Faster Payments Task Force
September 16, 2016 Teleconference Summary

Welcome, Agenda Review, and Updates[1]

Sean Rodriguez, Faster Payments Strategy Leader, welcomed the Faster Payments Task Force (FPTF) to the call and announced that Marceline White, Executive Director, Maryland Consumer Rights Coalition, and Kathy Hanna, Kroger Foods, have been elected to the Faster Payments Steering Committee (FPSC). Mr. Rodriguez welcomed new members to the FPTF and noted the task force now consists of 314 members. He noted the current FPTF member roster is available on FedPaymentsImprovement.org.

Mr. Rodriguez gave an update on the Qualified Independent Assessment (QIA) process and indicated the QIA team is on schedule to release its assessments to the FPTF on October 3 at 8:00 AM Eastern Time. Proposers will have until September 29 to opt-in to the FPTF commentary period. Mr. Rodriguez noted the QIA Team Advisory Group has been engaged throughout the assessment process and one issue has been escalated to this group.

Mr. Rodriguez indicated that FPTF members received on Tuesday, September 13, a roadmap for FPTF work over the next four months, including FPTF meetings, education calls, and other important dates that will be helpful in planning individual members' schedules.

Final Report – Part One

Kandice Alter, Assistant Vice President, Federal Reserve Bank of Chicago, discussed the FPTF Final Report's objectives and noted that Part 1 of the Final Report is intended to provide FPTF background and process overview as well as the payments landscape and benefits of faster payments. Part 2 will include the proposals and final assessments as well as task force analysis of the challenges and opportunities related to achieving faster payments and its recommendations and suggested next steps.

Ian Schweid, Coconut Grove Bank and leader of the Next Steps Sub-Work Group, discussed the process for drafting Part 1. He noted that the Part 1 draft reflects FPTF input received during the May FPTF in-person meeting as well as commentary from the Challenges and Opportunities Work Group. Mr. Schweid stated that in order to represent different points of view, the Next Steps sub-work group used several data sources to draft Part 1.

Mr. Schweid described the sections of the Part 1 draft. The first section includes FPTF background and process details to provide a level set for audiences that may have varied levels of knowledge about the FPTF. It also provides a summary of drivers for change in the payment system and reasons for why the audience should support faster payments. The second section covers the payments landscape, including gaps and opportunities in current systems, evolution of the payments market, and global lessons learned in implementations of faster payments. Finally, the section also describes the broader benefits of faster payments from the perspectives of various stakeholders.

Ms. Alter covered the Part 1 review and commentary timeline and noted that the Part 1 survey would be open until September 28. She indicated a revised Part 1 draft will be provided

---

[1] Nick Billman, Senior Counsel, Federal Reserve Bank of Kansas City, reminded those in attendance to participate in a manner consistent with Anti-Trust and other applicable laws.

to the FPTF by the end of October, after which the FPTF will vote using its Decision-Making Framework (DMF) on whether to approve the document for publication. Ms. Alter noted that although the DMF will be applied to Part 1 in 2016, the Next Steps sub-work group prefers to publish Part 1 in January 2017, in order to incorporate new payments data that may be available by year-end 2016.

Commentary Period Update

Connie Theien, Vice President, Federal Reserve Bank of Chicago, reviewed the FPTF commentary period's desired outcomes. She also discussed the commentary period's education phase, which provides a number of engagement points leading up to the release of the proposals and preliminary assessments to the task forces in October. These engagement points aim to prepare FPTF members to review and provide commentary on the proposals and assessments. The approach would educate FPTF members on the process, available tools, timeline, and information resources.

Ms. Theien indicated that planning for several key tactics is underway. Drop-in calls are planned to provide a high-level refresh on FPTF work products and processes. A second set of drop-in calls will provide tutorials on how to use Task Force Knowledge Central to find proposals and assessments, submit questions, and create dialogue with other FPTF members. These drop-in calls will also provide a walkthrough of the commentary period survey tool. In addition, eight educational webinars will be presented by subject matter experts on a variety of topics, and these webinars will be reviewed by an FPSC editorial board. Ms. Theien noted that members participating in the FPTF under an organizational agreement may invite colleagues to view the webinars. Finally, Task Force Knowledge Central will house a resource library with educational content, FPTF work products, and recordings of all drop-in calls and webinars.

Kassandra Quimby, Associate Director, Federal Reserve Board, discussed the commentary period's dialogue and commentary phase. She highlighted several tactics that will be employed to facilitate the commentary process, including optional segment calls, proposal drop-in calls, and an in-person meeting focused on the proposal assessments. Ms. Quimby indicated the proposals and assessments would reside on Task Force Knowledge Central and that FPTF members would be able to respond to the QIA assessments using a survey. She stated that FPTF members would have access to submitted commentary and that the survey would be broken into the following four categories: individual assessment feedback, solution enriching comments, challenges and opportunities comments, and overall feedback on the process and output. In response to a question, Ms. Theien stated that if a FPTF member is participating under an organizational agreement, they may share securely downloaded copies of the proposals and assessments within their organization. However, FPTF members may only provide one response through the survey tool.

Challenges and Opportunities Sub-Work Groups

Ms. Quimby discussed the Challenges and Opportunities Work Group efforts, specifically its five Sub-Work Group (SWG) efforts. She noted the SWGs are nearing completion of phase 1, where they focused on the foundational work of identifying challenges and opportunities based on current knowledge of the U.S. payments landscape. Ms. Quimby indicated phase 2 will include identification by the Next Steps SWG of any challenges and opportunities that may fall outside those the SWGs defined in phase 1. The FPTF will be updated on both phase 1 and phase 2 at the November in-person meeting. Ms. Quimby noted phase 3 involves SWG work towards final recommendations and next steps, and phase 4 will end with submission of the final Part 2 deliverable to the FPTF for a vote to publish using the

DMF. As with other task force work to-date, Ms. Quimby noted that collaboration will be critical to producing the final report and reviewed several interaction points available for both the SWGs and broader FPTF.

Close

Mr. Rodriguez closed the meeting by noting the following upcoming call and in-person meeting:

- • November 16-18: FPTF in-person meeting
- • December 14: FPTF teleconference

The November in-person FPTF meeting will focus on reviewing the proposals and assessments. Mr. Rodriguez stated there will be a reception with the Secure Payments Task Force (SPTF) on November 15, followed by a joint meeting with the SPTF on November 16. The remaining days will be focused on FPTF activities. Planning is underway for in-person FPTF and Challenges and Opportunities Work Group meetings during the first quarter of 2017.

Mr. Rodriguez closed the call by thanking FPTF members in advance for their continued commitment to delivering on task force work.