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Introduction

The General Services Administration (GSA) SmartPay travel program provides payment solutions to federal agencies and organizations for official government travel. This guide will assist travel Agency/Organization Program Coordinators (A/OPCs) in managing their agency’s travel program.

This guide is not a policy handbook. Rather, it is intended to serve as a government-wide guidebook for GSA SmartPay travel program management. As you review this guide, keep in mind that the success of your travel program depends on your basic understanding of the GSA SmartPay program, as well as your active participation and understanding of program policies and procedures set forth by your agency/organization.

The terms “bank” and “contractor” are used interchangeably in this guide. They refer to the banks (Citibank and U.S. Bank) awarded contracts under the GSA SmartPay 3 Master Contract. References to the “Master Contract” refer to the existing GSA SmartPay 3 Master Contract awarded in August 2017.

For more detailed information on the GSA SmartPay program and the GSA SmartPay 3 Master Contract, visit our website at [https://smartpay.gsa.gov](https://smartpay.gsa.gov) and/or complete the free GSA SmartPay Travel A/OPC and travel account holder training at [https://training.smartpay.gsa.gov](https://training.smartpay.gsa.gov).

What is the purpose of the government-wide travel program?
- To provide payment solutions and associated services in support of official domestic and international federal travel and travel-related expenses
- To streamline the travel process by allowing employees to purchase negotiated tickets and book hotels and rental cars through their respective Travel Management Center (TMC) and Commercial Travel Office (CTO)
- To improve government operations by simplifying the financial process
- To provide a platform to improve government operations and accountability

What is official government travel?
Travel performed at the direction of a federal agency under an official travel authorization, either oral or written. Account holders traveling locally and not under an official travel authorization may use their GSA SmartPay account for local travel expenses only when expressly authorized by agency/organization-level policy.
What is the GSA SmartPay 3 Master Contract? GSA contracted with Citibank and U.S. Bank to provide purchase, travel, and fleet payment solutions to the federal government. These contracts are collectively known as the “GSA SmartPay 3 Master Contract.”

References made to contract sections within this guide refer to the existing GSA SmartPay 3 Master Contract awarded in August 2017.

What type of contract vehicle is used for the GSA SmartPay Master Contract? The GSA SmartPay 3 Master Contract is a fixed-price indefinite-delivery/indefinite-quantity (IDIQ) contract. The contract transactional period of performance is 13 calendar years (four-year base period and three three-year option periods). Under the GSA SmartPay 3 Master Contract, agencies/organizations place a task order(s) with selected contractor(s), or they can pool or tag along with other agencies to leverage benefits.

What does it mean to pool with another agency under the GSA SmartPay Master Contract? Pooling is a partnership between two or more agencies/organizations that work together to define requirements and choose a contractor for their combined requirements under a single task order. Pooling allows agencies/organizations to combine resources and sales volume to increase financial refunds and share administrative responsibilities. It also provides an agency/organization the ability to network with other agencies/organizations to share best practices. Currently, the GSA SmartPay program office manages a pooling task order. If you would like to pool under the existing pooling task order, simply contact the GSA SmartPay program office.

What does it mean to tag with another agency/organization under the GSA SmartPay Master Contract? Tagging allows an agency/organization to join another established task order in order to receive the same services provided to the primary agency/organization. Tagging allows for an agency/organization to utilize an existing contract vehicle so that it may take advantage of that task order’s pre-negotiated terms, rates and conditions. This process can occur only when an agency allows for tags on its task order. As a result, all administrative responsibilities of the task order are placed on one agency/organization. Agencies/organizations may charge a fee for tagging along on their task order(s).

How can my agency utilize travel payment solutions? Your agency’s chief financial officer, chief administrative officer, chief acquisition officer, and/or procurement executive will decide how your agency will place a task order with its selected contractor. The task order will designate who has authority within the agency to administer the program (i.e., set up accounts, receive reports, etc.).
# Types of Travel Accounts

There are three types of travel accounts: Centrally Billed Accounts (CBAs), Individually Billed Accounts (IBAs), and Tax Advantage Travel Accounts. These accounts are often identified by their card’s physical appearance, as well as their account numbers.

