



Treasury Financial Manual

Chapter 5000

DESIGNATING FINANCIAL AGENTS AND SUPPORTING THE ADMINISTRATION OF THE ELECTRONIC TRANSFER ACCOUNT (ETA) PROGRAM

**SM refers to "Service Mark."*

This chapter describes procedures the Federal Reserve Bank of Dallas (FRB Dallas) uses in support of the Bureau of the Fiscal Service (Fiscal Service) ETA Program.

Section 5010—Scope and Applicability

FRB Dallas, acting as the fiscal agent of the United States on behalf of the Secretary of the Treasury and in support of Fiscal Service's ETA Program, does the following:

- Distributes information in ETA enrollment packages to interested financial institutions.
- Evaluates Fiscal Service's Financial Agency Agreements (FAAs).
- Verifies all required program enrollment information and, as appropriate, designates a financial institution as an ETA Provider.
- Compiles, updates, and disseminates information in the ETA Provider database.
- Compensates ETA Providers for opening ETAs . For additional information concerning FRB Dallas' fiscal role, see the Notice of ETA Features, dated July 16,1999, in the Federal Register at 64 FR 38509.

Section 5015—Authority

The Code of Federal Regulations (CFR) at 31 CFR 208 governs the availability of ETAs and the designation of ETA financial agents.

Section 5020—Designation of Financial Institutions as ETA Financial Agents

FRB Dallas designates interested financial institutions as financial agents of the United States to offer and maintain ETAs . A designated financial institution is referred to as an ETA Provider. After FRB Dallas designates a financial institution as an ETA Provider, the financial institution may:

- Advertise as an ETA Provider, authorized to offer an ETA ;
- Offer an ETA ;
- Display the ETA logo; and
- Advertise the ETA search capability.

5020.10—Requests for and Distribution of ETA Enrollment Packages

Interested financial institutions request ETA enrollment packages from FRB Dallas by telephone, fax, mail, or the Internet. FRB Dallas distributes ETA enrollment packages, provided by Fiscal Service, to requesting financial institutions. The contents of the ETA enrollment packages include, but are not limited to, the following:

- ETA FAA;
- Notice of ETA Features, dated July 16, 1999;
- ETA Commonly Asked Questions and Answers; and
- ETA Fact Sheet.

5020.15—Completion and Submission of an FAA by the Financial Institution

After an eligible financial institution receives an ETA enrollment package, it must complete, duly execute, and submit an FAA to FRB Dallas to be considered for participation in the ETA Program. The FAA requires a financial institution to make certain representations, warranties, covenants, and resolutions. It also provides other information that FRB Dallas uses to designate a financial institution as an ETA Provider.

5020.20—Receipt and Verification of the FAA by FRB Dallas

After FRB Dallas receives a completed FAA from a financial institution, it verifies that the FAA:

- Bears an authorized corporate officer's signature and date;
- Has an affixed corporate seal, or some other form of authorized physical evidence (see subsection 5020.30);
- Includes an executed Officer's Certificate (Attachment A of the FAA) and a copy of the official meeting minutes that reflect the resolutions listed in the Certificate; and
- Includes a completed ETA enrollment form (Attachment B of the FAA).

In addition, FRB Dallas verifies the institution is:

- A financial institution, the deposits of which are insured by the Federal Deposit Insurance Corporation under 12 U.S.C., Chapter 16; or

- A credit union, the member accounts of which are insured by the National Credit Union Share Insurance Fund under 12 U.S.C., Chapter 14, subchapter II.

5020.25—Incomplete or Incorrect FAAs Submitted to FRB Dallas

FRB Dallas expeditiously returns an FAA to the submitting financial institution if the FAA:

- Lacks a corporate seal or some other form of authorized physical evidence (see subsection 5020.30);
- Does not include a copy of official meeting minutes that include the resolutions listed in the Officer's Certificate; or
- Includes an unsigned Officer's Certificate.

