



# EMV Phase II: An Integrated Approach

Presenter Names: Richard Yancy and Michael Halpin

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# Presentation Outline

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# Background

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On October 17, 2014, the President signed Executive Order (EO) 13681, designed to strengthen the security of retail payments across the country. Section 1(a) of the EO states:

- *(a) The Secretary of the Treasury shall take necessary steps to ensure that payment processing terminals acquired by agencies through the Department of the Treasury or through alternative means authorized by the Department of the Treasury have enhanced security features. **No later than January 1, 2015, all new payment processing terminals acquired in these ways shall include hardware necessary to support such enhanced security features.** By January 1, 2015, the Department of the Treasury shall develop a plan for agencies to install enabling software that supports enhanced security features.*

# Background

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- **In Phase I:** the Fiscal Service developed and implemented the plan for Treasury “to install enabling software that supports enhanced security features” -- working with 52 Card Acquiring Service (CAS) customer agencies to replace existing standalone point-of-sale (POS) payment card terminals with EMV chip & pin-enabled terminals. The Bureau of Fiscal Service successfully executed the EO’s requirements by the expected milestone delivery date and CAS customer agencies were able to immediately realize the benefits of the implemented technology from a customer information privacy and security perspective.
- **In Phase II:** the Fiscal Service will work with 63 CAS customer agencies that rely on “integrated POS systems” to assess and track the status of their planned system upgrades to meet the EMV chip & PIN security standard, as specified by EO Section 1(a)’s other provision that “[no] later than January 1, 2015, all new payment processing terminals ... shall include hardware necessary to support such enhanced security features”. Further, to the extent the CAS Program’s acquirer/processor Vantiv can assist agencies and their contracted solution providers in achieving the EMV chip & PIN standard, CAS will endeavor to coordinate such engagement with Vantiv.

# EMV Phase II Scope

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- **Scope:** Integrated Point of Sale (POS) Systems:
  - **ISV:** An independent software vendor that makes and sells software products that run on one or more computer hardware or operating system platforms. In this context, it references such systems that enable card acceptance.
  - **VAR:** A value-added reseller is a company that resells software, hardware and/or networking products and provides value beyond order fulfillment, to include card acceptance.
  - **ECR:** An electronic cash register system with card acceptance hardware and functionality.

Not In Scope: Fiscal Service will not directly participate in any actual implementation of agency plans provided to us in support of this effort

## Key Notes:

- The data collected from this initiative positions the Treasury with the data needed to assist partner agencies with meeting the Executive Order 13681
- The data collected from this initiative helps the Treasury better identify its integrated POS points of entry, thereby placing our organization in a position to better manage interchange and network fee (interchange currently represents 98% of the program's cost).

# Survey Vehicle

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- SurveyMonkey.Com
- Key Features:
  - Robust Reporting Capability
  - User Friendly Application
  - Intuitive User Interface
- Key Notes:
  - Survey responses will be captured at both the agency and agency personnel levels
  - Survey responses will be provided to Treasury senior leadership for review and acceptance at the conclusion of project.

# Survey Questions

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1. What is your name?
2. Which agency do you represent (please include the specific bureau/administration and division/program for your employer)?
3. Is pay.gov the only vehicle through which your organization accepts card payments as a CAS program merchant (if yes, skip to question 9)
4. Outside of standalone Terminals (Verifone Vx520/Ingenico ICT220), is your agency taking credit card and/or debit card transactions by any other means? (Y/N)
5. Is the card accepted by swipe or is it being key-entered into a system? (Y/N)
6. Is the cardholder present or not present? (Y/N)

# Survey Questions

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7. If you answered YES to swipe and/or YES to the cardholder being present, please answer the following questions about who your agency is working with for this card acceptance.

- a. Business Name of VAR/ISV: i. Contact Name; ii. Contact Phone Number; iii. Contact Email Address:
- b. What service does this VAR/ISV provide?
- c. Does this VAR/ISV have a roadmap for EMV card acceptance? (Y/N)
  - i. What is the date they have provided for certification and production rollout out? (MM/DD/YY)
  - ii. Is the VAR/ISV working with Vantiv for their EMV certification? (Y/N)

8. If any of the questions within question 7 apply, please provide the following (if you have multiple VAR/ISV relationships, please provide information for each relationship:

- a. Vantiv Contact Name
- b. Vantiv Contact Phone
- c. Vantiv Contact Email

9. Does your agency have plans of moving to a new/different VAR/ISV in the future? (Y/N)

NOTE: Please note that per the Executive Order any new card present POS acceptance does need to meet Chip and PIN EMV processing standards in order for an agency to utilize the services of the VAR/ISV.



# Survey Questions

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10. Will you add NFC capability as part of your upgrades? (e.g. Encryption, Tokenization, or Mobile options?)

