



# Get Smart

## The GSA SmartPay® Newsletter

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[www.gsa.gov/qsasmartpay](http://www.gsa.gov/qsasmartpay)

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On behalf of the General Services Administration (GSA), let me thank you for your dedication to and support of the GSA SmartPay® charge card program. I particularly want to thank the Agency/Organization Program Coordinators (A/OPCs) for their fine work in managing the program, day-to-day, within their organizations. Fiscal Year (FY) 2006 was yet another record for the program, which is the world's largest government charge card program. In total, approximately \$27 billion in government purchase, travel and fleet activity was supported by the cards through more than 98 million transactions.

I also want to thank all the agency personnel who have helped us develop requirements for GSA SmartPay® 2 (SP2), the follow-on charge card services contracts. As many of you know, the current contracts for card services end in November 2008. By that time, agencies/organizations must transition from the current contracts to the new contracts. This is why we issued the solicitation for SP2 last September, and proposals are due in January 2007. With awards anticipated in summer 2007, we plan to give agencies as much time as possible for this transition. The actual time for source selection and award will depend upon various factors, including the number of proposals we receive, how bank systems perform in testing, and other issues.

We at GSA recognize and value the trust you place in us to provide modern, reliable charge card services. We have listened to your needs, and have taken aggressive steps to improve the value of the services under the new contracts. The solicitation includes hundreds of improvements. Issues addressed include: improved security, easier to recognize card designs, options for new card technologies (such as contactless cards), new strategic sourcing support,

enhanced oversight tools, improved reporting, and expanded customer service, to name a few. To help avoid issues that occurred during the transition at the beginning of the first contract, we have established an inter-agency team that will put bank Electronic Access Systems to the test as part of the source selection process to help ensure they do what the banks say they do.

Since the contracts are feature-packed, it's important that agencies/organizations choose their task order approach carefully. Rebates cannot and should not be the sole criteria from which we judge our success. The program has grown too complicated for that. Rather, success should be measured from the overall benefits the program provides to an agency/organization. We will be posting information on our website [www.gsa.gov/qsasmartpay](http://www.gsa.gov/qsasmartpay) to assist agencies in making task order decisions, and, of course, my staff and I stand ready to provide assistance when needed.

As mentioned in an article in this issue of *Get Smart*, we are developing tools to assist A/OPCs in smoothly implementing the upcoming transition. Keep in mind, under the new contracts, all purchase, travel, fleet and integrated cardholders will need to be issued new charge cards. That's approximately 3 million charge cards across the government and other customer organizations, so the earlier you start planning for your transition, the better. As we begin 2007, my best wishes for the New Year!

Sincerely,  
David J. Shea  
Director, GSA SmartPay®



## PROGRAM NEWS

### Website Updates

The GSA SmartPay® program office is in the process of updating the GSA SmartPay® website. The program office is working to update the content and format of its website to make it more informative, user friendly, and easily searchable.

In the near future, the program will seek agency volunteers to provide input on the website and online training modules. Do you have suggestions for improvement? Please provide your feedback about the website and online training at [www.gsa.gov/gsasmartpay](http://www.gsa.gov/gsasmartpay), under “GSA SmartPay® Program Feedback Form”, or contact Lori Mae Tadalán at [lorimae.tadalan@gsa.gov](mailto:lorimae.tadalan@gsa.gov) or 703-605-2809.

### Training Updates

Updates to the GSA SmartPay® online training modules are currently in the works! We recently revised the online travel charge card cardholder training module, “Charting the Course” to include *Appendix B, OMB Circular A-123* requirements around policy compliance and creditworthiness; updated web links; and an improved quiz with added questions. In addition, we posted a quiz for the purchase card program A/OPC training module. Now users can generate certificates of completion when using this training module as novice purchase card program A/OPCs or for “refresher” training.

In the coming months, further revisions will be made to our other training modules to comply with OMB Circular requirements as well as incorporate other updates needed to keep our training current.

