Payment Application Modernization (PAM)

Payment Management
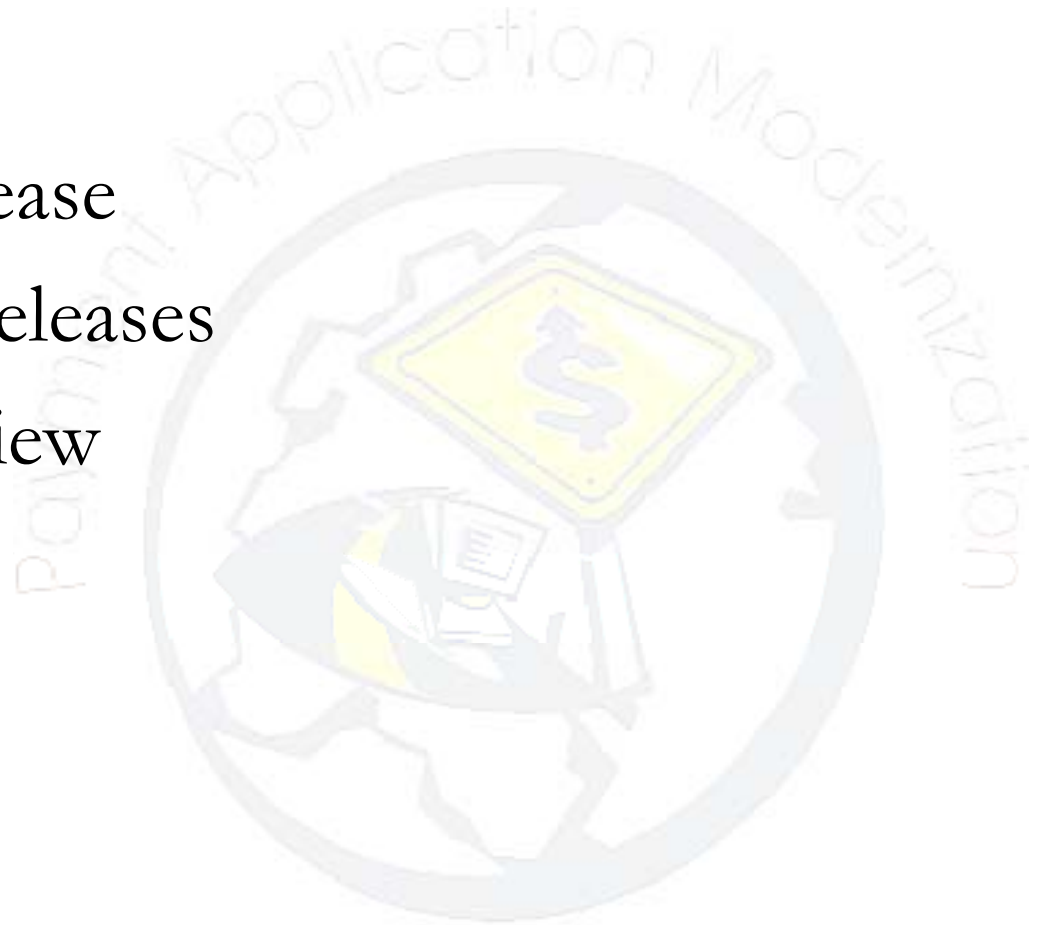
Customer Conference

August 27, 2008

Presenter:

