

Financial Express

The San Francisco Financial Center
Summer 2011 Newsletter



Meet Nancy Thomas from the Office of Navajo & Hopi Indian Relocation in Flagstaff, Arizona

– A Perspective by Nancy Thomas

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The first CAB meeting for the San Francisco Financial Center Treasury was held in Emeryville, California. When our agency received the invitation, I thought it would be interesting to go, but I was worried about being able to discuss matters with bigger agencies. Our office has about 45 employees. I thought we were the only tiny agency, until I met the representatives from the

Denali Corporation – they only had about 12 employees on staff, with everything being contracted out. It was a good feeling to know that there were other micro agencies out there.

It seemed like everyone knew, and used, all the Treasury program acronyms – except me. After asking numerous questions, I realized that I, too, dealt with most of these programs, but did not know the

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The San Francisco RFC Perspective

Welcome to the 2011 summer issue of the
San Francisco Financial Center (SFC) Financial Express newsletter.

Although we don't usually think of summer as a time of the year that heralds great change, change is definitely a prime topic within FMS this season. FMS is moving forward in the Payments and Government-wide Accounting businesses. As a result, FMS Commissioner Dave Lebryk announced in January that agencies will be required to adopt the Standard Payment Request (SPR) format specified by the Payment Application Manager (PAM) initiative and become Government-wide Accounting reporters by October 2014.

We know that change never comes easy so, beginning this summer, FMS is conducting one day sessions to include detailed walk-throughs of GWA Treasury Account Symbol – Business Event Type Code (TAS-BETC) requirements, the Secure Payment System (SPS) 440 format and the Payment Application Manager SPR to ease the way. These sessions will be held in August, September, and October 2011 in Washington D.C. FMS representatives will be present to review data elements, validate and review agency specific information that will be required on payment requests to FMS in the future. For more information, and to register for one of these sessions, please visit http://fms.treas.gov/kfc/register_forum2011.html.

One thing that hasn't changed is that, as usual, we've packed this edition of the Financial Express full of information about special events, programs, and services. You can read about:

- A Customer Advisory Board (CAB) member perspective by Nancy Thomas, Office of Navajo and Hopi Indian Relocation in Flagstaff, Arizona.
- A special tour of the newly commissioned USS Wayne E. Meyer that Customer Advisory Board members enjoyed at the March 2011 CAB Conference held in San Diego. This tour featured an onboard demonstration of the Navy Cash card program.
- Expanding the reach of Electronic Funds Transfer payments to include converting Office of Personnel Management checks, which were previously sent to recipients in Cuba through Guantanamo Bay, to EFT. The International Treasury Services (ITS.gov) program will be used to speed these monthly benefit payments to OPM recipients in Cuba.
- Business Continuity Planning (BCP) Tips provided by SFC's Margaret Tong as a result of a BCP stimulation meeting she attended.

We're also constantly changing our Customer Advisory Board meetings to meet the needs of our members. In this vein the agenda for our upcoming conference will feature even more agency "Best Practice" presentations to provide attendees more opportunities to learn from each other. I view the CAB as a place where our SFC customers can share ideas, concerns, and suggestions and to have input into FMS' program planning and product development. To learn more about how to become a member, please contact Richard Corrigan at Richard.corrigan@fms.treas.gov or by phone at (510) 594-7323.

I'm very excited to announce that our Fiscal Assistant Secretary, Mr. Richard Gregg, will be a Keynote speaker at our next CAB Conference. This will be held at the Federal Reserve Bank in San Francisco, California on August 23-24, 2011. The *Washington Post's* "Who Runs Government" web site says: "(his) policy portfolio at Treasury is almost too vast to fully comprehend." Mr. Gregg will talk about "A Transformation Roadway." To sign-up visit us at <http://fms.treas.gov/sfc/CAB-SanFrancisco11.html>.

I hope you enjoy the articles we have provided in this edition of the Financial Express and urge you to send your comments/feedback on suggested future pieces to financialexpress@fms.treas.gov.



The SFC San Diego CAB attendees in front of the USS Wayne E. Meyer in San Diego.

