CHAPTER 2

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CHAPTER 2

ELECTRONIC FUNDS TRANSFER

0201 OVERVIEW

020101. General.

The Federal Government is actively engaged in utilizing electronic technologies for management of cash to meet goals of cost savings, paper elimination, and other efficiencies. These efforts have resulted in a number of electronic mechanisms to collect, deposit, or disburse cash, referred to collectively as Electronic Funds Transfer (EFT). Key EFT legislation is identified and described below:

- The Chief Financial Officers (CFO) Act of 1990 (Public Law 101-576) provided a foundation for comprehensive reform of Federal financial management, including Federal agencies' responsibility to use timely, reliable, and comprehensive financial information and systems. To that end, the Treasury's Financial Management Service (FMS) is tasked to promote the use of EFT for all agencies to improve their cash management practices whenever cost effective, practicable, and consistent with statutory authority.

- The Debt Collection Improvement Act of 1996 (Public Law 104-134, Section 31001, 110 Stat. 1321-358) encourages electronic collection mechanisms and requires Federal agencies to disburse payments via electronic funds transfer, with few exceptions.

020102. AUTHORITY AND REFERENCES.

A. Laws.

1. The Chief Financial Officers (CFO) Act of 1990 (Public Law 101-576).
http://wwwoirm.nih.gov/itmra/cfoact.html

2. The Debt Collection Improvement Act of 1996, (Debt Collection Improvement Act of 1996 is Public Law 104-134, Section 31001, 110 Stat. 1321-358).
http://www.fms.treas.gov/debt/regulations.html

3. 44 USC 3504, Authority of the Director. This reference includes goals for implementation of the Government Paperwork Elimination Act.
http://straylight.law.cornell.edu/uscode/html/uscode44/usc_sec_44_00003504----000-.html

B. Executive Agency Regulations and Directives.

1. Prompt Payment, 5 CFR Part 1315. http://www.access.gpo.gov/nara/cfr/waisidx_04/5cfr1315_04.html

2. Depositaries and Financial Agents of the Federal Government. 31 CFR Part 202. http://www.access.gpo.gov/nara/cfr/waisidx_04/31cfrv2_04.html#201

3. Management of Federal Agency Receipts, Disbursements, and Operation of the Cash Management Improvements Fund, 31 CFR Part 206. http://www.access.gpo.gov/nara/cfr/waisidx_04/31cfrv2_04.html#201

4. Management of Federal Agency Disbursements, 31 CFR Part 208. http://www.access.gpo.gov/nara/cfr/waisidx_04/31cfrv2_04.html#201

5. Federal Government Participation in the Automated Clearing House, 31 CFR Part 210. http://www.access.gpo.gov/nara/cfr/waisidx_04/31cfrv2_04.html#201

6. Federal Acquisition Regulation: Electronic Funds Transfer Regulation, 48 CFR Parts 13, 15, 32, and 52. (FAR EFT Final Rule). http://www.fms.treas.gov/eft/regulations/fareft.txt

7. Grants and Cooperative Agreements with State and Local Governments, OMB Circular A-102. http://www.whitehouse.gov/omb/circulars/index-ffm.html

8. Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations, OMB Circular A-110. http://www.whitehouse.gov/omb/circulars/index-ffm.html

9. Management Accountability and Control, OMB Circular A-123. http://www.whitehouse.gov/omb/circulars/index-ffm.html

10. Policies and Standards for Financial Management Systems, OMB Circular A-127. http://www.whitehouse.gov/omb/circulars/index-ffm.html

11. Managing Federal Credit Programs, OMB Circular A-129. http://www.whitehouse.gov/omb/circulars/index-ffm.html

A. Treasury Publications and Guidance.

1. Treasury Financial Manual, Volume I Federal Agencies, 4-3000. Third Party Draft Procedures for Imprest Fund Disbursing Activities, Depositaries and Financial Agents of the Federal Government.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

2. Treasury Financial Manual, Volume I Federal Agencies, 5-2000. Checks and Cash Received in Collections.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

