

# ***Vendor Express EFT/EDI***

## ***Fact Sheet***

### **Introduction:**

Updated September 2, 2003

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The Financial Management Service (FMS), a bureau of the Department of the Treasury, implemented the **Vendor Express Program** in July 1987. Vendor Express electronically transfers money and remittance information through the Automated Clearing House (ACH) network to commercial payees of Federal agencies. FMS has recently enhanced the Vendor Express Program with additional electronic data interchange (EDI) capabilities to provide improved payment services that benefit both Federal agencies and the commercial payees.

The **Debt Collection Improvement Act of 1996**, part of (P.L. 104-134 **Section 31001 (X)**), has, in addition to other requirements, mandated the use of electronic funds transfer (EFT) for Federal payments. The legislation provides the stimulus for the Federal Government to move forward its goal of increased electronic commerce. The Vendor Express EFT/EDI Program plays a very important role in implementing mandatory EFT.

Currently, **Form SF 3881 (pdf)** is completed to enroll in Vendor Express.

### **Enrollment Form**

The ACH Vendor/Miscellaneous Payment Enrollment Form (SF 3881), is used to enroll TTB customers in the Vendor Express EFT/EDI Program. It contains the financial institution information necessary to route an ACH payment, such as a claim refund, to the recipient's account.

TTB will complete the Agency Information section of the SF 3881; the TTB customer completes the Payee/Company Information section; and the financial institution completes the Financial Institution Information section. The customer must then return the completed SF 3881 to TTB for final processing. The customer and the financial institution may wish to retain a copy for their records before returning the form to TTB.

### **Remittance Information**

The new ACH Remittance Information Processing Rule, effective September 1998, required that financial institutions provide addenda information to their corporate customers upon request. TTB customers are encouraged to discuss remittance delivery capabilities with their financial institution prior to submitting the SF 3881 to TTB. Financial institutions have different remittance delivery capabilities ranging from electronic transmissions to facsimile reports. In late 1998, the Federal Reserve Bank made available EDI translation software to financial institutions greatly increasing the number of financial institutions that are able to provide this service to their customers.

### **Payments and ACH**

Should you choose to participate in the ACH electronic funds transfer program, you will receive payment much quicker than by paper check since paper checks take longer to process and reach the customer by mail.