Collections Chronicle

News You Can Use

Modernizing Revenue Collections

A Focus on Strategic Partnership

Special Points of Interest:

1 Strategic Partnership

2 A Profile of eBilling

3 Mobile

4 Agency Collections Expense Statement

5 Indian Health Service Success Story

6 Consolidation of General Lockbox Network Services

7 Electronic Check Processing Enhancements & Announcement of Financial Agent Selection Process

8 Card Acquiring Service Updates

9 OTCnet Updates

Revenue Collections Management

Fall 2019

BUREAU OF THE Fiscal Service

U.S. DEPARTMENT OF THE TREASURY

Begin Your Strategic Partnership Today!

Did you know the Agency Relationship Management (ARM) Division can create a customized outline of recommendations to increase your electronically initiated transactions? Those recommendations are the core components of the Strategic Cash Management Agreement (SCMA). ARM will analyze your agency's entire collection portfolio, provide you with a snapshot of your transactional data, and propose service solutions that can be strategically implemented to improve financial management practices and enhance your customer experience.

To understand if and how agencies are benefitting from SCMAs, ARM partnered with Forrester Consulting to conduct an independent review of our SCMA process.

Forrester gathered feedback through 1-on-1 interviews with our recent SCMA partnership agencies. Based upon feedback from the Forrester review, agencies stated that SCMAs were a benefit to their agency in many ways, such as:

- Providing leadership with a consolidated document that can be used to support tactical plans and current modernization initiatives
- Improving communication channels with RCM and its program teams
- Collecting payments electronically allows employees to focus on mission essential functions

As a result of our strategic partnerships, the U.S. Treasury's non-tax electronically initiated collection rate has increased from 55% in 2014 to 85% in 2018.

To begin a strategic partnership with us today, please contact arm@fiscal.treasury.gov and request a SCMA for your agency. We look forward to partnering with you soon!

COMING SOON....SINGLE TOUCH POINT

Single Touch Point is a Revenue Collections Management (RCM) initiative to transition reporting from multiple collections systems, services, and programs to the Collections Information Repository (CIR) to meet agency and partner collections research, accounting, and reconcilement needs.

RCM will be conducting Focus Group sessions to identify the benefits to agencies, as well as best-use-cases.

Interested in participating in the Single Touch Point Focus Group?
Email us at arm@fiscal.treasury.gov

back to cover page

A Profile of eBilling

Pay.gov continues to evolve to meet the needs of government agencies by offering innovative and agile products and services. The eBilling service is a recent example of this commitment. Various agencies have adopted eBilling to modernize and streamline their revenue collections.

Today we share with you the story of how the National Park Service (NPS) transformed their presence on Pay.gov by transitioning from the Forms service to the eBilling service. NPS collects money for many types of services/fees – special use permits, commercial use authorization, and franchise fees. They currently have over 350 Pay.gov applications serving a wide variety of customers from the public to large companies - both international and domestic. NPS is decentralized and individual parks are responsible for sending their own invoices.

NPS decided eBilling was the right fit because the creation of eBills using Pay.gov is very easy for staff even when used infrequently in a seasonal staff environment. eBilling allows funds collected for various services to be easily separated, and has been a real benefit to the parks as it improves back-end reconciliation.

Customers also prefer eBilling because there are fewer touchpoints to payment and they have greater assurance that they are paying the right amount for the correct service. For even greater efficiency, eBilling allows customers to enroll in automatic bill payment.

Over 40% of new NPS Pay.gov implementations are using the eBilling service and continue to see success in their collections. According to the NPS Pay.gov Point of Contact, “Overall, parks LOVE eBilling. It’s simple, it’s quick, it’s able to handle 1-100 bills, does not take staff time to create/send, and payers (non-tech, high-tech) can pay simply without setting up an account. This is a perfect product for NPS and its customers/staff. THANKS”.

