



Treasury Financial Manual

Chapter 3000

REIMBURSEMENT OF DEPOSITARIES AND FINANCIAL AGENTS

Fiscal Service designates certain financial institutions to act as financial agents and depositaries of the United States (depositaries). This chapter applies to all depositaries that perform services for which they are reimbursed by Fiscal Service. The requirements of this chapter supersede all compensation, reimbursement, or bank management requirements in existing TFM chapters, bulletins, announcements, and supplements issued as of the date of this chapter, for depositaries whose reimbursement is covered by this chapter. Inquiries should be directed to the points of contact listed in the Contacts section.

Section 3015—Authorities

See, inter alia, 12 U.S.C. §§ 90, 265-266, 1464(k), 1789a, 2013, 2122, 3101-3102; 31 U.S.C. §§ 3303 and 3336.

Section 3020—Background and Preliminary Steps

Bank management generally refers to the processes covering the monthly submission of expenses (and other related information as Fiscal Service may require) by depositaries and Financial Agents to Fiscal Service for subsequent review and reimbursement by Fiscal Service. The Bank Management Service (BMS) contains functionality that provides depositaries and Financial Agents the ability to report expenses every month. BMS is also a tool for Fiscal Service analysts and program managers to review those expenses every month and to approve those expenses online in order to compensate the depositaries and Financial Agents in an accurate and timely manner.

Before depositaries provide services to Fiscal Service, a formal agreement between each depositary and Fiscal Service is signed. As part of that agreement, a listing of the services or dedicated resources that will be provided by the depositaries is created and used to determine future compensation that Fiscal Service will pay to the depositaries. Those services or dedicated resources are assigned industry-standard product codes or given customized codes based on the industry model. Fiscal Service sets up those codes and the related pricing in BMS under individual accounts that have been created to reflect each agreement established with depositaries. Therefore, at a minimum, the depositaries are only required to report the activity volumes associated with each service or dedicated resource in order to be reimbursed for expenses incurred on behalf of Fiscal Service. Additional information may also be required by the Fiscal Service on a case-by-case basis.

Section 3025—Setting Up Users in BMS

Before depositaries can initially submit monthly expenses in BMS, they must designate specific employees

to perform certain functions in BMS. Instructions for successfully completing this process are given to the depositaries after a Fiscal Service program manager has designated and authorized the depositary to provide services to Fiscal Service. This process includes issuing credentials to the users and assigning specific functions to these users.

Section 3030—Reporting Expenses in BMS

In order to be compensated for the expenses incurred while providing authorized services to Fiscal Service, depositaries must report their expenses to BMS every month. Between the first business day of the month and 9:00 p.m. ET on the seventh business day of the month, depositaries must report their expense information (as defined in section 3020) for the prior month. If there are no unresolved issues with expense information that is reported timely, the depositary may receive the appropriate compensation by the last business day of the month following the month in which the depositary provided service. A depositary is not compensated without monthly expense reporting to BMS. For specific instructions on expense reporting in BMS, depositaries should refer to the BMS User Guide that can be found under the “Help” menu option of BMS. Exceptions to the monthly reporting requirement may be granted for specific circumstances.

Contacts

Direct questions concerning this chapter to:

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Direct questions concerning BMS to:

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