

**Government Charge Cards:
Department of Energy's
Transition to
GSA SmartPay® 2**

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Discussion Topics

- Overview and Benefits of the GSA SmartPay® Program
- Transition to GSA SmartPay® 2
- What DOE Needs to do to Prepare for the Transition

GSA SmartPay® Program Overview

- Established in 1998, the GSA SmartPay® program provides government agencies with commercial charge card-based procurement and payment solutions through “Master Contracts”
- The period of performance for the current Master Contracts is 10 years (five year base plus five one-year options); the Contracts expire November 29, 2008
- The program offers four business lines: purchase, travel, fleet, and integrated

GSA SmartPay® Program Benefits

- This is the largest program of its kind in the world
 - The program provides service to over 350 federal agencies, organizations, and Native American tribal governments
 - Program-wide, in FY 05, over 92 million purchase, travel and fleet transactions were processed through 2.6 million cards
 - Total program spend in FY 06 was nearly \$27 billion
- As a result of its size, the GSA SmartPay® program has leverage to drive innovation and achieve economies of scale
 - The program compelled the current contractors to develop electronic access systems (EAS) that allow cardholders and A/OPCs to access card data online; this technology has since been widely adopted in the industry

Department of Energy's Card Program

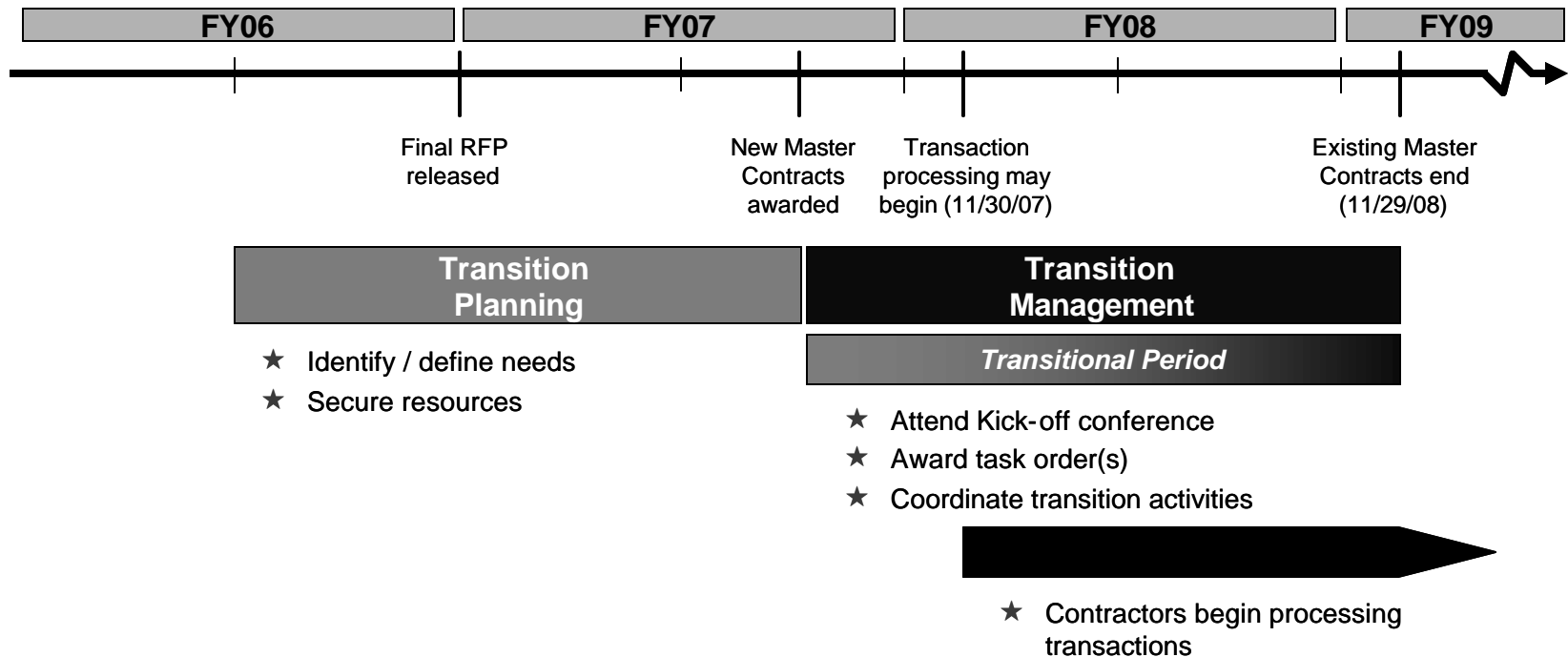
In FY 06, Department of Energy's spend volume, number of transactions and number of cardholders for each business line were as follows:

	Purchase	Travel	Fleet	Total
Spend Volume	\$97,621,613	\$41,562,773	\$2,003,788	\$141,188,174
Number of Transactions	194,295	64,627	24,342	283,264
Number of Cardholders	3,013	11,074	1,600	15,687

Transition to GSA SmartPay® 2

- The existing Master Contracts end November 29, 2008
- New Master Contracts for “GSA SmartPay® 2” (“SP2”) was
 - Awarded in June 2007, allowing agencies up to 18 months to **transition** to SP2
 - Include a four-year base period, and one four-year option period, and one three-year option period
 - Citibank, GE Capital, JP Morgan, US Bancorp
- Agency option periods need not be tied to the options exercised at the Master Contract-level, however, agency option periods cannot exceed the limits of the Master Contracts
- Transactions under the new contract cannot begin before November 30, 2007, but must begin no later than November 30, 2008
- Once all new system interfaces have been developed and tested (if any), cards issued and users trained on any new processes, **transactions** can begin under the new contract

GSA SmartPay® Transition Timeline



How Transition Affects Department of Energy

- DOE will need to award a new task order under the new Master Contract
- Transition activities will include:
 - Defining Department of Energy's charge card program needs
 - Determining the appropriate task order type based on our needs
 - Standard (same as Master Contract)
 - Tailored (including agency-specific requirements)
 - Preparing and awarding Department of Energy's task order

How Transition Affects Department of Energy

Transition Activities (cont'd):

- Working with the incoming and outgoing Contractor(s) to prepare to begin processing charge card transactions
 - Issuing new charge cards to cardholders
 - Cleansing and migrating data from the current contractor to the new contractor
 - Establishing and testing system interfaces
- Communicating changes to stakeholders (e.g., cardholders, billing personnel) and conducting training

Suggested Transition Milestones

- Department of Energy's new task order(s) must be in place, and the Contractor(s) ready to process transactions no later than November 30, 2008
- To ensure ample time to ***transition*** from the current Contractor to the new Contractor:
 - We recommend that we target January 1, 2008 for task order award, and that
 - Transactions begin under the new contract on November 30, 2008

Transition Management Team

- DOE formed a cross functional Transition Management Team (TMT) that began meeting in November 2007
- The TMT is responsible for:
 - Developing a project plan /milestones/communication plan
 - Analyzing options and making recommendations (e.g., task order type)
 - Coordinating the definition of agency needs and development, negotiation, and award of the new task order(s)
 - Managing logistics, including issuance of new charge cards, coordinating the integration of contractor systems with existing agency infrastructure, providing training to cardholders, etc.
 - Identifying and securing necessary resources in a timely manner

Contact Information

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