Pay.gov offers eBilling solutions for a variety of collection needs. Want to learn more? Please feel free to reach out to us at Pay.gov@fiscal.treasury.gov for additional information or any questions you may have regarding our different service options. We are also offering a Pay.gov Overview in November 2019 and eBilling will be one of the topics. To register for the November training, please click **HERE.**

Mobile

Since 2016, the RCM Mobile Program has provided tools for agencies and the public to accept and pay funds using mobile devices.

Agency-managed apps allow for point-of-sale collections that include debit/credit card, Apple Pay, Google Pay, as well as the ability to deposit paper checks from your phone or tablet!

Our Public App allows us to create an app for your agency that your customers can download from the Apple and Google Play stores onto their devices and easily make payments to your agency. As of June 2019, there were 61 live apps and 23 apps in development across 11 agencies. So far in FY19 the Mobile Program has collected over $21million for federal agencies. If you would like to set up a meeting to learn more about the Mobile Program, please send an email to arm@fiscal.treasury.gov

ACES

Agency Collections Expense Statement

USING THE REPORT AND UNDERSTANDING COST INCURRED

Annually, the Agency Relationship Management (ARM) Division distributes the Agency Collections Expense Statement (ACES) report to agency CFOs and their agency liaisons. The ACES report shows the costs incurred by the Bureau of the Fiscal Service to perform collections and depositary services on behalf of federal agencies. The calculations shown in the ACES reports are based on the volume of transactions and the type of collection processed. The ACES report shows the agency's collections activity for each Agency Location Code (ALC) and rolls that information up to bureau and department level totals.

Expenses on the ACES show the relative cost to use various

Fiscal Service collections programs, which helps the Fiscal Service and agencies collaborate to drive down Government costs while finding suitable services for agency needs. For example, the ACES can build awareness of the possible savings to the Government when agencies convert paper-based transactions to electronic collection mechanisms.

The report contains the following workbook tabs:

TAB 1 :: COLLECTION DATA BY BUREAU

This tab shows cost and unit cost by collection program by bureau. If the agency is not subdivided by bureaus, then the tab shows total cost and unit cost by collection program.

TAB 2 :: BUREAU SUMMARY

This tab shows cost by bureau for all collection programs combined.

TAB 3 :: AGENCY LOCATION CODE SUMMARY

The tab shows total unit cost by ALC, grouped within each bureau. The summary also shows all the ALCs assigned to an agency.

TAB 4 :: AND BEYOND

These tabs show each bureau's metrics, followed by the ALC-level breakdown for that bureau. For agencies not subdivided by bureaus, this summary will be agency-wide.

Costs are derived from both indirect and direct expenses. Direct expenses are those costs which can be directly attributable to a specific agency. Indirect expenses are system-wide or blended costs that all agency customers incur for using a given collection program. Collection program costs are end-to-end, with the cost of funds being captured from point of sale all the way to settlement.

If you have any questions regarding your agency collection expenses and how you can increase savings for the Government, please send an email to arm@fiscal.treasury.gov

The Indian Health Service Electronic Payment Conversion Success Story

The Indian Health Service in Bemidji, Minnesota has seen a steady climb in electronic payment conversion percentages. At the end of FY17, the electronic conversion percentage by item was 52% and 89% by dollar. Mid-year FY19, Bemidji's electronic conversion percentage increased to 77% by item and 99% by dollar. There are several reasons that the electronic percentages continue to climb, some of which include:

- Under the program, commercial healthcare insurance payments were identified and converted to electronic payments including the related EDI 835 remittance information
- Check payments (including pharmacy payments) were directed to the PNC lockbox
- The agency business office identified the check payments and is working with PNC's electronic conversion onboarding team to enroll electronic payments and remittances
- This effort was defined as a task by the agency's Business Office Managers (BOM)
- The Area Financial and Business Office leadership supported the effort
- Regularly scheduled onboarding calls were conducted with PNC
- 89 payer enrollments completed since 2017
- Structured onboarding strategy and planning keeps everyone on task
- One point of contact to circulate all forms and online authorization requirements
- Closely coordinated communication with the Finance and Business Office

Agency Update:

Currently, all Indian Health third party payments are deposited through the Treasury Program. The total amount collected electronically for the agency in FY17 was $840,011,349 – representing 85% of all payments received. In FY18, the agency's electronic collection jumped to $1,205,088,598 - representing 89% of total payments.

