

## Reconciliation Technical Webinar, August 4 - Transcript

>> For everyone on the call right now this is Chris with the ace business office. I'm going to give it another second or two for more people to dial in. >>

>> We are going to go ahead and get started. If anyone is here who is wanting to dial in to the trade call we are doing something a little different today. Over the next week or two we are going to take some of these 2 PM sessions and focus on a specific piece of the functionality that is expected to go out in October. Our purpose for this is to give an opportunity or all of the software developers and programmers to ask any sort of technical questions and discuss through any issues you may have questions or comments or concerns -- that would give us all plenty of time to look into those issues and address them before October rights. For today we are going to be focusing on reconciliation and we have Angelina Leyte on the line who is our capability owner for the reconciliation functionality and we will have two more of these technical review sessions. We will have one on August 9 at technical review sessions. We will have one on August 9 at 2:30 PM to discuss drawback and then on August 16 at 2:00 p.m. to discuss degradation. In addition to these we are going to have separate webinars to focus specifically on policy with the business side of it and have our policy office to present on those and we will be having one on the 11th for drawback, on the 12th for reconciliation, the 16th for protest and the 17th for liquidation. As a reminder we do have everyone on the line with winds you to. -- What's your question has been asked. With that said I'm going to turn it over to get us started. Are you there?

Can anybody hear me?

Yes. I can hear you.

Okay. Thank you. Hello. Again my name is Lina and what I would like to do is get started. I'm going to talk a little bit about what was and is a very brief overview and that we can get started on the question as we have a very short time I would like to try to answer as many questions as I can. As you know things have changed so what we currently have today is the only thing transmittable in ADI -- ABI is the header information and the Association file does the originals and reconciled. All of the line item state of our changes made to value in all of the FTA changes were done on an Excel spreadsheet and turned in on a hardcopy including the statements for the FTA for declarations and statements. All of that now is transmittable EDI in ace. There will be no hardcopies submitted so the entire line items data for value classification and a combination thereof and all of the SPA information which was submitted to CDP is now submitted EDI through eggs along with the reconciliation ace header for the reconciliation. With Don we did have changes on the application so the trade does not have to submit a letter to headquarters for that. The system has automatically put all of the import records to yes for reconciliation participation eligibility. The only thing the trade will have to do with the import record is retain a bond writer. Once they obtain a reconciliation bond writer and it gets attached to the account that makes them eligible for filing of the reconciliation for any issue. You don't have to tell us what flags you are going to do it will be open for all classifications. Another thing it has changed is the blankets an integral injury or individual flagging label no longer be doing a blanket flag for the trade. The trade will have to do an entry by entry flagging. I note they have the capability to do internal blankets flagging but if the importer goes through various brokers to submit their reconciliation entries or their underlined entries they will have to tell each of the brokers to do it if they want it up to the 11 digit

What has not changed is that the qualifications for submitting an entry for the Association file is they have to be flagged for the same issues that they will be reconciled with the same issue. The security code and bond number or period bond has to be the same for the underlying entry to whatever is on the file for the 09 entry and also the flagging will have to be the same. If it is only flag or value the reconciliation can only be reconciled for value. Other than that I guess I'm going to open it up for questions so we can start and you can let me know what you need to know.

Good afternoon.

Hello. Good afternoon.

Lina?

This is Jocelyn Porta. Our you?

I'm fine. Thank you.

Good. I'm glad to hear from you. Of course I have a question regarding the flagging and flags that are dropping off when we are filing [ Inaudible ] reconciliation I just did one today and again we are receiving the invalid rejection so I know our workaround solution was to file a 520 D but we by -- and it is growing and growing so is there a solution or resolution for something coming or pending? Please?

I know about the issue that is going on and I have somebody working on that to see what the cause is for that. We don't know what it is right now. We do know it is a hit and miss and is caused by the PSC files but we are just working on it right now so I don't have an answer for you.

Okay. The second question is regarding, and I know I have -- this is beating a dead horse but this is regarding the bond of the reconciliation bond writer for a certification. We reach out to our surety company and our plan participant has reached out to their surety company to obtain that reconciliation writer for ace certification and both bond companies are telling both us at the broker and the record that they are not aware of it, they don't know what to do. I am really at a loss on this as to what to tell them to do because you made it pretty clear in the email it is called a reconciliation bond writer or ace certification but the surety companies are responding that they are not familiar with that.

I am going to have to take that back because that was my understanding and I was told that the surety companies are to provide reconciliation bond writer. If that is not happened for anybody that is the big issue.

I don't know who else may be having that same issue but that was the latest information I obtained from the surety company this morning.

Okay. I will go ahead and take a look at that and contact you and see what the issue is. I was not aware that the surety company was doing that.

Thank you.

You're welcome.

This is Ashley. We have question through the webinar. Will it be in? -- >> Reconciliation is in cert now so we are updating -- to update to available. Recon is in ace cert today.

Thanks. I have another question in from Robert he says I've reviewed the Spak and it is a pretty major change to recon it will require massive changes to our reconciliation module. It is going to be tight to get all this done by October 31. Is there any wiggle room on the deadline?

Not to my knowledge. The deadline is firm for October 1. I am aware and I can appreciate that it is a lot more data. I said before that only maybe 20% of it was EDI transmittable and now it is 100% in ace and I am aware that there is a lot to go into on the line items data -- but the October 1 date is still firm.

