In considering this proposal, the Council has consulted with several Federal agencies and some recipients subject to the Circular. However, OMB and the Council are interested in soliciting comments from the broader grants community, learning how pooled and grant-by-grant payment systems affect Federal agencies and recipients, as well as what specific problems or benefits are created for recipients under the two systems.

This proposal will not affect the policy recently adopted by the Council that each civilian agency permit recipients the option of using one of two governmentwide payment systems, the Automated Standard Application for Payments (ASAP) system managed by the Department of the Treasury, and the Payment Management System (PMS) operated by the Department of Health and Human Services (HHS). Both of these systems have the ability to track either pooled or award-by-award payment requests.

The Pooled Payment System

Under a pooled payment process, the recipient estimates the aggregate amount of cash that it will need for all its Federal awards from each awarding agency and requests a draw in that amount. The draw is then allocated among all the awards based on a formula. When recipients report expenditures, the allocation is adjusted to the actual reported expenditures.

The Council found that two major agencies currently using the pooling method—HHS and the National Science Foundation—believe it provides a more efficient and customer-friendly method of drawing cash for grant purposes. Recipients report individual cash expenditures for each grant via a financial report such as the Standard Form (SF) 269 (Financial Status Report) or SF–272 (Report of Federal Cash Transactions). Many recipients have expressed an inability to accurately determine cash needs on a grant-by-grant basis at the time of draw. Thus, accurate and timely reporting is essential to the success of any pooling method. For this reason, some agencies believe that a transition from grant-by-grant to pooled payments for their awards must be accompanied by monthly reporting of actual expenditures, in an electronic format, rather than the paper-based quarterly reporting that is currently required by agencies using pooled payment systems.

Request for Comment

OMB and the Council seek comments from both recipients and Federal agencies on the merits of pooled payment systems and grant-by-grant payment systems, as well as whether recipients should have this option.

Specifically, commenters are asked to respond to the following questions:

1. Would it be worth it to recipients if they were allowed to make pooled payment requests only in exchange for a requirement to electronically report their actual costs on a monthly basis? (Section 52(a)(2)(iv) of the Circular authorizes Federal agencies to require monthly submission of the SF–272 from recipients that receive advances of $1 million or more annually.)

2. Should the Circular include a minimum number of awards and/or dollars below which the pooled payment option is not be offered? That is, recipients that only get a few awards, or for only small amounts, would not be offered the option to make pooled payment requests.

3. How might a pool payment system impact the Federal agencies’ abilities to monitor the financial performance of recipients, and thus determine program compliance?

4. Should recipients be permitted to determine whether they receive advances on a pooled or grant-by-grant basis, or should Federal agencies continue to make that determination?

Joshua Gotbaum,
Executive Associate Director and Controller.
[FR Doc. 00–10738 Filed 4–28–00; 8:45 am]

PENSION BENEFIT GUARANTY CORPORATION

Privacy Act of 1974; System of Records

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Notice of a new system of records—PBGC–13, Debt Collection—PBGC.

SUMMARY: The Pension Benefit Guaranty Corporation proposes to establish a new system of records maintained pursuant to the Privacy Act of 1974, as amended. The new system of records, PBGC–13, Debt Collection—PBGC, will be maintained to collect debts owed to PBGC by various individuals. A routine use will permit disclosure of records to the United States Department of the Treasury for debt collection pursuant to the Debt Collection Improvement Act of 1996.

DATES: Comments on the new system of records must be received on or before May 31, 2000. The new system of records will become effective June 15, 2000, without further notice, unless comments result in a contrary determination and a notice is published to that effect.

ADDRESSES: Comments may be mailed to the Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005–4026, or delivered to Suite 340 at the above address. Comments also may be sent by Internet e-mail to reg.comments@pbgc.gov. Comments will be available for public inspection at the PBGC’s Communications and Public Affairs Department, Suite 240.

FOR FURTHER INFORMATION CONTACT: Holli Beckerman Jaffe, Attorney,
Pension Benefit Guaranty Corporation, Office of the General Counsel, 1200 K Street, NW., Washington, DC 20005–4026; 202–326–4123. (For TTY/TDD users, call the Federal relay service toll-free at 1–800–877–8339 and ask to be connected to 202–326–4024.)