The Area Office efforts, in addition to PNC lockbox reviews, will be conducted in order to convert all applicable remaining paper payments. The goal is to begin to consolidate lockboxes in 2021 from 83 facility boxes to a shared Area box which would decrease the lockboxes from 83 to potentially 10.

Training Opportunities

The Fiscal Service offers financial education and support to federal employees and agency customers through customer forums, in-person and web-based training sessions, and conferences. These are valuable opportunities for us to work together to improve the way the federal government manages its finances and delivers administrative and operational services. Visit our training and events websites to register for an upcoming event or training session.

Can't Miss this!

Collections Information Repository Upcoming Webinars

The Collections Information Repository (CIR) will be hosting webinars that will provide federal agencies with a high-level overview of the CIR Application, the data available, file transmission options, and tips and tricks for the top 5 reports.

Webinar Dates:
Thursday, October 17, 2019 @ 10:00am and 2:00pm (ET)
Thursday, October 24, 2019 @ 10:00am and 2:00pm (ET)

If you are interested in participating, be sure to sign up using the Registration Page.

CONSOLIDATION OF GENERAL LOCKBOX NETWORK SERVICES

The General Lockbox Network (GLN) is a check collection and remittance processing service. The GLN program area offers retail and wholesale lockbox services. The Fiscal Service launched a Financial Agent Selection Process (FASP) on June 3, 2016 to select a new Financial Agent (FA) to consolidate general lockbox operations, streamline business processes, offer full redundancy, and reduce overall operations costs. The consolidation of the lockbox services from three financial agents to one financial agent began with the signing of the new Financial Agency Agreement with U.S. Bank on April 3, 2017 and with the first transition of lockboxes in November 2017.

The transition involved the expansion of the existing U.S. Bank lockbox site in St. Louis, MO and the build out of a new lockbox facility in Portland, OR. The lockbox services are now redundant between the two processing locations. These two facilities have been supplied with new equipment to provide modernized image capture capabilities. The transition required close collaboration between the financial agent, the transitioning federal agency, and multiple Fiscal Service program areas such as General Lockbox Network (GLN), Electronic Check Processing (ECP), Debit Gateway (DG), and Collections Information Repository (CIR). GLN has successfully completed the migration of 66 lockboxes from Bank of America and Citibank to U.S. Bank as of July 1, 2019.

Simultaneously with the GLN transition of lockboxes, the Integrated Credit Card (ICC) processing module was implemented on the financial agent's platform for agencies processing credit cards at the lockbox site. The new module combines image capture of the credit card coupon, along with data entry and the authorization process through Pay.gov's TCS (Trusted Collection Service) platform in a single pass. The new process is more efficient, requires less paper handling, and results in fewer out of balance conditions. This single pass approach will allow the financial agent to get credit card payments processed faster. Implementation of ICC completed June 13, 2019 within the GLN transition timeline.

Electronic Check Processing Enhancements & Announcement of Financial Agent Selection Process

Electronic Check Processing (ECP) is a systematic method used to convert paper checks into Automated Clearing House (ACH) transactions, or Check21 items, via a lockbox network or a mobile application. ECP is a web-based client-facing application. ECP is used by federal government agencies and their financial agents to view and research transactions.

In the spring of 2019, ECP completed the following enhancements:

- Migrated the application from the Struts framework to the selected Spring framework to continue to actively maintain security and reduce vulnerabilities
- Implementation of a data partitioning solution that realigns and stores ECP data in a relational manner in preparation for an upcoming archiving release

On May 3, 2019, ECP also launched its Financial Agent Selection Process (FASP) process seeking applications from qualified financial institutions to serve as a financial agent for the application. The selected financial agent will provide services to develop, enhance, operate, and maintain the federal government's ECP revenue collection system.