Can you have? [ Inaudible ]

Yes.

How are you? Could CDP consider keeping EDS available and push in case the slots available for October 1 and we are protesting will have to do to migrate from the old to the new ace for reconciliation.

I can take that back at the last I heard is that they will shut it down on October 1 for APS reconciliation filing capabilities.

What would be the other option for the trade to do the reconciliation if the software is not ready for them, October 1?

That is the only option is to transmit it through ace.

I have question right behind hers, this is Jocelyn again. If the trade does not have the full capability to -- or is in the middle of testing or what ever then how -- is customs going to issue late file penalties for every reconciliation that is not filed on time?

We have not discussed if there is going to be a grace period for liquidated damages. That is something I could talk to policy on. It will be up to policy to decide that.

This is ace, I am on the call. This is ace Kennedy from OT policy the help desk and we will look into that and discuss it and get back with you as far as whether or not there will be a grace period.

Thank you so much.

We have discussed this over the phone I was wondering if you had an update on the specifics of with this new ace reconciliation the idea was that we would only provide to you the reconciliation values and not the original values but based on the layout it seems that you are expect think that we will submit to you all of the underlying entries recon value even if there is no change in which case we will be sending you the original entry and we are back to the issue that potentially there could be some discrepancies that we had before in ACS. I was wondering if you have any update on that issue that we discussed.

I do. Thank you. On that issue, the whole issue was that's we were telling the trade that you only need to provide to the state on the Association file if it was -- if there is no duty change, on the underlying entry not to submit any reconciled which would eventually be the same as the originals. I took that back in the answer is that all reconciled amounts have to be transmitted. We need to have the trade tell us what they are even if they are the same doing entry by entry.

Okay so, again, I guess we are back to potentially having some discrepancies if the underlying entry value that customs have does not coincide with what the broker values are in their system.

They would, because we are going to have ace reports specifically for reconciliation and those ace reports will give you the original values of those underlying entries.

If I am not mistaken if there are actions taken on the entry after the fact, for example, prep post entry processing, CBP was not planning on updating the entries after those happened --

Private First Class, for example they could be transmitted on and underlying flag to entry up until that flag entry is reconciled. Once that is reconciled you cannot process in on back it will be checked. There is a potential of it being filed after it has been reconciled.

That should be represented in the transmission?

I was bringing up the fact that if for whatever reason somebody else -- now you have the ability to do that through other brokers in the system does not keep the same value for whoever is doing the reconciliation for that importer the values may not coincide so again we are back to the issue of having potential issues of discrepancies -- they probably wouldn't coincide with the broker who initially did the entry summary, but they do have the capability to ask for ace reports on reconciliation and get those amounts even though a different broker filed the Private First Class. on that entry .

Again, I am not think the need for us to transmit the same [ Inaudible ] that you already have.

I understand that, but for our purposes we need the trade to tell us what those reconciled amount are.

Even if they are not reconciled?

[ Indiscernible - multiple speakers ]

They are reconciled, they are just not changed but they are reconciled. Once in underlined entry is flagged it is the intent that something could potentially be changed. If it is not changed then you can choose to do in aggregate no change if there is no change but if you are going to do an entry by entry you have to tell us what those changes are even though they are the same because it is an entry by entry. We are required to have the trade tell us that.

Okay.

Going to what you were talking about were there could be a discrepancy, if those ace report are not pulled and reviewed compared to what the worker has in their internal database, that potential miscalculation can be there even if you transmit entry summaries that have reconciled change duty because until you know what the actual originals are you won't know what you're reconciled are going to be if you are going to prorated or however you were going to do that. Those reports have to be asked for in order to know what those changes are, and especially now as you made a good point because another broker can file the --

I understand. I am saying is in the past if you had some discrepancy you would work on those and it makes sense. There was a change you want to spend the time reviewing those, but for those that have no change why do you want to cause a possibility of extra time for you and for the trade to go and review something that does not affect anything on your end? That is all of us trying to bring up. The plate was trying to minimize the effort, trying to just make the transmission of data that has changed for you because the other data, you have it. Doesn't make sense for us to create a monstrosity of the file, this is already going to be a monstrosity of the file because we are putting the item data in that message and extra data that you have will make this file even bigger. That is my point. It is up to you guys what you do with it, which is bringing that up.

Okay. Thanks.

This is Robert from eclipse consulting. I have a couple of questions. First question I have in certification to test it, we have to transmit entries so we can actually trust -- test the recon? Will not be test data for us to [ Indiscernible - multiple speakers ]

Rights. EDT Wilmont provide those flagged entries. I did talk to somebody at headquarters about this, it was brought up on one of the ace calls about maybe CBT going in and flagging existing entries. The script that we currently use in production for ACS, retroactively flagging, I believe I was told it might not work or does not work in cert. Again we have the issue of we don't know what you want us to flag for, which are

in there that are yours. What I did was brought up weeks ago on ace calls a couple of times that if you have sort -- cert -- ace cert and start flagging them for the various issues, combination thereof or standalone values, standalone classification and then use those as samples to transmit your 09 entry in ace cert we most likely, from what I am getting now, and I will confirm soon, is that we will not be able to do that for the trade.

The second question is I have a couple of clients that have very large entries and recon and now that we have to transmit the detail as well we still have a limitation on the format size of how much data we can send you some now my clients are going to get upset because when they were doing one transmission 41 recon they might have to do multiples and breakup the recon .