3. Treasury Financial Manual, Volume I Federal Agencies 5-4000, Making Deposits. http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

4. Treasury Financial Manual, Volume I Federal Agencies 5-4500, Deposits to Treasury Through the Fedwire Deposit System.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

5. Treasury Financial Manual, Volume I Federal Agencies 5-4600, Treasury Automated Lockbox Network.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

6. Treasury Financial Manual, Volume I Federal Agencies 5-4700, Plastic Card Collection Network.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

7. Treasury Financial Manual, Volume I 5-6000, Disposition of Foreign Currency and Checks Drawn of Foreign Banks.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

8. Treasury Financial Manual, Volume I TFM 6-4000, currently named, Interagency Payment and Collection (IPAC) system.
http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

9. Treasury Financial Manual, Volume I TFM 6-8000, Cash Management. http://www.fms.treas.gov/tfm/vol1/index.html#Part%204

10. Cash Management Made Easy Guidebook.
http://fms.treas.gov/eft/regulations/cashmanagementmadeeasy.html

0202 FEDERAL ELECTRONIC BANKING

020201. General. Electronic Funds Transfer (ETF) refers to the electronic transmission of collections, deposits, and disbursements transactions with related data and the electronic tools used for transmitting and reporting on these transactions. NASA works with the Treasury FMS to establish depositories and Financial Agents (FAs) to act on NASA's behalf to handle cash transactions electronically through the banking system. Depositories transmit these transactions to Federal Reserve Banks with the data needed for accounting, resulting in a balance held in the Federal Reserve Bank of New York

(FRBNY) in a Treasury account for NASA and appropriate entries to the bank accounts of the other entities involved. NASA Officials are required to coordinate with and follow regulations created by the Treasury FMS to establish depositories and FAs to act on NASA's behalf, and utilize the electronic tools.

020202. Tools for Federal Banking and FMS Reporting. Center CFOs are responsible for establishing the necessary accounts with FMS and providing the information at the transaction level to allow Treasury to maintain accounts for NASA. The two main tools for transmission and management of cash within the banking system and FMS tools for reporting data back to NASA are CA$H-LINK II and Government On-Line Accounting Link System (GOALS) II. (See NASA FMR Volume 8 "External Reporting", 0306)

A. CA$H-LINK II is an electronic cash concentration and information system used to manage the collection of U.S. Government funds throughout the world and provide deposit information to Federal agencies. The CA$H-LINK II system joins Federal agencies, commercial banks, the Federal Reserve Banks, and the Treasury Department's fund manager systems together through an electronic network. This system receives deposit information, initiates fund transfers, and concentrates daily deposits made through multiple collection mechanisms into the Treasury's account at the Federal Reserve Bank. The web-based CA$H-LINK II requires detail coding for deposits and collections so that NASA data may be separately identified and distinguished from other accounts. NASA can view its data via the Internet and receive reports on its financial activity through CA$H-LINK II.

B. Government On-Line Accounting Link System II (GOALS II), is an electronic tool for communication of financial data between FMS and NASA. It allows NASA to report and view their financial information provided to Treasury on-line. It consists of the following:

1. Statement of Transactions (FMS-224) is an application of GOALS II which provides NASA organizations the capability to submit their monthly statement of transactions to the FMS.

2. The Government On-Line Accounting Link Information Access System II (GOALS II/IAS) consists of the following of applications accessible via the Internet.

a. Federal Agencies Centralized Trial-Balance System (FACTS I) which provides Trail-Balance information to NASA.

b. RFC-Agency link, an application of the GOALS II/IAS which provides NASA access to its daily disbursement activity processed through all Regional Finance Centers.

c. The Statement of Differences (SOD) application allows NASA to identify differences between what has been processed through the

collection systems, disbursing systems, and the Intra-governmental Payment and Collection system (IPAC) and what the Federal Program Agencies FPAs have classified on their monthly statements of transactions.

d. The Undisbursed and Receipt Account Reports (UND) application provides NASA access to account balance and monthly transaction data.

e. Warrants application provides NASA access to appropriation warrant activity processed by FMS.