Federal agencies and Treasury's lockbox financial agents use the ECP application to store and retrieve captured images and data on checks and remittance items to facilitate paper check processing and to provide detail and summary data of items processed at the lockboxes to downstream reporting. The FASP process is currently underway and expected to conclude by the end of the calendar year.

Card Acquiring Service Updates

Webinar Series

The Card Acquiring Service (CAS) has begun hosting its series of webinars for customer agencies to explore essential topics regarding the CAS card rules. Mandatory employee training credit opportunities will be available for Fiscal Service employees and agency participants. Agencies should work with their internal Training Coordinator to receive credit for training courses completed. These are exciting opportunities for agencies to learn more about CAS, collections, and processes.

All webinars will be recorded and posted to the CAS website. Past topics and upcoming webinars are below.

CAS 101: Policies and Procedures – June 2019

CAS Security Posture and Plastic Card Industry (PCI) Compliance – July 2019

Reconciliation: iQ to the Collections Information Repository (CIR) – September 2019

Reconciliation (Part 2): Pay.gov to CIR – October 2019

Agency Participation Policies – November 2019

Look for information on registration, times, and topics on the ARM and CAS websites. If you have any card rule-related topics or questions that you would like discussed during the series, please contact the CAS Agency Outreach mailbox: CardAcquiringService@fiscal.treasury.gov.

Points of Contact: Who is Your Card Servicing Account Authorizing Official?

In completing a CAS Application (CASA) to obtain a card servicing account, several points of contact (POC) are requested. Currently, CAS manages three (3) POC for each agency's card servicing account. CAS POC types include Chain, Merchant Identifier (MID), and Billing. Each contact type has specific roles and responsibilities that outline how to properly assist and educate agency personnel on CAS program updates.

As the CAS program continues to embark on agency-facing endeavors, we want to ensure our communications are circulated amongst the agency's supervisory-level contacts. During the onboarding process, CAS will now be obtaining an Authorizing Official (AO) for each card servicing account. The roles and responsibilities of the AO are specified as follows:

Authorizing Official (AO) – The AO is a Supervisor or equivalent from the applying Federal Program Agency (FPA). During the onboarding process, the AO sanctions the approval of any card servicing account and cannot be the submitter of the CASA.

If the CASA applicant is a fully integrated contractor, the AO is still required to be a Supervisor or equivalent employed by the FPA. When provided, the AO should disseminate program-related information and/or communications to agency representatives alike. Having the proper point of contact structure will allow us to efficiently communicate with our customers. Capturing the AO provides CAS with access to agency stakeholders who can assist us with account management.

To ensure CAS has the most up-to-date POC information for your agency, please take the time to review your CAS program contact types at least once annually. If contacts change at your agency, it is important that this is communicated to CAS so that your account can be updated accordingly. Questions regarding POC management expectations or changes should be sent via email to: CardAcquiringService@fiscal.treasury.gov.

What is iQ and how do I Enroll?

iQ is a robust, web-based reporting tool used by merchants to access card processing data. It's a comprehensive solution providing actionable insights to transaction data broken down by card types, gift transactions, chargebacks, and more.

Worldpay serves as the merchant processor for card transactions within the CAS program and hosts the iQ portal used by agencies to manage their card accounts. So how does an agency enroll in iQ?

Worldpay from FIS processes the enrollments for iQ. Below are the three (3) steps needed to enroll a user in IQ during the initiation of a card servicing account.

1. Complete a CASA - CAS has an onboarding process requiring our FPAs to complete a CASA for approval prior to the card servicing account being created by Worldpay.

2. Card Serving Account Creation - Worldpay creates card servicing account(s) based on information supplied within the CASA

3. Vantiv IQ Enrollment – A CASA requests four (4) POC types: Authorizing Official, Chain, MID, and Billing.

In the IQ portal, the Chain level POC(s) are afforded security privileges to establish usability and reporting functionality to MID users. Interactive and self-service training resources are provided to all enrollees to assist with system functionality and ease-of-use.

