



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

MAY 03 2019

ACQUISITION,
AND SUSTAINMENT

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER COMMAND
(ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Closeout of Air Force/Defense Agencies SmartPay®2 Task Order – SP3
Transition Memorandum #8

Reference: (1) OUSD(A&S) DPC CeB memorandum, “Department of Defense SmartPay® 3
Government-wide Commercial Purchase Card Policies, Procedures and Tools –
SP3 Transition Memorandum #6” April 18, 2019

Following the November 30, 2018 SmartPay® 3 (SP3) “go live” date, the Office of
Secretary of Defense, Defense Pricing and Contracting/Contracting eBusiness (DPC/CeB) is
initiating the SmartPay® 2 (SP2) Air Force/Defense Agencies task order closeout process.
Closeout of this task order will first require closeout of all SP2 managing and cardholder
accounts, involving, at a minimum:

1) Annual Managing Account Reviews

*DoD Government Charge Card Guidebook for Establishing and Managing Purchase,
Travel, and Fuel Card Programs*, release dated November 14, 2018,
https://www.acq.osd.mil/dpap/pdi/pc/policy_documents.html, Section 2.2.2, “Management
Controls,” requires Agency/Organization Program Coordinators (A/OPCs) to complete Annual
Managing Account Reviews. As stated in Reference 1, during FYs 2019 and 2020, the
Department of Defense will move from the distributed Annual Managing Account Review
process utilized during SP2 to an integrated 3-pronged, system-enabled review cycle. As none of
the new review and oversight requirements are applicable to SP2, all Component Program
Managers who have not completed an Annual Managing Account Review of SP2 accounts by
December 1, 2017 or later will need to do so as part of SP2 closeout.

**2) SP2 Government-wide Commercial Purchase Cards (GPCs) and Convenience
Checks**

To ensure proper closeout of all SP2 GPC and convenience check accounts, A/OPCs are
responsible for:

- Ensuring destruction of all SP2 GPCs and convenience check stock
- Ensuring financial reconciliation is completed for all SP2 GPC and convenience check purchase logs with posted transactions and certifying account(s)
- Creating an “Unposted Outstanding SP2 Checks” list to track outstanding SP2 checks not posted
- Forwarding an “Unposted Outstanding SP2 Checks” list to your U.S. Bank Account Coordinator, and
- Ensuring closure of all open internal fraud cases

3) Other SP2 Closeout Items

To assist with the closeout process, U.S. Bank will be generating SP2 statistics, by component (accessible by running reports in Access Online), on:

- Number of Managing Accounts (MA) shut down (run “Account List Report” by MA; R9 status = Closed at end of SP2)
- Number of Cardholder (CH) accounts shut down (run “Account List Report” by CH Account; R9 status = Closed at end of SP2)
- Number of delinquent accounts (run “Past Due Report”)
- Number of open disputes (run “Transaction Detail Report for Unresolved Disputes”)

A/OPCs are required to close outstanding delinquencies, disputes and other open transactions in a timely manner, working with the bank until all CH and MA accounts under their purview are closed.

DPC will be regularly scheduling calls with components within 30 days of memo signature to status these three closeout categories until all SP2 closeout actions are complete.

If you have any questions regarding this matter, my point of contact is Ms. Sheila McGlynn, DPC/CeB, 703-697-4402, sheila.a.mcglynn.civ@mail.mil.



LeAntha Sumpter
Director, Contracting eBusiness