



U.S. General Services Administration

Federal Acquisition Service

Countdown to Success

How to Maximize Agency Value of the GSA SmartPay® Program

Presented by:

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VISA Government Forum

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Polling the Audience

How many audience members are:

- A. Level 1 through 3 A/OPCs
- B. Level 4 or below A/OPCs
- C. Cardholders
- D. Industry
- E. Other
- F. Unsure

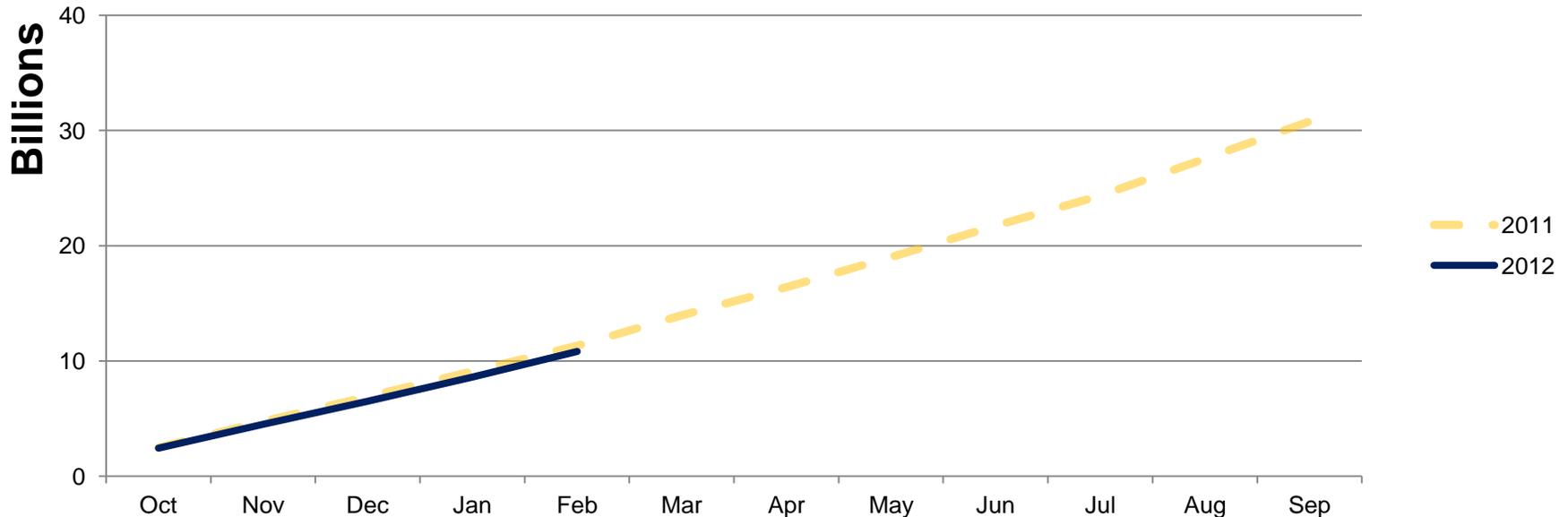


Current Program Spend

To date in Fiscal Year 2012, total spend GSA SmartPay Program spend is down approximately 5 percent.

