



Inside the Vault

State Agency Edition

Beneficiary Address Required for Wire Transfers

The Federal Reserve's Fedwire Funds Service is preparing for the implementation of the ISO 20022 message format—an international standard that enables financial institutions to communicate using a common language and structure. As part of the implementation, *beneficiary address information is now required for all domestic and international wire transfers.*

Treasury's [cash management forms](#) relating to wire transfers have been updated in line with the new requirement. Please ensure you are using the updated forms and providing the required address information for all wire transfer requests. If your agency uses templated wire transfers, ensure an authorized signer submits an updated **C.11 Wire Transfer Template Maintenance** form that includes beneficiary address information for each template. Failure to provide the required address information will cause delays and could lead to missed processing cutoff times. Contact Banking Operations at 503.378.4633 or ost.banking@ost.state.or.us with any questions.

Service Spotlight

Checks and **warrants** are paper-based methods to disburse funds. While there are important differences between the two types of instruments, one of the practical distinctions for agencies is that checks are drawn against Treasury accounts while warrants are drawn against Agency or General Fund accounts (accounts must be specifically granted check-writing or warrant-writing authority). Another distinction is that warrants are centrally requested through the Statewide Financial Management Application (SFMA) and printed by the Oregon Department of Administrative Services.

To deter fraud, Treasury has adopted a custom single state check design that utilizes a controlled paper stock with a variety of security features. Treasury also has implemented

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Interest Rates

Average Annualized Yield	
December	4.8500%
January	4.7339%
Interest Rates	
Dec. 1–Jan. 7	4.85%
Jan. 8–31	4.70%

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Reverse Positive Pay, a service where agency staff review checks presented for payment and can elect to pay, return, or adjust a check.

Agencies also can choose to use **Positive Pay**, a service where an agency provides a daily file containing a list of issued checks, which reduces the risk of fraud losses. Any check attempting to clear that does not match a check included in the file will be flagged for the agency to review and determine whether to pay, return, or adjust the check. Although Positive Pay is an optional service, agencies that choose not to use the service run the risk of incurring losses for any checks that are fraudulently presented and cashed at a U.S. Bank branch.

If you are interested in evaluating your business needs and available options or have questions regarding check and warrant issuance generally, contact Customer Solutions at customer.solutions@ost.state.or.us.

Cash Management Legislation

With the 2025 legislative session under way, we would like to remind agencies that Treasury is available for advice and consultation regarding legislation with cash management impacts. That would include legislation with references to funds, accounts, interest earnings, investment authorities, debt management and bonding mechanics, and more. If you have questions or concerns about such legislation, please touch base with your regular Treasury contacts or one of the following:

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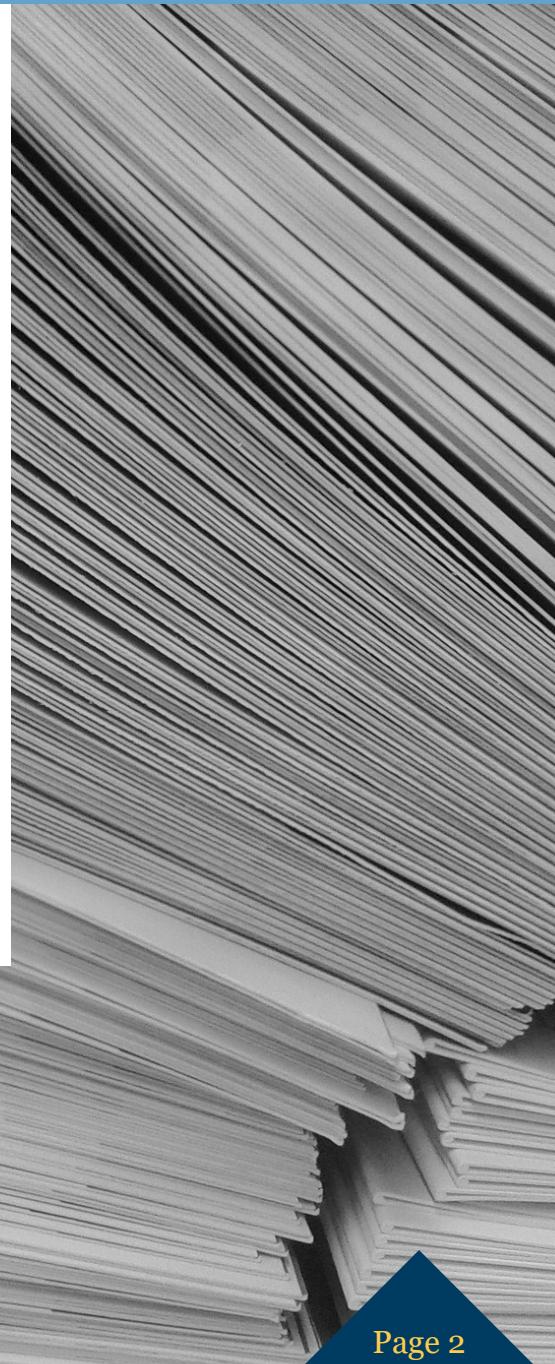
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Business Continuity Reminder