To learn more about iQ, please look for the monthly training opportunities on the ARM and CAS websites or contact the CAS Agency Outreach mailbox: CardAcquiringService@fiscal.treasury.gov.

Data Edge is here

Worldpay from FIS now offers an advanced analytics solution, DataEdge. DataEdge, powered by Vivid Data EngineTM, is a web-based, single sign-on business intelligence tool offered through Worldpay's iQ portal. DataEdge opens the door to easily access data queries and insights tied to credit and debit card portfolios- viewed through a single dashboard. This tool provides report builder capabilities and modules that can uncover cost saving opportunities, authorization decline rates, historic sales trends, etc.

To learn more about the DataEdge tool, please contact the CAS Agency Outreach mailbox at CardAcquiringService@scal.treasury.gov.

Over The Counter Network Updates

New Payment Options

The OTCnet Team is excited to announce two new payment options: Card Processing for credit/debit cards and a Self-Service Kiosk Webservice to enable users to make self-service payments.

The Kiosk Webservice provides the capability for agency customers to utilize a Point-of-Sale (POS) system to make credit/debit card payments independently of the cashier counter and reconcile these payments in OTCnet. When combined with the other OTC Webservice(s), an agency can upload cash, check, and card transactional data through OTCnet.

The new Kiosk Webservice makes OTCnet the only one-stop-shop payment option for agency over-the-counter collection needs! OTCnet now seamlessly offers cash, check, and card processing without the need to access multiple payment applications.

This new service is open to agencies who are currently using a self-service kiosk for collection activities, developing a self-service kiosk, or are interested in getting started with a self-service kiosk. Click HERE to learn more about the OTC Kiosk.

Introducing Google Chrome Compatibility in Release 3.0.1!

In November 2019, OTCnet Release 3.0.1 will introduce support for Google Chrome. Google Chrome brings several benefits to agencies and users, specifically by minimizing system, browser, and security configuration requirements.

Google Chrome also offers a faster, more secure, and more user-friendly browsing experience over existing solutions, and provides quicker updates to ensure these advantages are maintained. To use Google Chrome with OTCnet, a new version of the OTCnet Local Bridge (OLB) will be required.

Card Processing Coming to OTCnet in Release 3.0.2!

In January 2020, OTCnet Release 3.0.2 will introduce an Integrated Solution for Card Processing to enable agencies to accept Visa, Mastercard, Discover, and American Express. The Integrated Solution will enable the Fiscal Service to offer the first one-stopshop for agency over-the-counter collection needs, seamlessly offering cash, check, and card processing without needing to access multiple applications.

By offering the Integrated Solution, the Fiscal Service will enable agencies to increase their collection potential by reaching more customers, more efficiently. Agencies will also have access to 24/7 customer support and an extensive training library. Also, in the future, the Fiscal Service will be incorporating reporting for all payment types within OTCnet. To learn more, visit the new Card Processing Getting Started page HERE.

If you are interested in adding the Self-Service Kiosk or Card Processing to your existing payment portfolio, please contact the OTCnet Deployment Team at 703-377-5586 or fiscalservice.otcdeployment@citi.com.

Check Processing Reminder

As a reminder, the Fiscal Service requests that all eligible US checks be processed and settled electronically within the OTCnet Application. OTCnet's Check Processing functionality allows agencies to electronically convert domestic paper checks to digital images for presentment in an online (internet connectivity) or offline (no internet connectivity) mode.

