

GSA SmartPay® Program FY2008 Executive Summary

Office of Charge Card Management (OCCM)

Federal Acquisition Service, General Services Administration (GSA)

About GSA SmartPay®

GSA SmartPay®, established in 1998, is the world's largest government charge card program, serving over 350 federal agencies, organizations, and Native American tribal governments. The program provides federal employees with a secure, convenient, and efficient procurement and payment tool in the form of approximately 3 million government charge cards with worldwide acceptance.

GSA SmartPay® enables agencies, organizations, and Native American tribal governments to obtain purchase, travel, fleet, and integrated charge cards through a Master Contract with five banks at the end of FY 2008: Bank of America, Citibank, JPMorgan Chase, Mellon Bank, and U.S. Bank.

In FY2008, GSA SmartPay® remained the preferred government payment method for more than 100 million purchase, travel, and fleet transactions, generating approximately \$30.6 billion in spend. Moreover, agencies, organizations, and Native American tribal governments earned over \$187 million in refunds based on dollar volume and payment performance.

As charge cards evolve to become strategic business tools, GSA SmartPay® and its contractor banks will continue to focus on enabling smarter use of cards and card-related services through strategic sourcing initiatives, new product and service offerings to meet the evolving needs of agencies and judicious adoption of improvements in the payments industry, security enhancements, and the development of innovative tools and program technology to better manage charge card program information and reporting.

For more information about GSA SmartPay®, please visit our website at www.gsa.gov/gsmartpay.

FY2008 Program Achievements

October 2007 – September 2008

In FY2008, the Office of Charge Card Management (OCCM) and the GSA SmartPay® program:

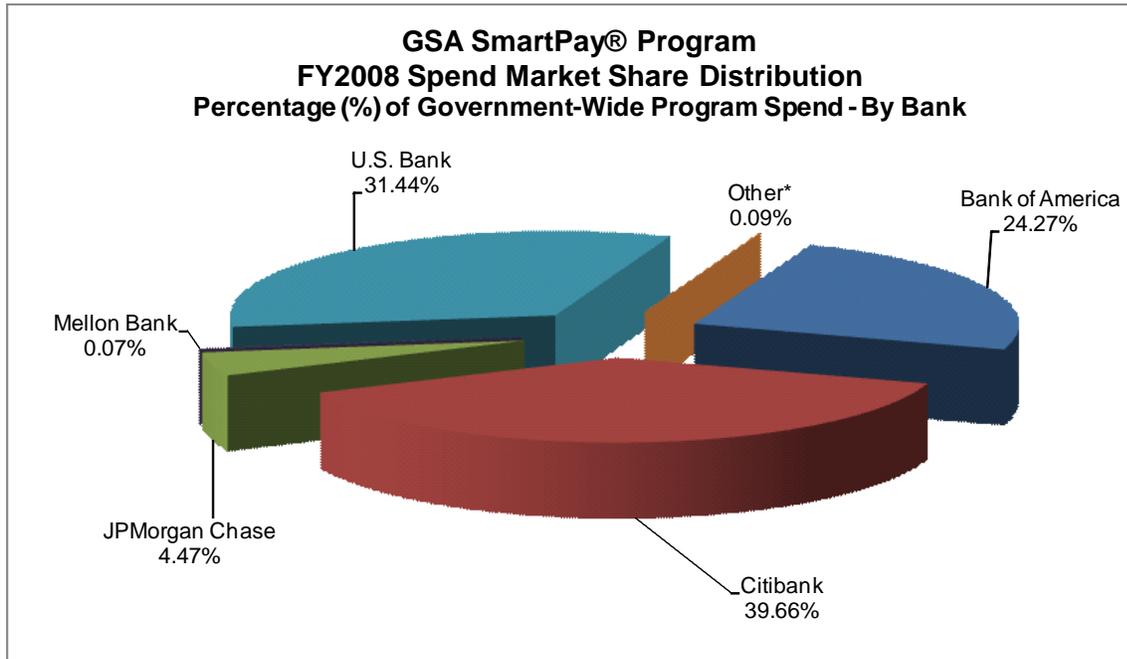
- Supported agencies/organization in preparation for transition to the GSA SmartPay® 2 program. OCCM continued to provide transition support to Agency/Organization Program Coordinators (A/OPCs). Regular communication with A/OPCs via phone, email, newsletters and monthly program meetings enabled OCCM to successfully provide high levels of customer support as well as monitor the agencies/organizations' progress through the transition period.
- Hosted A/OPC monthly meetings to provide agencies/organizations a forum for discussion and guidance on program issues and concerns. During the transition, monthly A/OPC meetings provided agencies/organizations with a place to gain transition support and share transition lessons learned. A/OPC meetings also served as a way to share industry knowledge among agencies/organizations and discuss relevant legislation.