Okay, so we allow for the line item data to have 9999 lines.

Right. That's not the issue. The issue is the size of the into file that we can transmit to you. You will only accept the four meg file right now. We are having issues today that some of our entries are too large so we have to split up the shipment and do multiple entries. We are going to have the same issue now that we are sending more detail that it won't fit so we are going to have to break up the recon instead of 12 months to do six months at a time. They are not going to be too happy about that.

Okay. I don't know what to say about the size of what it will hold or not. I can take it back and see if that is ever going to increase.

It is going to be difficult to do the testing and certification for us because we prorate once the value changes, we prorate the duties all the way down to the entry level and to get that much data in the to test is going to be difficult for us. As a vendor.

What you are saying is you prorate the whole period and then break that up in several recon is going to be an issue?

That is going to be an issue, guess.

This is Scott from GMS. Have a question about the file size. How are you supposed to do multiple recon against one -- you would do multiple against different entries, that's what you say? Okay.

I get it, I just misheard. Do you have -- can you provide samples of what the message set should look like for entry by entry on whatever the aggregate so that we can compare?

That would be great.

Scott, thank you for bringing back up. Yes, I did. What we have, and it should be in the webinar, it should be a zip attachment, I believe, and what I did was we attached 48 examples or maybe a little more than 48 of every type of recon and we also -- I also attached samples of the 80 -- and what they have and then there are examples for aggregate no change and all the way through. Every single one of those are in there and I have examples of those -- you should all get that with the webinar.

It is on the left side. Okay. [ Indiscernible - multiple speakers ]

When was the webinar?

We are on the webinar.

The when you are on right now.

Okay. It is on the site. Okay.

Right. That should help a lot, I hope .

I've question. This is Jocelyn again and this is going back to with each of them of the speaking about the size limitation. Right now according to the guidelines of reconciliation can hold 9999 entries, not lines, so it does not really state how many lines. We are all probably under the same scenario where one entry can have up to 500 lines and in our case we have customers and participants to have humongous underlying entries with hundreds of lines so if the reconciliation can only hold 9999 entries and's each entry have 1000 lines, is there a way to determine when we hit that?

If you have one entry the house 1000 lines, argue reconciling the entire 1000 lines or only a few of those 1000 lines? Was just think you are reconciling the entire 1000 lines if other entries have the exact same format, for example like one of that first entry has chapter 72 and the second flag entry line one has that same chapter with the 10 digits, the way it is going to work on the line items data transmission is a little combine all of those into one line. The same to me? When we say 9900 -- you have all of those in their, but when it comes in it will do a combination thereof when it is displayed to us [ Indiscernible - multiple speakers ]

This is Celeste. I don't have it right in front of me, there is one of the records were we have to send the original line number from the original underlying entry.

That is correct [ Indiscernible - multiple speakers ] you are going to have all of the line items associated with those entries on the recon .

I was going to say that. It is record 52.

Okay.

That when you require the original line number so that implies that every line from the original entries have to be represented there.

If it is think reconcile.

You just that if you have an entry that has been flagged for value reconciliation you have to send every line on the entry whether or not you are making a change on it or not.

We were talking about the -- it was the Association file.

Now we're talking about the line item data [ Indiscernible - multiple speakers ]

The reality is, and I'm sorry to interrupt, but the reality is that the potential is there with the example you were giving that if you reconcile every single line you might create a few or fewer reconciled lines but you will still have to list all of the underlying entries that made up that one reconciled line.

Rights --

I'm confused. You are saying on the 52 records that we don't have to send every line on the entry, only the ones that were changed from the original underlying entry?

Correct. So I will just talk about the line item data by itself. We will put the notation file on hold for a minute. For the line items data, all that is required by the trade, and that is true in today's world, is only what is being changed. That is all that is required. If there -- if a flag entry summary only has five lines, as an example, and only one of them is being reconciled, can only that line number goes into the line items data. The other don't have to be reported. [ Indiscernible - multiple speakers ]

You are talking about the 52 records?

That is correct.

Even the 50 record so in the 15 record you are going to tell us what you want to reconcile so if you are only reconciling line on of that associated entry than you are not going to give me lines 234 -- --

You just said if you are doing a line by line and you are saying it is a no change, don't you have to report every line now? How would you know -- none of them are changing.

Then you don't report them. For example, you have to report them in the Association public is obviously the Association file is to close at [ Indiscernible - multiple speakers ]

What records are you referring to? Two the Association file is record 20 so record 20 is due for every single entry. If you are doing in aggregate you just give me the entry number and that is it. You don't give me the -- if you are doing entry by intrigue you give me all of the 20 records plus the duties, taxes and fees and reconciled them out. For the line items data, the groupings of records 50, that is only reportable changed data is required so I can have 9000 entries in my Association file, but out of that 9000 entries I might only reconcile one line item added each of those underlying entries in that line item is the only one that I am going to report in that grouping.

If there is no change your report the 20 with the entry number and the 50 sections are only the lines that are changed?

Correct.

Okay. That makes sense. [ Indiscernible - multiple speakers ]

You're using terminology we are not familiar with -- will two -- [ Indiscernible - multiple speakers ] cement what I was talking about earlier was the fact that the 21 is asking for the reconciliation duties and fees associated to those underlying entries and is so asking that we enter them all regardless of change or not. That is at the head of local. At the line level, they just want the changes so I was trying to -- the 21 should only be for the entries that have reconciliation change but they want them for all.