11. If yes to question 10, please provide a short synopsis regarding your upgrade plans

# Survey Screenshots

The screenshot shows a web browser window with the URL <https://www.research.net/r/96JMBND>. The survey is titled "EMV Phase II" and contains the following questions:

1. What is your contact information (please include your name, email address and phone number)?
2. Which agency do you represent (please include the specific bureau/administration and division/program for your employer)?
3. Is pay.gov the only vehicle through which your organization accepts card payments as a CAS Program merchant (if yes, skip to question 9)?  
 Yes  
 No
4. Outside of standalone Terminals (VeriFone Vx520/Ingenico ICT 220), is your agency taking credit card and/or debit card transactions by any other means (Y/N)?  
 Yes  
 No  
If yes, please specify the means through which cards are being accepted:
5. Is the card accepted by swipe or is it being key-entered into a system?  
 Swipe  
 Key-entered  
Other (please specify):

The Windows taskbar at the bottom shows the time as 8:21 AM on 3/23/2015.

# Survey Screenshots

The screenshot shows a web browser window with the URL <https://www.research.net/r/96JMBND>. The survey content is as follows:

**5. Is the card accepted by swipe or is it being key-entered into a system?**

- Swipe
- Key-entered

Other (please specify)

**6. Is the cardholder present or not present?**

- Present
- Not Present

**7. If you answer yes to swipe and/or yes to the cardholder being present, please answer the following questions about who your agency is working with for this card acceptance (please provided a response for each VAR/ISV relationship).**

**a. Business name of VAR/ISV:**

I. Contact Name; II. Contact Phone Number; III. Contact Email Address

**b. What service does this VAR/ISV provide?**

**c. Does this VAR/ISV have a roadmap for EMV card acceptance (Y/N)?**

I. What is the date they have provided for certification and production rollout (MM/DD/YYYY)?

II. Is the VAR/ISV working with Vantiv for their EMV certification (Y/N)?

**8. If any of the questions within question 7 apply, please provide the following (if you have multiple VAR/ISV relationships, please provide information for each relationship):**

**a. Vantiv Contact Name**

**b. Vantiv Contact Phone**

# Survey Screenshots

8. If any of the questions within question 7 apply, please provide the following (if you have multiple VAR/ISV relationships, please provide information for each relationship):

a. Vantiv Contact Name

b. Vantiv Contact Phone

c. Vantiv Contact Email

9. Does your agency have plans of moving to a new/different VAR/ISV in the future (Y/N)? Note: Per the Executive Order any new card present POS acceptance does need to meet Chip and PIN EMV processing standards in order for an agency to utilize the services of the VAR/ISV.

Yes

No

If yes, please specify the type of VAR/ISV your organization is considering.

10. Will you add NFC capability as part of your upgrades (e.g. Encryption, Tokenization and Mobile options)?

Yes

No

11. If yes to question 10, please provide a short synopsis regarding your upgrade plans.

Done

# Project Team

Name	Title	Email	Office Phone	Blackberry/Cell
Ian Macoy	Project Sponsor	Ian.Macoy@fiscal.treasury.gov	202-874-6835	
Richard Yancy	Program Manager	Richard.Yancy@fiscal.treasury.gov	202-874-5217	202-391-8571
Jacob Kim	Project Team Member	Jacob.Kim@fiscal.treasury.gov	202-874-5218	
Donald Dokas	Project Team Member	Donald.Dokas@fiscal.treasury.gov	202-874-9605	
Michael Halpin	Relationship Manager (Vantiv)	Michael.Halpin@vantiv.com	513-900-3385	

# Project Milestone Schedule

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- Kickoff Webinar- 03-01-16
- Survey Dissemination-03-07-16
- Survey Close-05-06-16

# Communications

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- **Project scope changes:** will be communicated by the Program Manager if applicable
- **Agency follow-up communications:** these communications will be executed by your respective Fiscal Service Agency Relationship Management point of contact:
  - Four (4) weeks of follow-up emails
  - Four (4) weeks of follow-up phone calls

## Key notes:

- Once eight (8) total follow-ups have been exhausted, Card Acquiring Service will determine that future follow-up efforts would be futile
- Agencies that do not comply may be subject to OMB reporting

# Agency POC Validation

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- Our records show:



# Q&A

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**Q: Does my agency have to comply with the Executive Order?**

A: All agencies which upgrade their integrated POS systems as of January 1, 2015 must comply with the Executive Order and achieve the “chip & PIN” standard

**Q: Does my agency have to provide a response to your survey if we don't currently have plans to upgrade our systems?**

A: Yes, even if there are no plans to upgrade at this time, Fiscal Service is requesting our partner agencies to provide a “not applicable” as a response if warranted.

**Q: How will Fiscal Service help partner agencies with future upgrade implementations?**

A: Fiscal service will help our partner agencies coordinate their plans with our acquirer, Vantiv, and your service/system provider.

**Q: What happens if my agency determines not to participate with this effort?**

A: Fiscal Service provides OMB reporting regarding this initiative, including reporting on Phase II regarding the status of integrated POS agency EMV upgrade planning, as applicable.