

GSA SMART PAY©

Atlanta, GA

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LeAntha Sumpter
Defense Procurement and
Acquisition Policy (DPAP)





Agenda

- Purchase Card Spend
- Transparency
- Tax Increase Prevention & Reconciliation Act (TIPRA)
- Purchase Card On-Line System (PCOLS)
- Overseas Contingency Operations (OCO)
- Wide Area Workflow (WAWF)
- Update on Last Years Opportunities for Future Success
- Recognitions

Purchase Card Spend FY 2009

	# Card Holders (K)	# Transactions (M)	Average # per year	\$ Spend (B)	\$ Refunds (M)	Rate of return
Army	53.3	4.5	84	\$ 4.5	\$ 45.7	1.0%
Navy	34.6	2.3	66	\$ 1.7	\$ 16.9	1.0%
Air Force	12.3	1.6	130	\$ 1.6	\$ 19.8	1.2%
Defense Agencies	5.8	0.6	103	\$ 0.6	\$ 5.5	0.9%
Total	106.0	9.0	85	\$ 8.4	\$ 87.9	1.0%

Transparency

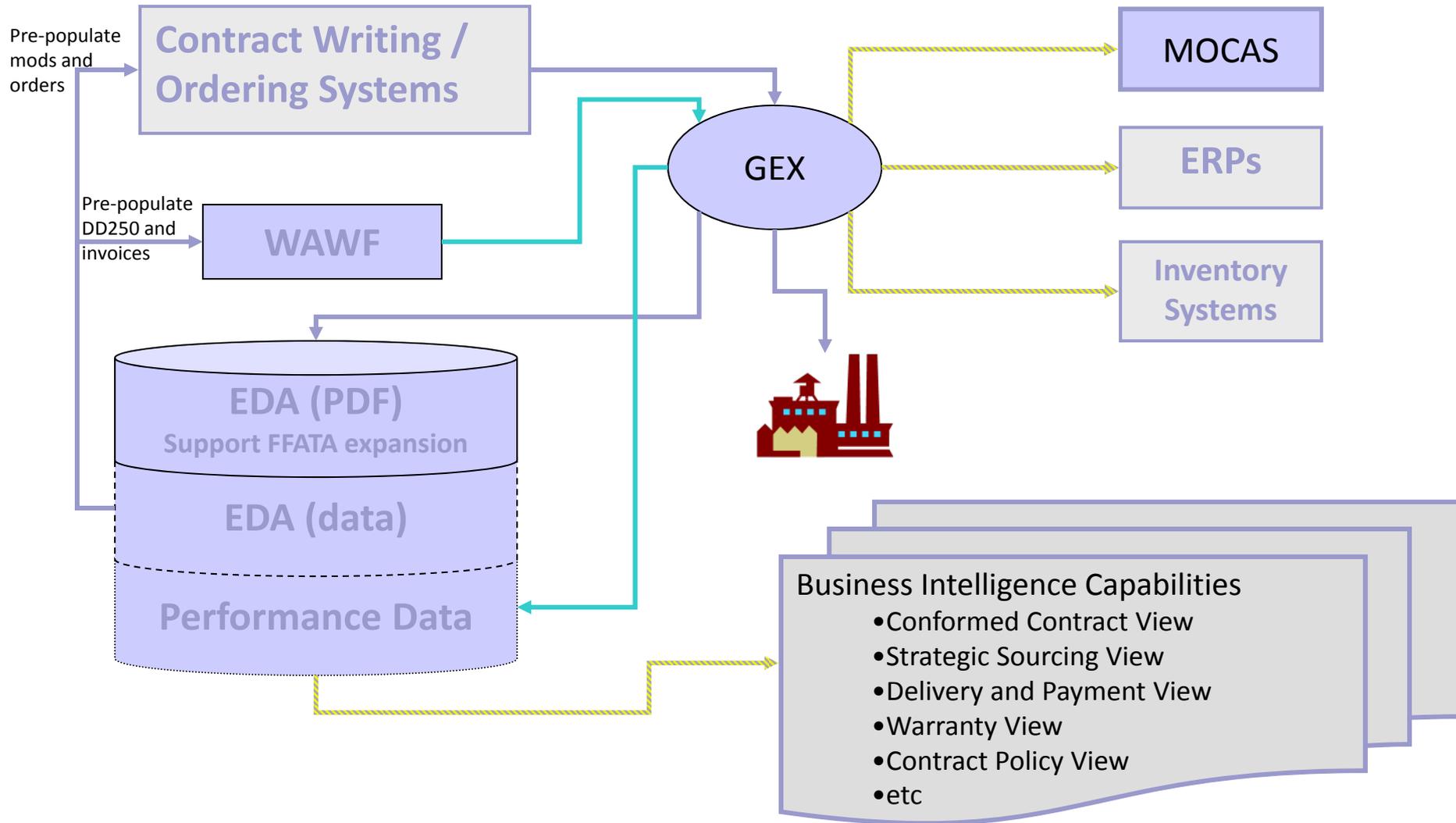
- The Office of Management and Budget (OMB)'s original request was for all transactional data to be reported by Congressional District (DoD has expressed concern that transactions not approved or under dispute process should not be posted individually or at summary level)
- Data provided to GSA directly by banks
- USASpending.GOV Release 2.0 (90 day delay same as FOIA)
 - Department Level/number of accounts /dollar value of spend
- USASpending.gov Release 2.1 (TBD) (90 day delay)
 - Department Level/up to 20 MCC/State