Below are direct links to access the GSA SmartPay® online training modules:

Agency/Organization Program Coordinator (A/OPC) Training:

- Travel: [www.gsa.gov/aopctraveltraining](http://www.gsa.gov/aopctraveltraining)
- Purchase: [www.gsa.gov/aopcpurchasestraining](http://www.gsa.gov/aopcpurchasestraining)

Cardholder Training:

- Travel: [www.gsa.gov/sptraveltraining](http://www.gsa.gov/sptraveltraining)
- Purchase: [www.gsa.gov/sppurchasestraining](http://www.gsa.gov/sppurchasestraining)



### New Travel Charge Card Program Guide

The *GSA SmartPay® A/OPC Survival Guide*, which was published in 2001 to help travel charge card programs manage delinquency, has been replaced with a new guidebook, *A Guide to Managing Your GSA SmartPay® Travel Charge Card Program*. The guidebook includes information on managing delinquencies, getting senior management involved with the program, A/OPC responsibilities, cardholder responsibilities, best practices,

FAQs, and maintaining compliance with *Appendix B, OMB Circular A-123*. The GSA SmartPay® team would like to thank everyone who assisted in developing the new guidebook.

You can view a copy of the guidebook on the GSA SmartPay® website under "Publications and Presentations". If you would like to order hard copies of the guidebook in bulk, contact the Centralized Mailing List Services (CMLS) at [cmls@gsa.gov](mailto:cmls@gsa.gov) or 817-334-5215, or via fax at 817-334-5561. Ask for Publication Number 5-06-00016.

**Newsletter Online**

New and archived issues of the GSA SmartPay® newsletter, *Get Smart*, are posted online. They are located at [www.gsa.gov/gsmartpay](http://www.gsa.gov/gsmartpay) under "Hot Topics."

### **Purchase Card Socioeconomic Reporting in FPDS-NG**

The Federal Procurement Data System – Next Generation (FPDS-NG) is developing software to capture socioeconomic data on purchase charge card transactions. The newly developed software within FPDS-NG will allow customer agencies to generate reports that capture the use of the purchase charge card on purchases from small businesses. The GSA SmartPay® program office has been working with FPDS-NG to ensure that the necessary requirements are in place. If you have any questions regarding the small business socioeconomic requirement, please contact Lori Mae Tadalán at [lorimae.tadalan@gsa.gov](mailto:lorimae.tadalan@gsa.gov) or 703-605-2809.

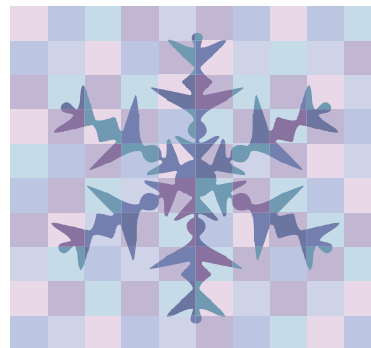
### **New Location**

On March 10, 2006, the GSA SmartPay® program office moved to a new building. The office is still located in Arlington, Virginia. All staff phone numbers remain the same. The new address is:

2200 Crystal Drive, Suite 706  
Arlington, VA 22202

### **Appendix B, OMB Circular A-123 Revision**

GSA SmartPay®, OMB, and agency representatives worked together to revise *Appendix B, OMB Circular A-123 – Improving the Management of Government Charge Card Programs*. Effective April 28, 2006, the revisions reconciled the Circular with the 2006 Transportation, Treasury, Housing and Urban Development (TTHUD) bill by removing the requirement for credit worthiness assessments on new purchase and centrally billed (CBA) travel card applicants. This change means that new purchase and CBA travel card holders are no longer required to undergo a credit worthiness assessment prior to card issuance. (Note: The bill did not eliminate the requirement for credit worthiness assessments on individually billed travel card accounts (IBAs)). A few other minor revisions were also made. The complete list of updates can be found on the OMB website: [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars).



## Submit Your Feedback Online

Provide your feedback and thoughts about the current and future program at [www.gsa.gov/gsmartpay](http://www.gsa.gov/gsmartpay), under "GSA SmartPay® Program Feedback Form."

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## Recompete News

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### Status Update

The GSA SmartPay® program continues to make progress in its contract recompete efforts. The GSA SmartPay® team would like to thank all of the agencies that provided their feedback on the draft RFP. The final RFP was released on September 28, 2006, and is now available on FedBizOpps at [www.fedbizopps.gov](http://www.fedbizopps.gov) (search for "GSA SmartPay 2"), in addition to the responses to RFP comments (posted November 2006) and four amendments (posted December 2006). A fifth amendment will be posted in January 2007. The award of the contracts for GSA SmartPay® 2 is anticipated in the summer of 2007. We will continue to provide updates on key developments in the recompete process.