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<th>Type of Travel Account</th>
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| **Travel Individually Billed Accounts (IBAs)** | Issued directly to employees of the customer agency/organization to be used to pay for official travel and travel-related expenses. IBAs may be issued to only federal employees or employees of tribes or tribal organizations. IBAs may be used for local travel only if authorized by written policy of the agency/organization. Account holders are directly responsible for all purchases charged to the IBA account. Payment may be made directly by the account holder, by the agency/organization, or in the form of a split disbursement in accordance with agency/organization policy. | - If the sixth digit of the card is 1, 2, 3, or 4, the card is a GSA Smartpay IBA  
- Associated prefixes for IBA accounts are 4486, 4614, 4615 (for Visa); 5565, 5568 (for Mastercard) |
| **Travel Centrally Billed Accounts (CBAs)** | Established by agencies/organizations for official travel charges and official travel-related expenses. Agencies/organizations generally use the travel CBA to purchase common-carrier transportation tickets for employee official travel through third-party arrangements, such as the GSA E-Gov Travel Service (ETS) for civilian agencies, the Defense Travel System (DTS) for the Department of Defense (DoD), or permissible equivalent travel system. Agencies/organizations may also make purchases through travel-management centers, commercial travel offices, and other government contracts. | - If the sixth digit of the card is 0, 6, 7, 8, or 9, the card is a GSA Smartpay CBA  
- Associated prefixes for IBA accounts are 4486, 4614, 4615 (for Visa); 5565, 5568 (for Mastercard) |
| **GSA SmartPay Tax Advantage Travel Accounts** | New product offerings that combine an Individually Billed Account (IBA) and Centrally Billed Account (CBA), providing a means to obtain tax exemption automatically at the point of sale for rental cars and lodging charges. Agencies/organizations not eligible to receive IBAs may not utilize Tax Advantage Travel Accounts. The combined features of CBAs and IBAs are a key characteristic of this product. When using the Tax Advantage Travel Account, charges for rental cars and lodging will be automatically billed to a CBA for payment, taking advantage of the government’s tax-exemption status for those types of accounts. Charges for other travel-related purchases such as meals and incidentals are billed to the IBA portion of the account, will still incur tax, and the individual traveler will still be liable for payment to the bank for those charges. | - If the sixth digit of the card is 5, the card is a GSA Smartpay Tax Advantage Account  
- Associated prefixes for IBA accounts are 4486, 4614, 4615, 4716 (for Visa); 5565, 5568 (for Mastercard) |
How does the GSA SmartPay Tax Advantage Travel Account work? The Tax Advantage Travel Account is issued to an employee designated by the agency/organization in the employee’s name. The agency/organization will work directly with the contractor bank to establish the billing and payment procedures for CBA versus IBA transactions. In addition, the agency/organization will work with the contractor bank to determine if credit checks or other creditworthiness assessments will apply. A/OPCs will work with their GSA SmartPay 3 contractor to identify Merchant Category Codes (MCCs) for rental cars and lodging to be excluded from taxes. When the account is used, invoices will be sent to the agency/organization and the account holder for payment. The agency/organization is responsible for the CBA charges on the account, and the account holder is responsible for the IBA charges on the account.

Merchant Category Code (MCC): A four-digit code used to identify the type of business a merchant conducts (e.g., gas stations, restaurants, airlines). The merchant selects its MCC with their bank. The code controls what purchases are allowable.

Travel Solutions for Local Travel: Local travel is travel within the vicinity of an employee’s regular duty station where an official government travel authorization is not provided or necessary. Examples of local travel include public transportation passes/tokens, taxi fares, car services, and ferry tickets.