Procurement Data/Reporting and Financial Transparency

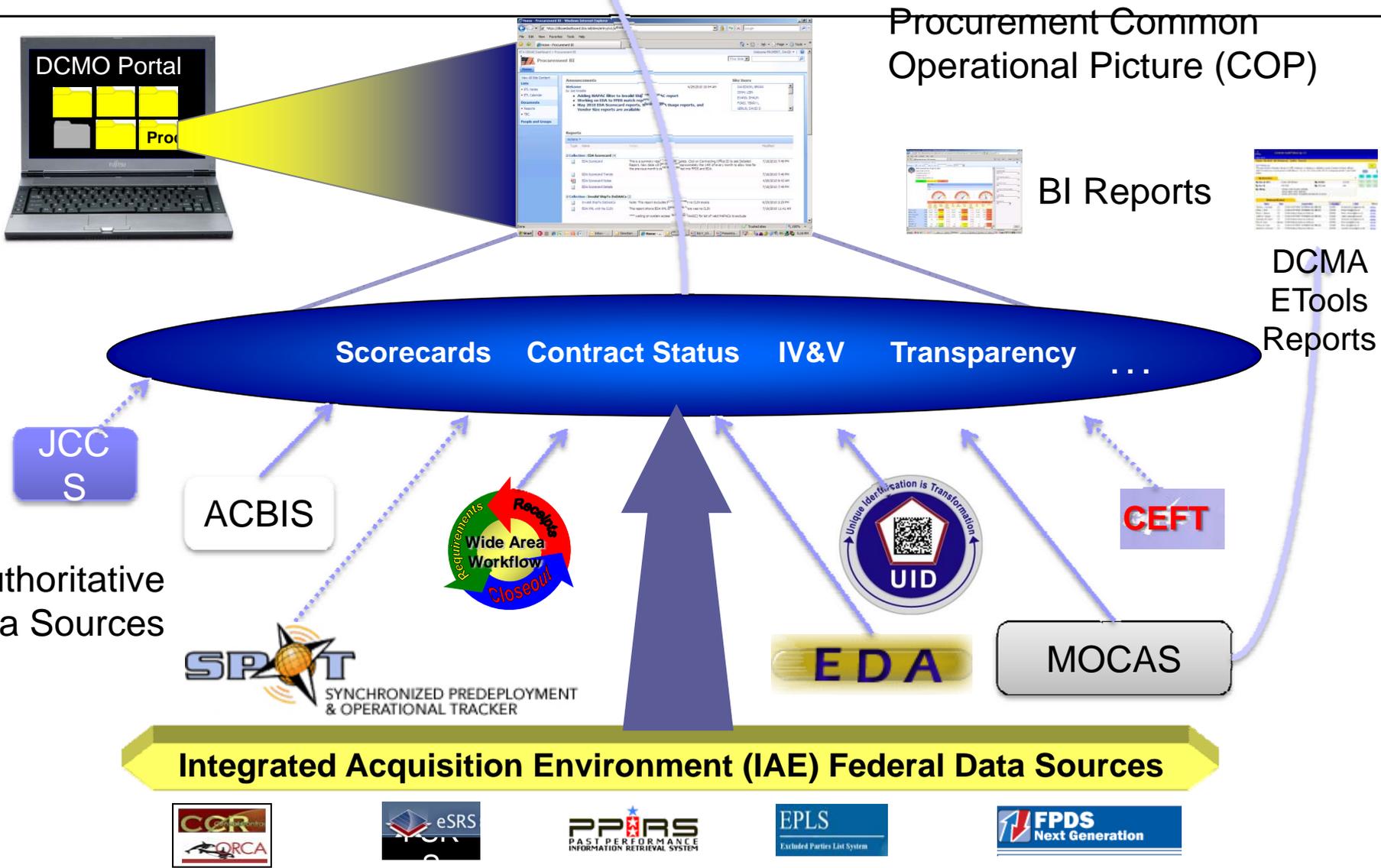
- ✓ Federal Financial Accountability and Transparency Act (Grants, OTs, Loans, Contracts) – monthly reporting; quarterly data verification and validation requirement
- ✓ American Recovery and Reinvestment Act reporting
- ✓ Taking Contract Award and Modification Documents to data (beyond PDFs) using –
 - XML data standards
 - Data sharing
 - Reliance on standard transactions
 - Allows common data to be available regardless of Contract Writing System