Rights.

It is a little bit different in that cents.

So the 20 group basically is all entries in the 50 grouping is just the changes?

Correct.

To add just a that we are clear the record 21, if it is intrigued by entry, it has to be transmitted for all of the associated entries regardless if there is a line item change or not. If it is entry by entry, the 21 record is required so you have to send in all the reconciled amount even though there is no duty difference [ Indiscernible - multiple speakers ]

You have documentation to specifically state that?

Yes.. --

I'm looking at it but it is not really clear.

Okay. Let me give you a page number.

You should start a separate page with each record not putting them in the middle of the page.

If you start with page [ Indiscernible - low volume ] what we did is broken as far as what the 50 records are and what is required depending on what you are flagging for. It is pages 45 through 48.

This is a matrix of what is required?

That right there gives you a more specific as to what is required in the 50 grouping.

What I'm saying is on the pages before but you have page 25 of -- you are starting the 21 record at the bottom of page 25 the continuing on the next page. What I'm saying is each page, each record should start its own page and you should specifically say in this record that the 21 record is only required entry by entry, it is not required for aggregate.

Okay. If we look those you are talking about the 21 record?

Yes.

Okay.

Says that on page 25 towards the bottom it will say if it is no change or if it is an aggregate method change in the 21 record is not required. If it is an entry by entry method change it is required. DC that on the bottom of page 25?

No.

I have made 12 -- made as well.

To have that as well.

What are you reading that?

[ Indiscernible - multiple speakers ] efficiency associated entry summary -- I am looking at the limit is posted on our website.

I don't see specifically exactly that wording. We changes to be exactly what you want and use words like entry by entry or aggregate because I do not see those words and there.

Those are in there, Scott.

Yes.

It is towards the bottom section of that page. We even coded you by the codes. [ Indiscernible - multiple speakers ]

I was looking at the wrong thing. Okay. Got it.

Does that help?

Yes. It helps but it needs to be more sexualized like you have record 20 and it needs a look more like the IG where you have records starting underneath the page and you tell exactly where it is used. It is hard to read it the way it is formatted.

Okay.

I am hoping that the examples also help out but I know what you are saying. That should be on the next page.

With the 50 records starting you page and explain what it is for. Don't keep putting it in the middle of previous sections than we have to start -- it is just not very clear when you do it that way.

Okay. Sure. Will take a look at that and see if we can maybe do some updates on the.

Mrs. Roberts with eclipse again. I have another question. When we are testing is there anybody we can contact directly because my client script takes for five days to get back to us. The context just for reconciliation testing?

I'm also a client Representative by the way and we are very bombarded with everything -- we are working on production issues as well as new clients and existing clients so I can I appreciate what you are saying is

We have this October date and to get it done between now and then is going to be very difficult.

What is going to happen and we have not talked about it much, but I am a client Representative and we had this need for the recon. The client reps are in the process right now of learning all of this as well. It would be best to contact your client Representative or email and if they have any issues they will send it to me and I will take a look at those. If we decide it would be done differently I will make sure you all know -- for now we have to do it so that each individual goes through their own client Representative and --

We do that today

-- we are on the Mexican border and we have a lot of trucks just waiting [ Indiscernible - multiple speakers ]

Here is the good things, and just so that we all know [ Inaudible ] we're not waiting for trucks to get through, we are not waiting for this or that to go through. You have 21 months to file a recon. There is plenty of time if it comes that rejected and you need help they will send it to me if they can't figure out which most likely they will be able to figure it out but we have time. There is no cargo waiting so there's

I guess the best thing to do is to tell our customers to try to do their recon as much as they can before October?

That would be great. That would be great if they can do that and then there will be less to worry about. I did a study on the recon and October is very heavy. If they want to file early, that would be great but come October 1 they will have to file --

What happens if the warehouse entries of a couple of weeks ago were neither one of them report, what we do?

Like I said there is no cargo waiting so if we have to take a day or two to fix something we have that time. That is the blessing with recon. I don't think -- I should say the majority, 99.9% of the trade doesn't wait until the day before the 21st month to file the recon. Usually file it months prior a minimum of three months prior if not more. I think with recon we could be a little more not nervous, if you will if it doesn't work I'm not going to get my [ Inaudible ].

Okay.

Is that you have 21 months to file the recon from the payment dates? Is that what it is?

21 months from -- from the earliest entries summary date. You have 12 months from the earliest important date if it is an FTA.

Okay. Anyone that is coming up on this deadline should be filing them as soon as they can otherwise they have to wait until we come up with a new application and they might be in trouble so we need to tell them that they need to file may be a couple months ahead of time otherwise it is going to be a problem.

[ Indiscernible - multiple speakers ] I think we have good product but [ Indiscernible - multiple speakers ] potentially like Fanny says if the software vendors are not ready with the software and we tell them don't wait until the 12th month to file, please do it ahead of time in ACS and give yourself a buffer so that if it is not available October 1 you will be able to file the new one starting when it is ready.

Writes, and there is a lot less transmission if you go ACS because we're still going to have the paper option.

Right.

This is met with Roanoke. There was a question at the beginning of the call about the bond and the writer. One of the problems we are facing is a blonde -- bind table and certification OSHA looks like it is several years ago plus any interim updates are testing that has been done so that users may need to do in importer bond query to find out what the bond is that shows active in the search system because it may not be the bond active in the production environment.