3. The IPAC System provides a standardized interagency fund transfer mechanism for NASA. IPAC facilitates the intra-governmental transfer of funds, with descriptive data from one agency to another.

C. CASH TRACK is a system that processes cash position management data from the Federal Reserve Banks, Internal Revenue Service, Bureau of the Public Debt, CA$HLINK II, and other miscellaneous sources. Though NASA will not be utilizing or necessarily involved with CASH TRACK, it is briefly described here to avoid confusion with CA$HLINK.

0203 COLLECTION MECHANISMS

The Secretary of the U.S. Treasury has delegated the authority to FMS to approve and select designated depositories to support government wide collection services and FAs to act for federal agencies (31 CFR Part 202, Depositories and FAs of the Federal Government). Center CFOs shall coordinate with FMS to establish depositories and FAs for collections through financial institutions (FIs) near their location as appropriate. NASA collects funds for a number of reasons, such as goods and services rendered, privileges granted, and overpayments made. Collections are primarily from three groups: contractors, the public, and employees. Those who submit payments are known as "remitters." NASA is required by FMS to make collections electronically whenever possible.

020301. Automated Clearing House (ACH). The ACH system is a processing and delivery tool that provides for the distribution and settlement of electronic financial transactions. The remitter's account at their Financial Institution (FI) is debited and NASA's account at Treasury is credited, electronically, rather than through the physical movement of checks or cash. ACH comes in two varieties Remittance Express and Electronic Lockbox:

A. Remittance Express (REX). Rex is a FMS sponsored program which allows NASA to receive ACH credits (payments) electronically for collections due from private sector entities. Credits are transmitted directly into NASA's Treasury General Account from the private sector FI for payments to NASA. NASA Centers shall enroll in REX through FMS by:

1. Entering into a Memorandum of Understanding (MOU) with FMS and the Receiving Depository Financial Institution (RDFI).

2. Completing and signing the ACH Account Set-Up Form with FMS, authorizing the establishment of the ACH account. The form is then sent to CA$H-LINK operations for entry into the CA$H-LINK REX table.

3. Advising the remitter of the amount due the Government, either by invoice, bill, letter, or other means. The agency also supplies the remitter with the appropriate information to include in the transaction.

4. The remitter provides the instruction to its FI on the correct ACH format to use.

5. The FRB receives the transaction and credits the Treasury's account.

6. Transaction information is submitted to the Treasury and the agency via CA$H-LINK/CA$HLINK II. The transaction information includes both detailed payment information and summary deposit ticket (SF 215) information. The agency can download the information to update its accounts receivable.

B. System Processing. Agency policy requires entries for collections be received and transferred electronically into the NASA wide system if possible and practical. Otherwise they shall be entered manually.

C. Electronic Lock Box. The lockbox mechanism provides a method for accelerating the deposit of payments mailed to Federal agencies, referred to as General Lockbox Network. A lockbox is a post office box established by a FI for receipt of payments to an agency. An electronic lockbox accommodates both paper remittances and electronic transactions.

1. FAs in the General Lockbox Network are designated by FMS to maintain accounts for Federal agencies for the purpose of collecting and transferring funds to the Treasury's account at the Federal Reserve Bank of New York (FRBNY). The lockbox services are provided by a RDFI. NASA must enter into a Memorandum of Understanding (MOU) with FMS and the RDFI to utilize the lockbox service.

2. Utilization of lockbox services involves the following additional actions by NASA. These actions vary with different types of lockbox services.

a. NASA advises the remitter of the amount due the Government and provides the remitter with the appropriate information to include in the transaction.

b. The remitter provides the detailed payment instructions to its FI to authorize the ACH credit transaction to the designated FA in FMS' network.

c. The designated FA collects and deposits the funds for credit to the Treasury's account at the FRBNY

d. The designated FA forwards the deposit data to the Treasury and the agency via CA$H-LINK/CA$HLINK II.