Account holders traveling locally and not under an official travel authorization may use their IBA GSA SmartPay travel account for local travel expenses only when expressly authorized by agency/organization-level policy.

Who is eligible for a Travel Account?

For IBA Travel Accounts
- All uniformed personnel and civilian employees of the DoD, including military reservists traveling to and from inactive-duty training when authorized by the DoD;
- Civilian employees of agencies of the federal government as defined in 5 U.S.C. 5701, except as noted; for purposes of this provision, an agency of the U.S. government as defined in 5 U.S.C. 5701 means:
  - An executive agency (executive department, government corporation owned by the government of the United States, or independent establishment);
  - A military department (Department of the Army, Department of the Navy, and Department of the Air Force);
  - An office, agency, or other establishment in the legislative branch, but does not include:
    - A government-controlled corporation (mixed-ownership government corporation);
    - A member of Congress or an office or committee of the United States Senate or U.S. House of Representatives; and
    - The government of the District of Columbia.
- All members and employees of the U.S. Congress;
- Employees of the judicial branch of the federal government;
- Employees of the U.S. Postal Service;
- U.S. Foreign Service Officers;
- Employees of any agencies who are not subject to the provisions of 5 U.S.C. 5701-5711;
- Any person(s) authorized to travel directly at government expense (including dependents where authorized by law or regulation) with the exception of government contractors;
• Uniformed members of the U.S. Coast Guard, the Public Health Service, and the National Oceanic and Atmospheric Administration;
• Employees of the Legal Services Corporation (except grantees);
• Employees of the Neighborhood Reinvestment Corporation;
• Attorneys, experts, and other persons traveling primarily in connection with carrying out responsibilities under 18 U.S.C. 3006A, Adequate Representation of Defendants.
• Federal employees of the Farm Credit System Insurance Corporation;
• Federal employees of the Federal Deposit Insurance Corporation;
• Federal employees of the National Credit Union Administration when traveling on official government business;
• District of Columbia courts; and

• Any other entity not specified above that may be authorized to use GSA sources of supply. Note: Eligibility for the program is determined by the GSA SmartPay Contracting Officer. Download the application.

For CBA Travel Accounts
• All agencies and organizations listed as eligible to receive IBAs;
• Government cost-reimbursable contractors when authorized in writing by a federal agency pursuant to the Federal Acquisition Regulation at 48 Code of Federal Regulations (CFR) § 51.1;
• Fact and expert witnesses traveling pursuant to a court order, a witness authorization agreement, or other authorizing document issued by a court of competent jurisdiction or a federal agency;
• Employees of the Farm Credit Administration when traveling on official business;
• Employees of the government of the Commonwealth of the Northern Mariana Islands on official travel;
• Persons traveling on behalf of the American Red Cross national sector for the purpose of overseas activities or domestic activities supporting overseas operations (except contractors supporting the American Red Cross);
• Employees of tribes or tribal organizations when authorized under paragraph C.2.1.1.2, For Tribes or Tribal Organizations. A list of tribes and tribal organizations that are mandatory users can be found at [http://www.gsa.gov/portal/content/103885](http://www.gsa.gov/portal/content/103885).

• Employees of and participants in the Eisenhower Exchange Fellowship Program when performing travel necessary to carry out the provisions of 20 U.S.C. § 5201;

• Employees of the National Park Foundation;
  ◦ Of the foundations established by Acts of Congress to solicit private-sector funds on behalf of federal land-management agencies for official travel, including:
    ▪ National Fish and Wildlife Foundation; and
    ▪ National Forest Foundation

• Employees of the Board of Governors of the Federal Reserve System when traveling on official government business;

• DoD recruits traveling from Military Entrance Processing Stations (MEPS); and

• Any other entity not specified above that may be authorized to use GSA sources of supply. Note: Eligibility for the program is determined by the GSA SmartPay Contracting Officer. [Download the application.](#)

### What are refunds offered under the GSA SmartPay 3 Master Contract?

Refunds are payments provided by the contractor banks to the agency/organization based on the amount of spend produced through the task order. Refunds are provided during a specified time period (e.g., quarterly) and can also include additional payments from the contractor bank to the agency/organization to correct improper or erroneous refund payments or make invoice adjustments.