- Participated in relevant industry focused conferences to communicate the GSA SmartPay® program and inform agencies/organizations of the transition to GSA SmartPay® 2 and the associated changes and services.
- Conducted a major overhaul of the GSA SmartPay® program website (<http://www.gsa.gov/smartpay>) to effectively communicate the transition to the GSA SmartPay® 2 card. The website provided links to frequently asked questions (FAQs), tax exemption forms, and communication tools relevant to the GSA SmartPay® 2 cards.
- Developed the *GetSmart* Newsletter for all agencies/organizations. *GetSmart*, emailed on a quarterly basis, provides relevant information about the GSA SmartPay® program and OCCM services and upcoming events. *GetSmart* includes a letter from the Director of OCCM, Dave Shea, OCCM employee profiles, important information regarding the transition to GSA SmartPay® 2, and relevant industry and legislative information.
- Created and released GSA SmartPay® Smart Bulletins, a source of operational guidance, to keep customer agencies/organizations and stakeholders informed of new or updated policies, regulations, charge card management practices, task order administration information, information on master contract changes, and laws relevant to government charge cards.
- Hosted the 11th Annual GSA SmartPay® Training Conference, held in Denver, CO, July 22-24, 2008. A record of over 5,500 program coordinators representing 350 agencies and organizations attended the conference, which was designed to help educate GSA SmartPay® program managers. The conference theme, "Towards New Horizons", provided hands-on training, best practice sessions, information to assist agencies in preparing for their successful transition to GSA SmartPay® 2. With more than 200 courses, lectures, roundtables, computer labs, technical demonstration centers and exhibit booths, the conference was a huge success. Attendee satisfaction with the conference was also strong, with 95% of surveyed attendees indicating overall satisfaction with the 2008 conference.
- Continued to engage in program-wide representation at major industry forums, e.g., VISA Government Forum, MasterCard Public Sector Forum, Society of Government Travel Professionals, etc., and continued to work on behalf of agencies/organizations to monitor and address proposed card-related legislation, e.g., Government Credit Card Abuse Prevention Act of 2007.