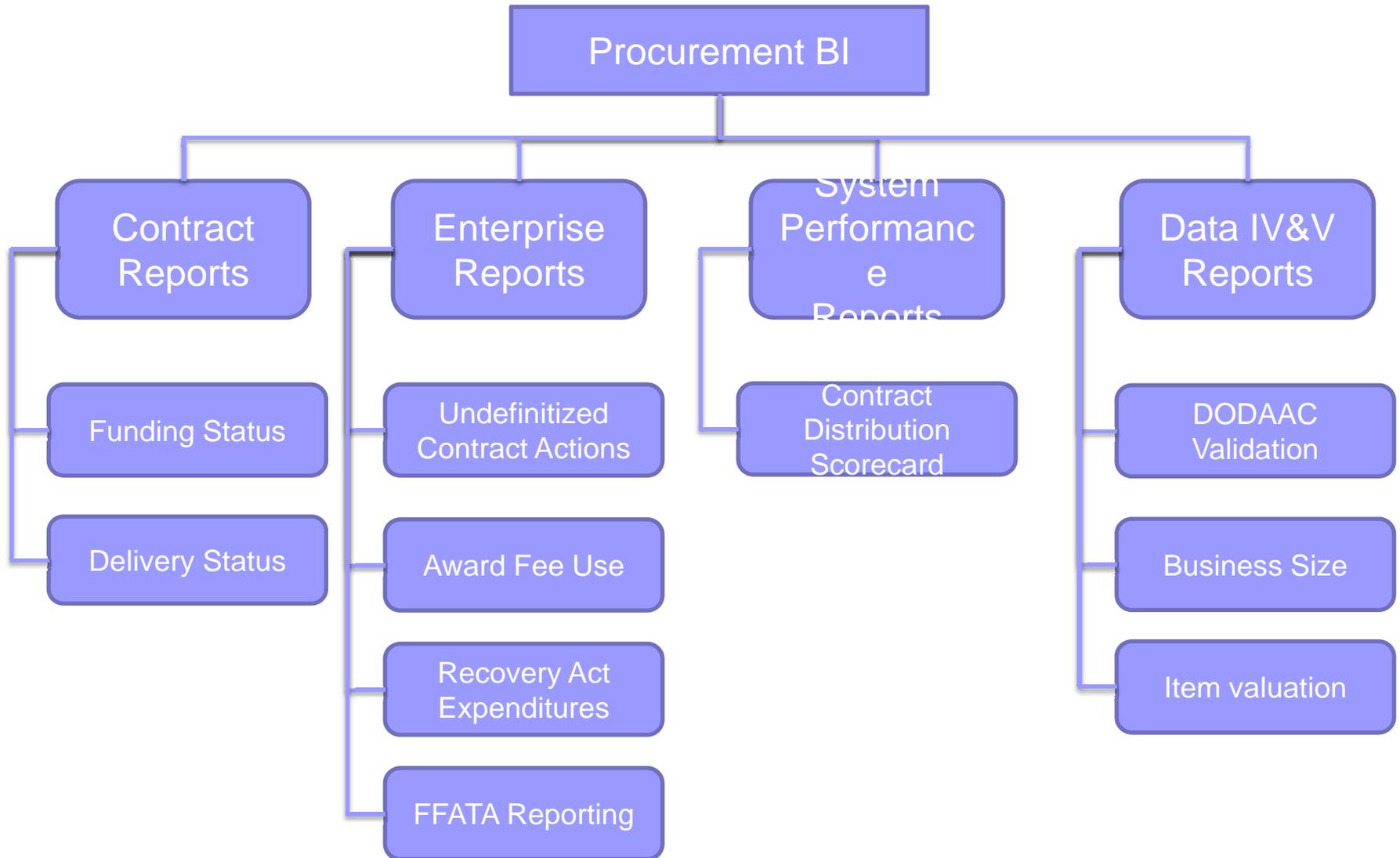
Contract Business Intelligence



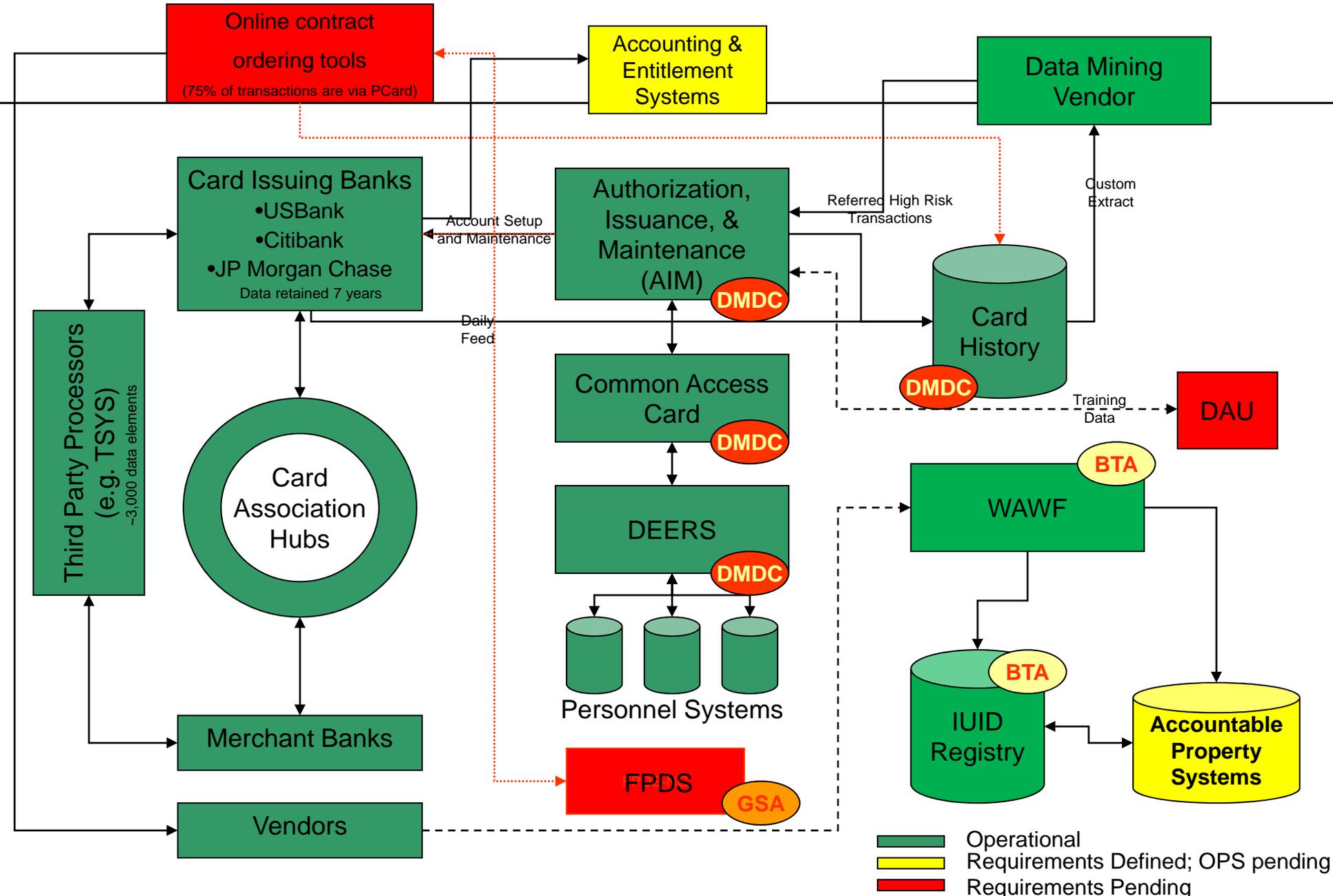
Procurement BI Structure



Procurement Business Intelligence Approach



Purchase Card Integrated Business Environment



Tax Increase Prevention & Reconciliation Act (TIPRA)

- 3% Withhold - Effective 1 January 2012 (Internal Revenue guidance still draft)
 - Applies to card transactions >\$10K
 - Requirement to withhold 3% of payment and deposit in general fund of treasury for taxes
 - Applies to payments to U.S. Vendors
 - Exemptions for State and Local Governments, non-profit, Native American, etc...
 - Current Bank/Visa process cannot comply
 - DoD has expressed concerns to OMB regarding impact to contingency environment and when card is used as a payment mechanism

PCOLS Fielding Status

Army	Accounts	Number	Fully Deployed	%	
	Managing	23,430	-	0%	*Navy scheduled to deploy 69 Billing/Managing Account and 165 Card holder accounts by 30 November 2010.
	Card Holder	53,047	-	0%	
Navy*	Managing	5,511	3	0.05%	