Refunds listed in the GSA SmartPay 3 Master Contract are the minimum refund amounts that the contractor banks are required to provide to customers. Your agency/organization’s task order will provide additional guidance on the amount of refunds provided to your agency/organization. Refunds are provided on standard transactions and large-ticket transactions for CBA, IBA, and GSA SmartPay Tax Advantage Travel accounts. In addition, your agency may utilize other offered products and services, such as ePayables, which will have their own refund minimums.

### For GSA SmartPay Tax Advantage Travel Accounts

• All agencies and organizations listed as eligible to receive IBAs

*Non–U.S. citizens and foreign nationals are not eligible to be issued a GSA SmartPay travel card.*
Products and Services Offered By Your GSA SmartPay Contractor Bank At No Additional Cost:

- **24-Hour EAS Customer Service**: Customer service provided by the contractor to the agency/organization in support of the provided Electronic Access System (EAS).

- **Association Program Management Tools**: Association (i.e., Visa® or MasterCard®) tools provided by the contractor that assist with travel card program management.

- **Accounts Payable File Review**: A review of accounts payable file information provided by the agency/organization to the contractor in order to analyze potential ways to maximize program efficiencies and utilize various payment solutions/tools.

- **Chip Cards**: A card product with a microprocessor chip embedded into the card to provide increased payment security. The chip creates a unique one-time code known as a “cryptogram” with each transaction.

- **Declining Balance Cards**: A card that functions similarly to a traditional charge card; however, limits do not refresh each month. These cards can be applied for a specific purpose for a specific period of time, as identified by the agency/organization. Credit limits can either be set as needed or the card becomes inactive once the balance is used.

- **Email/SMS Alert Service**: Email or text message alerts that may be sent to A/OPCs, Approving Officials (AOs), and/or to account holders when a transaction is made (or on a regular recurring schedule based on agency/organization needs).

- **EPayable – Supplier Initiated Payments**: A solution that augments or replaces the accounts payables process such that electronic transactions take place directly between the government and the supplier. EPayables solutions are typically used with merchants who are traditionally paid by check or EFT or merchants who do not accept charge card payments (e.g., utility companies).

- **Foreign Currency Accounts**: Payment solutions offered in foreign currencies. All administrative functions, including billing and settlement, occur in the foreign currency requested/established by the agency/organization.

- **Ghost Account**: An account number that is specific to an agency/organization or an entity within an agency/organization. Purchases made are charged back to the agency/organization or the entity within the agency/organization to which the account number was issued.

- **Interchange-Based Government-to-Government Transactions**: Payments between different agencies (intergovernmental) or within the same agency (intragovernmental).

- **Mobile Applications**: The ability to access EAS, pay invoices, receive text/email alerts, and view statement and payment information over a mobile device.

- **Mobile Payments**: The ability to make payments via mobile device at the point-of-sale.

- **Net Billing**: The process of ensuring that merchant discounts or refunds offered are deducted at the point of sale and guaranteeing such discount arrangements.

- **Real Time Web Assistance**: Assistance with website/EAS functionality in real time.

- **Single Use Account**: An electronic payment solution that leverages a single 16-digit virtual account number for each payment. The limit on each account is set to the specific payment amount.

- **Tokenization**: The use of a secure, unique “token” in place of a 16-digit account number to provide extra security for transactions.

- **Virtual Account**: One-time-use account numbers that may be used during a limited time, for a limited amount, and possibly for a specific vendor.
Chapter 2: Public Laws and Regulations

This chapter highlights relevant legislation and regulations of the GSA SmartPay travel program. Policies vary from agency to agency, based on mission considerations. It is recommended that you are also familiar with your specific agency policies and how they relate to your role in the GSA SmartPay program.

