GetSmart

The GSA SmartPay® Newsletter

Letter from the Director

Dear GetSmart Readers,

Sincere thanks for all you did to make the transition to GSA SmartPay® 2 such a success! It could not have happened without you. While my team and I recognize there are details associated with the changeover that remain to be resolved, the majority of GSA SmartPay® 2 participating agencies experienced an orderly and seamless transition to the new program. The value of this achievement – uninterrupted charge card support of your agency's mission – should not be underestimated. Purchase, travel, fleet and integrated charge card business across the government generated 100 million transactions worth $30 billion last fiscal year alone. That is quite a bit of mission support!

But as many of you realize, the transition is not an end in itself. It is a beginning. As covered in one of the articles in this edition of GetSmart, there is much more to the GSA SmartPay® program than the typical "plastic" (charge cards) and their related processes and data.

To start to get the word out on these additional products and services, we tried something new this past May -- a 1-day conference dubbed "Beyond Plastics." The idea was to provide Level 1 and 2 Agency/Organization Program Coordinators (A/OPCs) and other headquarters officials with information on other business solutions the GSA SmartPay® contractor banks offer, as well as charge card management products and services offered by other vendors.

These offerings addressed a wide array of beneficial capabilities, including: systems capable of monitoring agency spending patterns to better leverage charge card spending, single-use accounts, declining balance cards, enhanced authorization controls and advanced software products that assist in ferreting out questionable transactions for further scrutiny.

The transition therefore affords customer agencies and GSA's Office of Charge Card Management (OCCM) an opportunity to look at evolving mission support needs and explore how these new tools might help in improving transaction processing speed and cost effectiveness.

For example, the Department of State is deploying "payment cards" designed to more efficiently handle utility payments and other recurring payments for their many locations.

The Department of Commerce is working to deploy stored value cards for invitational travel, honorarium, and to reduce the use of convenience checks.

The Air Force is using cards to streamline the permanent change of duty station process. I congratulate these departments in moving out with these innovative initiatives. With your help, I know the application of GSA SmartPay® 2 products and services to help solve a wide range of agency mission support needs will continue to grow!

The date for our annual training conference is almost here. The excitement among my staff is palpable! We always look forward to getting together with you to share the latest trends in card management and to network on the many different aspects of the program. Within 3 business days of opening the registration website, the conference was sold out, with more than 5,400 people registered! Wow! Your dedication to continuously improving charge card management is an inspiration to me. Until next time, keep up the good work, and I hope to see you at the conference! - Dave

Share Your Innovative Ideas!

Email Us

Have you found innovative ways to improve your charge card program?

Do you have a success story to share regarding the use of new and innovative products?

We want to hear from you!

Please submit your success story (in 250 words or less) to Varuna Singh at varuna.singh@gsa.gov.

OCCM reserves the right to edit contributions for publication.

Program News

GSA SmartPay® Beyond Plastics Conference

The first ever Beyond Plastics Conference was held on May 12, 2009 at the Washington D.C. Convention Center. As a new innovative concept, the conference provided an overview of potential future GSA SmartPay® 2 charge card-related products, services, and solutions. Approximately 388 people attended the Conference, including 29 vendors. The conference offered attendees the opportunity to ask questions and learn about the new product, services, and technologies available in the charge card industry. Some of the products and services displayed included; cardless transaction processes, fraud prevention, biometric identity management, on demand identity intelligence, web based purchase management systems, and superior security systems. Beyond Plastics provided attendees the opportunity to enhance, learn, and grow the future of their charge card programs

After the conference, an online evaluation was conducted by the GSA Office of Charge Card Management (OCCM) which showed that overall, attendees were satisfied. 72% of all attendees said they were satisfied or very satisfied with the conference. Additionally, 90% of all respondents would plan to attend again and 75% of all respondents would recommend the Beyond Plastics Conference to a colleague.

The 11th Annual GSA SmartPay® Training Conference will be held in Phoenix, Arizona from July 28-30, 2009 at the Phoenix Convention Center. The conference will provide a wealth of information, including the opportunity to learn best practices for managing your program, and the time to network with your bank and brand representatives and colleagues. Due to the high registration number of approximately 5,400 attendees, conference registration is closed. If you didn't get a chance to register for this year's conference, keep an eye out for next year's conference, being held in Atlanta, GA August 10 – 12, 2010.

Bank Financial Update

The GSA Office of Charge Card Management (OCCM) continues to monitor the situation in the banking industry. Based on publicly available information and conversations with senior contractor bank management, GSA OCCM does not expect the situation in the financial services industry to adversely impact the service delivery of the three GSA SmartPay® 2 program banks (Citibank, JP Morgan Chase, and US Bank) to their agency/organization customers. Each of the three contractor banks has received capital funding under the Department of the Treasury's Troubled Asset Relief Program (TARP), providing additional stability to their operations.

It is highly unlikely that a GSA SmartPay® contractor bank will fail. However, should a contractor bank fail or be acquired, the GSA OCCM will take appropriate action to ensure agencies/organizations continue to receive charge card services with as little disruption as possible.

We will continue to monitor the situation carefully, and should circumstances change, GSA OCCM will immediately contact the affected agencies/organizations.

Legislative and Regulatory Update

There are several pieces of proposed legislation and regulation in both the House and Senate which are relevant to agencies/organizations participating in the GSA SmartPay® program. These bills propose changes that are likely to affect one or more of the GSA SmartPay® cards. A/OPCs should continue to reference the available tools and resources GSA Office of Charge Card Management provides to manage the GSA SmartPay® program.