### Have You Begun Planning for Your Agency's Transition?

Due to the scale and complexity of the transition to SP2, early planning is required. There are several tasks that can be completed before the contract award, so start planning now! You can begin the planning process for additional

budget and resources that will be needed to support your agency's transition to the new contract. For example, additional agency funds may be needed for training, EAS testing and other IT support, and other transition support (e.g., program management).

To support agencies/organizations in planning for and implementing the transition to the SP2 contracts, the GSA SmartPay® program office has added a new "Transition to GSA SmartPay® 2" page to its website, located at [www.gsa.gov/gsmartpay](http://www.gsa.gov/gsmartpay), under the "Transition to GSA SmartPay® 2" bullet in the center of the page. This new page will include a number of tools and resources which will provide guidance for transition.

Three tools/resources are already posted:

- **Transition Quick Reference**
- **Executive Briefing**
- **Pre-Award Checklist**

Future tools will include:

- **Frequently Asked Questions (FAQs)**
- **Agency/Organization Needs Assessment**
- **Sample Statement of Work (SOW)**
- **Post-Award Checklist**

Be sure to bookmark the page and check back frequently, as additional tools and resources will be available in the future.

## Contact Us

If you have suggestions or comments about *Get Smart*, please contact Lori Mae Tadalán at (703) 605-2809 or via email at [lorimae.tadalan@gsa.gov](mailto:lorimae.tadalan@gsa.gov).

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## Statistics

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### Travel IBA Delinquency Accounts

The delinquency rates of government-wide travel individually billed accounts (IBAs) was at 3.43% in October 2006.

GSA SmartPay® would like to acknowledge the following agencies whose delinquency rates were 1% or less in October 2006: Department of Commerce, Department of Education, Department of Justice, Department of Transportation, Department of the Treasury, Department of Veteran's Affairs, Environmental Protection Agency, Nuclear Regulatory Commission, and the Social Security Administration.

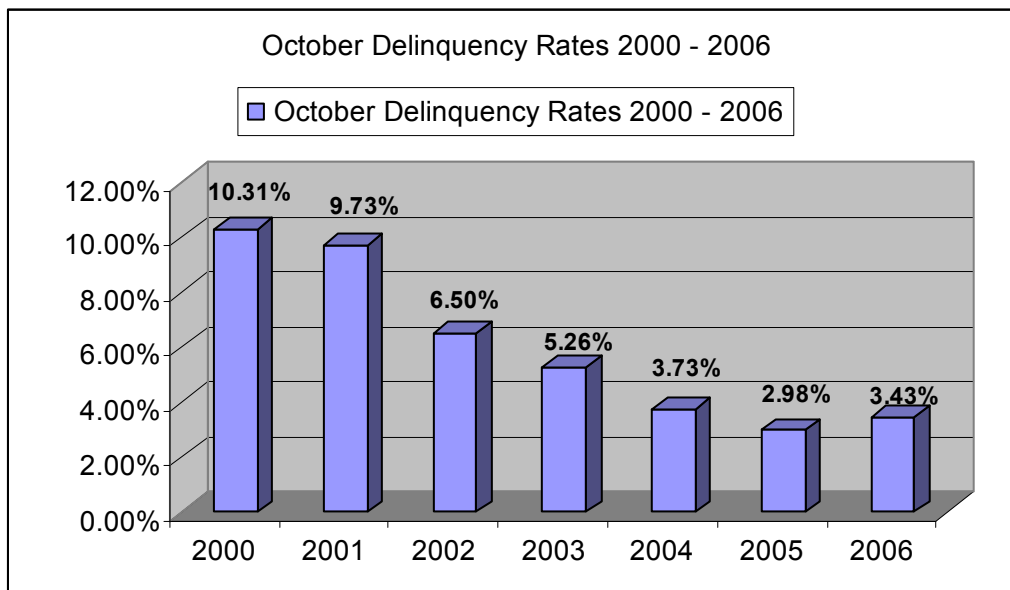
### Recoveries and Write-offs

In October 2006, travel IBA recoveries totaled \$174,229, while travel IBA write-offs totaled \$528,884.