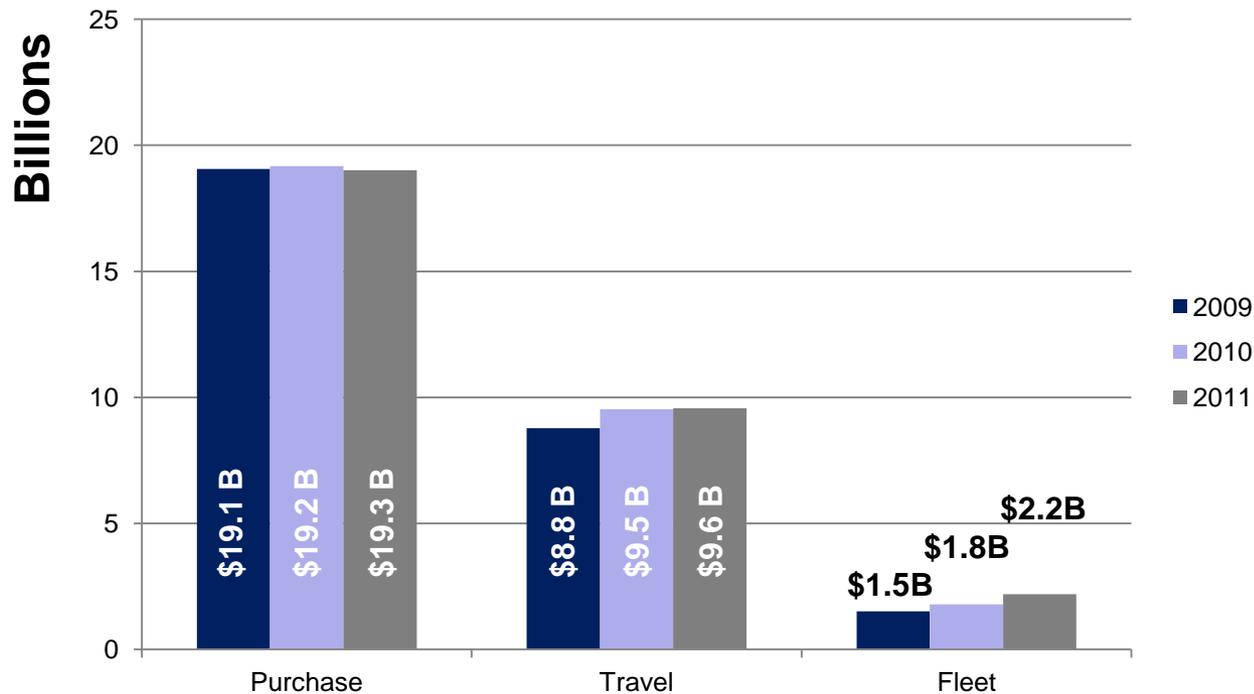
FY 2011 Stats

Program Spend:	\$30.8 B
Total Transactions:	100.4 M
Cards Issued:	3.6 M
Net Refunds:	\$297.9 M



Spend by Business Line

GSA SmartPay Program trends through FY 2011 reflect steady purchase card spend with increasing Travel and Fleet card spend.



Purchase



Travel



Fleet

Countdown to Success

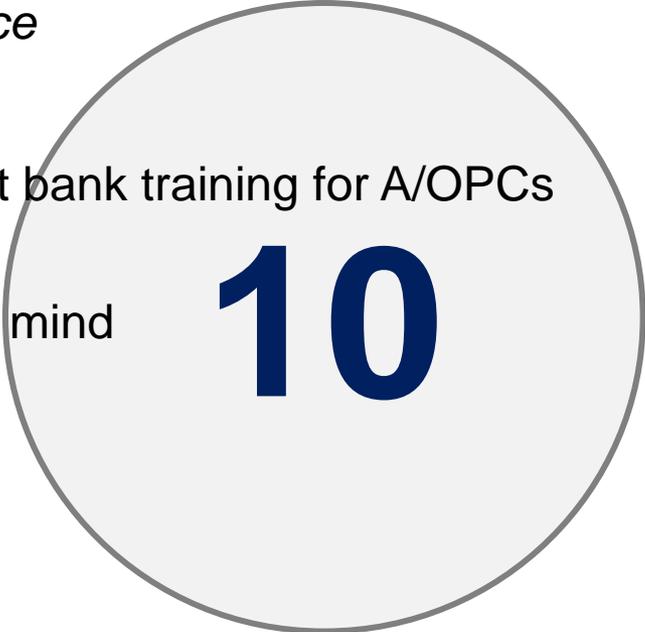
Ten fundamentals to contemplate to help ensure maximum program value. Submitted for your consideration.....