Jesse Chavez

Today's Topics

- PAM Project
- First Production Release
- Future Production Releases
- PAM Process Overview
- PAM File Format
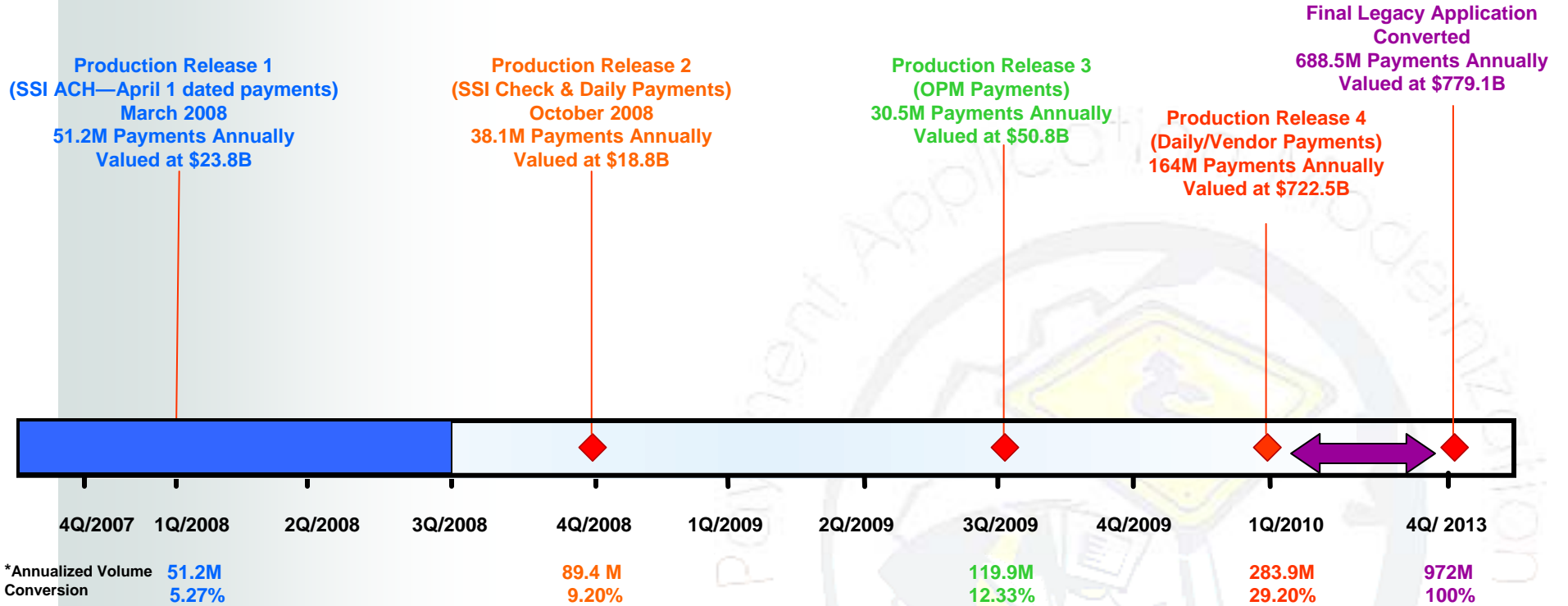- PAM vs Legacy
- PAM Support

PAM Project

- Develop and deploy a standardized application, Payment Automation Manager, employing new technologies

- Replace 30+ applications currently used to process payment requests

- *Payments made through the system are done right the first time: on time, every time*

PAM's First Production Release

- **PAM was successfully implemented on March 15, 2008**
  - **Processed 4,368,394 SSI ACH payments totaling over two billion dollars**
  - Kansas City Regional Financial Center supported this release
  - Two interfaces were included
    - PACER & FedACH
    - Did not include holds, offsets, partial payments, Top Control System (TCS) or Treasury Check Information System (TCIS)

PAM Production Release Schedule

Final Legacy Application Converted
688.5M Payments Annually
Valued at $779.1B

Production Release 1
(SSI ACH—April 1 dated payments)
March 2008
51.2M Payments Annually
Valued at $23.8B

Production Release 2
(SSI Check & Daily Payments)
October 2008
38.1M Payments Annually
Valued at $18.8B

Production Release 3
(OPM Payments)
30.5M Payments Annually
Valued at $50.8B

Production Release 4
(Daily/Vendor Payments)
164M Payments Annually
Valued at $722.5B

	4Q/2007	1Q/2008	2Q/2008	3Q/2008	4Q/2008	1Q/2009	2Q/2009	3Q/2009	4Q/2009	1Q/2010	4Q/ 2013
*Annualized Volume Conversion		51.2M 5.27%			89.4 M 9.20%			119.9M 12.33%		283.9M 29.20%	972M 100%

Production Release 2 includes interface with COMBO & TCIS

Production Release 3 includes interface with TOP, TCS and receiving SPS certifications via XML