Federal Travel Regulation (FTR): The FTR, established in 2004, is the regulation contained in 41 CFR, Chapters 300 through 304, that implements statutory requirements and executive branch policies for travel by federal civilian employees and others authorized to travel at government expense.

The Administrator of GSA promulgates the FTR to (a) interpret statutory and other policy requirements in a manner that balances the need to ensure that official travel is conducted in a responsible manner with the need to minimize administrative costs and (b) communicate the resulting policies in a clear manner to federal agencies and employees. https://www.gsa.gov/policy-regulations/regulations/federal-travel-regulation-ftr

Office of Management and Budget (OMB) Circular A-123, Appendix B, Improving the Management of Government Charge Card Programs

OMB Circular A-123, Appendix B, establishes standard requirements and practices for improving the management of government payment solutions programs. The circular allows the A/OPC to monitor the data accurately and in a timely manner. It establishes standard minimum requirements and suggested best practices that should be supplemented by individual agency policy and procedures. Areas covered include: establishing a management plan; training; risk management; performance metrics and data requirements; creditworthiness; and refund management.

Public Law 105-264

The Travel and Transportation Reform Act (TTRA) of 1998 mandates that federal employees use the government contractor issued travel account for all payments of expenses related to official government travel unless an exemption has been granted in accordance with the FTR, 41 CFR §§ 300 – 304. Information regarding exemption from mandatory use of the travel account is located at 41 CFR § 301-51 – Paying Travel Expenses, Joint Federal Travel Regulation (JFTR), and Joint Travel Regulations (JTR).

Public Law 112-194 (click here)

The Government Charge Card Abuse Prevention Act of 2012 requires all federal agencies to establish certain safeguards and internal controls for government charge card programs and to establish penalties for violations, including dismissal when circumstances warrant. The law increases oversight by requiring that each agency Inspector General (IG) periodically conduct risk assessments and audits to identify fraud and improper use of government charge cards.
GSA developed and maintains a Compliance Summary Matrix to assist agencies/organizations with employing an effective charge card internal control program that is in balance with the need to maintain card flexibility and ease of use in support of agency mission activities. The matrix details the internal control requirements stated in P.L. 112-194. Agencies are not required to submit the matrix to OMB. Agencies/organizations should review these requirements and compare them to their existing internal controls in order to document the operational effectiveness of current controls and processes. Instances of non-compliance should be documented, as well as a summary of corrective actions to be taken to address shortcomings. The Compliance Summary Matrix can be located on the GSA SmartPay website at https://smartpay.gsa.gov/content/about-gsa-smartpay#sa299.

OMB Memorandums M-13-21 and M-17-26
OMB Memorandums M-13-21 and M-17-26 were developed to further define the requirements contained in Public Law (P.L.) 112-194, the Government Charge Card Abuse Prevention Act of 2012. The memorandums provide agencies/organizations with guidance and reporting requirements and frequencies. The memorandums provide guidance in the following areas:

- Require all federal agencies to establish certain safeguards and internal controls for the government payment solutions program;
- Establish and outline reporting requirements for business lines, such as reports on purchase and integrated violations;
- Establish penalties for violators, including dismissal when circumstances warrant (purchase transactions only); and
- Increase oversight by requiring that each agency Inspector General (IG) periodically conduct risk assessments and audits to identify fraud and improper use of the government payment solutions.

In response to the OMB Memorandums, GSA developed and maintains a Charge Card Prevention Act Reporting Requirements Matrix to assist agencies/organizations with understanding required reports, frequency of the reports, and where to send the reports. This matrix can be accessed on the GSA SmartPay website at https://smartpay.gsa.gov/content/about-gsa-smartpay#sa299.