3. Preauthorized Debits (PAD). Through the lockbox NASA may work with remitters and the FA such that the remitter can authorize the debit of its account in its FI to make payment. PAD provides for the following:

a. For recurring collections, a schedule of automatic payments may be established by the NASA, the remitter, and the FA.

b. To pay NASA bills remitters may make customer initiated entries (CIEs) by contacting the FA to arrange for electronic collections from their FIs.

c. Centers with collections at a material level should use the FMS Kansas Financial Center (KFC) PAD's service unless it is not cost effective to do so. Serving as an Official Depository for PAD payments, FMS KFC provides four levels of lockbox services. With all four levels of service, NASA can review its daily activity via CA$H-LINK/CA$HLINK II.

(1). Mainframe. NASA maintains the database of remitters (basic service) on its mainframe system. The business day prior to settlement, the agency transmits the collection file to FMS KFC. On the settlement date, FMS KFC reports account totals to the agency via CA$H-LINK/CA$HLINK II.

(2). Personal Computer. NASA maintains the database of remitters using an off-the-shelf software package that is supplied by KFC. The software is used to generate and transmit a collection file to KFC, as well as provide detail collection reports to the agency. On the settlement date, FMS KFC reports account totals to the agency via CA$H-LINK/CA$HLINK II.

(3). KFC maintenance of PAD database. KFC maintains all aspects of the agency's remitter database. The agency provides FMS KFC with the collection information. FMS KFC generates the collection file and provides the agency with detailed collection reports. On the settlement date, KFC reports account totals to the agency via CA$H-LINK/CA$HLINK II.

(4). Customized service. KFC creates a customized PAD service to meet the agency's needs.

020302. Pay.gov. Pay.gov is a government wide transaction portal (mechanism that allows input through the Internet) managed and secured by FMS. Pay.gov offers a suite of electronic financial services to assist NASA by permitting receipt of payments and other information from remitters on-line and effecting deposit of funds through electronic banking to the NASA's CA$HLINK II account in Treasury. Pay.gov has four functional objectives:

A. Collections. Pay.gov permits NASA to allow remitters to pay using various electronic collection methods, including:

1. On-line processing of Credit Card payments, after acceptance of credit cards is established through the Plastic Card Network (see below) and settlement by a commercial bank.

2. Direct Debit via Automated Clearing House (ACH).

3. Digital cash, a system that allows a remitter to pay for goods or services by transmitting through pay.gov resulting in collection from the remitter's FI.

4. Authorized off-line collections through paper checks, ACH credit authorizations, and Fedwire. In these incidences FMS matches the reporting information from off-line collections with an on-line form or bill.

B. Forms acceptance and direct billing. Pay.gov offers the service of converting an agency's forms into electronic documents that may be submitted by the public to Pay.gov. Pay.gov also offers the service of electronically presenting the bills an agency sends to end-users. NASA and remitters can view saved, completed, or pending forms and bills. The billing service allows agencies to send out notifications of payment required and that information is available on-line for remitter to view and make payment.

C. Access control. Pay.gov includes establishing access control and other necessary Internet security.

D. Reporting. Pay.gov provides agencies with a unified reporting mechanism by which agencies and remitters are able to obtain detailed information about forms, bills, and collections processed by Pay.gov. These can be tailored to NASA's needs.

020303. Plastic Card Network. The Plastic Card Network (PCN) is a government wide network that allows NASA to accept VISA, MasterCard, American Express, Diners Club, and Discover/Novus credit cards, and some debit cards for collecting debts. Before credit cards can be accepted by NASA either over-the-counter, by mail, by phone, or over the Internet, NASA must establish the authority through FMS. FMS designates the FAs to process plastic card collections and the network provides for electronic banking. FMS also has established the Internet Credit Card Collections (ICCC) program which allows NASA to accept plastic cards over the Internet as a method of collection for foreign payments.

020304. Paper Check Conversion. NASA must coordinate with FMS to establish paper check conversion. The Paper Check Conversion (PCC) system converts paper checks into electronic funds transfer (EFT) debit transactions against the remitter's account and credits NASA's account. NASA officials shall adhere to the guidelines established by FMS. The system requires the following:

A. Checks received at the point of sale (POS) are imaged, stamped "Void - Processed Electronically," and handed back to the check-writer. Checks mailed in or dropped off are imaged and should be destroyed by NASA within 14 days. The PCC system automatically dates and time-stamps the item and assigns a unique transaction identifier number.