FRB Dallas indicates the deficiencies and asks the financial institution to appropriately correct and resubmit the FAA for review. If the required corrections are minor, such as missing an effective date, FRB Dallas contacts the financial institution by telephone to effect the changes.

5020.30—FAA Certification by a Financial Institution Without a Corporate Seal

If a State's laws do not require a financial institution to have a corporate seal, that State's laws will require some other form of physical evidence that a corporate act certified by an authorized officer is official. An example of this type of physical evidence is notarization by a notary public.

A financial institution residing in a State that does not require a corporate seal must affix to the FAA the form of physical evidence required (or acceptable) by its State's laws to certify its corporate acts. If this requirement is not met, FRB Dallas returns the FAA to the originating financial institution for proper certification.

5020.35—FAA Processing by FRB Dallas

After FRB Dallas verifies the required information on the FAA, an FRB Dallas official signs and dates the FAA, thus designating the financial institution as an ETA Provider.

Then, FRB Dallas mails a copy of the signed and dated FAA with an ETA Provider Implementation Kit to the newly designated ETA Provider. The ETA Provider Implementation Kit includes, but is not limited to, an ETA :

- Program Implementation Guide with compensation instructions;
- Logo standards manual with camera-ready ETA logos; and
- Marketing materials order form.

5020.40—Retention of Forms

FRB Dallas maintains the original of all executed FAAs according to Fiscal Service's records retention policy. Typically, the retention period is seven years after sunset of the ETA Program.

5020.45—Compensating the ETA Providers

Monthly, FRB Dallas compensates the ETA Providers based on the number of accounts opened multiplied by \$12.60, the cost determined for an ETA Provider to open an ETA .

ETA Providers are required to submit a monthly report to FRB Dallas listing the number of account openings, closings, and requested compensation (number of accounts opened multiplied by \$12.60). This compensation request is signed by an authorized individual at the institution and is faxed to FRB Dallas.

To obtain compensation, FRB Dallas prepares a consolidated report of all ETA Providers' submissions. This report (ETA Provider Compensation Payment File) is submitted to Fiscal Service as a record of monthly account opening activity.

The Payment File is a chart of the ETA Providers who opened ETA accounts during that month, by geographical location and number of accounts opened. FRB Dallas uses the total number of accounts opened multiplied by \$12.60 to arrive at the monthly compensation total. After analyzing the Payment File, Fiscal Service sends an approved monthly expense email to FRB Dallas approving payment, copying Fiscal Service's Bank Policy and Oversight Division.

Upon receiving approval, FRB Dallas prepares and submits an Automated Clearing House (ACH) payment file to distribute compensation payments to ETA Providers. The compensation dollar amount is held in suspense on FRB Dallas' books.

FRB Dallas sends an invoice to the Fiscal Service for compensation payment. Once Fiscal Service receives the invoice, it generally issues payment to FRB Dallas within 2 to 3 days.

5020.50—Providing ETA Information to Fiscal Service

FRB Dallas provides reports on financial institutions' enrollments in the ETA Program to Fiscal Service. Fiscal Service and FRB Dallas decide on the form and frequency of the reports.

If FRB Dallas knows that an ETA Provider has changed its corporate title for any reason, it immediately notifies Fiscal Service of such change and updates the ETA Provider database (see Section 5025).

5020.55—Responding to Requests for Assistance

FRB Dallas responds to requests from financial institutions, especially ETA Providers, for ETA marketing materials. It also provides other information about ETA Program enrollment and operations.

Section 5025—ETA Provider Database

FRB Dallas compiles and updates information in the ETA Provider database. It collects the ETA Provider database information from the ETA Enrollment Form (Attachment B of the FAA). Periodically, FRB Dallas updates the ETA Provider database information. The ETA Provider database includes the following:

- Financial institution's name;

- Headquarters address;
- Branch addresses;
- Primary contact person's name, title, address, telephone number, and email address (if provided);
- Customer service telephone number (if provided);
- Financial institution's routing and transit number;
- Enrollment start date (date FRB Dallas processes the FAA); and
- Effective date (date the ETA Provider will begin offering the ETA).