Public Law 115-34 (click here)
Enacted on May 16, 2017, the Modernizing Government Travel Act requires the head of each federal agency to report information on travel and transportation expenditures, relocation expenditures, and number of trips for official government travel. This information is reported to the Administrator of GSA and must be approved by the Director of the Office of Management and Budget.

GSA FTR bulletin 16-05 dated July 27, 2016, also addresses this issue.

Is it mandatory to use a federal government travel account when traveling? Yes. In accordance with the FTR, Section 301-51, Paying Travel Expenses, agencies/organizations are required to pay for official travel expenses using a government-authorized travel payment solution, unless granted an exemption in accordance with FTR policies. For the DoD, see DoD Instructions 5154.31 and the JTR.
Chapter 3: 
Role of the Travel A/OPC

As the GSA SmartPay Travel A/OPC, you play a diverse role in the management of your agency’s travel program. Your main responsibility is to oversee the travel program for your agency/organization to best support your mission. In general, the A/OPC serves as the liaison between the account holder, the contractor, an agency’s management, and GSA’s Center for Charge Card Management. The agency lead A/OPC may be supported by regional or field A/OPCs with distinct responsibilities.

Responsibilities of the A/OPC

Managing Account Holders:
• Maintain a current list of account names, account numbers, and contact information of all current account holders and accounts.
• Maintain a current list of agency/organization points of contact for Designated Billing Offices (DBOs), Transaction Dispute Offices (TDOs), and Electronic Commerce/Electronic Data Interchange Offices (EOs), as applicable.
• Ensure account holders use the travel program correctly.
• Monitor account activity and manage delinquencies.
• Ensure that appropriate steps are taken to mitigate suspension or cancellation actions.

Training:
• Receive training before appointment and participate in refresher training a minimum of every three years (or less, depending on agency/organization policies) in accordance with OMB Circular A-123, Appendix B.
• Participate in annual training forums and disseminate information and lessons learned to other A/OPCs, account managers, and account holders.
• Ensure that account holders are trained prior to receiving their travel account and that they take refresher training at a minimum every three years (or more often if required by your agency).

Master Contract/Task Order Compliance:
• Oversee the business line for your agency/organization and establish agency/organization guidelines.
• Direct the contractor to establish accounts.
• Serve as liaison between the account holder and the contractor.
• Provide ongoing program guidance.
• Audit accounts as required.
• Keep necessary account information current for the agency/organization.

The terms and conditions of the GSA SmartPay Master Contract can only be modified by the GSA SmartPay Contracting Officer. In addition, agency/organization task orders can only be modified by an authorized agency/organization Contracting Officer. The A/OPC does not have the authority to modify the Master Contract or the task order or provide supervisory guidance to the contractor’s personnel.
Managing the Travel Program

The contractor can provide you with tools to assist in successful management of your agency’s travel program by:

• Establishing and maintaining accounts;
• Providing an EAS;
• Providing data-mining tools and assistance to help detect potential fraud/misuse;
• Providing forms and reports; and
• Resolving disputes.

Account Holder Hierarchies

As the A/OPC, you may also be responsible for establishing account holder hierarchies. Account holder hierarchies are determined by the agency and are often associated with billing and organizational structures. Because agencies have unique requirements, hierarchy structures may vary from agency to agency. This includes the number of account holders each A/OPC may manage and the level of problem resolution. Once your agency determines the structure and requirement needed, the contractor will be able to assist with establishing your agency hierarchy levels.

A/OPC Training Resources

In addition to this guide, the following training and resources are available:

• Online: GSA SmartPay travel program A/OPC online training
• In-Person: The annual GSA SmartPay Training Forum provides training on a variety of topics, including: travel policy, delinquency management, reports, electronic access systems, and industry and government best practices.
• On-Site: Free contractor on-site training at an agency/organization-specified location to groups of 20 or more A/OPCs and DBO, and TDO points of contact, or any combination, as requested by agencies/organizations. Different agencies/organizations may come together to form a group of 20 or more for on-site training.
• Guides: An A/OPC guide is available from the contractor. The guide may be provided online or hard-copy format.
• Manual: An EAS user manual, provided by the contractor, provides a detailed description of your contractor’s EAS functionality.