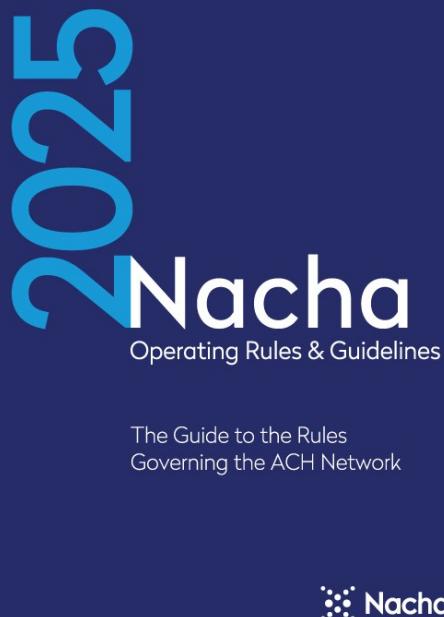
Treasury continually evaluates processes to ensure that critical statewide cash management needs are met in the event that normal business is disrupted by disaster or other incident. As we continue through the winter months, even inclement weather can limit the access and availability of staff at Treasury or within agencies. Weather-related closures of agency offices around the state can create havoc in the short term for agencies that move funds via either ACH or wire transfer. In addition to weather-related staffing issues, vacation plans, holiday plans, and flu season may impact staffing. While Treasury has plans in place to keep business moving in those scenarios, it is essential that adequate coverage exists at agencies for important cash management processes to continue.

On a broader scale, if a major disaster or other critical business interruption were to impact Treasury, please note that it could take 48 to 72 hours for us to restore systems and to begin to provide normal cash management services to agencies. Treasury would maintain limited outgoing wire capacity to support critical statewide disbursement needs. It is important for agencies to evaluate their business continuity plans and processes in the event that Treasury or other partners suffer such an interruption in service.

If your agency has not already done so, it would be prudent to discuss your business continuity plans to ensure that your agency is well prepared. Questions to consider when discussing your plan may include the following:

- ▲ Does your agency have an updated Electronic Funds Transfer (EFT) authorized signers list (Form C-9) on file at Treasury?
- ▲ How will you initiate and authorize transactions if necessary individuals are not in the office?
- ▲ Is your staff able to conduct business from a remote location, if necessary?
- ▲ Are your desk procedures up-to-date and well-defined in case individuals are required to provide coverage in areas of business that are unfamiliar to them?
- ▲ What are the most critical functions that absolutely have to be performed on a daily or weekly basis, and what functions may be delayed for a period of time?
- ▲ If your agency sends ACH Origination files via Secure FTP connection, are you able to re-create ACH files if needed?
- ▲ Does your agency have automated “jobs” to access external systems at predetermined times throughout the day? If this connection is not available, do you have the ability to manually connect at a later time?
- ▲ What would happen if you were unable to make timely ACH payments to third parties, whether they are customers, vendors, federal government, etc.? Would the delay in payment result in customer hardship, fines for past due payments, contract default, or other impacts?
- ▲ Do you have adequate staff available to cover daily operations or troubleshoot any issues that might arise?

Contact Customer Solutions at customer.solutions@ost.state.or.us if you have questions or concerns about your agency's role as it relates to banking and cash management. We can help you identify the minimum staff required and help provide options for unexpected emergencies, as well as discuss payment and distribution criticality for potential broader continuity needs.



Nacha Rule Books

The *Nacha Operating Rules & Guidelines* (Rules or Rule Book) is an annual publication produced by Nacha. The Rule Book serves as the definitive source of information governing the exchange and settlement of electronic funds transfers through the Automated Clearing House (ACH) Network and provides users with the legal framework for the ACH Network. While Treasury staff is available to assist agencies with resolution of ACH file issues and answer questions regarding the ACH Network and Rules compliance, Treasury has purchased access to the Rule Book as an additional resource for agencies originating ACH transactions. Last month, Treasury distributed online access codes to agency ACH contacts. If you have any questions, contact Customer Solutions at customer.solutions@ost.state.or.us.

Service Spotlight

Prepaid cards are a cost-effective alternative to issuing checks—especially for customers who do not have access to traditional banking services. When disbursing funds to a customer, the funds are deposited to a reloadable debit card that the customer can then use to withdraw cash or make purchases.

Treasury has contracted with U.S. Bank to provide prepaid card solutions that offer customers several features and benefits:

- ▲ Convenience - Withdraw cash at ATMs 24 hours a day and make purchases anywhere debit cards are accepted, including retail stores, grocery stores, restaurants, and pharmacies. The card may also be used to pay bills via bill pay, and for online, phone, and mail order purchases.
- ▲ Reliability - Payments are automatically deposited to the card, which means no more lost or stolen checks and no more check cashing fees. The card provides quick access to funds without waiting in line to cash or deposit a check.
- ▲ Security - No need to carry large amounts of cash. Funds are protected by the Visa Zero Liability Policy and are FDIC insured (in most instances).

If you are interested in evaluating your business needs and available options, or have questions regarding prepaid cards generally, contact Customer Solutions at customer.solutions@ost.state.or.us.



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