Production Release 4 includes interface with SPS receiving Type B via XML

Note: TAS / BETC will be dependent upon future SPS Production Release

The remaining releases of PAM will focus attention on implementing the outstanding Payment Types/File Formats (e.g., VA, tax, etc), as most of the functionality for the system will have been implemented as part of the first four releases

* % Annualized Volume Conversion based upon 972 Million total check and ACH payments for the period July 2006 through June 2007

Project Update: Production Release 2.0

- SSI Monthly Checks to be processed on October 17, 2008 for November 2008 payment date

- SSI Daily payments will be processed in February 2009 for March 2009 payment date

- New Interfaces
  - COMBO Print System
  - TCIS

- Release will be led out of Kansas City Financial Center

Project Update: Production Release 3.0

- OPM Payments
  - 30.4 Million Payments Annually
- Scheduled for Third Quarter 2009
- Includes interface with TOP & TCS
- XML Interface with SPS Certification for Summary Certifications (Type B Payments)
- Release will be led out of San Francisco Financial Center

Project Update: Production Release 4.0

- Daily/Vendor Payments (including salary, travel, pre-notes, pre-authorized debit)
  - 164 Million Payments Annually
- Scheduled for First Quarter 2010
- Includes XML interface with SPS (certifications bearing TAS/BETC information) and IPP for Types A and B payments
- Includes requirements for all payment types
  - Majority of Legacy payment functionality will be captured in PAM by this release

Future Production Releases

- ## Releases 5 – 11

  - Transition remaining Legacy payments to PAM

  - 688.3 Million Payments Annually

  - Scheduled to have all payments transitioned over by CY 2013

  *See Attachment A for full release schedule

PAM Process Overview
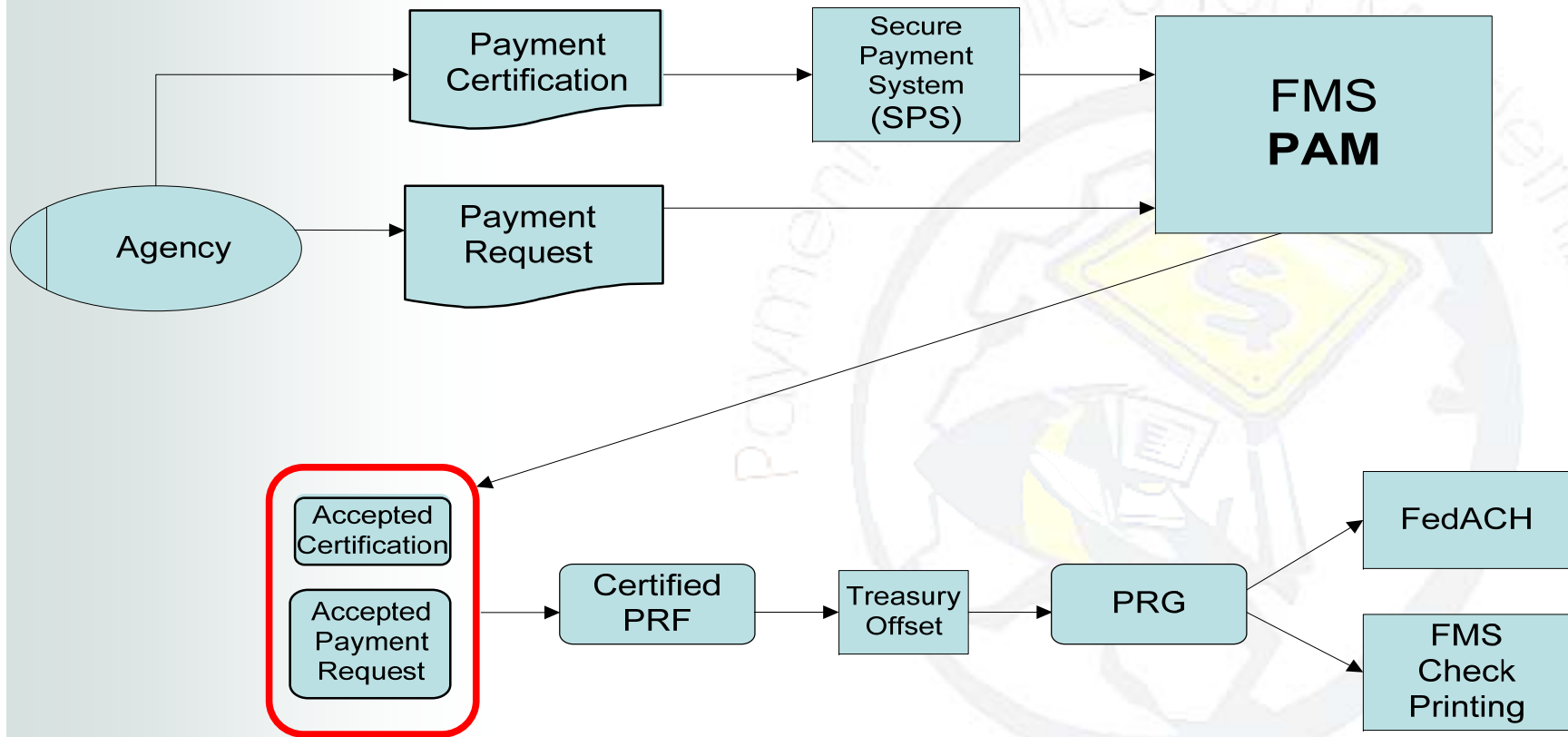
PAM Process Overview