[ Indiscernible - multiple speakers ]

Some are able to e-file those into the cert environment but it is cumbersome on our end to do it.

Me ask you this. The surety companies that those recon bond writers for you in cert?

We are the surety company so we can e-file that in a certain environment but it is cumbersome in some regards because the surety might be an older surety, the bond number might be an older bond.

Okay. Is there any way that customs can update cert with the bond information now?

I don't know if they could do it and the scripts -- approved yet they have to do it one by one so I don't know.

Was think it might be easier if they could do that -- I have just been told we're going to look into that.

A lot of our testing a couple of years ago for E bond we were filing new Bonta terminating Bonta doing a lot of testing so it was a lot of dummy bond data and that environment.

Okay.

We are going to be looking into that.

Okay.

A good point. Thank you.

Does have a question regarding the migration of data from ACS to face, how is this plans from a CBP perspective?

Come October 1 all the data that is in ACS that have entries that are flagged in ACS but not yet reconciled will be migrated to face. All of the 09 entries that have not yet liquidated will be migrated to ace come October 1 so that we can process those entries. Come October 1 now recon entries will be able to transmit in ACS. They were all --

Okay, and is there actually a possibility to verify this migration from a software perspective?

That is internal .

That is internal?

CBP will do the migration internally.

Yes, but from a software perspective, we are using the data we have in our databases, is it just the flag you are turning over or is there also data manipulation going on that we might run into issues when [ Indiscernible - low volume ]

You mean sending in a reconciled flag ACS entry into and ace recon entry?

Yes.

There should have any problems after October 1. Currently ACS will take ace and ACS into the 09 entries. The same thing will happen October 1 for ace recon entries. Be able to take both ACS and a flag entries.

There should be no change to the trade innocence. Just all be able to take under the Association file in an ace recon entry.

Okay. Thank you.

[ Indiscernible - multiple speakers ]

Thank you. Just wanted to ask a question about's underlined entries flagging, for those that are currently under blanket flag what would happen -- what is going to be -- if we override that and we're sending in the ace entries now a recon flag manually over the ace entry transmission will -- and let's say they are different will that be overridden or will that -- will you just ignore it?

The way it works today -- only blanket flag as an example but they don't choose the blanket flag value so the way it works today is if you have both and you are going to do a combination there of thing you have to do entry by entry flagging because the blanket flagging or the entry by entry flag will erase the blanket flagging.

You're saying the underlying entry transmission whatever flag you put it in the injury will override the blanket flagging?

That is what currently happens today in ACS. For ace are you talking about an entry that has been migrated to ace that already has of flagging and you --

Let's say it is an ace entry right now the blanket is only for ACS so the new entry --

That is October 1.

Last blanket flagging will be a transmission of September 30 [ Indiscernible - multiple speakers ]

That will mean you are using the blanket flagging for ace entries today.

Writes, because the link it flagging is stored in ACS today.

It is affecting ace interest as of a long time ago.

You are correct on that.

We have the reporter that has the blankets all the way to the end of the year and here I am on today, August, and I sent a value with a flag my underlying entry, my ace entry that is not the same as the blanket flagging that my importer has submitted the blanket -- the entry will override it?

If the flagging exists today then that -- if you retransmit you cannot change the flag.

[ Indiscernible - multiple speakers ] if it goes all the way until October could we recommend our clients to start flagging already through the entry today or is that a good idea or a bad idea? That is all I'm trying to understand.

If they are blanket flagging today and let's say it did flag for value because this went to a blanket filing and come September 15 you retransmit the entry essay should I just file -- I am going to flag it for something different it will take whatever you transmit the last time.

If I am doing a new entry, remember the flagging is by importer, it is not by entry, it is my importer so I am sending a new entry altogether today for imported ABC and ABC says it is for value. -- From customs is for value. I am sitting in entry today for that importer but I am putting no value. What happened? Who overrides what? Or let's say I'm sending a combination or no value but I am doing value classification, I'm sending you a value classification. What happens to my blankets?

If it is a blanket value, for example, by the importer record and you submit an entry but you actually manually puts a difference issue [ Indiscernible - multiple speakers ] so that issue is going to override the blankets.

Okay.

In today's world. It is your regardless of what it is and ace entry summary or ACS touch that is how it currently works today.

It is okay then to ask our client to start doing the flagging, sending the recon flags the date they wanted to [ Indiscernible - multiple speakers ] as an individual entry by entry submission.

Yes, they can do that at any time. They can do that today if they want to. If they want to get you said that is fine.

I wasn't sure if that was what was the priority because the imported flagging from the importer says I on this by value, I saw that customs would respect that blanket flagging over the entries submitted. That is what I thought.

Unfortunately there is an issue, and I think ace, if you are so on the phone, it came from headquarters and I think it went over with the others when there was a blanket and they manually flags the company different.

[ Indiscernible - low volume ] cynic I believe I am correct on that.

I'm sorry. I have it on its. That is correct. Then importer is blanket flagging in the file or changes the flag then it override the blanket flag.

Okay. Thank you.

You're welcome. [ Indiscernible - multiple speakers ]

Is there a list somewhere? Is customs going to be notifying the importers that have this link it flagging that this feature is turned off as of October 1?

I bet you there are a lot of importers that don't know that.