B. Once the check is scanned. NASA officials record financial information associated with the check in a Point-of-Sale software application which is part of the Paper Check Conversions (PCC) System, stamps the check "VOID"; and returns the check to the software. NASA officials are responsible for configuring the Point-of-Sale software application for NASA transactions.

C. All of the check images and associated data are maintained on the hard drive of the NASA computer as well as on a mirror image backup drive until daily balancing is completed and the batch is closed. Next the images and data are transmitted through the Point-of-Sale software application via a secure connection to the Central Image and Research Archive (CIRA) for transmission to Federal Reserve Bank (FRB) of Cleveland.

D. The FRB of Cleveland then uses the information to electronically debit the check-writer's account via the ACH. The FRB credits the agency's account in CA$H-LINK II and e-mails a confirmed deposit ticket (SF 215) to the designated NASA official. The FRB also updates the Master Verification Database (MVD), a negative database (a technical term for a database with records of individuals with unpaid returned checks), with check-writer information. For those agencies using PCC at the POS, the information is passed to the agency's Local Verification Database (LVD) when each batch is closed. The LVD is then used to determine check-writer status and implement an agency's bad-check policy if applicable. If the FRB can't collect the funds upon initial presentment, it may try to collect them through re-presentment up to two additional times on dates designated by the agency. If the FRB can't collect the funds, it debits the agency's account in CA$H-LINK and e-mails a debit voucher (SF 5515) to the designated agency official.

E. In the Central Image and Research Archive (CIRA), NASA may configure up to four fields for its use. NASA may search and view any check image and any associated data captured in the configurable fields through the CIRA. The data is accessed via an Internet search and can be made using any one of the configurable fields, check-writer's account or routing numbers, unique transaction ID, Agency Location Code (ALC), Cashier ID, Amount of Check, or Check Capture Date. This information is maintained for seven years or longer if required by statute or court order.

020305. Fedwire When a collection is more than $100,000 NASA may instruct remitters to use Fedwire. The Fedwire Deposit System (FDS) managed by FMS is an information link for wire transfer collections to the Treasury's General Account at the Federal Reserve Bank of New York (FRBNY). The FRBNY receives the Fedwire message, credits the Treasury's account, charges the remitter's FI, and transmits the information to the agency and the Treasury via CA$H-LINK/CA$HLINK II.

0204 DISBURSEMENT MECHANISMS

5 CFR 1315, codification of the Prompt Payment Act reflects the requirements of the Debt Collection Improvement Act of 1996, which requires that most NASA payments be made by electronic funds transfer, using one of the mechanisms in this section.

020401. Direct Deposit. Direct Deposit is an electronic payment alternative that uses the Automated Clearing House (ACH) system. Payments can be made to individuals or businesses and include Federal employee salary, vendor, travel advances and reimbursements, recurring benefits, and other miscellaneous expenses.

A. NASA must enroll payment recipients for Direct Deposit by obtaining their bank account information and personal identification information. SF 1199A and Form FMS 2231 "FastStart Deposit" are often used for employees and other individuals to gather this information. SF 3881 is used for corporate information. The information may be obtained by telephone. The recipient's FI completes and signs the form or is notified of the transaction.

B. NASA sends a payment file formatted according to FMS specifications to one of FMS Regional Financial Centers with all payment information so payments can be deposited directly into the recipients account.

C. FMS prepares a Direct Deposit payment file and forwards the file to the Federal Reserve Bank for processing in the ACH system.

D. Payments are posted to the recipients' accounts, and the funds are available at the start of business on the payment date.