- PAM will provide the status of your Payment Request File (PRF) via email, fax or Connect: Direct file transmission

- Email will include notification if the file was:
  - Successfully validated with no invalid records
  - Successfully validated with invalid records
  - Rejected and include reasoning

PAM Process Overview

- Email will also detail:
  - Type of payment request
  - Date and time the request was accepted
  - PRF: files, items and total amount received
  - ACH: items and total amount received

- Received file status will also be provided including:
  - Control Number
  - Date and Time Validation were performed

PAM and SPS

- Information received from PAM notifications will be used for SPS certifications

- This includes:
  - Type of Payment
  - Control Number
  - Item Count
  - Total Payment Amount

PAM and SPS

From: james.prial@fms.treas.gov
10/09/2007 10:01 AM
Please respond to
ferdinand.ralleta

To: Robert Meyers <robert.meyers@fms.treas.gov>, Ed Carr <edmond.carr@fms.treas.gov>, Bobbie Mickens <bobbie.mickens@fms.treas.gov>, Janice Bowers <janice.bowers@fms.treas.gov>, Darlene Craig <darlene.craig@fms.treas.gov>, Jerome Verdusco

cc:

Subject: Status of your PRF

The US Treasury (FMS) has received a payment request of type SSI MONTHLY for the Social Security Administration.

On 10/9/07 at 5:00:58 PM UTC the validation process accepted with errors the requests.

PRF DETAILS:
    1 files received, 50 items for a total of $22,082.38

ACH DETAILS:
    50 ACH items for a total of $22,082.38

RECEIVED FILES:
    File 1: Status Passed validation. Accepted., Agency DataSet FRYU5.SSI.SSIMDD.PAUL.INV50, PAM DataSet FRYUK.SSI.SSIMDD.C000583, Control Number C000583, Item Count 50, Total Payment Amount $22,082.38, Date Validation Performed 10/9/07, Time Validation Performed 5:00:58 PM UTC

    2 invalid   Account Type columns 1st occurence on payment request
#6

Type of Payment

C000583

50

$22,082.38

14

PAM and SPS

PAM vs Legacy

- Differences between PAM and Legacy:
  - All validations will be conducted upfront
  - When you certify your payments, they will be processed immediately
  - Validation reports from PAM can be expected shortly after the time of receipt from interfacing reports
    - Time could vary depending upon internet speed