That is a good point.

The external reconciliation has the guide and it should be being sent out to the trade to know what the changes are. Also we are working on a federal registered notice that will supersede the existing ones today. We are going to issue on federal register notice that will supersede the ones that are posted today in our CBT website and blanket flagging is one of the things we are telling the trade has changed.

Okay. Thank you. I keep getting asked from a number of our customers what is difference. Basically a lot of it is really different on how we are sending the data and not necessarily on differences in how they have to prepare the data. That is definitely one of those the people are going to have to know about.

That is correct and you made a good point that as far as the way the data is being prepared or how it is supposed to be presented to CBP is the same [ Inaudible ] the only difference is, and it is a big difference is that it is all transmittable now.

I'm sorry. Before you didn't have to send the original items that made up that recon line. That is another difference really.

[ Indiscernible - multiple speakers ]

Yes.

The 52 record is something new. In the old way they didn't have to tell us what line was affected. The reason why do Shlomo talk a little bit about that. That is a good point. Record 52, we did it for a couple of reasons and two of the main reasons why we did this was that how is CBP supposed to verify that the data on the line item transmission is [ Inaudible ]

and it belongs to the associated entries that are being reconciled with in that 09 entry. One of the ways that we came up with is that they need to try to tell us what that line number is. The reason why I chose this is because I had gone out to a couple of importers and ask them to give me copies of their spreadsheets that used to prepare their items. One of those columns also indicates the line number that is being affected did so the import knows what that line number is. It is not you data to them. They have to know what that line is being reconciled for in order to group them in one of this classification. They already know what that information is. It is not new to them, but it is new, obviously, for them to give it to us. The second reason why I incorporated the record 52 is because we have to go back to the Census Bureau. They have to be able to extract that information from the recon. Currently today they do that through the CDs that are being submitted with the 09 CBT. We of like that and send it to census. Since we're going paperless we needed another record to send to the Census Bureau. The line number on the 52 record is what they're going to take for that entry substitute was extracted at the AE transaction on the entry summary was submitted and filed an substitute that line in those statistics so they get the correct data.

That is the purpose of the 52 record.

This is Jocelyn again. Have a couple of questions. One of those questions is back to what you are saying in the beginning

-- eligibility and no need to ID the issue. ACS those has always been a limit issues so is a stone to the same limitations?

It is limitation in a sense that if the importer is going to fly they will need at least one of the items outstanding there needs to be of -- or an administrative role. Those roles have not changed, those are saying the same. If an importer flags the classification they need to the one of those three issues is outstanding or don't flag for that. Our system will not prevent you from flagging that you have to know if you are going to you have to have one of those issues outstanding because at the time that you transmit your 09 I will ask you which one of those three is the one outstanding for the classification and then you will have to submit a purchase number or the summons number or the administrative ruling number. If I don't get one of those numbers the 09 will have rejects.

Okay. My second question is when we file reconciliations and we file them with payments via ACH sometimes we submit them with hardcopy checks to the various sports. In ace, because this is paperless now, everything that the mission of the recon, all payments with the -- must be made via ACH?

No. It is the same rules as any entry type. The only thing that will not have it in ace and you don't have it in ACH either is that the recon cannot be on TMS statement but any other method of payment is acceptable.

Okay, great.

Just the, thank you for bringing that up. There is a change in the statement so in ACS currently you have to have a standalone statements to take the reconciliation entry. In ace you can combine them with any other entry type. Do not have to have a standalone statements for a recon entry.

You can combine the payment with any other statements?

Correct. You can have entry text

--

I would now want to start doing that. There is enough to worry about. At the end of the day we can still submit electronically, obviously, the paperless recon but the payment can be ACH or hardcopy check with a letter to the ports and associated with the filed recon?

This is Scott. Have question. They put the recon on the statements, are you going to automatically combine it with other items on the same date?

Do you mean other entry types?

Yes. For example if you have a statement that you have print date of Friday and you are having to do your recon and you want to use that same print make and put it on the same statement, you can.

What if they don't want that? With it on a separate statement?

[ Indiscernible - multiple speakers ]

[ Inaudible ] or using importer statement.

They might have an importer statement coming out that same day.

Then you would have to choose client branch designated. That is how I control it now in ACS.

How does it work now in ACS?

Argues that to ensure that they don't commingle otherwise in ACS they would today actually if you don't take the steps to prevent them from combining, they would combine.

Okay so it is no change in the way it works now. That is all I'm asking.

There is a change in policy. Policy today states that you cannot combine a recon entry with other entry types on a statement so we took that off the plate and change the policy and now you can combine the.

The question is how did you prevent them from combining in ACS?

I'm not sure if there was an edit in the system. I don't think the users can control the. They putting something on a statement for the certain day the same as coming out every day with all sorts of entries on it. I am sure there is something done in the background to generate a separate statement. I don't think the file is controlled though.

Is anybody on the phone from the broker that does recon? How did they come out in the past? >> I think that they came out under the specific port code from the recon, whatever recon office it was, at least for of with the few that we have and it was always a different ports.

Right, okay. If you didn't file entries in that particular recon portable become a separate statement?

Correct.

My question is if that was a world that CBP had how with the filer, the CBP then had generated a separate statement and there is a way of filer be able to say a on a different statement.

My question is if you did that in the background now you are combining them with other entries that are on the same date for that statement. The filers may not want that. The filers may say can you go back to the way it was? That might be a problem.