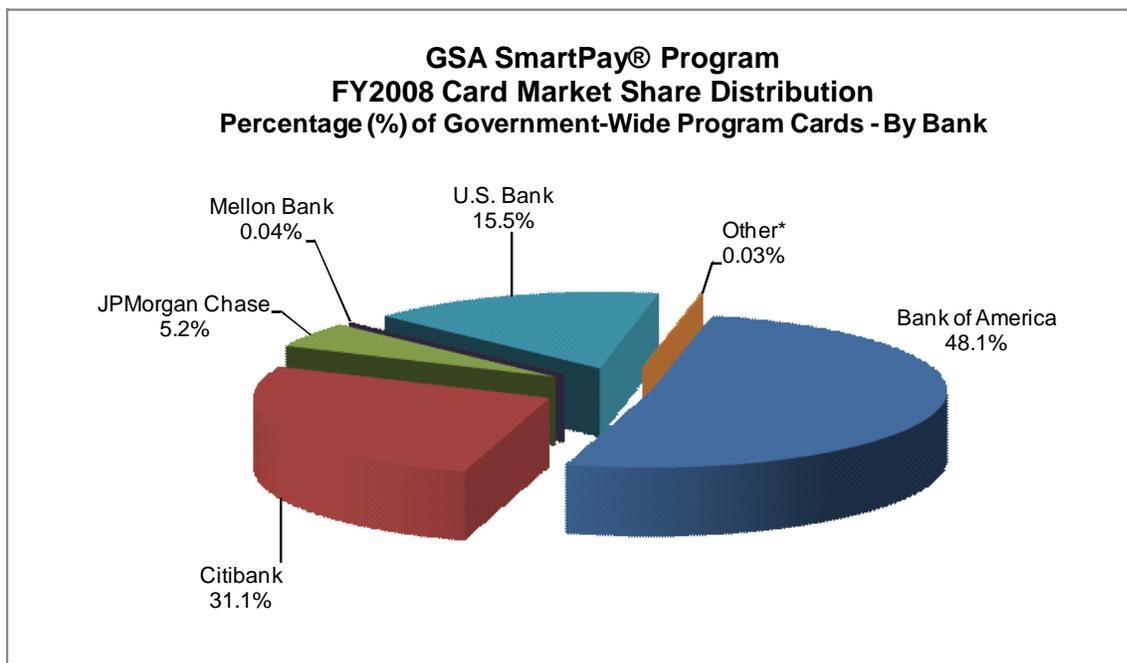
FY2008 Program Statistics

Market Share – Spend and Cards

Market share of the program (spend) for each bank was distributed as follows in FY2008:



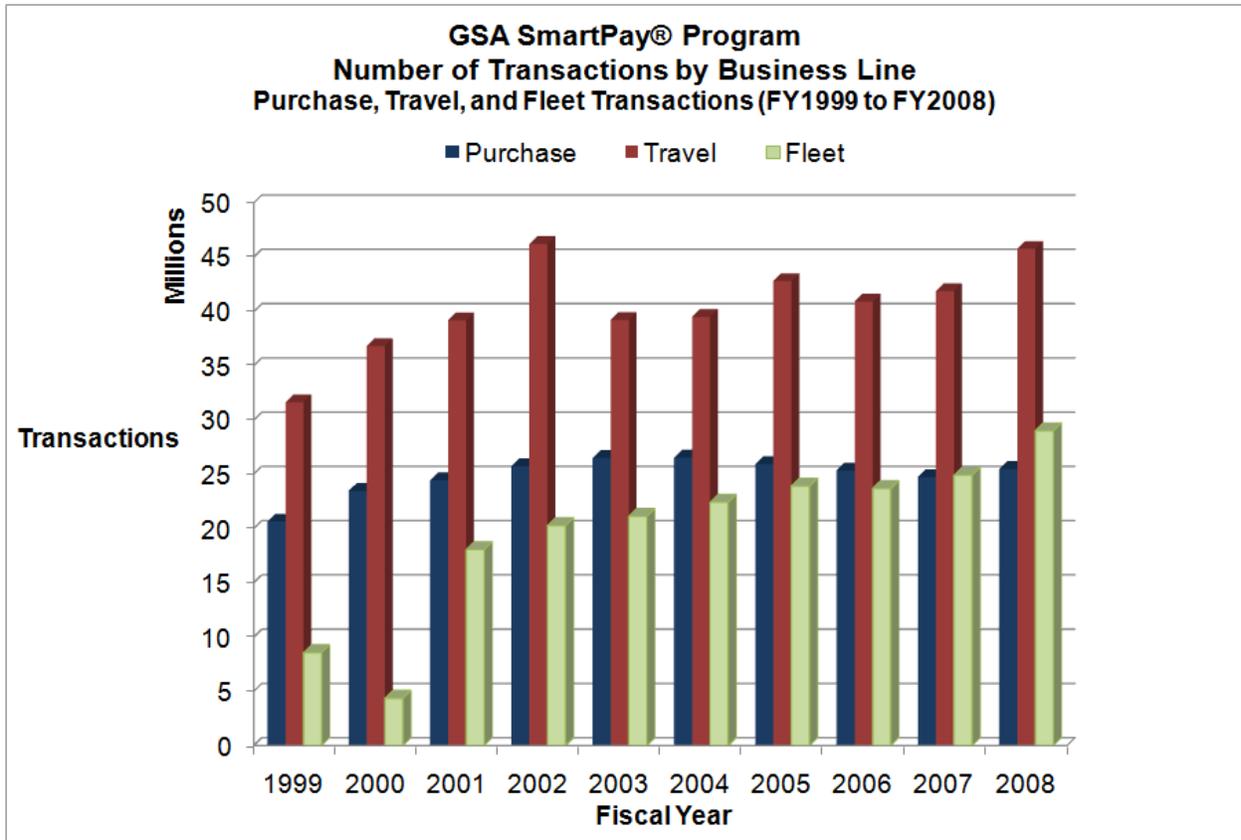
Market share of the program (cards) for each bank was distributed as follows in FY2008:



Note: Other* is used when data is not available, or when an agency/organization changes banks mid-year.