PAM File Format
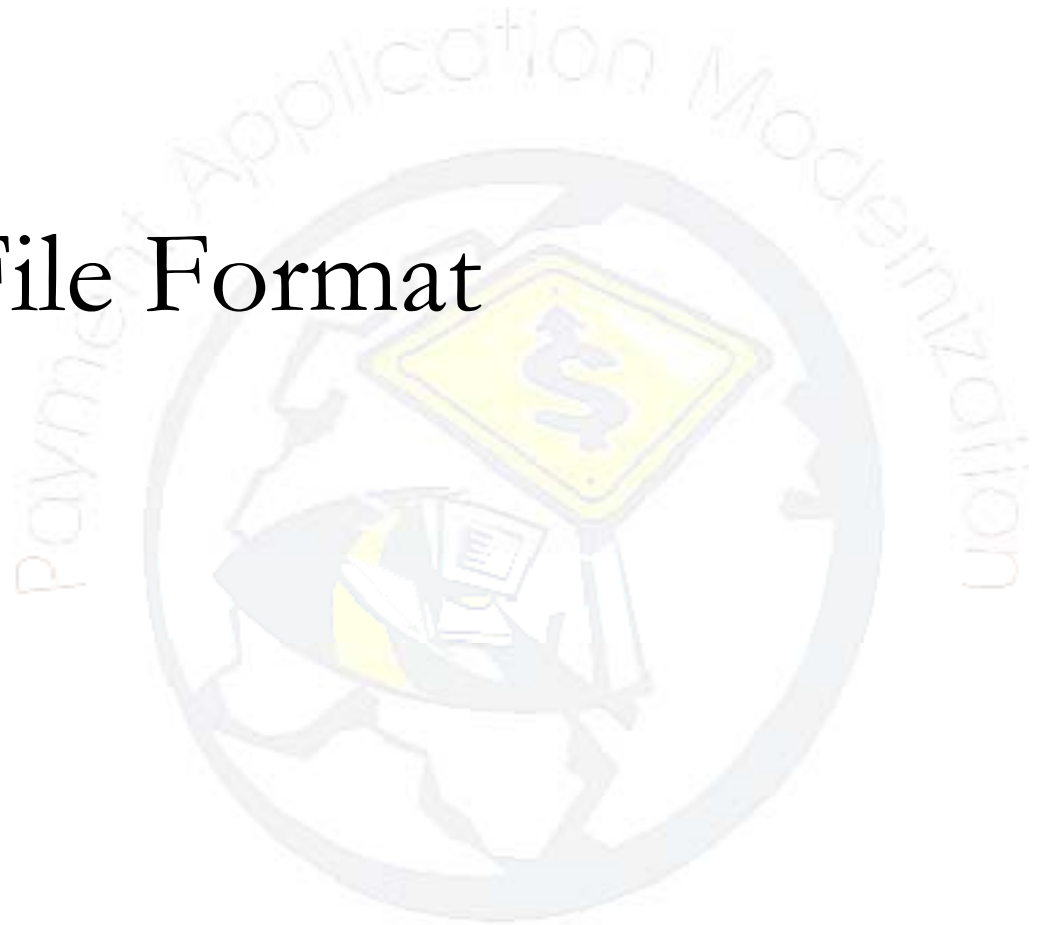
PAM File Format

- PAM is expecting to only receive data elements that are necessary to make the actual payments and report to accounting systems downstream

- There will be one common record that will accommodate every type of payment

- A file can include multiple schedules

- A schedule can only include one type of payment

PAM File Format

- Multiple schedules can be received in one file but only for ACH or check within a single file

- PAM format will need a schedule number to be provided in the file for ease in matching to the certifications received

- For those types of payments with unique information necessary to issue the payment, a secondary record that includes that information will be provided

- PAM payment format will be ready for the October 2009 PAM Release 4.0 implementation

PAM File Format

- 100 appropriations records will be allowed for each payment being received; 300 per schedule
  - This meets the GWA Requirement

- Agencies must be converted to the PAM Format when they begin reporting the GWA Way

PAM Highlights

- PAM will not validate the accuracy of TAS / BETCs, they will be passed along to PACER

- PAM will not stop a payment due to invalid TAS / BETCs

- PAM's automation will involve schedules being streamed more quickly

PAM Highlights

- Payments will be processed with much less manual intervention

- Certifying Officers should be sure that information is correct prior to certifying