Training and Education

Ensure card managers and cardholders understand their responsibilities, including agency-specific policies. GSA and bank training resources are available to promote responsible charge card use.

- The *Annual GSA SmartPay Training Conference*
- GSA SmartPay on-line training
- Complimentary on-site GSA SmartPay contract bank training for A/OPCs (minimum of 20 attendees)
- Keep OMB A-123, Appendix B requirements in mind



Addressing Fraud, Waste, and Abuse

Maintain strong internal control procedures to detect, mitigate, and prevent fraud, waste, and abuse. Leading practices include:

- Card issuance contingent upon training completion
- Know your card population; monitor both frequently and infrequently used accounts (close unused accounts as appropriate)
- Maintain updated cardholder information
- Establish controls; set spending limits based on business needs, eliminate/restrict cash access, and utilize restrictions (e.g., MCC)
- Employ effective separation of duties and practices (i.e., personnel with need are not the buyers or receivers of goods/services)
- Conduct periodic file reviews; beware of “faked” receipts
- Take immediate actions in consultation w/the OIG when irregularities are identified

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Effective Program Oversight

Use the management tools available to you:

- In accordance with the GSA SmartPay 2 Master Contract Section 3.3.1 *Agency/Organization Reports*, servicing bank Electronic Access Systems (EAS) can generate reports to help you monitor card activity:
 - Transaction Dispute Report
 - Pre-Suspension/Pre-Cancellation Report
 - Suspension/Cancellation Report
 - Delinquency Report
 - Exception Report
 - Account activity reports
- Charge card brands (e.g., VISA and MasterCard) as well as GSA SmartPay contract banks offer data mining tools
- Reports and data mining can also help agencies deal with erroneous payments and monitor State tax assessments

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Maximize Fleet Card Use

The GSA SmartPay Fleet charge card is designed specifically for vehicle fuel and maintenance payment. In addition to Visa and MasterCard branded programs, Voyager and Wright Express branded programs are also available (contractor bank dependent).

- Use the GSA SmartPay Fleet Card to track fleet expenses to monitor costs and control spending
 - Employ authorization controls to ensure agency procurement thresholds are not exceeded
 - Make use of real time authorization monitoring and reporting for fraud alerts
 - Use the GSA SmartPay Fleet Card tax recovery process
 - Utilize the GSA Rental Supplemental Vehicles Program (RSVP) for non-TDY short-term vehicle needs

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Maximize Travel Card Use

With recent Presidential mandates to reduce travel costs, reinforce the use of the GSA SmartPay Travel Card stretch agency budgets:

- Reinforce mandatory use of the Travel Card for official government travel expenses; *Travel and Transportation Reform Act of 1998* (PL 105-264);
- Leverage GSA SmartPay contract bank processes to reduce improperly assessed State taxes on IBA Travel Cards
- Make use of the GSA FedRooms® strategic lodging program
- Use the GSA SmartPay Travel Card to access to GSA City Pair Program discount airfare

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Maximize Purchase Card Use

As agencies face budget challenges, reinforce the use of the GSA SmartPay Purchase Card for micro-purchases and migrate contract spend to a GSA SmartPay solution may increase refunds earned.

- Coordinate with your GSA SmartPay servicing bank to review the agency A/P file to expand GSA SmartPay Purchase Card use for micro-purchases and larger purchases
- Emphasize that in accordance with FAR 13.201 *Actions At or Below the Micro-Purchase Threshold*, the GSA SmartPay Purchase Card is the preferred method to purchase and to pay for micro-purchases
- Explore greater use of GSA SmartPay Program payment systems for contract payments, including card/cardless as payment option in contract terms and conditions
 - In FY 2010 government-wide, more than \$4.5 billion spent on purchases above \$10,000 (24 percent of Purchase Card spend)

GSA Purchasing Programs

Maximize value by combining GSA SmartPay Purchase Card use with other GSA purchasing programs.

