



DEPARTMENT OF THE TREASURY
FINANCIAL MANAGEMENT SERVICE
P.O. BOX 51318
PHILADELPHIA, PA 19115-6318

To All Federal Agencies For
Which Fedwire Services Are
Provided By The Philadelphia
Financial Center (PFC)

Management Letter No. 07-01
May 10, 2007

The Philadelphia Financial Center (PFC) is notifying its customer agencies of changes being made to how rejected Fedwire payments are handled. Prior to the implementation of the Secure Payment System (SPS), validation of payment data occurred after transmission of the schedule. This resulted in some Fedwire payments being rejected by the Federal Reserve Bank (FRB) causing manual intervention by PFC. Most problems occurred due to an invalid bank routing transit number (RTN).

SPS has improved this process by editing your payment data to determine if RTNs are valid. If an RTN is invalid, your data entry operator will receive a message in SPS and the payment will not be processed. Specifically, the message will state, "Fedwire (ABA Number) does not exist. Contact your RFC Help Desk." PFC's SPS Help Desk can be reached at (215)516-8034. You should also contact the payee to ensure the accuracy of the banking information.

This enhancement to SPS has substantially decreased the number of rejects that PFC has received over the past few months. In the rare instance that payment data is accepted and later rejected by the FRB, PFC will contact your agency to alert you of the problem. Your account will be charged for the rejected payment and a credit will be posted the next business day through the Government On-line Accounting Link System (GOALS).

This new process is effective May 18, 2007. If you have any questions regarding this procedural change, please contact our SPS Help Desk at (215) 516-8034.

Sincerely,

MICHAEL COLARUSSO
REGIONAL DIRECTOR
PHILADELPHIA FINANCIAL CENTER