OTCnet Check Processing eliminates the need to travel to a bank for check deposit, minimizes foot traffic in your agency's locations, and streamlines deposit reporting on a single platform integrated with Treasury reporting requirements. Additionally, Check Processing eliminates the need for costly carriers, armored car services, or postage required to mail checks. If your agency receives minimal U.S. domestic checks each month and cannot convert to OTCnet Check Capture, the Fiscal Service recommends that you use one of the following options:

- Bank ATMs (Most Preferred) – Banks are looking to minimize foot traffic at their locations. To address this, agencies should use the bank ATM instead of going to the bank teller when depositing U.S. checks.
- Mobile – Through the Fiscal Service's Electronic Check Processing (ECP) program, agencies can use ECP's mobile option to process checks. Please note that ECP is a separate program from the OTCnet program.
- Consider a No Cash/No Check policy – A No Cash/No Check policy allows your agency to discontinue accepting cash and/or checks as forms of payment. Your agency will be able to eliminate the need for costly carriers, armored car services,

time wasted walking to the bank, and/or postage required to mail checks for the limited number of checks that are currently received.

For more information and to begin the transition to Check Processing, please contact the OTCnet Deployment Team at 703-377-5586 or fiscalservice.otcdeployment@citi.com.

Updated OTCnet Website Layout

The Fiscal Service has recently updated the OTCnet website layout! All the content you are familiar with is still there, now with Getting Started pages for each service offered by OTCnet and a re-designed Resources page. Below, we have included links to the new pages to help guide you through the updated website.

- Getting Started Overview Page
- Getting Started with Check Processing
- Getting Started with Deposit Processing
- Getting Started with Card Processing
- Getting Started with the Self-Service Kiosk
- OTCnet Resources Page

Please note that, though the OTCnet webpage has been redesigned, the OTCnet log-in page remains unchanged.

Voucher Delay Fees

As part of the TGA OTCnet program, questions are frequently asked about voucher delays and how they occur. Below are some of the answers to questions that we receive on a recurring basis.

What are Voucher Delays?

- The Fiscal Service will charge the TGA financial institution a voucher delay fee for the "value of funds" if the OTCnet voucher is not processed timely
- The Fiscal Service requires the bank to process the voucher the same day funds are received from the federal agency
- Voucher Delay fees occur when there is a difference between the date a voucher is created and the date the voucher is deposited and confirmed in OTCnet
- The Treasury Financial Manual states that an agency must date a deposit voucher the same date they will deposit it with the financial institution so that the financial institution can also confirm on that date

What can be done to Eliminate Voucher Delay Fees?

- After thorough research we have found that most voucher delays are caused by factors outside the financial institution's control. Often, the federal agency is depositing later than the deposit voucher is entered into OTCnet.
- A few best practices for various forms of deposit options are as follows:

  - If transporting the deposits in person, ensure you always make the deposit on the same day as the deposit voucher is created in OTCnet. This allows the financial institution to confirm the voucher in OTCnet that day.

  - If depositing via a night drop, create the deposit voucher in OTCnet with the next business day's date (include copy in night deposit bag).

  - If transporting the deposits via an armored courier, create the deposit voucher in OTCnet with the date the deposit will arrive at the financial institution. Confirm pick up and drop off dates with courier.

  - If you are using a Smart Safe, create the deposit voucher in OTCnet with the date the funds are deposited in the safe.

  If you have additional questions about voucher delays, below is contact information for the two teams that are engaged in the processing and handling of deposits.

- Contact OTCnet Customer Service for general questions on OTCnet deposits (Phone: 866-945-7920 or Email Fiscalservice.OTCChannel@citi.com).
- Contact the TGA Support Team for information on OTC TGA collections including set up of TGA network depositaries (Phone: 866-771-1842, Option #1, or Email STLS.TGA.Support@stls.frb.org).

CONTACT US

For information about RCM's programs and services, please contact your Agency Relationship Manager or the Agency Relationship Management (ARM) Division via the ARM inbox: arm@fiscal.treasury.gov
For a complete listing of Revenue Collections Management programs and services, please click HERE!

Facebook: @FiscalService
Twitter: @FiscalService
YouTube: Fiscal Service

RCM REVENUE COLLECTIONS MANAGEMENT
BUREAU OF THE FISCAL SERVICE