SUPPLEMENTARY INFORMATION: The PBGC proposes to establish a new debt collection system of records entitled PBGC–13. Debt Collection, pursuant to the Privacy Act of 1974, as amended. The new system of records will be maintained to collect debts owed to PBGC by various individuals. A routine use will permit disclosure of certain information about debtors and delinquent debt to the Department of Treasury (Treasury) to facilitate fulfilling the PBGC’s compliance with the transfer and disclosure provisions of the Debt Collection Improvement Act of 1996 (DCIA), 31 U.S.C. 3711(e) & (g). General Routine Uses G1 and G4 through G8, from PBGC’s Prefatory Statement of General Routine Uses, last published at 60 FR 57462, 57463–57464 (1995), will also apply to records maintained in PBGC–13.

Section 3711(g) of DCIA requires Federal agencies to transfer any non-tax debt that is over 180 days delinquent to the Department of Treasury for debt collection action. This centralized collection of government-wide debt is called “cross-servicing.” Under section 3711(g), Treasury will use all appropriate debt collection tools to collect the debt, including referral to a designated debt collection center or private collection agency, disclosure to a consumer reporting agency, and administrative or tax refund offset.

Section 3711(e) of DCIA requires agencies to disclose information about a debt to a consumer reporting agency. Under cross-servicing, Treasury is authorized to disclose debts to consumer reporting agencies and will do so if the creditor agency has not done so. The PBGC intends, in most cases, to comply with DCIA’s requirements to disclose debts to consumer reporting agencies by transferring the debt to Treasury for cross-servicing.

Issued in Washington, DC this 26 day of April, 2000.

David Strauss,
Executive Director, Pension Benefit Guaranty Corporation.

PBGC–13

SYSTEM NAME:
Debt Collection—PBGC.

SECURITY CLASSIFICATION:
Not applicable.

SYSTEM LOCATION:
Pension Benefit Guaranty Corporation, 1200 K Street NW., Washington, DC 20005–4026 and/or field benefit administrator, plan administrator, and paying agent worksites.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:
Anyone who may owe a debt to the PBGC, including but not limited to: Employees of the PBGC; individuals who are consultants and vendors to the PBGC; participants and beneficiaries in terminating and terminated pension plans covered by Title IV of the Employee Retirement Income Security Act of 1974, as amended (ERISA), and individuals who fraudulently received benefit payments from PBGC.

CATEGORIES OF RECORDS IN THE SYSTEM:
Names; addresses; social security numbers; taxpayer identification numbers; employer identification number; social security number; plan number; and name of debtor, plan, plan sponsor, plan administrator, participant or beneficiary.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:
Records are maintained in paper and electronic form.

RETRIEVABILITY:
Records are indexed by any one or more of the following: employer identification number; social security number; plan number; and name of debtor, plan, plan sponsor, plan administrator, participant or beneficiary.

SAFE GUARDS:
Paper records are kept in file folders in areas of restricted access that are locked after office hours. Electronic records are stored on computer networks and protected by assigning user identification numbers to individuals needing access to the records and by passwords set by authorized users that must be changed periodically.

RETENTION AND DISPOSAL:
Records relating to the debts of consultants and vendors are destroyed 6 years and 3 months after the date of the voucher.

Records relating to debts of PBGC employees involving payroll, leave, attendance, and travel are maintained for various periods of time, as provided in National Archives and Records Administration General Records Schedules 2 and 9.

Records relating to debts of participants and beneficiaries in terminating and terminated pension plans covered by Title IV of ERISA are transferred to the Washington National Federal Records Center 6 months after either the final payment to a participant and/or beneficiary, or the PBGC’s final determination that a participant or beneficiary is not entitled to any benefits, and are destroyed 7 years after such payment or determination.

Records relating to debts of other individuals are maintained until their disposition is authorized by the National Archives and Records Administration.

