Dear Mr. Adams:

Pursuant to the attached FMS letters, effective April 3, the new structured format will be the <u>only</u> format accepted by the Fedwire Deposit System (FDS).
This change applies to the transfer of state deposits to the Unemployment Trust Fund through the FDS.

Although all banks have been notified directly by the Federal Reserve Bank of the new format, many have not yet converted.

Please notify all state agencies of the format changes and have them confirm the new requirements with their banks.

Sincerely,

Ronald Iroff, Manager
Funds Accounting Branch

Mr. Pete Adams
Room C4512
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Attachments

January 17, 1989

Dear Fedwire Deposit System (FDS) user:

The purpose of this letter is two-told: 1) To reiterate the Importance of changing the FOS wire format to the new Structured Third Party format: and 2) To inform you of a new exception report which will help you follow-up with those organizations which continue to use the old format.

As I had stated in prior correspondence, the implementation of the structured third party format is being phased-in over a one year period which began on April 1, 1988. FDS wire messages have been accepted \under the new format since October 1,1988. However, through March 31, 1989, both the new and old formats will be accepted by FOS. On April 3, 1989 and thereafter. all FDS messages not complying with the new format will be REJECTED.

To assist your agency in identifying those organizations who have not started using the new format, we have developed the Structured Third Party Exception Report. This report which accompanies this letter, identities for your Agency Location Code all wire messages which are still being sent in the old format. This report will be issued following month end for December 1988, January 1989, and February 1991, with a partial report for March 1989, also being run if necessary. Th. report itself will b. included as part or your normal deposit activity information which you receive on a daily basis.
 It you have any questions regarding this letter, whether it be related to the new structured Third Party format or the exception report, please feel tree to contact me on (202) 287-0751 or FTS 287-0751.

Sincerely,

Thomas A. Jones
Project Manager
Fedwire Deposit System

August 16, 1988

Dear Fedwire Deposit System (FOS) user:

The purpose of this letter is two-fold: 1) To inform FOS users of significant changes that will affect their ability to receive funds through FDS: end 2) To request your assistance in disseminating this information in an efficient and timely manner.

The FDS, formerly the Treasury· Financial Communication System (TFCS) collection side, will be going through a <u>significant</u> operational change the basic FOS wire message format will be changed to comply with the Federal Reserve Board's decision to implement a standard structured third party format for all Electronic Funds Transfer (EFT) messages. (<u>IMPORTANT NOTE: THIS CHANGE DOES NOT APPLY TO LOC-TFCS MESSAGES I.E. MESSAGE TYPE/SUBTYPE 1031, 1032, OR 1033.</u>)

The implementation of the structured third party format is being phased-in over a one year period which began on April 1, 1988. <u>FDS wire messages will begin to be accepted under the new format (see enclosure) on October 1, 1988.</u> During the period from October 1, 1988 through April 3, 1989, both the new and old formats will be accepted by FDS. <u>On April 3, 1989 and thereafter, all FOS messages not complying with the new format will be REJECTED.</u>

Enclosed are instructions for preparing a FDS wire message under the new format. These instructions will be incorporated in the Treasury Financial Manual along with updates to I TFM 5-4500 in the near future. However, due to the short time period to implement this change these instructions should be considered in effect as of October 1, 1988.

Your assistance is requested in disseminating these instructions to the appropriate organizations which send funds to you via FOS. It is imperative that this information reach the individuals who can implement this change in an efficient manner. We will assist you in this task in whatever way you decide is appropriate, whether it be agency briefings, roundtables, additional mailings, Dr a combination of these options.

Please contact me or Jim Brooks <u>as soon as possible</u>, in order to begin discussing your specific needs in carrying out this task. We can both be reached on (202) 287-0751 or FTS 287-0751. Your cooperation in this matter is appreciated.

Sincerely,
Thomas A. Jones
Project Manager
Fedwire Deposit System

Enclosure

INSTRUCTION GUIDE FOR FUNDS TRANSFER DEPOSIT
MESSAGES TO TREASURY

All Government agencies must provide specific information to their depositors so that a funds transfer deposit message can be transmitted to the Department of the Treasury (Treasury). Likewise, the depositors must communicate this information to the bank sending the funds transfer. The funds transfer deposit message format is included within this appendix. A narrative description of each field on the funds transfer deposit message follows:

Field   Content

1. RECEIVER-DFI# - The Treasury Department's ABA number for deposit messages is 021030004. This number should be entered by the sending bank for all deposit messages sent to the Treasury.