Anchors Aweigh for the SFC CAB Conference Attendees in San Diego

– By Rick Corrigan

On March 15-16, 2011, the Financial Management Service (FMS), San Francisco Financial Center (SFC) hosted its 11th Customer Advisory Board (CAB) Conference in San Diego, California. Over 45 people representing federal agencies, program speakers, FMS, and SFC staff attended the meeting.

One of the highlights of the two-day event was the opportunity to view an onboard demonstration of the Navy Cash® program and tour the newly commissioned USS Wayne E. Meyer. The Navy Cash® program is a partnership with the Defense Accounting and Finance Service, the U.S. Navy, and the Department of the Treasury. The card is a branded debit card that combines a chip-based electronic wallet (stored-value function) with the traditional magnetic strip (debit card and ATM function). The electronic wallet replaces currency aboard the ships.

The Navy Cash® program supports FMS' overall goals of increased cash management efficiencies and process improvements aboard U.S. Navy ships. FMS takes great pride in supporting Sailors by providing safe and easy access to their personal funds while deployed.

The support and hospitality received from the staff of the Navy Region Southwest Command and crew of the USS Wayne E. Meyer made for an unforgettable experience for CAB attendees. The SFC CAB conferences represent a great



Capt David R. Pimpo, USN, demonstrating the Navy Cash card to CAB members onboard the USS Wayne E. Meyer.

partnership between FMS and agency customers. For more information or to become a member, visit the SFC Web site at: www.fms.treas.gov/sfc, or call (510) 594-7300.

Back to the Future with ITS.gov in **CUBA!**

- By Rhonda Lambert



In 1963, the “Cuban Assets Control Regulations” barred benefit payments to individuals residing in Cuba. All payments to annuitants receiving Civil Service Retirement benefits ceased. On August 31, 1979, the Department of the Navy received a license from the Department of Treasury’s Office of Foreign Assets Control (OFAC) allowing the Office of Personnel Management (OPM) retirement payments to Cuban Nationals who retired from the Guantanamo Bay Naval Base after that date. But unfortunately, the license did not include individuals who retired prior to that date.

At that time, a manual Cuban commuter process was set up to transfer the retirement payments from the naval base to beneficiaries who resided in Cuba. Currently, paper checks are sent to an FPO box at the base and cashed by the Office of Human Resources on the base. The cashed checks are

placed in separate envelopes with a copy of the checks and carried in a backpack by one of only two remaining elderly Cuban commuters, now in their 80s, who still have permission to enter and leave the base. Once the money leaves the base, it is either deposited into the annuitants’ account at a local bank, Banco de Crédito y Comercio (BANDEC), or hand delivered to the annuitants’ homes. This current process is unsustainable.

The obvious solution is to use International Treasury Services, ITS.gov, to make EFT payments. To implement this, OPM needed a new OFAC license that would allow them to make EFT payments to Cuba. It took over five years of persistent effort from Steve Rappaport, OPM; Alexa Urban, Financial Management Service (FMS); the Department of State; and the Federal Reserve to obtain this new OFAC license. After the issuance of the license in December 2010, it



1) Left: Rhonda Lambert, San Francisco Financial Center, and John Kimball, OPM, meeting with a Cuban annuitant’s surviving family members.



2) Lower left: Each annuitant was interviewed to prepare them for the conversion to ITS.gov.



3) Lower right: Annuitants that were either too old or frail to attend the meeting were personally visited in their homes.

was necessary to go to Guantanamo City, Cuba to meet with the annuitants, BANDEC, the Cuban Foreign Ministry, and representatives from the U.S. Interest Section. For the past several months, Rhonda Lambert from the San Francisco Financial Center assisted Steve Rappaport at OPM, with preparing the Cuban Nationals for the conversion to ITS.gov.

The objectives of traveling to Cuba were to ensure that all annuitants understood



4) *Opposite: The hall was completely packed, including a second, unplanned session.*

5) *Above: Steve Rappaport, OPM, with a representative from the U.S. Interest Section, Department of State, talking to the annuitants about the conversion to EFT.*

the new process; to obtain proof of life verification; to validate identity; to meet with BANDEC officials to resolve any remaining implementation issues; and to enroll all annuitants in an account with the Cuban bank. Prior to the trip, Ms. Lambert worked with OPM over many months to provide assistance with preparing documents in Spanish for all of the annuitants in Cuba: informing them of the upcoming changes to their payments; requirements to receive these payments; and the upcoming meetings in Guantanamo City.

