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bulletin

National Veterans Affairs and Rehabilitation Commission
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Mandatory Use of Electronic Fund Transfer (EFT) System or Direct Express® Debit MasterCard® Program Procedural Guidance

Purpose

This letter provides procedural guidance for implementing the final rule by the Department of Treasury (Treasury) Financial Management Service (FMS) regarding the mandatory use of EFT or Direct Express® Debit MasterCard® Program.

Background

The final Treasury rule was published in the Federal Register on December 22, 2010. On May 6, 2011, VBA Letter 20-11-13 informed all regional offices (ROs) and centers of the mandate by the Department of Treasury and the two phases of VBA implementation. In phase one, effective May 1, 2011, all new beneficiaries will be instructed to receive payment via EFT or prepaid debit card. In phase two, effective March 1, 2013, all remaining recipients of VBA paper checks will be identified and contacted directly by the Treasury Department.

Procedure

Compensation Service has developed two standard paragraphs that involve notification upon initial development on all claims received on or after May 1, 2011 (Enclosure 1) and for all claims that are promulgated after May 1, 2011 (Enclosure 2).

MAP-D and PCGL Update

All standardized development paragraphs will be incorporated into PCGL and MAP-D, in the near future, as an option under the development series. In addition, all standardized award notifications will be incorporated into PCGL as options. In the interim, all ROs and centers are required to manually incorporate the standard paragraphs into their local letters.

Questions

Questions concerning this fast letter may be submitted to VAVBAWAS/CO/212A.

Verna L Jones

VERNA L. JONES, Director
National Veterans Affairs and
Rehabilitation Commission

Enclosures: 1) Treasury Mandate Development Notification

2) Treasury Mandate Award Notification

Enclosure 1

Treasury Mandate
All Claims Received after May 1, 2011
Development Notification

Compensation or Pension Claims

You recently claimed VA benefits and did not elect an electronic payment method. The Department of Treasury mandated that new recurring benefit payments must be made via EFT or prepaid debit card. You must contact the U.S. Treasury at **1-888-224-2950** to discuss options available for receiving your future payments that are in compliance with U.S. Treasury regulations.

Before you call the Treasury, we can help! If compensation or pension is awarded, you can receive your payments through electronic funds transfer (EFT).

To have your federal benefits electronically transferred to your designated financial institution (e.g. bank) call VA at **1-800-827-1000** with your banking information or go online to www.ebenefits.va.gov

Enclosure 2

Treasury Mandate
All Awards Promulgated After May 1, 2011

Award Notification

This verbiage will be included on all claims where the beneficiary has not identified any banking information.

We noticed that you did not provide us with your banking information to allow your federal benefits to be sent directly to your bank. The Department of Treasury has mandated that all recurring federal benefits be administered through either Electronic Funds Transfer (EFT) or Direct Express® Debit MasterCard®. Select the method in which you would like to receive your VA benefits before **March 1, 2013.** If you do not change your payment method before **March 1, 2013**, the Treasury will contact you directly.

- To have your federal benefits electronically transferred to your designated financial institution (e.g. bank) call VA at **1-800-827-1000** with your banking information or go online to www.ebenefits.va.gov.

- To have your federal benefits issued through Direct Express® Debit MasterCard® issued by Comerica Bank call **1-888-213-1625** to enroll in the program.