	Card Holder	11,917	2	0.02%	
Air Force**	Managing	17,127	4,211	25%	**Air Force scheduled to be fully deployed by 31 December 2010
	Card Holder	34,607	6,066	18%	
Defense Agencies***	Managing	2,847	890	31%	***Defense Agencies scheduled to be deployed or have approved waiver by 31 December 2010
	Card Holder	5,659	1,682	30%	

Planned Schedule for Functional Reporting

Report Name	Status
Report 1: Purchase Card Report Report includes all active Cardholder Accounts that are designated as Contracting Officer, Contingency and Humanitarian Aid Operation, or Method of Payments Cards.	In Production 5/17/10
Report 2: Conflict of Interest Report Report includes individuals that are a Primary/Alternate A/BO and a Cardholder within the same managing account. Report includes conflicts for all subordinate managing accounts.	In Production 5/17/10
Report 3: Alternate A/BO Report Report identifies the Primary and Alternate A/BOs and associated managing account.	In Production 5/27/10
Report 4: Workflow Aging Report Report includes account requests that have been in workflow over a specified length of time. Requests will include new managing and cardholder accounts as well as maintenance requests.	August
Report 5: EMMA Provisioning Status Report	mid September
Report 6: Account Status Report Report includes accounts totals per status at A/OPC organization level	late September
Report 7: Training Due Report Report includes Primary A/BOs and Cardholders with training requirements due within the requested time period.	mid October
Report 8: Annual Review of Managing Accounts Report Report includes all active Managing Accounts that require the annual review within the requested time period. If an A/OPC action has not been preformed on the account within the past 12 months the account will appear on the report.	November

PCOLS

Data Mining (DM) Results

DM results November 2009 to June 2010

Valid Transactions	Administrative Discrepancy	Suspected Fraud	Stolen	Lost	Misuse	Total # of DM Cases Closed
9366	27	20	38	3	8	9462
98.99%	0.29%	0.21%	0.40%	0.03%	0.08%	