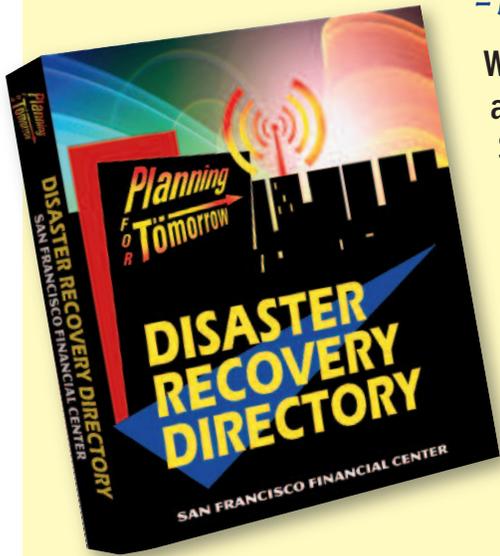
In the Spring of 2011, she joined a team from OPM, Department of State, Department of the Navy, and the U.S. Interest Section in Cuba. With assistance from BANDEC and the Cuban Foreign Ministry, they interviewed all Cuban annuitants who reported for the interview in Guantanamo City. Annuitants that were either too old or frail to attend the meetings were

personally visited in their homes. During the meetings, they verified their identity, provided them with information on how to set up a bank account with BANDEC, explained the upcoming direct deposit process, and responded to their questions and concerns. Only current beneficiaries were invited to the fair, but word quickly spread that OPM was in town, and the hall was completely packed, including a second, unplanned session the following day. Many potential beneficiaries also came to the fair asking about benefits based on their prior service.

The legal authority is now in place, enabling OPM to make EFT payments directly to Cuban Nationals as former employees of the U.S. Naval Base in Guantanamo Bay and their beneficiaries. FMS is in the process of implementing an EFT solution for these benefit payments via ITS.gov. When complete, ITS.gov will be the only way beneficiaries in Cuba will be able to receive their annuity benefits. It is safer and a more secure way for recipients to receive money.

Disaster Recovery - Business Continuity Tips

- By Margaret Tong



What would your agency do if a hurricane, tornado, or tsunami affected one of its production sites? On April 26, 2011, the San Francisco Financial Center hosted a meeting at the San Francisco Federal Reserve Bank to test the answer to this question for the Payments and Debt Collection businesses. Managers from these two businesses, along with their Information Technology counterparts, carried out a tabletop exercise simulating a major catastrophe hitting a key FMS production site. Below are the top suggestions generated from the simulation:

- Draft and maintain a current Communications Protocol Document; some items it should include:
 - ✓ Communication coordinator and backup names.
 - ✓ Chain of Command/Calling Tree structure.
 - ✓ Points of Contact lists for senior management, technical staff, and business experts - identify primary and alternate personnel.
 - ✓ Employee list
 - ✓ Alternate communication means, while the telephone lines, blackberry or email systems are down.
 - ✓ Designated person to notify the external customers and, possibly, the media.
 - ✓ The "Green Light - Start up Production" person(s) for each business area.
- Establish 24x7 hotlines for the critical Information Technology (IT) Infrastructure technical team and business experts. You may want to have separate hotlines for each critical team.
- Develop a strategy and an agreement on the priority for bringing up applications and systems. Estimate how long it will take to restore the systems. Identify the applications that are critical/non-critical, and what you will do if you encounter problems restoring a critical application.
- Draft a Disaster Recovery Plan. Then retain a paper copy and save it in various backup sites and media (thumb drives, tape, etc).
- Identify the locations of the applications/systems/data backups, the frequency of backups, and their impacts to the critical systems. Do you have production reports stored at the offsite location in electronic format and in paper? Identify printed reports that are not backed up.
- File transmissions may be affected, so you should identify alternate ways of getting files to your partners to continue operations. Identify your backup partner site.
- The security officer/systems administrator should be available to change security accesses for the backup personnel. Will the backup users have access to the system? Who will give them the required access?
- Time zone changes may affect your production processes. Identify the effects of going from an East Coast site to a West Coast site.