SYSTEM MANAGER(S) AND ADDRESS:
Director, Financial Operations Department, Pension Benefit Guaranty Corporation.
Postal Service's exposure to meter fraud, security, thereby greatly reducing the service will offer enhanced levels of completion of this phase all meters in which is the retirement of manually herewith proposed for the second phase, of mechanical postage meters. A plan is the marketplace with the decertification remove insecure postage meters from completed the first phase of a plan to misuse. Postal revenues were proven to postage meters because of identified SUPPLEMENTARY INFORMATION: DATES: ACTION: Postal Service Retirement Plan for Manually Set Postage Meters AGENCY: Postal Service. SUMMARY: The Postal Service recently completed the first phase of a plan to remove insecure postage meters from the marketplace with the decertification of mechanical postage meters. A plan is herewith proposed for the second phase, which is the retirement of manually reset electronic meters. Upon completion of this phase all meters in service will offer enhanced levels of security, thereby greatly reducing the Postal Service's exposure to meter fraud, misuse, and loss of revenue. All meter manufacturers were notified of this policy and are complying. DATES: Comments must be received on or before June 15, 2000. ADDRESSES: Written comments should be mailed or delivered to the Manager, Postage Technology Management, U.S. Postal Service, Room 8430, 475 L'Enfant Plaza SW, Washington DC 20260–2444. Copies of all written comments will be available at the above address for inspection and photocopying between 9 a.m. and 4 p.m. Monday through Friday. FOR FURTHER INFORMATION CONTACT: Nicholas S. Stankosky, (202) 268–5311. SUPPLEMENTARY INFORMATION: In 1996 the Postal Service, in cooperation with all authorized postage meter manufacturers, began a phase-out, or decertification, of all mechanical postage meters because of identified cases of indiscernible tampering and misuse. Postal revenues were proven to be at serious risk. With the recent completion of this initial effort, 776,000 mechanical meters have been withdrawn from service. Recent advances in postage meter technology offer high levels of security, operational reliability, and flexibility for meter users. As a result, the Postal Service is addressing the next category of meter insecurity, namely electronic meters that are manually set by postal employees. Of the current total installed population of 1,587,000 meters, over 92 percent are remotely set through telephone access to a manufacturer's setting center. Customers have recognized the advantages of remote setting, and as a result the marketplace has moved in a positive direction. The remaining 145,000 manually set electronic meters are to be retired and no longer authorized for use as postage evidencing devices. It is the Postal Service's intent to make this an orderly process minimizing impacts on meter users. A schedule has been devised that gives meter users ample time to make timely and intelligent decisions on replacement meters. The Postal Service proposed plan is as follows: 1. Effective February 1, 2000, new placements of manually reset electronic postage meters ceased. The edict applies to new customers as well as existing meter users. All meter manufacturers were notified of this policy and are complying. 2. Meters must be withdrawn at the expiration of a user's lease, with one exception. The Postal Service will allow a lease extension up to December 31, 2001, for any lease which expires during calendar year 2000. No other lease extensions are permitted by the Postal Service. Manufacturers or users cannot avoid meter retirement by the manipulation of leases. 3. Some users currently have multiple-year leases which expire after June 30, 2001. Any meter covered under such a lease may be used until the lease expires. 4. All retired meters must be withdrawn from active service records immediately upon lease expiration. Manufacturers must process PS Form 3601–C, Postage Meter Activity Report, to withdraw the meter effective the lease expiration date. 5. Retired meters must be physically returned to the manufacturer within 30 business days after lease expiration. The use of a retired meter in the time period between the expiration date and when the meter is returned to the manufacturer may result in the cancellation of the user’s meter license. 6. Official notification to users explaining this action will be sent directly by the Manager, Postage Technology Management, Postal Service Headquarters. No other correspondence will be considered to be official. 7. Any manufacturer correspondence to these meter users must be provided to and reviewed by the Manager, Postage Technology Management prior to distribution. 8. Manufacturers will provide the Postal Service with a complete listing of lease expiration dates including those extended under item 2 above. 9. The meters affected by this rule are: Ascom Hasler 1441 1446 SM1441 SM1446 16410 16410TMS 16413 16463 SM16410 SM16413 SM16463 17563 SM17563 741 SM741 7410 7413 SM7410 SM7413 7560 7563 SM7560 SM7563 Neopost 9212 9212G 9248 9248G 9252 9252G 9257 9257G 9258 9258G 9252U 9257U 9258U 9258UG 9267 9268 9268G Francotyp-Postalia 7000 7100 7200 Pitney Bowes 6501 6502 6513 B901