



NATIONAL FLOOD INSURANCE PROGRAM

Bureau and Statistical Agent

W-02025

MEMORANDUM TO: Write Your Own (WYO) Principal Coordinators and
NFIP Servicing Agent

FROM: WYO Clearinghouse

DATE: April 5, 2002

SUBJECT: Accounting Training Assistance Bulletin (ATAB) No. 2002-1
Cash Management Procedures Update

As the result of an audit on the National Flood Insurance Program's Cash Management Procedures, the FEMA Inspector General (IG) has recommended a change in the reporting of WYO Companies' premium funds to the NFIP's account.

Currently, the Cash Management Procedures require WYO Companies to submit excess funds through the Automated Clearinghouse (ACH) mechanism to FEMA. Effective October 1, 2002, the Cash Management Procedures will require WYO Companies to submit excess funds exceeding \$100,000 via wire transfer instead of ACH.

This procedural change may require WYO Companies to transfer excess funds more frequently than once a week. It is FEMA's understanding that wire transfers may be assessed an additional cost by your banking institution. Please negotiate with your banking institution to obtain the best possible per-transaction cost.

WYO Companies should continue to submit excess funds of \$100,000 or less via the ACH mechanism.

Thank you for your cooperation. Please contact your Program Coordinator if you have any questions.

cc: Vendors, IBHS, WYO Standards, FIPNC, WYO Marketing Committee, Government Technical Representative

Suggested Routing: Accounting

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