S.942 Government Charge Card Abuse Prevention Act of 2009 was reintroduced by Senator Charles Grassley, ranking member of Senate Finance Committee, on April 30, 2009. This bill would require additional safeguards and internal controls in the management of purchase cards, travel cards, and Centrally Billed Accounts (CBA). The bill outlines penalties for violations of the purchase card as well as risk assessments and audits the Inspector General of each agency/organization is required to follow. Many of the bill's requirements are similar to those contained in OMB Circular A-123 Appendix B. On May 20, 2009, the Committee of Homeland Security and Governmental Affairs ordered the bill to be reported without amendment to the whole Senate. More information can be found at: http://www.govtrack.us/congress/bill.xpd?bill=s111-942

Revisions of OMB Circular A-123 Appendix B were published by OMB in January 2009.
GSA OCCM worked with customer agencies/organizations over the course of a year to provide comments and updates to the revised OMB Circular A-123 Appendix B. OMB Circular A-123 Appendix B defines management responsibilities for internal financial controls in Federal agencies/organizations. Agencies/organizations should be familiar with the policies and procedures in place to maintain internal controls and reduce the risk of fraud, waste, and error in government charge card programs. More information and a copy of the circular can be accessed at:
http://www.whitehouse.gov/omb/circulars/a123/a123_appendix_b.pdf

FAR Case 2006-06 Governmentwide purchase card restriction for Treasury Offset Program Debts is a proposed rule that would prohibit use of purchase card as a payment tool under contracts held by vendors with a Federal debt until such time the debt is resolved. Before the final rule is published, contract payments are processed using a method subject to levy. GSA OCCM worked with the Department of Treasury to develop a reasonable approach to this regulation, the approach balances the needs of GSA SmartPay® customer agencies/organizations with the requirement to collect delinquent debts. Final rule has not yet been published, however more information can be found at: http://www.acquisition.gov/far/index.html

Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) (P.L. 109-222) was enacted on May 17, 2006 and requires Federal, State and Local governments to withhold 3% of contractor payments**.** The American Recovery and Reinvestment Act of 2009 delayed the implementation of withholding on payments made to government contractors until after December 31, 2011. Withholding requirements will not apply to any payment that is less than the payment threshold amount of $10,000**.** When a government entity or its payment administrator uses a government charge card to pay a person for providing property or services, payment occurs at the point of sale when the government charge card is tendered and not when the government entity pays the vendor. The government entity is liable for the withholding and reporting associated with the payment, and this liability is not transferred to any other party involved in the charge card transaction. The Internal Revenue Service (IRS) held a public hearing on TIPRA where multiple suggestions were offered including the ideas to exempt all Purchase Cards and increase threshold to $100,000. More information about TIPRA can be found at: http://www.govtrack.us/congress/bill.xpd?bill=h109-4297

Staff Spotlight: Perry Hampton

Perry Hampton joined GSA OCCM in July 2008, and was recently selected as the new Director of the Utilization and Analysis Division. Perry has four years of civil service with the Department of Defense (DoD), as well as 21 years of active duty in the U.S. Marine Corps. During his tenure in the U.S. Marine Corps, he served as Fire Direction Controlman for three years in the artillery field and the remaining 18 years in the finance field. Since moving into the financial community, he has worked in many areas including disbursing, accounting, budgeting, travel & travel policy, military pay, fiscal, financial systems, and charge card management. After retiring from the U.S. Marine Corps in October 2004, Perry chose to continue his support for the military by serving as a program analyst with the Department of the Navy, (U.S. Marine Corps) where he implemented the Defense Travel System (DTS) successfully. Additionally, Perry served as a Level 4 Agency Program Coordinator and maintained a < 1% delinquency rate during his tenure; gaining great insight into GSA SmartPay® program management. In November 2005 Perry accepted a position at the Defense Finance and Accounting Service (DFAS) where he managed the DoD Travel Card Program as the Level 1 A/OPC; his position was transferred to the Defense Travel Management Office in February 2006 where he continued to manage the program for DoD. Perry was born in Reidsville, NC and left at 18 years old to join the U.S. Marine Corps where he has traveled to numerous places nationally and internationally and served his country faithfully. Perry received numerous awards while serving in the U.S. Marine Corps that include the Meritorious Service Medal, Navy and U.S. Marine Corps Commendation Medal, Joint Service Achievement Medal, Navy and U.S. Marine Corps Achievement Medal, as well as others. Perry's hobbies include computers, technology, and traveling; especially to his favorite vacation spot, Jamaica! When Perry retires, he plans to open a Reggae bar on the beach in either Jamaica or southern Florida.

Staff Spotlight: Judy Brady

Judy Brady's government service spans 35 years. She retired in 1994 after 30 years of service with the Social Security Administration and the General Services Administration. She returned to government service five years ago and is currently working for GSA OCCM as part of the Utilization and Analysis Division; she supports the division's Data Warehouse database project. Judy also assists with the offices' Information Security efforts. In these positions she works with GSA SmartPay® banks and internal GSA organizations in support of the GSA SmartPay® program. Following her retirement from government service in 1994, Judy did not remain idle for long. She worked with small sole proprietor private sector businesses helping them learn and use computer technology to improve their business operations. She also spent 5 years working as a project manager at an internet service provider. Her interest and hobbies include home remodeling, interior decorating, landscaping, biking, music, dancing, and when she wants to quietly relax, her favorite activity is catching the latest movies.

Upcoming Events: Mark Your Calendars

GSA SmartPay® Training Conference: July 28-30

JPMC Working Group Meeting: July 16

GSA SmartPay® A/OPC Meetings : August 20, September 22, October 13, November 17 and December 15 from 10 am to 12 pm

Discussions with Dave: August 6, September 3, October 1, November 5 and Decmeber 3 from 10am to 11am