GSA SmartPay® would like to acknowledge the following agencies

which had no write-offs in October 2006: Corporation for National and Community Service, Department of Education, Department of Energy, Department of Housing and Urban Development, Department of Labor, Department of State, General Services Administration, National Aeronautics and Space Administration, Nuclear Regulatory Commission, and the Office of Personnel Management.

GSA SmartPay® would also like to acknowledge the following agencies whose recoveries exceeded write-offs in October 2006: Department of Education, Department of Energy, Department of Housing and Urban Development, Department of Justice, Department of Labor, Department of State, Department of the Interior, Department of Transportation, Department of the Treasury, Department of Veteran's Affairs, Environmental Protection Agency, National Aeronautics and Space Administration, and the Nuclear Regulatory Commission.





## KNOWLEDGE SHARING

### Success Stories

#### Share Your Success!

You've achieved great success in streamlining operations through using the GSA SmartPay® purchase, travel, and fleet cards. Other agencies can benefit from learning about the enhancements and best practices of individual agencies. We'd like to highlight your achievements in upcoming issues of *Get Smart*.

Please submit your success story to Lori Mae Tadalán at [lorimae.tadalan@gsa.gov](mailto:lorimae.tadalan@gsa.gov). Stories should not exceed 250 words. GSA SmartPay® reserves the right to edit contributions for publication.

best practices can help your agency during the enforcement phase:

- Involve agency managers, supervisors, and HR staff when problems arise;
- Deactivate, suspend, or cancel accounts as appropriate to prevent further losses;
- Implement salary offsets on written-off travel IBAs as appropriate;
- Work with agency Office of Inspector General to investigate questionable activity; and
- Publicize enforcement actions in an appropriate manner.

#### Subscribe to the Newsletter

Want to receive a copy of the GSA SmartPay® newsletter, *Get Smart*, in your email inbox upon its release? Then subscribe online at the GSA SmartPay® website [www.gsa.gov/qsasmartpay](http://www.gsa.gov/qsasmartpay), under "Hot Topics / Library".

### Best Practices

#### Enforcement of Program Policies around Misuse

One of the realities virtually all charge card managers have to deal with is misuse (whether inadvertent or deliberate) of the charge card. Despite the many tools available for agencies to prevent and mitigate risk of government charge card misuse, incidents of misuse do occur. Once misuse is identified, agencies need to focus on enforcement of program policies. Applying the following

## CARD INDUSTRY NEWS

#### Contactless Cards

With millions of contactless payment cards currently in circulation, and millions more anticipated to be distributed in 2006, the adoption of contactless card products in the United States appears to be on the rise. These cards offer dual functionality that enables the cards to be used by tapping them on the terminal at the point of sale, which make transactions considerably faster than traditional magnetic-stripe transactions. The cards

still include a magnetic stripe for merchants that don't yet have contactless capabilities. Many major banking institutions are already issuing contactless cards as their standard cards, at no additional cost to new and existing customers. Contactless cards have the same consumer protections as regular magnetic stripe cards. Visa and MasterCard have implemented a common agreed-upon contactless payment technology which reduces the cost to merchants. Because the card never leaves the customer's hands, and there is no passing of cash, contactless card transactions are usually completed faster than cash transactions. Furthermore, the associations have waived the signature requirement for purchases under \$25 at a number of merchant types, making transactions even faster. According to MasterCard, the contactless payment technology can aid customers in getting through the checkout line up to 64% faster. Contactless cards will be available under the new GSA SmartPay® 2 contracts.

## Upcoming Events (GSA-Sponsored)

### 9<sup>th</sup> Annual GSA SmartPay® Training Conference

Date: August 21-23, 2007

Place: Philadelphia, PA

For additional information, contact Rosemarie Dunn at [rosemarie.dunn@gsa.gov](mailto:rosemarie.dunn@gsa.gov) or 703-605-2810.

Are you looking for a copy of the training certificate from the 2006 GSA SmartPay® Training Conference? Please visit:

[www.gsasmartpayconference.org](http://www.gsasmartpayconference.org)