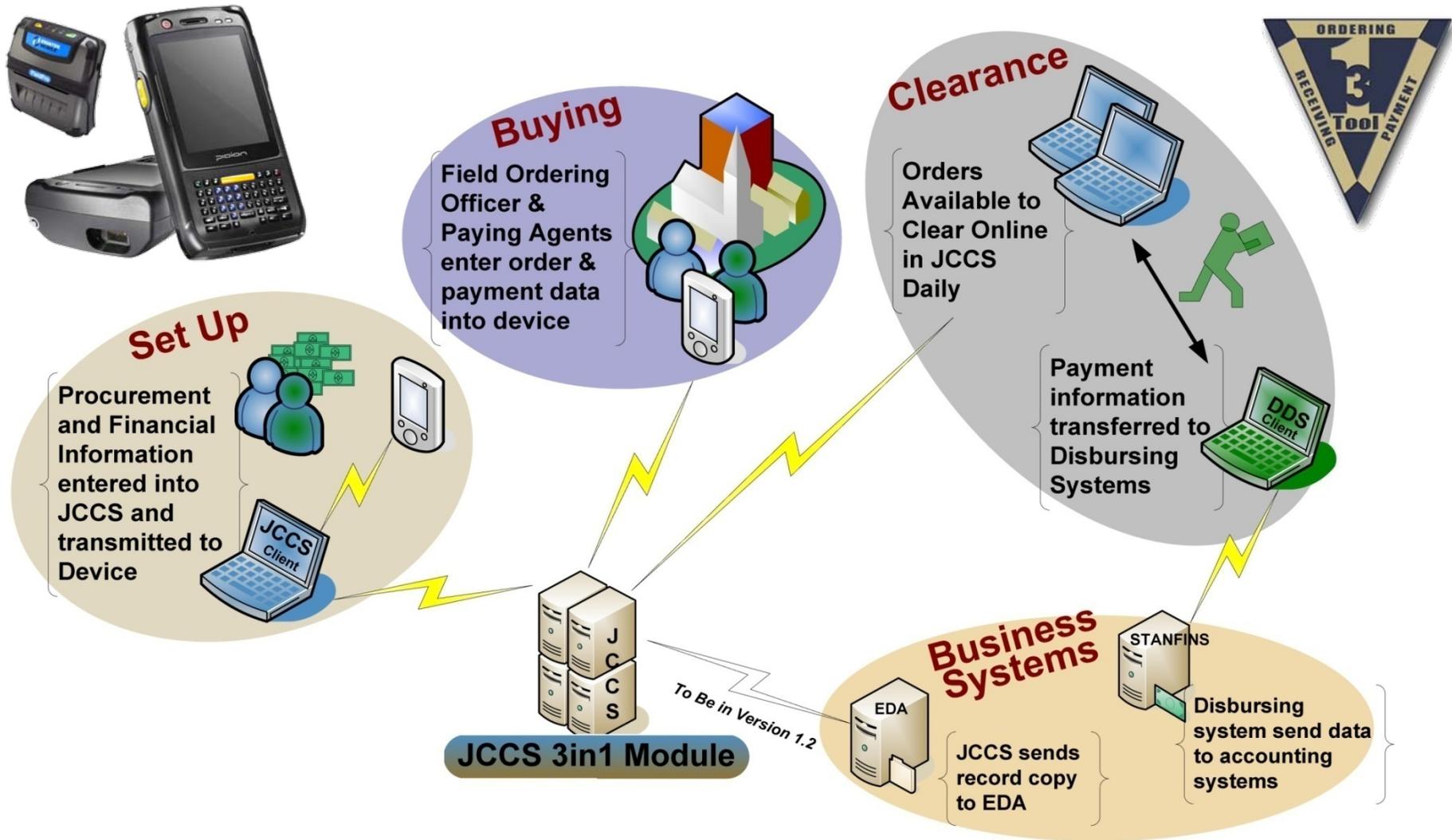
- DM appears to be learning as designed.
- The DM tool referring high risk transactions has improved the review process.
- In some cases it appears that reviewers have not performed due diligence.
- Need to expand reporting capability.

Improve Support to Warfighter

- Requires timely accurate data for Business Intelligence (BI)
 - Strategic Sourcing
 - Reduced Cash in Theater
 - Vendor pay moving to CONUS
 - Expand PC program
 - Electronic Capture of Data for Cash Procurement Transactions
 - Improve Accountability

3in1 Tool Process Overview

Automating the SF44 Process from End-to-End



Wide Area Work Flow and Purchase Card

- What business problem exists, and what are the effects of this problem?