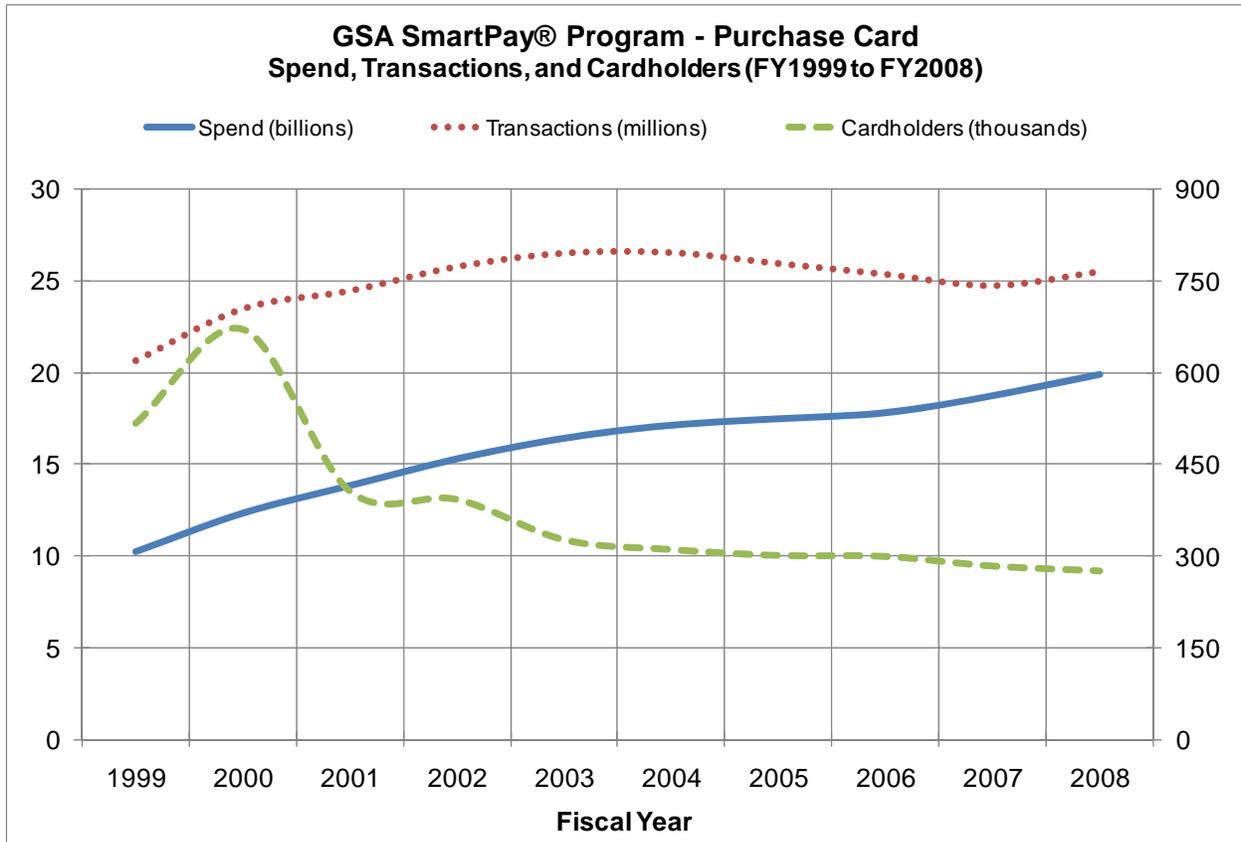
Number of Transactions by Business Line

The number of purchase card transactions slightly increased in FY2008, and total purchase card spend increased 6.2% from \$18.7 billion in FY2007 to \$19.8 billion in FY2008. Transactions processed using the travel card increased to 45.8 million in FY2008 from 41.9 million in FY2007. The fleet card experienced a 16.4% increase in transactions processed from 24.9 million in FY2007 to over 29.0 million in FY2008.