Right. I believe you can do the branch code.

Offhand I don't remember, do branch cuts have to be set up in advance or with the client rapport can you just specify any branch code you want?

They would have to be set up by your client Representative. [ Indiscernible - multiple speakers ]

I'm sure that none of my customers have set that up in advance and I think that is going to be an issue for those filers the do not want to have these combined statements. I think you should take that back and say we need to put a flag in their this is we want that separate. Just because you allow it doesn't mean that is what they want.

They can choose now.

They can't choose. To have to go through a whole set up to choose.

If you call the client Representative in the call the client Representative and it turns on a switch and they get to choose what branch code they wants [ Indiscernible - multiple speakers ]

You don't have to coordinate the branch code, Scott, it is a switch on or off whether they use branch designators or not.

Okay so they would just turn that on and pick whatever branch you want to put that statement against. It is just more work. I don't know what you didn't like that. [ Indiscernible - multiple speakers ]

I have a question on getting statements ready in the test environment to state that they can be reconciled how do we get them into CBP so that they could be reconciled for testing?

Once they are submitted them we are going to have to do that. We will have to flip them and put them into be controlled so that they could be reconciled because if they are in the control you will be able to reconcile those. We are going to -- right now all we have is that trade just start slugging them so that we have them but they will have to be in CBP control in order for you to reconcile them.

I just have a question for everyone. Do you want to keep going until 330 or go ahead and stop? It is over 3:00 already.

I have a couple more question.

We will go a little bit further than.

Okay. Another difference that I noticed is that the interest, I don't see it unless I missed it can you talk about that?

Sagan? I'm sorry.

The interest calculation for the total use to include the interest amount and then it gave you a total that was owed to CBP.

The interest calculation will work the same as he did in ACS. In ACS if it was entry by intrigue you gave us the interest calculation by entry, each individual entry. If it wasn't aggregate you just gave us the total. -- They would be doing all of that. We will take a look at the calculations when we reviewed the 09 entry, but only at the time of liquidation will we calculate to make sure that the interest was calculated correctly. As far as the trade is concerned, it is still the same way. You will calculate the interest and submitted us if it is aggregated on the total. >>

I have another question. Earlier you mentioned reconciliation 9990 Nightline's, but did you really mean entries, because that is what the guidelines say 9999 entry.

We talked about the Association file or the line item data?

We're not talking line item data, we are talking Association file, reconciliation could hold 1999 underlying entries. Is that going to change?

At one point the trade wanted to increase that 9999 entries but our system is not able to take more than that. >> My other question is just so we are clear when we are filing entry by entry today in ACS rescinding the duties and fees and reconciled duties and fees on the change in that is going to -- we're talking Association that will remain the same in a's?

No. What changes is that you no longer have to give me the originals at all. You only have to give me the reconciled amount.

Okay. No originals. I didn't read that.

Note original duties in fees, only the reconciled on the Association.

That is correct.

And's --

Correct.

This Hispanic in. I am sorry. You mentioned that the amount owed to custom percent entry by entry. What I see in the field since the accounting class code for entry summary and then the estimated reconciliation revenue amount. Isn't that just the reconciliation value or revenue amounts?

Are we talking 21 records ?

I'm talking 21 record correct because they were talking about the interest in calculated the -- on your same reconciled revenue amount is what you consider the amount owed to customers?

Correct.

It depends on if we're talking about the 21 record. Give me a record and I will give it a title.

I'm trying to figure, remember in the old world we had in interest field itself in the spreadsheet. I had an interest that was a total across all of the reconciled lines, reconciliation line and then I had a total adjustment, a grand total adjustment and then I have my interest in an afterthought have in amounts due to U.S. Customs. The interest was across the whole reconciliation entry. Now you are telling me that is going to the same as before in the interest is calculated that same way and in the past I don't remember using as a vacancy of -- reconciliation value that we send to you on the original injury Association file any interest.

We did receive the interest on an entry by entering recon individual basis so if your system was set up so that you did on grand total and --

We had what was called increase refund indicator, we have aggregate so could you get me back to where that was? Such as with to make sure that I am mappings this properly.

Those are not here so we have is we have the recontact, for example see in one or Ca2 so we know that it is a value or is it is C2 that we know it is a change entry by entry or so forth. That determines what records are required for that 09 entry versus in the ACS we had if it is increase type I or two or three about the were three of them --

I understand that part. What I'm saying is in the past on the activity record we had the original texts estimated reconciliation tax this is per entry, per underlying entry and then we had a specific field called estimated reconciliation interest and we entered that value there. I don't see that in this new 21 record.

[ Indiscernible - multiple speakers ] we only have two records, 20 and 21. Three records from the ACS and combined them to to. Record 20 is a list of the associated entries and I think it has associated plus --

ACS I think the 21 record at all of these and other with a different record that had just the entrance. We combined all of the duties, Texas pocket fees and interest in just with a list of the underlying entry.

What they did is added code 044 for interest but it is only a little footnotes --

That is what I have not seen [ Indiscernible - multiple speakers ]

I see it. It doesn't really explain it well.

Exactly. I thought because when you were talking about revenue I thought that in the value and get the interests and map it up and send it to me that way.

This is on note to say if you go to number two on the 21 record it explains how the class codes are to be sent.

I knew about the class codes I just do not know the 44 for interest in this case.