- GSA Advantage!
- GSA Global Supply
- FSSI – Office Supplies
- FSSI – Print Management
- GSA Schedules with BPA point of sale recognition include:
 - Schedule 51: Hardware Superstore, SINs 10501 and 10502
 - Schedule 58: Professional Audio/Video Telemetry/Tracking, Recording/Reproducing and Signal Data Solutions
 - Schedule 67: Photographic Equipment, SINS 19100 and 20316

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Going Green with GSA SmartPay

GSA SmartPay charge card solutions have tools and leading practices to help agencies green their programs.

- Utilize paperless statements (as appropriate)
- Reduce use of convenience checks
- Explore use of cards made of recycled plastic from your GSA SmartPay contract bank (availability varies)
- Use the GSA SmartPay Purchase Card for sustainable acquisition
- Track alternative fuel use with the GSA SmartPay Fleet Card
- Monitor preventative vehicle maintenance with Fleet Card data

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State Taxes

OCCM developed the GSA **SmartTax** communications campaign to provide messaging and clarification to stakeholders about application of state taxes to GSA SmartPay transactions.

- Know when and where you need to pay taxes – centrally billed accounts are generally tax exempt; IBAs taxed in all but 11 States
- Be aware of tax reclamation capabilities offered by servicing bank
- Use GSA SmartTax training and communications resources
- Check the GSA SmartTax website before traveling for tax exemption status and applicable tax exemption forms



Embrace Innovation

Use additional GSA SmartPay Program solutions to address other agency payment challenges (e.g., grants payment, transit subsidies) as well as streamline processes, increase internal controls, enhance transparency and accountability, and earn refunds:

- Order to Pay
- Declining Balance
- Stored Value Card
- Transit Subsidy
- Ghost Cards
- Single Use Accounts
- EIPP Systems

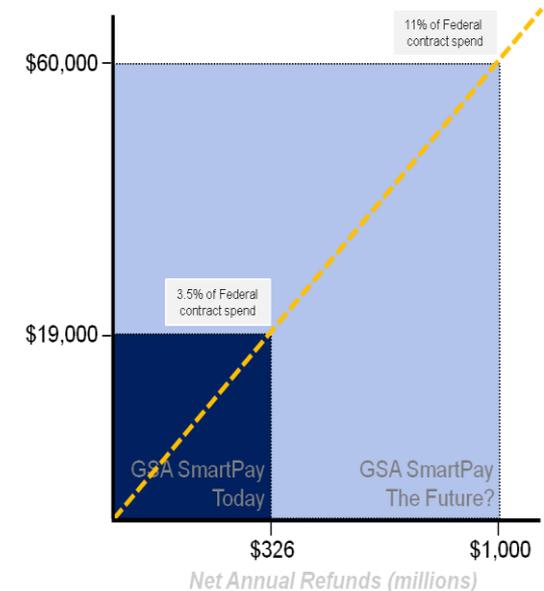


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The *One Billion Dollar Challenge*

As the government continues to face challenges of accomplishing mission critical activities with a shrinking budget, effective card program use and management, and increased GSA SmartPay Program spend could increase cost savings and increase refunds.

- In FY 2011, the Federal government spent \$536.3 billion in contract spend
- If agencies increased use of GSA SmartPay services from FY 2011 spend levels of \$19 billion to \$60 billion, the total Federal government refund will likely be \$1 billion
- Imagine what would happen program wide!



The top of the slide features a close-up, slightly blurred image of the American flag, showing the stars and stripes. The stars are white on a dark blue field, and the stripes are red and white.

Federal Acquisition Service

Audience Questions

**Thank you for your time and
attention!**

Contact Information

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Please provide your feedback and thoughts on our website, available at <http://smartpay.gsa.gov/feedback>. Don't forget to visit the GSA SmartBlog at: <https://smartpay.gsa.gov/blogs>.