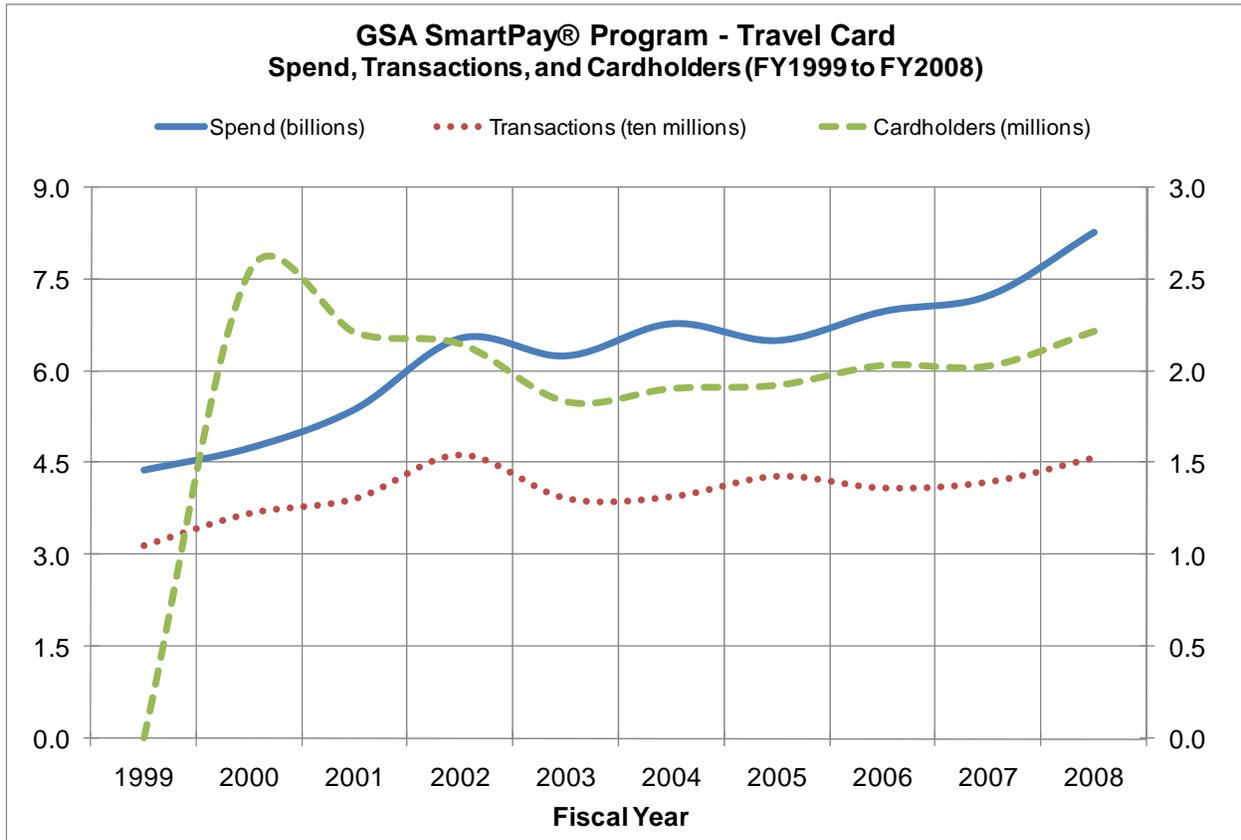
Historical Trends by Business Line – Purchase Card

The graph below shows historical trends for the GSA SmartPay® purchase card program. FY2008 purchase card statistics show approximately \$19.8 billion in spend, 25.5 million transactions, and 276 thousand cardholders.



Historical Trends by Business Line – Travel Card

The graph below shows historical trends for the GSA SmartPay® travel card program. FY2008 travel card statistics show approximately \$8.3 billion in spend, 45.8 million transactions, and 2.2 million cardholders.