Let's be prepared to protect our agencies from the next big tornado. Simulate a disaster and learn the risks and possible threats to our operations. Ask our teams, "Where do we go from here? What did we learn? What should we do in the future?" Then take the extra step and SHARE your thoughts and ideas at the next San Francisco Financial Center's Customer Advisory Board meeting.



FMS Initiative to Reduce the Cost of Finance Government-wide

– A message from Commissioner Lebryk –

“Recently, we reached out to each and every Chief Financial Officer (CFO) across the government to address upcoming FMS system changes and timelines. We provided information about upcoming requirements to agencies now so that they can begin planning well in advance. In January, we sent a memo to all CFOs and Deputy CFOs informing them of the changes ahead.”

For a copy of the CFO memo, go to: <http://www.fms.treas.gov> or contact the San Francisco Financial Center staff at 510-594-7300.

(Continued from page 1.)

well-used catch phrases. Coming away from this first CAB meeting, there was a sense of accomplishment in knowing that our tiny agency was doing the same things the big agencies were doing, only in a microscopic fashion. It was interesting to discover that, unlike me, most people present were not personally involved with all the government financial issues – from submitting and defending budgets, to the daily processing of receipts and disbursements, to finally preparing the year-end financial statements that are submitted on FACTS I.

The CAB meetings have been great for bringing in the people from Financial Management Service (FMS) headquarters who have created new processes for the agencies to use. By having an idea of what will be happening a year or two in advance, changes are much easier to handle. Just getting to know the various participants from the agencies represented and the San Francisco staff has been worth its weight in gold. Often I have called someone, or had someone call me, to get a different perspective on a problem. The CAB program has also made it possible for our agency

to be involved in pilot studies for various programs within Treasury. This has been a lot of fun, and we have enjoyed being the first agency to have all our receipts and disbursements processed by FMS on a daily basis, allowing us the freedom of not filing any monthly reports!

Of course, no discussion of CAB would be complete without talking about the after-hours camaraderie. Ken, my husband, looks forward to our meetings as much as I do. We have been to wonderful places to eat, several ball games, riding trams up the mountain, whale watching (let's not talk about that!), etc., and interesting tours of government

facilities at cities that host our meetings. These occasions have been the icing on the cake, and have really allowed each of us participating

to get to know the other participants a lot better.

My recommendation for anyone who hasn't been to our meetings is to come, ask questions, and you will find others who have the same problems that you have. In addition, join one of our work groups and see the internal workings of FMS at its finest!



Above photo: Navajo children.

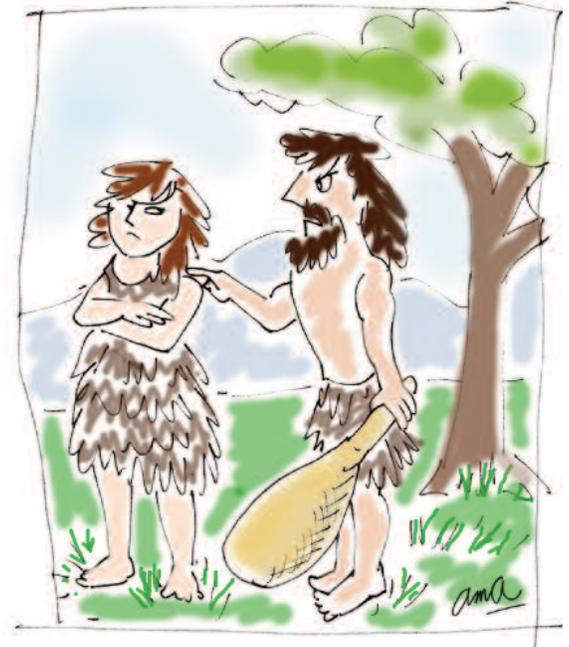
Just getting to know the various participants from the agencies represented and the San Francisco staff has been worth its weight in gold.

Calendar of Events

FMS Payment Modernization Technical Session
Located in the Washington, DC Area
August 9-10, 2011
September 13-14, 2011
October 11-12, 2011

FMS's TRS Quarterly Conference Call
November, 2011 (TBA)

**WesPay's - Payments Symposium 2011:
Payments in Transition Strategies for a
Changing Landscape**
September 19-20, 2011
Westin Hotel * San Diego



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maybe you should have signed up
for Direct Deposit!

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