Section 1003 of the FY2009 Defense Authorization Act requires DoD to report within 270 days on actions taken to implement the recommendations of GAO Report GAO-08-333. These include a requirement to establish property traceability requirements for items bought under micro purchase procedures.

New Training

- The Defense Acquisition University (DAU) Government Purchase Card (GPC) Training will be updated to include Government Property (GP) and Government – Furnished Property (GFP) – 2nd Qtr 11
- In the meantime, the new GPC Government Property Training Module will be available on the Defense Procurement and Acquisition Policy (DPAP) website:
www.acq.osd.mil/dpap/

What Is Government Property?

- “Government Property (GP)” means all property owned by the Government. This includes accountable property purchased with the Government Purchase Card (GPC).
- “Government-Furnished Property (GFP)” means property in the possession of, or directly acquired by, the Government and subsequently furnished to the contractor for performance of a contract.

Did I Purchase Accountable Property With The GPC?

The Department of Defense (DoD) Charge Card Guidebook for Establishing and Managing Purchase, Travel and Fuel Card Programs states, “Items acquired with the GPC with a unit cost of \$5,000 or greater are considered accountable property (in accordance with the provisions of [DoDI 5000.64](#)). Ensure such items are independently received and accepted by separate DoD officials and that these items are properly recorded in DoD property book systems. **This includes pilferable property, as defined in the cited DoDI, regardless of unit acquisition cost.**”



Tracking GPC Purchased Accountable Property

GPC Credit Cardholders (CCHs) are responsible to:

- Clearly identify property on receipts and/or invoices.
- Provide the Property Book (PB) Hand Receipt Holder (HRH) with a list of accountable property to capture in WAWF.
- Retain a copy of the listed accountable property reported to the PBHRH in the GPC files.

Tracking Government – Furnished Property (GFP)

- When the GPC is used as a method of payment against contracts, or delivery orders with Government-Furnished Property (GFP) then the cardholder will:
 - Notify the appropriate Property Book (PB) Hand Receipt Holder (HRH) to capture the property in Wide Area Work- flow (WAWF) for receipt by the contractor in WAWF.
 - Provide the PBHRH and the contractor with the WAWF web-site for registration and training on WAWF.
 - Retain documentation in the GPC files to support notification to the PBHRH and contractor regarding the requirement to record GFP in WAWF.



APPROVING/BILLING OFFICIALS

(A/BOs)

Approving/Billing Officials (A/BOs) are responsible to verify:

- The GPC files contains a clear audit trail of all purchased accountable Government Property (GP).
- A copy of the list of accountable property book items provided to the Property Book (PB) Hand Receipt Holder (HRH) is in the GPC files.
- When the GPC is used as a method of payment against contracts, or delivery orders with Government-Furnished Property (GFP), that the GPC file contains documentation that the PBHRH and the contractor have been provided information to register/train in Wide Area Workflow (WAWF) to capture GFP in WAWF.

Wide Area Workflow (WAWF)

- Wide Area Workflow (WAWF) is a secure, global, 24/7 accessible, centralized web-based system.
- WAWF registration and training: <https://wawf.eb.mil>
- WAWF is available to capture GFP for receipt by contractors.
- WAWF is available to transfer GFP from the out-going contractor to the new contractor.
- Coming soon! WAWF for GPC cardholders to electronically capture accountable purchased property for acceptance by the appropriate PBHRH in lieu of manual paper process.

Update on Last Years Opportunities for Future Success

- **Integration with Wide Area Work Flow (WAWF)**
- **DAU notification of course completion**
 - Requirements development to be completed by end 4th qtr FY 10
- **Reports design is open for discussion (hierarchy and tracking changes)**
- **Automating the DD 577, Appointment Termination Record – Authorized Signature**
 - Bigger than Purchase Card – DFAS – Conducting Lean 6 Sigma
- **Creation of single sign-on with eMALL**
 - Requirements to be developed by end 2nd qtr FY 11 (Compliance reporting EMALL top priority)
- **Notification of Employee/Member Departure**
 - Requirements to be presented at October 2010 ORC
- **Contingency Operations (3 – in - 1)**



Recognitions