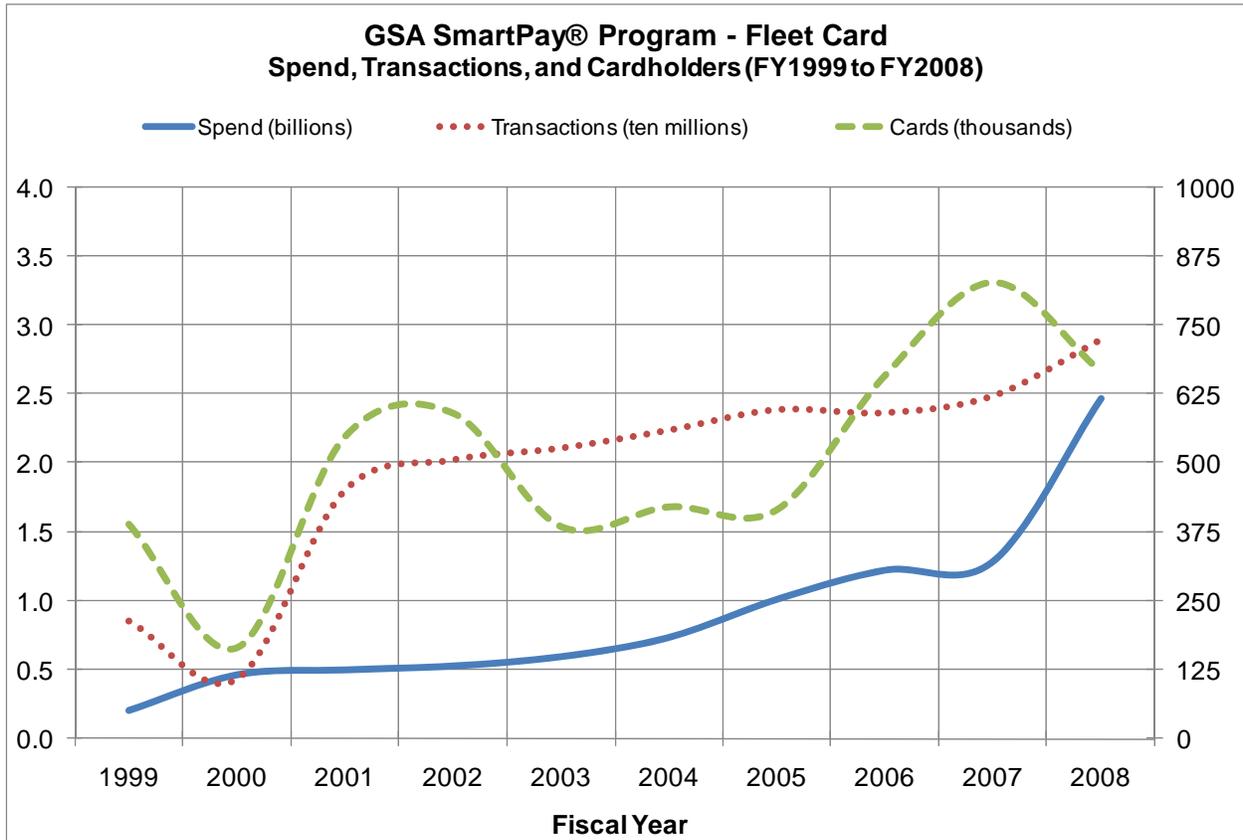


Note:

FY1999 travel cardholder totals were not available at the time of this report.

Historical Trends by Business Line – Fleet Card

The graph below shows historical trends for the GSA SmartPay® fleet card program. FY2008 fleet card statistics show approximately \$2.5 billion in spend; 29.0 million transactions, and 665 thousand cards.



Agency Refunds

Agency refunds are based upon each agency's net charge volume. In FY2008, agency refunds across the government increased by an estimated \$21 million from the total refunds in FY2007. Including the \$21 million increase, agencies, in total, received approximately \$187 million in refunds in FY2008.



GSA SmartPay® Banks

Name	Contact Information
➤ Bank of America*	DC-701-01-01, 730 15 th Street NW Washington, DC 20006 (202) 624-4444 Fax: (202) 452-1732 http://www.bankofamerica.com/government
➤ Citibank	8110 Gatehouse R., STE 300E Falls Church, VA 22042 (888) 241-1514 Fax: (703) 289-7540 http://www.citibank.com/e-business/homepage/citimanager/geshome.htm
➤ JPMorgan Chase	1776 Eye Street NW, Suite 800 Washington, DC 20006 (202) 833-6589 Fax: (202) 833-6589 http://www.jpmorgan.com/cm/ContentServer?c=TS_Content&pagename=jpmorgan%2Fts%2Fts_Content%2FGeneral&cid=1159325851844
➤ Mellon Bank*	500 Ross Street, Suite 1260 Pittsburgh, PA 15262-0001 (412) 236-6039 Fax: (412) 234-2864 http://www.mellon.com/inst/cards/gsa/
➤ U.S. Bank	1025 Connecticut Ave. NW, Ste. 510 Washington, DC 20036 (202) 872-0850 Fax: (202) 261-0800 Task Order Manager (800) 771-4975 www.usbank.com/impac

* Contracts with Bank of America and Mellon Bank have expired on 9/29/2008. Only GSA SmartPay® 1 correspondence should be conducted with these banks