



DEPARTMENT OF THE TREASURY
FINANCIAL MANAGEMENT SERVICE
WASHINGTON, D.C. 20227

March 23, 2012

MEMORANDUM FOR ALL CFOs AND DEPUTY CFOs

FROM: David A. Lebryk
Commissioner, Financial Management Service

SUBJECT: Upcoming FMS Systems Changes and Timelines

On January 14, 2011, I sent you a memorandum outlining the Department of the Treasury's Financial Management Service's (FMS) modernization initiatives to our payments, collections, central accounting and reporting systems. Over the past year, the FMS Deputy Commissioner and I have been meeting with many of the Chief Financial Officers (CFOs) and Deputy CFOs to discuss progress on these initiatives and to ensure we are working closely with the agencies to meet the October 1, 2014, implementation date. This memo is being sent to update you on the progress of these initiatives and to provide a review of upcoming requirements, schedules, and deadlines described in detail in the Government-wide Accounting, Payments and Collections sections attached below.

FMS will complete its work on its major initiatives by the end of 2012, and we expect the agencies to be fully compliant by October 1, 2014. We are pleased that most of the agencies we have met with are on schedule to be compliant by the timelines outlined below. We remain committed to working with your agency to ensure a smooth and successful transition.

I have also attached a chart outlining upcoming FMS conferences, webinars and training classes regarding the implementation of these modernization initiatives. Recently, we hosted a Vendor Conference to inform government vendors of our modernization initiatives. We plan to hold several additional meetings with vendors and agencies to facilitate their ability to meet these requirements.

FMS is committed to providing you highly efficient, reliable, and easy to use payments, collections and financial reporting services. The modernization initiatives are part of an effort to improve, strengthen and reduce the cost of providing these services while increasing efficiencies to your agency. This comes at a critical time when Federal agencies are facing declining budgets and increased demands for services. We believe these changes will improve, strengthen, and reduce the cost of many of your administrative operations.

A copy of this letter, the attached description and the training chart, which also lists the upcoming vendor conferences, is available on the FMS website at http://fms.treas.gov/cfo_ltr.html

Please do not hesitate to contact me or any of the contact points listed in each section if you would like more information. We look forward to working with you on these critical transitions in the coming months.

Attachments

cc: Danny Werfel
Richard Gregg

Government-wide Accounting and Reporting

The completion of the Government-wide Accounting Modernization Program (GWAMP) in December 2010 laid the foundation to modernize the Federal government's Central Accounting and Reporting System (CARS), transforming current government-wide central accounting into real-time, event-driven processes and enabling better financial management across government.

By October 1, 2014, all Federal agencies will be required to submit valid component TAS/BETC information on all transaction types (IPAC, Payments, & Collections).

Currently, 96 Agency Location Codes (ALCs) have transitioned to classifying transactions at initiation, many eliminating their end-of-month reporting. Though most activity to date is IPAC-related, collection and payment transactions are also being classified daily.

The IPAC online system currently supports the component Treasury Account Symbol (TAS) format and Business Event Type Code (BETC), which positions FMS to initially focus on transitioning IPAC users as CARS Reporters. For bulk files, IPAC will convert to supporting only the component TAS format by June 2013.

To meet the October 1, 2014 deadline, agencies should:

- Reference and adhere to Intragovernmental Business Rules at <http://www.fms.treas.gov/tfm/vol1/bull.html>.
- Review standardization updates, such as changes to agency identifier/organization codes and FMS Accounting Data Standards implementation dates, at http://www.fms.treas.gov/tfm/vol1/11-05_fads.html.
- Reference and adhere to the guidance on suspense and defaults accounts at <http://www.fms.treas.gov/tfm/vol1/11-06.html>.
- Incorporate the requirement to provide the TAS/BETC at the time of transaction.
- Consider piloting with GWA, or at minimum, begin discussions for assistance in transition, by contacting the Customer Relationship Management (CRM) Division at GWA-CRM@fms.treas.gov

By December 31, 2012, FMS will complete modifications to FMS systems to capture the TAS/BETC at the transaction level. We will continue to meet with each CFO agency to discuss the agency's transition plan and to identify specific dates when your systems will be ready to capture and report valid component TAS/BETC information by transaction type.

By November 30, 2012, FMS will have replaced several legacy systems with a trial-balance reporting system, the Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS). This system will collect adjusted trial balance submissions seven times per year for all Treasury Account Symbols, and replaces the following legacy systems:

- Federal Agencies' Centralized Trial-Balance Systems (FACTS I and FACTS II);
- Intragovernmental Reporting and Analysis System (IRAS); and
- The Intragovernmental Fiduciary Confirmation System (IFCS) submissions.

GTAS will completely integrate Central Accounting Reporting System (CARS) data, other authoritative fiduciary data, and reduce the number of central reporting systems agencies must use, ensuring consistency of the data.

FMS will continue to work closely with the vendor and agency communities to ensure that the data standards and reporting requirements are clearly understood. Most vendors have already scheduled patch releases that implement the new data standards in their systems. Agencies are encouraged to use workaround processes or internal tools to meet these reporting requirements until vendors have released patches to address these reporting requirements. FMS is committed to helping agencies in the event that a workaround is necessary.

For more information, please visit our website at www.fms.treas.gov/gwa or contact us at gwa.project@fms.treas.gov.

Payments

FMS' Payment Application Modernization (PAM) project will consolidate more than 30 legacy applications into a single application that will process agency payment requests using a standard format in a more efficient and cost-effective manner. By utilizing the PAM standard format when submitting bulk payment file requests to FMS, your agency will provide Treasury Account Symbol/Business Event Type Code (TAS/BETC) information along with your payment files, satisfying new Government-wide Accounting (GWA) reporting requirements. Agencies will use the standard format to prepare and submit both check and electronic payments (ACH) to their servicing FMS Regional Financial Center (RFC).