2. TYPE-SUBTYPE-CD - The type and subtype code will be provided by the sending bank.

3. SENDER-DFI# - This number will be provided by the sending bank.

4. SENDER-REF# - The sixteen character reference number is inserted by the sending bank at its option.

5. AMOUNT - The transfer amount must be punctuated with commas and decimal point; use of the "$" is optional. This item will be provided by the depositor.

6. SENDER-DFI-NAME - This information is automatically inserted by the Federal Reserve Bank.

7. RECEIVER-DFI-NAME - The Treasury Department's name for deposit messages is -TREAS NYC". This name should be entered by "the sending bank.

8. PRODUCT CODE - A product 'code of "CTR" for customer transfer should be the first data in the RECEIVER - TEXT field. Other values may be entered, if appropriate, using the ABA's options. A slash must be entered after the product code.

9. AGENCY LOCATION CODE - THIS ITEM IS OF CRITICAL IMPORTANCE. IT MUST APPEAR ON THE FUNDS TRANSFER DEPOSIT MESSAGE IN THE PRECISE MANNER AS STATED TO ALLOW FOR THE AUTOMATED PROCESSING AND CLASSIFICATION OF THE FUNDS TRANSFER MESSAGE TO THB AGENCY LOCATION CODE OF THE APPROPRIATE AGENCY. The agency location code (ALC) refers to three-, four-, or eight-digit numeric symbols used to identify Government departments and agencies (e.g. accounting stations, disbursing and collecting offices). The agency's unique code must be specified in the funds transfer message in order for the funds to be correctly classified to the respective agency. The ALC identification sequence includes the beneficiary code field tag, BNF-, and identifier code, /AC-, followed by the appropriate ALC number. These three components must be in the following format:

BNF- / AC-nnn	3-digit ALC
OR	
BNFs/AC-nnnn	4-digit ALC
BNFs/AC-nnnnnnnn	8-digit ALC

The ALC identification sequence can, if necessary, begin on one line and end on the next line: however, the field tag "BNF-" must be one line and cannot contain any spaces.

10. THIRD PARTY INFORMATION - The appropriate information to identify the reason for the funds transfer should be provided by the agency to the depositor. The Originator to Beneficiary Information field tag "OBI-" is used to signify the beginning of the free-form third party text. The field tag "OBI-" must be on the same line and cannot contain any spaces. The field tag is placed following the ALC identification sequence and preceded by a space. An example of this data line using the 8-digit ALC would be as follows:

BNF-/AC-nnnnnnnn OBI-

It is important to note that the length of the third party text depends on how close you can place the ALC identification sequence (Field 9) to the PRODUCT CODE (FIELD 8). Under the FederalReserve System's Structured Third Party Format. financial institutions have the ability to place additional information fields for their own use between field 8 and field 9. Agencies should instruct their depositors and financial institutions to limit the use of these additional fields, and attempt to adhere to the optimum format for fields 7, a, 9, and 10. This format using an a-digit ALe is as follows:

TREAS NYC/CTR/BNF=/AC-nnnnnnnn OBI =

The optimum format, shown above, will allow 219 character positions of information following the "OBI=" indicator.

The information that is constant for all agencies is shown in the Funds Transfer Deposit Message Format within this appendix. This includes the RECEIVER-DFI# (FIELD 1), the RECEIVER-DFI-NAME (FIELD 7) and the PRODUCT CODE (FIELD 8). In addition to these constant fields, the agency must provide fields 9 and 10 to their depositors and the depositor must provide field 5 to the sending financial institution.

The depositor should inform the financial institution that sends the funds transfers to Treasury to use due care and ensure that all information is provided in the prescribed format. Failure to provide the information in the prescribed format may cause a delay in the notification of the funds transfer to the agency.

A sample of a funds transfer deposit message to Treasury is included within this appendix.

```
|_____|

(1)  ↘

|021030004|   (2)  |
                              $100,000.00
|   (3)    |   (4)   |    (5)           |

|            (6)          /            |

   (7)          (8)
| TREAS NYC/CTR/                    |

          (9)
|   BNF =/AC -20185091     OBI=      ↗  |

|  UNEMP TR FD  RI#41    ←────  (10)        DEPT. EMP. SEC.   |

       2/
| Deposit # 00/8042.3 or (60)/8042                    |
```

1/   two letter and two numbered state name identifier

2/   sequential deposit number

Note: .3 refers to regular deposits while (60) refers to the return of state withdrawals.