How do I set up travel accounts? As the A/OPC, you are responsible for the establishment and maintenance of CBAs and IBAs. Refer to your contractor’s A/OPC guide and EAS manual for instructions on how to set up accounts.
Chapter 4: General Administration

Management Involvement and Support
Management involvement and support are essential keys for a successful GSA SmartPay travel program.

The following tips may assist you in achieving management support:
• Ensure management appoints/designates a central and/or lead A/OPC for travel policy and management.
• Ensure that employees are aware of your agency’s policies, goals, and objectives.
• Maintain the lines of communication at all levels.
• Provide timely reports, including delinquency reports, to the appropriate officials.
• Stay abreast on travel issues, including pending legislation related to travel, in order to provide accurate information to employees.

With management involvement and support, you will be able to manage your agency's travel program more efficiently and effectively. Communicating and educating employees at all levels is an ongoing process vital to the success of the program. It is important to:
• Work with your agency's travel manager to develop agency-specific guidance for administering the GSA SmartPay travel program;
• Ensure each account holder is provided a copy of your agency’s policies and procedures; and
• Maintain appropriate historical records and documentation.

Developing a Management Plan
Each agency is required to develop a management plan for your payment solutions program. Within your agency, offices/organizations may also be required to have their own respective management plan. The management plan establishes written formal policies and procedures critical for ensuring that a system of internal controls is followed and that potential for fraud, misuse, and delinquency is minimized.

See OMB Circular A-123, Appendix B, for management plan requirement and time frames for submission to OMB.

Determining the Appropriate Ratio of A/OPCs to Account Holders
Several factors, such as delinquency rate and management control, should be considered when determining an appropriate ratio of A/OPCs to account holders. However, these determining factors are primarily based on an in-depth management review and availability of the agency's resources. Therefore, as an A/OPC, you should consult with your agency's appropriate official(s) when determining an appropriate A/OPC–account holder ratio.

Training
It is vital that travel managers and account holders understand their roles and responsibilities in order for a GSA SmartPay travel program to be implemented efficiently. All program participants, including account holders, account managers, A/OPCs, approving officials, and other individuals (e.g., accounting and billing officials) responsible for the management of the program must be trained. All program participants:
• Must be trained prior to appointment;
• Must take refresher training at a minimum of once every three years or more frequently, as required by your agency; and
• Must certify that they have received the training, understand the regulations and procedures, and know the consequences of inappropriate actions.
Copies of all training certificates must be maintained pursuant to U.S. National Archives and Records Administration (NARA) requirements, General Records Schedule 1, Item 10a.

**Account holder training must:**
- Provide general information on traveling for the government and review how to use a travel account, including agency travel account policies and procedures and proper account use.
- Familiarize account holders with the (1) FTR, specifically Part 301-51, Paying Travel Expenses and Part 301-54, Collection of Undisputed Delinquent Amounts Owed to the contractor Issuing the Individually Billed Travel Account, (2) JFTR or (3) JTR, as applicable.

**A/OPC training must:**
- Cover the additional roles and responsibilities of the A/OPC, including proper management, control, and oversight tools and techniques.

The A/OPC must also receive the same training as the account holders.

*See OMB Circular A-123, Appendix B, Chapter 3, for a complete list of training requirements.*

**Performance Metrics and Data Requirements**

Agencies are required to maintain for their own use, statistical and narrative information related to each charge card program. Executive agencies with more than $10,000,000 in annual purchase business-line spend must submit a joint agency and IG report to the Director of OMB on violations or other actions covered in 41 U.S.C. 1909 (c)(1).