E. The Treasury account at the Federal Reserve Bank is debited the same day.

020402. Vendor Express. Vendor Express, (also referred to as Financial Electronic Data Interchange (FEDI), or Corporate ACH) is a direct deposit program implemented by FMS. This program electronically transfers monies and remittance information through the Automated Clearing House (ACH) network to commercial payees of Federal agencies. FMS expanded the program with electronic data interchange (EDI) capabilities which permits additional transaction information to be included with the disbursement. Features of Vendor Express and Electronic Funds Transfer with Electronic Data Interchange (EFT/EDI) are described below.

A. There are two National Automated Clearing House Association (NACHA) corporate payment formats. NACHA is the trade association that sets automated payment standards that govern the ACH system for FIs nationwide. The two associations are described below:

1. CCD+ (Cash Concentration or Disbursement Plus Addendum) is a FEDI format with one 80-character addendum record. CCD+ is used for single invoice payments.

2. Corporate Trade Exchange CTX is available for multiple invoice payments to one recipient. With multiple 80-character addenda records, it allows NASA to maintain the transaction detail of consolidate multiple invoices due on the same day to a vendor into one payment, rather than making an individual payment for each invoice.

B. It is NASA's Centers responsibility to enroll a vendor in vendor express using following process:

1. NASA asks vendors fill out an SF 3881 to be enrolled in Vendor Express.

2. Vendors return the completed form to NASA.

3. NASA processes the form through FMS.

3. NASA orders goods or services from a vendor.

4. The vendor provides goods or services to NASA and submits a bill or invoice requesting payment.

5. NASA certifies payment to the vendor by submitting a payment request with payment information (on an addendum record) to the NASA's servicing Regional Financial Center (RFC).

6. The RFC processes the payment request and transmits the payment and the addendum information to the Federal Reserve Bank (FRB) for processing in the ACH system.

7. The FRB passes the payment and addenda record(s) to the vendor's FI.

8. The vendor's FI credits the payment to the vendor's account on the payment due date, notifies the vendor of the transaction, and provides the addendum information to the vendor as previously agreed. The Treasury's account at the FRB is debited the same day.

9. The vendor posts its accounts receivable records from the payment and addendum information received from its FI.

10. NASA and NASA Vendors use the FMS-developed Payment Advice Internet Delivery (PAID) system to verify remittance information through the Internet.

020403. Central Contractor Registry (CCR). CCR is a Department of Defense (DOD) data base which includes all of the banking and other information necessary to make accurate and timely payments to vendors. The system enables one-time entry and maintenance by the vendors, validates the Data Universal Numbering System (DUNS) number and Commercial and Government Entity (CAGE) code, and then provides the data to DOD and other Federal vendor databases. When CCR is available to NASA through the Department of Defense and configured in SAP, NASA shall use CCR rather than require vendors already registered to use Vendor Express.

020404. International Payments

A. International Direct Deposit. The FMS offers an International Direct Deposit (IDD) program that establishes an electronic funds transfer (EFT) service for foreign-resident payment recipients. The IDD program enables NASA payments to go directly to the recipients' accounts at FIs through a link between the Federal Reserve Bank of New York (FRBNY) and electronic payment systems in foreign countries (e.g., Bankers Automated Clearing Services (BACS), in the United Kingdom, or the countries' central banks). If a center makes long-term recurring foreign payments to recipients, it shall consider the use of IDD, otherwise Society for Worldwide Interbank Financial Telecommunications (SWIFT) (see B below) shall be used. The following are the actions to be considered in using IDD:

1. FMS provides IDD service through one or more of its Regional Financial Centers (RFCs). Detailed processing instructions are available from the NASA's servicing RFC.

2. Enrollment is generally handled directly between NASA and its recipients. The FRBNY or Federal Benefits Units (FBUs) of U.S. embassies or consulates may provide assistance. FMS is not involved in the enrollment process.

3. NASA updates its payee records with the enrollment data and uses the updated payee records when preparing certified payment requests.

4. Once the certified payment file is generated (in U.S. dollars) it is transmitted to FMS for subsequent transmission to FRBNY.

5. The FRBNY performs the foreign currency exchange calculation, transmits the payment to the foreign FI, updates and returns the file to FMS, and handles post-payment tasks if any.

6. Centers shall make necessary arrangements with the Department of State for International payments made by direct deposit.

