Faster Payments Task Force
Chicago, Illinois
September 21-22, 2015 Meeting Summary

Welcome and Task Force Progress Report[1]

Sean Rodriguez, Faster Payments Strategy Leader, opened the meeting by noting that the task force had accomplished a great deal in a short period of time. Since May, the task force worked to develop criteria that will be used to evaluate potential faster payments approaches, developed a decision-making framework, issued a glossary of terms, and made progress on defining contents of the final work product.

Task Force Final Work Product

Mr. Rodriguez noted that, in June, most task force members supported developing a report with recommendation(s) for faster payments approach(es). Mr. Rodriguez also discussed the concerns raised at a recent meeting by Steering Committee members that proposers may not be willing to submit proposals for evaluation by a 300-person task force. Instead, the Steering Committee suggested an alternative assessment process in which a qualified independent assessment (QIA) team would review and evaluate solution proposals followed by task force review and comment of the QIA. The proposals and final results of the assessment process would be published, along with a report of strategic issues or gaps to be addressed for successful implementation and adoption of faster payments approaches.

Mr. Rodriguez moderated a panel of five Steering Committee members[2] that discussed the Steering Committee's thinking on the final work product. A Steering Committee member indicated that the QIA team will provide a structured, consistent, and unbiased approach to assessing solution proposals. A member also emphasized the value of qualitatively assessing solution proposals, rather than relying solely on quantitative assessments. Another member noted that it is important that the process include a way for components of solutions to work together to develop complete solutions. A member emphasized that proposers would have opportunities to withdraw proposals. Finally, several Steering Committee members opined that the revised process would lead to a better outcome than the prior one.

Task force members participated in a breakout session to discuss the revised final work product. Task force members generally supported the revised process. Task force members underscored that it was important that the QIA team structure be well designed and that the selection process be fair and representative. Task force members also noted that minimum viable criteria would be helpful as part of the QIA. Feedback from the sessions will be incorporated into a future iteration of the final work product plan.

Proposal Assessment Architecture

Kylie Stewart, Financial Services Project Leader, Federal Reserve Board, provided an overview of a proposed process for developing and submitting solution proposals. Proposers

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[1] John Yanish, Vice President, Federal Reserve Bank of Minneapolis, reminded those in attendance to participate in a manner consistent with antitrust and other applicable laws.
[2] The panelists included Edward Mundt, Tom Rea, Jim Reuter, Susan Weinstock, and Ryan Zagone.

would need to complete several steps, including submitting pre-proposals, forming proposal work groups, developing full proposals within self-nominated work groups, and submitting full proposals to the QIA team to be assessed. Ms. Stewart noted that the task force would need to develop a component proposal template, a proposal template, proposal work group guidelines, and assessment processes to support the proposal process. In response to a question, Ms. Stewart noted that a full proposal would need to describe a solution from end to end. In response to another question, Ms. Stewart explained that work group composition would be at the proposer's discretion.

Task force members discussed the proposal assessment architecture at their tables. Topics included whether there were any gaps in the overall process, whether there were any gaps in the step for creating pre-proposals, and whether any additional steps were needed to help the proposal work groups form and develop their full solutions. Feedback from the discussions will be incorporated into a future iteration of the proposal assessment architecture.

Introduction to the Capability Showcase

Dan Gonzalez, Vice President, Federal Reserve Bank of Chicago, described a proposal for establishing a forum where providers could showcase capabilities that could support faster payment solutions. Mr. Gonzalez polled the task force to gather feedback on whether and how to pursue such a showcase. A significant number of task force members indicated that they would be interested in the showcase. Most task force members felt that presentations should be 15 to 30 minutes long. The majority of task force members believed that anyone—not just task force members—should be allowed to showcase a capability. Task force members generally felt that in-person presentations would be better than virtual presentations.

Task Force and Broader Stakeholder Engagement Planning

Connie Theien, Vice President, Federal Reserve Bank of Chicago, provided an overview of planning efforts underway for facilitating interaction with task force members and broader stakeholder communities. Ms. Theien noted that it was important to maintain diverse and active task force membership, as well as to design effective interaction and input processes and tools. She reviewed the expectations for active task force members. Ms. Theien also indicated that developing awareness and buy-in from the broader community was a central objective.

Task force members discussed ways to maintain task force engagement and to engage broader stakeholder communities at their tables. Feedback from the discussions will be incorporated into a future iteration of the engagement plan.

Glossary of Terms

Mr. Rodriguez announced that a glossary of high-priority terms had been posted on the FedPaymentsImprovement.org web site. Terms were sourced from Steering Committee members, task force members, industry glossaries, and key project deliverables. The glossary will be a living document and will continue to evolve as feedback is received from the task force and the community.

Effectiveness Criteria

Ken Isaacson, Faster Payments Strategist, reviewed feedback on Draft 2 of the Effectiveness Criteria. He indicated that feedback came from a variety of sources, including surveys, meeting input, and work groups focused on legal criteria and security criteria. Mr. Isaacson explained that the Steering Committee classified each criterion as green, yellow, or red. Green criteria are being revised in the near term to address minor comments and will be included in Draft 3. Red criteria need more time to address and will be included in Draft 4.

Task force members participated in breakout sessions to discuss the "sticky issues," including criteria related costs and economic efficiency, credit push versus debit pull, governance, and the effectiveness scale for speed. Feedback from the sessions will be incorporated into Draft 4 of the Effectiveness Criteria.

Secure Payments Task Force Update

Barb Pacheco, Senior Vice President, Federal Reserve Bank of Kansas City, provided an update on the Secure Payments Task Force. Ms. Pacheco emphasized that the mission of the Secure Payments Task Force is broader than advising the security component of the Faster Payments Effectiveness Criteria. At the August 25-26 Secure Payments Task Force meeting, task force members developed success statements, discussed areas of focus and potential work groups, and developed a list of ideas for advising the Federal Reserve on payment security matters. Task force members also participated in breakout sessions to discuss the security criteria. Ms. Pacheco also announced that Todd Aadland, Senior Vice President, Federal Reserve Bank of Chicago, had been selected as Secure Payments Strategy Leader.

Closing

Mr. Rodriguez polled task force members for feedback on the meeting. Most task force members strongly agreed or agreed that they were given the opportunity to share their perspectives, the topics covered were relevant to advancing the faster payments initiative, and the meeting was productive and valuable. Mr. Rodriguez noted that there were several phone calls scheduled through the end of the year, as well as a Steering Committee meeting in November.