- Certified Accounts at Schedule Level are official Agency Accounting Entries

- Schedule
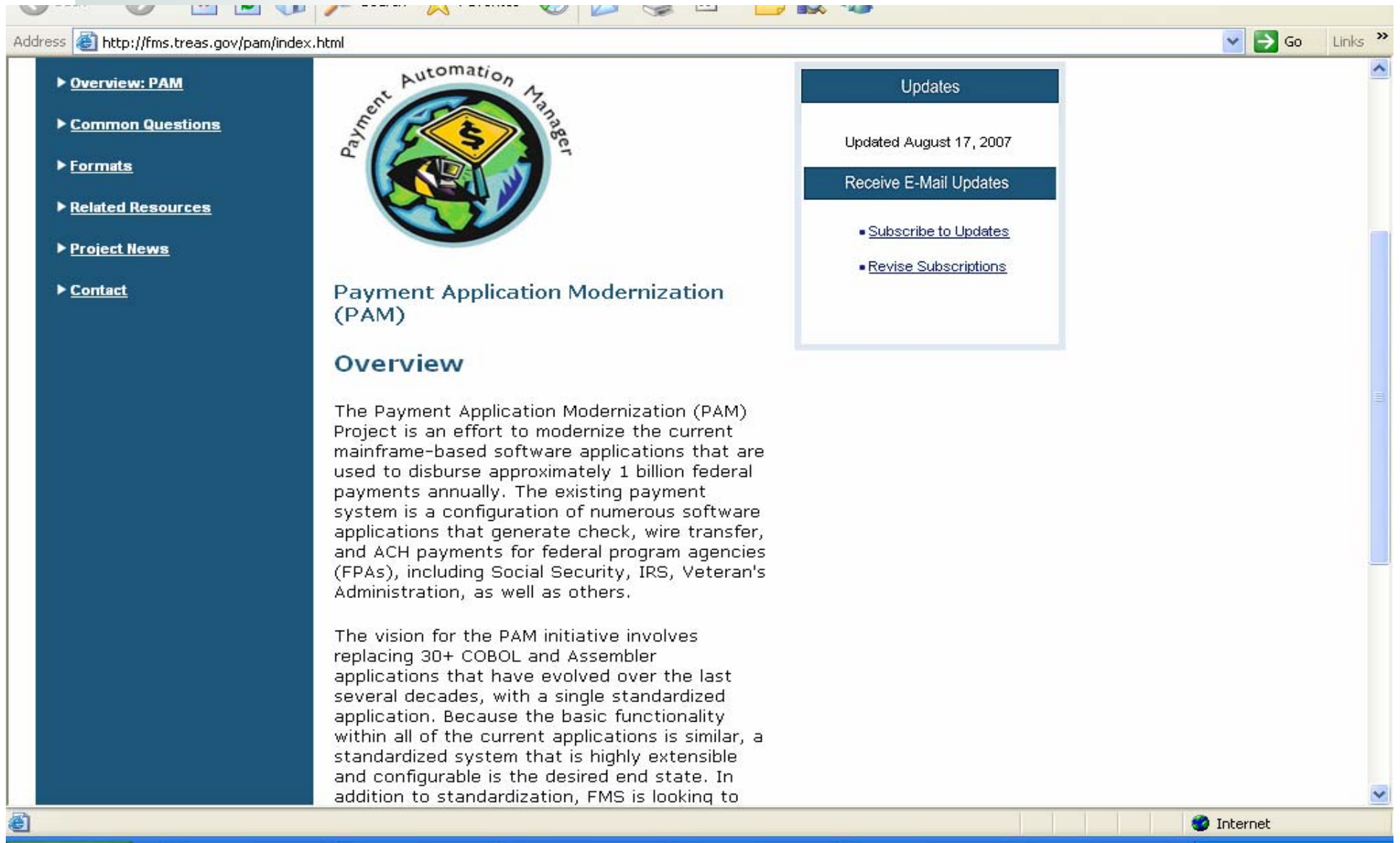
PAM Highlights

- As PAM is implemented you will continue to work through your RFC Customer Assistance Branch

- Austin Financial Center: 512-342-7300

- Kansas City Financial Center: 816-414-2100

- Philadelphia Financial Center: 215-516-8000

- San Francisco Financial Center: 510-597-7300

PAM Website

- http://fms.treas.gov/pam/index.html
- Will contain information on
  - PAM Project Updates
  - PAM File Formats
    - Formats can be downloaded from the website
    - TAS / BETC information
  - Related websites
  - Frequently Asked Questions
    - Do I have to use the PAM File Format?
    - Who will be my RFC Contact after my agencies payments are processed by PAM?

PAM Website

Any Questions?

Contact Information

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