory Board, visit the SFC website at <http://fms.treas.gov/sfc>



SFC CAB Conference - Cable Car Group Photo



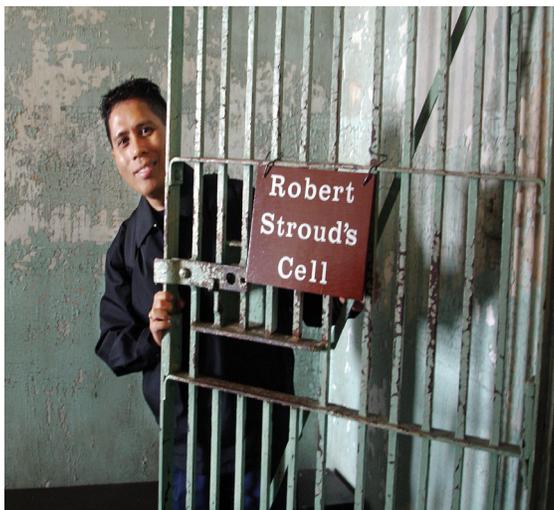
Philip Belisle, Regional Director (SFC), and Fay Rurup, PIB Manager (SFC) presented the Vanguard Award to Kevin Werner of NASA Ames Research Center



Left to Right: CAB members Deborah Koller, FRB Minneapolis, Kevin Werner, NASA, Jackie Marcoe, BPA, Claudia Andrews, BPA



Keynote speaker Judy Tillman, FMS Commissioner



Joe Paule, EOB Manager (SFC) enjoying the tour of Alcatraz Island



Renee Taylor, Abbie Loftus, and Fay Rurup (SFC), admiring the view from Alcatraz Island

SPECIAL PAYMENTS & CLAIMS BRANCH

The San Francisco Financial Center (SFC) has been working with agencies for the past year on making effective use of Fedwire payments and would like to take this opportunity to thank those agencies that are in compliance with the Treasury Financial Manual (TFM).

The TFM states that Fedwire (Same Day Payment Requests) should only be used for payments of \$100,000 or greater and for emergency payments where same day settlement is required. Detailed information can be found in Volume I, Part 6, Chapter 8000, Section 8040. Please call Debra McDaniel at (510) 594-7176 for more information on the Fedwire payments regulation.



IMPORTANT REMINDER:

SFC needs current agency contact information in the event of system unavailability or other emergency situations. To update this information, please call Louisa Wong or Cheri Getchell at (510) 594-7184.



Collections and Cash Management Modernization Initiative

Collections and Cash Management Modernization (CCMM) is a comprehensive, multiyear enterprise architecture initiative to streamline, modernize, and improve the services, systems, and processes supporting Financial Management Service's (FMS) and Treasury's collections and cash management programs. "Enterprise architecture" is the practice of describing the current and future structure and behavior of an organization's services, systems, and processes, so that they align with the organization's core goals and strategic direction. As applied to collections and cash management, this enterprise architecture effort will result in a redesign of programs and processes that have accumulated over many decades. CCMM is focused on the business aspects of enterprise architecture. Other aspects of enterprise architecture, such as data architecture, are handled outside of the CCMM initiative.

The need for CCMM arises because over the years, Treasury's collections and cash management systems and processes were developed in an ad-hoc, stovepiped way and without coordination across cash management areas and other FMS programs. This has resulted in systems that are monolithic (i.e., serving multiple business lines) and have significant redundancies. For example, FMS currently has eight programs and ten banks that perform Automated Clearing House (ACH) debit transactions on the government's

behalf. CCMM will realign these and other collections and cash management systems to match the end-state business line architecture. The initiative will address all collections and settlement mechanisms, transaction reporting, cash concentration, cash forecasting, and investment practices.

One of CCMM's key goals is to separate the collection channels from the settlement operations so that there is one system per collection channel (i.e., mail, over-the-counter collections, Internet) and one system per settlement mechanism (i.e., ACH, card, check, wire). Rather than perform settlement itself, each channel application will invoke the new settlement applications, which will provide shared services. The result will be a simpler architecture that still provides the same functionality as today. Thus, instead of having eight programs performing ACH debits, there will be only one.

Another goal of CCMM is to consolidate the transaction and deposit reporting that agencies currently receive from a myriad of collection programs and from CASHLINK II. A new system called the Transaction Reporting System (TRS) will be the single touchpoint for agency reporting needs. TRS will be a data warehouse for all collections transactions and will allow FMS to provide agencies with a daily consolidated report of all collections, rather than requiring agencies to receive separate reports

from multiple systems and banks.

TRS will also contain deposit reports, so agencies will not have to reconcile transaction reports with deposit details that currently are in CASHLINK II.

FMS has also developed an XML schema for all revenue collection transactions. The use of XML reporting will facilitate standardization of financial reporting across the government and help FMS realize the benefits of reduced data redundancy, improved reporting consistency, and improved data quality. XML will also be used in the long run for simpler and seamless interfaces with FMS' commercial banks and program agencies. More information on this schema can be found at fms.treas.gov/eda.

These changes are designed not only to help save money, but also to better position FMS for the future. At present, FMS' collections and cash management programs are effective, but not as efficient as they could be. The complexity of the current architecture is a growing operational risk to the government. Without changes, FMS may not be able to meet the evolving needs of agencies. By eliminating redundancy and taking advantage of shared services, FMS can become more efficient and save the government money. Implementing the CCMM initiative will allow FMS to meet agency needs for years to come.

CALENDAR OF EVENTS

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| Customer Advisory Board Conference - Albuquerque, NM | February 26-27, 2008 |
| CCMM Forum - San Francisco Financial Center | March 12, 2008 |
| Debt Collection 101 - San Francisco Financial Center | April 8, 2008 |
| Treasury Report of Receivables - San Francisco Financial Center | April 9, 2008 |
| FMS Payment Management Customer Conference - Chicago, IL | August 26-27, 2008 |

VISIT THE SFC WEBSITE AT:
WWW.FMS.TREAS.GOV/SFC

COMMENTS/QUESTIONS
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