FRB Dallas safeguards the ETA Provider database's integrity per standards established by Fiscal Service and the Federal Reserve Board. It ensures that the data is correct, up-to-date, and protected from illegal computer access.

5025.10—Accessing the ETA Provider Database

FRB Dallas disseminates ETA Provider database information as follows.

5025.10a—Through an Internet Website

FRB Dallas administers and maintains the [ETA](#) website. This site consists of public and private information areas. FRB Dallas allows access to the ETA Provider database through a web browser.

Any interested party, including Fiscal Service, Federal agencies, Federal payment recipients, and consumer organizations may access the public area of the website. The public area contains the following ETA Provider information:

- Financial institution's name;
- Headquarters address;
- Customer service telephone number (if provided);
- Branch addresses; and
- A list of all ETA Providers by State, with the number of branches and the ETA effective date for each.

Interested parties may search for ETA Provider locations by financial institution name, a five-digit ZIP Code number, city and State, and metropolitan area. The website provides multiple consumer information pages. The website also includes an email application through which interested parties may submit inquiries.

Only Fiscal Service's EFT Strategy Division (ESD), and other entities ESD deems appropriate, may access the private area of the ETA Provider database. To access the private area, an authorized user must have

a user ID and password. ESD administers the user IDs and passwords. This protection enables ESD to administer access to the private area of the website and to retrieve reports that summarize all ETA Provider database information.

Authorized parties may access the private area of the website to do the following:

- Search for ETA Providers' contact information by State;
- Download ETA Providers' contact information;
- Access web trend reports; and
- Access a list of all ETA Providers by State, with the number of branches and the ETA effective date for each.

Section 5030—ETA Customer Service Function

FRB Dallas administers the ETA customer service function. Specifically, FRB Dallas manages a customer call center (call center) that interested parties may access directly via a single toll-free number. The call center's primary function is to assist eligible Federal payment recipients in setting up their Federal benefit payments through electronic means. Call center staff assist interested parties in locating a convenient ETA Provider. The search capabilities for recipients through the call center are the same as those described in subsection 5025.10.

In addition to receiving calls requesting ETA Provider locations, the call center may receive recipient inquiries or complaints about the ETA Program. The call center immediately responds to general inquiries it receives about the ETA Program. It refers any inquiries related to a specific type of payment to the paying agency, and it refers complaints to Fiscal Service.

The public also may submit inquiries to FRB Dallas through an email application available on the public area of the website (see subsection 5025.10). FRB Dallas forwards these inquiries to Fiscal Service.

Interested financial institutions and ETA Providers may direct inquiries to a toll-free customer service telephone number (888-382-3725) managed by FRB Dallas.

FRB Dallas must ensure that all service level requirements are met. It provides reports on call center activity to Fiscal Service. Fiscal Service and FRB Dallas decide on the format and frequency of the reports.

Section 5040—Decertification of an ETA Provider

Per the FAA section titled, "Term and Termination," the term of the FAA is 2 years from the date of its execution by FRB Dallas. The term of the FAA is extended automatically for subsequent 1-year terms, unless the financial institution informs FRB Dallas and Fiscal Service of its intent to terminate the FAA at least 60 days before the end of any term. An ETA Provider may not terminate its FAA before the expiration of its initial or any subsequent term without Fiscal Service's approval. FRB Dallas immediately notifies Fiscal Service if an ETA Provider requests termination of its FAA.

If Fiscal Service terminates an ETA Provider's FAA (decertification), it communicates the decertification to FRB Dallas. Immediately after this notification, FRB Dallas records the enrollment termination date in the

ETA Provider database. As a result, the financial institution is removed from all listings of active ETA Providers.

CONTACTS

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