Okay. Thank you guys.

You're welcome. >> To be have any more questions I have a question that was sent to me and I will read off the question answered in public. Says in the specs if you are doing a no change reconciliation it appears you only need to send the entry numbers that are not changed. Am I missing something quite if we are doing a no change or anything that is in a one or a and seven all I need is the recon header and the record. That is it. You still need to give me all the associated entries that are flagged for that period or the recon or however you want to group them but you don't need to send me any reconciled duties taxes or fees I don't with the record any of the 50 records. It is very limited data on the no change.

One must question, I hope. I'm sorry. We had requested that we could set up for recon some time ago. Are you still processing those? How is that process going to go I guess?

I am so setting up all the software vendors if I have not gotten view, please forgive me exit me another email. I was gone for today's a got 100 emails. Please forgive me if I miss an email. I have no problem being reminded. I welcome that and it helps.

No problem. I just wanted to know if it was okay to do that. Thank you.

No problem.

I do have my question. I don't have the answers I will read it out loud a so we're going to take if I could get the end there. The next question is -- the next question is [ Inaudible ] into clients or both? I don't have the answer to that but I will get an answer to make sure everyone gets the answer to the question.

Are there any more questions? I have one more question that came in, the question was are we going to be able to do line item flagging that was discussed at prior time? As of today there is no line item flagging. Divisive way we have incorporated in this development is because in order to have a line item flagging I need to have a line item degradation and we did not program for line item liquidation so we can't have line item flagging. It is not going away. The idea is still there and it will be talked about in post number four, I don't know how long that will take if it will be considered at later time but we do have it in our agenda. Not approved yet because like I said there are other factors that kick into that that would have to be developed as well in order for us to go at the line level, but it has not been taken out of the plate yet. It is still there.

While you are talking about flagging we have talked a couple of times before about doing retroactive flagging using a PSC. Is also off the table? Soon -- to monopoly off the table. It has been discussed but will not be approved anytime soon.

The answer for today is that they cannot be used for the flagged entries.

That would be a feature that may save the client reps a lot of work.

Unfortunately client reps can't flagged entries either so the flagging either has to come from and ADI transmission or scripting.

Are there any plans to do this reconciliation on the portal like the protest?

No. All of this is EBI. >> I got another question is as if you are not changing anything, why not file an aggregate?

If there is no change to Judy's taxes and fuses -- fees then you will file a no change recon. Like I said earlier -- there is a change to anything. If there is change to value that does require a change recon. Whether you file it aggregate or entry by entry is up to you. If there is a change in anything, any of the things that say there is no change in duty but there is in 9802 or classifications that require a change recon the only time you file a no change recon is if there is no change in anything, nothing.

I got another question that says [ Indiscernible - low volume ] -- as to using a set of reconciliation. We have not taken reconciliation off the plate yet as you know we have built for it so we will continue to use reconciliation. They're only have been talks about using the PFC for that but in the sense if you use that you are going back to entry by entry so you have to file each entry individually and we'll go back to getting thousands of checks which thousands of bills versus the reconciliation you get on Bill, on the that disturbing talked about. No time simple that be implemented even if it is implemented at all.

Anymore questions? >>

I may have missed something here. You mentioned earlier that you have posted a lot of documents regarding this webinar today.

Examples. Right.

They are on the website?

I was told that they are part of this webinar.

Okay. I think there is only, but correct me if I'm wrong.

I'm looking for it right now.

This is a's. If you are looking at the actual webinar raises questions at the top and underneath that is as documents is as August 4 recon webinar zip. DC that?

-- Do you see that?

[ Indiscernible - multiple speakers ]

I actually just dialed in. I'm not even on the webinar.

Go to the webinar and you should be able to find it there.

I hope you're able to get those because they are going to help you. I have so many examples on their digital of the records. I included the -- I included -- I think somebody had asked about the [ Inaudible ] and so forth in the responses does you will be able to see examples of each one of those.

What it make sense also have posted on the website?

I am going to look into that as well, but because this webinar was coming up and I just gathered all of those this week I wanted to make sure you guys have them here so I am going to do something to try to post those on the website as well.

They are on the webinar right now. Just on the webinar. >> Anymore questions?

This is Ashley. If you register for the webinar we can go ahead and send that out to all of the registrants attached to an email. If you are registered for this webinar you will also get the file later today if you were not able to access it in the documents file.

I'm sorry. Say that again please.

I said that if you have registered for today's webinar we will be sending that out as well in a follow-up email.

Okay. With to hurt had registered?

The you have [ Inaudible ] email?

I'm sorry.

Do you have [ Inaudible ] email?

Go ahead and email Frank and he will work with you.

Okay.

Thank you, Ashley.

Thank you very much and we can help you with working to try to get that file up on the web as well.

Perfect.

We are closing in on 3:30 and our webinar tool expires at 3:30 so we have time for maybe one last question if anyone has one must question. -- One last question. Thank you all very much for joining us today. We have recorded the webinar and we will post that on the website as well for any one who may not have been able to attend. As I said we will have a couple more of this coming up so I hope you have found this helpful. There were a lot of good questions. We sent out's [ Inaudible ] for the full schedule and we will send out reminders and send out reminders on the 2:00 PM calls as we get closer to future webinars.

Thank you. I appreciate it.

[ Indiscernible - multiple speakers ]

[ Event Concluded ]