B. Society for Worldwide Interbank Financial Telecommunications (SWIFT). Working through the Department of State, SWIFT is used to provide payment information and instructions to and from overseas banks. FMS' Kansas City Financial Center (KFC) provides international payment services in local currencies for U.S.-based (domestic) Federal agencies. These payments are designed to meet the needs of Federal agencies that do not have regular (recurrent) business overseas or who are not normally serviced by the Department of State. The payments to benefit recipients and vendors can be made via check or EFT. Contact the KFC Customer Assistance Staff. Wiring funds through SWIFT is well suited for periodic international payments.

C. Currently, the NASA's policy is to work through the State Department to process international payments. Centers will make arrangements through the IPAC process to send funds to the Department of State which will make the actual payment using IDD or SWIFT.

020405. Electronic Transfer Account. The Electronic Transfer Account (ETA^{SM}) is an account designed by Treasury to ensure individuals who want to receive Federal payments electronically have access to an account at a reasonable cost and with the same consumer protections available to other account holders at the same FI.. NASA encourages the use of this account for individuals who do not have another appropriate banking option.

020406. Prime Pay. Prime Pay is an Automated Clearing House (ACH) payment that permits a NASA vendor to simultaneously initiate electronic payment and transmit the voucher to NASA.

A. NASA and the vendor must agree in the related contract document to payment terms including use of Prime Pay.

B. NASA certifies to the FMS the vendor's ability to participate in the Prime Pay option. This program is only available through and managed by FMS Kansas City Financial Center.

C. The vendor submits an invoice to the agency.

D. The vendor, through its FI, initiates the ACH debit transaction along with pertinent payment information (e.g., invoice, contract, etc.).

E. FMS sorts and delivers the payment information to NASA. The Kansas City Financial Center reports the data to the agency via GOALS II (020502 C).

F. NASA updates its accounts payable systems and reconciles ACH charges to original invoices from the vendor or other supporting documentation.

020407. Fedwire. As with collections, Fedwire may be used for NASA disbursements of $100,000 or more. It is designed to be a low volume system and makes payments on the same day received often within an hour. To use Fedwire:

A. NASA uses the Electronic Certification System (ECS) to submit a file of Same-Day Payment Requests (SDPR) to either the Philadelphia or San Francisco RFC.

B. After authentication at the RFC, the SDPR is forwarded to the Bank Communication System (BCS) application for conversion to Fedwire format and on-line host-to-host delivery to the Federal Reserve Bank of New York for subsequent delivery to the payee's FI.

020408. Government Credit Card - (Travel, Purchase, and Fleet Cards). The General Services Administration (GSA) established the GSA SmartPay Program to provide Government credit cards to use for travel, purchase, and fuel and maintenance of agency-owned or leased vehicles, airplanes, boats, and equipment. GSA awarded contracts to FIs to issue VISA or MasterCard credit cards to Federal employees. The credit cards are used by authorized employees to make purchases and pay for travel expenses. The card bears the employee's name and can only be used by this individual. NASA has internal procedures for this program.

020409. U.S. Debit Card. The U.S. Debit card process is composed of an on-line debit system that requires the use of a personal identification number (PIN), and an off-line debit system that uses the cardholder's signature as authorization. The card can be pre-funded for a specific amount or the value can be set as they are issued. It is NASA's policy not to use debit cards.

020410. Stored Value Cards. Stored Value Cards (SVCs) are smart cards, with an electronic value stored on the cards embedded computer chip. The SVC works like a credit card using the computer chip rather than a magnetic strip. It is NASA's policy not to use SVCs.

020411. Grant Payment Systems. There are two government-wide Grant Payment Systems: (1) Automated Standard Application for Payments (ASAP), a FMS system, and (2) Payment Management System (PMS), a Health and Human Services (HHS) system. Centers will use the HHS System as documented in NASA FMR Volume 14 Grants Management. An electronic interface has been built between NASA's Core Financial Systems and NASA's HHS/PMS process. Once the recipient account is established, the HHS data is interfaced electronically to update disbursements and cost at the line item level.