FMS' Secure Payment System (SPS), which agencies use to certify payment requests, will change to support GWA TAS/BETC reporting. These changes will be reflected in new formats for certifying bulk payment files, single payments, and those files uploaded directly to SPS. Additionally, changes will be made in International Treasury Services (ITS.gov) and the Automated Standard Application for Payments (ASAP) incorporating TAS/BETC reporting.

Effective October 1, 2014, all Federal agencies using Treasury disbursing services will be required to submit payment data into a newly developed standard input format. To assist agencies in complying with this requirement, we are providing the following timeline for planning purposes:

Mid 2012 – Agencies may begin using the new PAM standard format, when submitting bulk payment files directly to FMS for payment processing. Agencies may also begin to submit TAS/BETC at the payment detail level at this time. Type "A" payments, FedWire payments, and manual check payments created and certified through the Secure Payment System (SPS) will also accommodate TAS/BETC in mid-2012.

Late 2012 – Agencies may begin to include TAS/BETC information in ITS.gov and ASAP by late 2012.

October 1, 2014 – Agencies must use the new payment formats for SPS, PAM, ITS.gov and ASAP. All legacy formats will be decommissioned.

Over the next several months, we will continue our agency contacts to discuss conversion implications and a transition timeline for your agency. The current version of the PAM standard format can be found at fms.treas.gov/pam/formats.

For Non-Treasury Disbursing Offices (NTDOs), FMS is developing the Payment Information Repository (PIR) that will provide all payment related summary data (as currently provided in CASHLINK II) *to agencies* for reconciliation purposes. The PIR will be available to NTDOs in July 2012. As CASHLINK II will be decommissioned, NTDOs must access the PIR to obtain payment summary data to reconcile their disbursements by December 2012.

Additionally, NTDOs must report payment details *to the PIR* for subsequent delivery to Government-wide Accounting (GWA). To assist NTDOs in complying with these requirements, we are providing the following timeline for planning purposes:

- **March 2012** – NTDOs will receive the PIR Standard Reporting Format (SRF) Version 1 and may begin internal system enhancements to comply with the new PIR SRF in preparation for submitting detailed payment and accounting data, including TAS/BETCs for check and EFT transactions.
- **October 2014** – NTDOs may begin transmitting check and EFT payment and accounting data, including TAS/BETCs to the PIR via the SRF for subsequent reporting to GWA beginning in January 2013. NTDOs will have until October 2014 to become GWA reporters. The PIR will be the only method available for NTDOs to report their disbursements to GWA.

Collections

FMS continues to advance the Collections and Cash Management Modernization (CCMM) initiative. This will ultimately save the government money by eliminating duplicative functions and simplifying systems, and will provide better service by implementing a streamlined enterprise architecture that is more effective in meeting our customers' business needs. Further, the new end state systems and the Transaction Reporting System (TRS) will facilitate data capture and reporting of TAS BETC information in response to the GWA initiative discussed earlier in this letter. CCMM is being implemented across federal program agencies with great success; however, if your agency has not transitioned to the new end state systems, the information below provides upcoming requirements, schedules and deadlines for your agency.

By December 31, 2012, FMS will complete full implementation of the CCMM initiative, and all agencies are required to convert from legacy systems to the new end state systems. This includes the completion of all steps to break apart and decommission the Cashlink II system, the decommissioning of the Paper Check Conversion Over the Counter (PCC OTC) system, and the full implementation of TRS and the Over the Counter Channel Application (OTCnet). All Federal agencies must meet the following deadlines:

By December 31, 2012, all Federal agencies must convert from the PCC OTC system to OTCnet, the new web based system for electronic capture (featuring on line and off line check capture) and deposit reporting (eliminating the paper SF 215).

- FMS will work with business and technical points of contact for your agency on your specific transition timeline.
- For system-to-system connection: <http://www.fms.treas.gov/trs/transmissions.html>
- For OTCnet and Reference Guide: http://www.fms.treas.gov/otcnet/OTCnet_SysReq.pdf

By December 31, 2012, all Federal agencies using Cashlink II for deposit reporting must convert to OTCnet.

- FMS will work with business and technical points of contact for your agency on your specific transition timeline.

By December 31, 2012, all Federal agencies must enroll in TRS, the one stop centralized revenue collection data repository, to view detailed and summarized collection data (replacing data provided through Cashlink II).

- Agencies that receive data downloads should determine what preparations are needed to receive data downloads from TRS once Cashlink II is decommissioned.
- Agencies with a system-to-system interface with Cashlink II should determine what preparations are needed for a system-to-system interface with TRS once Cashlink II is decommissioned.
- Agencies should review the information at <http://www.fms.treas.gov/trs> to find out more about TRS, including information about what TRS is and what it will do, and transitioning from Cashlink II to TRS. There is also a data availability plan, and common questions for agencies. Agencies can sign up to receive updates when the website is updated as well.

Over the next several months, we will continue our coordination and communication efforts with your agency to discuss strategies, implementation timelines, and the support necessary to achieve success. For more information, please visit our website at fms.treas.gov/ccmm, or contact the CCMM team at ccmm@fms.treas.gov.

Treasury Financial Manual

FMS is updating the Treasury Financial Manual (TFM) to ensure that agencies have the necessary requirements and guidance to carry out their responsibilities with respect to these and other initiatives. We expect to have an updated and more accessible TFM for agency use by the end of 2012.