Each agency must maintain and report data/performance metrics including:
- Number of accounts;
- Number of active accounts;
- Percentage of employees that are account holders;
- Number of new accounts;
- Account dollars spent;
- Total refunds earned;
- Percentage of potential refunds earned;
- Number of cases reported to the Office of Inspector General (OIG);
- Number of administrative and/or disciplinary actions taken for account misuse (including delinquency);
- Number and percentage of travel accounts with monthly and/or transaction limits;
- Number of percentage of travel accounts with automated teller machine (ATM) withdrawal limits; and
- Percentage of travel account holders who are infrequent travelers.

*See OMB Circular A-123, Appendix B, Chapter 5 for additional performance metrics and data requirements.*

**Creditworthiness**

Creditworthiness assessments are an important internal control for ensuring that account holders are financially responsible. Public Law 112-194 requires agencies/organizations to have an arrangement with the GSA SmartPay contractor that requires creditworthiness assessments of individuals before receipt of IBA or GSA SmartPay Tax Advantage Travel Accounts.

*See Public Law 112-194, OMB Circular A-123, Appendix B, and the GSA SmartPay 3 Master Contract for more information regarding creditworthiness requirements.*
Chapter 5:
Preventive Actions and Risk Management

As your agency’s travel program A/OPC, you can implement several control factors to prevent abuse of the government travel accounts and minimize the occurrence of delinquency by:

- Determining credit limits.
- Reviewing the credit limit of account holders to determine what is appropriate based on the frequency of travel.
- Deactivating or reducing credit limits to $1 when not in use.
- Establishing ATM limits to ensure that account holders do not exceed their travel allowances. Cash advances are limited to the estimated allowance for meals and incidental expenses (M&IE) and reimbursable out-of-pocket expenses a traveler will incur.
- Decreasing the number of days for suspension, cancellation, or late fees. This allows an agency to better manage and monitor delinquency and unauthorized charges.
- Blocking certain MCCs to prevent unauthorized use. Merchants whose business is not travel-related should be blocked to prevent an account holder from making an unauthorized purchase. However, keep in mind that emergency response personnel may obtain food and lodging from non-traditional merchants.
- Suspending and/or canceling an account for inappropriate use or failing to pay the contractor in a timely fashion. Note: Be sure to notify the account holder’s supervisor prior to taking action.
- Implementing salary offset as discussed in OMB Circular A-123, Appendix B. The Travel and Transportation Reform Act (TTRA) of 1998, Public Law 105-264, Section 2(d) allows an agency to collect monies from an employee’s disposable pay for any undisputed delinquent amount owed to a travel account contractor, upon written request from the contractor after due process. More detailed information can be found in FTR Part 301-76, Collection of Undisputed Delinquent Amounts Owed to the Contractor Issuing the Individually Billed Travel Account.
- Ensuring the use of split disbursement as described in OMB Circular A-123, Appendix B. Split disbursement divides a travel voucher reimbursement between the contractor and the traveler, sending the balance owed directly to the appropriate party.
- Reviewing accounts periodically to ensure that all unused travel accounts are closed (this includes closing accounts for employees who leave the organization).
- Reporting delinquency and misuse/abuse to the appropriate officials. Notifying the account holder’s supervisor so that appropriate disciplinary action may be taken.
- Referring potential fraud and abuse cases to your OIG for investigation.
Chapter 6: Account Holder's Responsibilities

Individuals who travel on official business for the federal government are required to use the travel account for all official travel expenses, unless an exemption is granted. It is both management’s and the A/OPC’s responsibility to ensure that employees are aware of the agency's policies and procedures, including account holder and management responsibilities.

To assist the account holder on the proper use of the travel account, management may require account holders to complete the GSA SmartPay online training course and/or other equivalent training. All program participants must be trained prior to appointment and receive a training completion certificate every three years (or more often if required by your agency's training policy). The GSA SmartPay online training can be found at https://training.smartpay.gsa.gov.

In addition to complying with your agency's travel policy, account holder responsibilities include, but are not limited to:

- Understanding individual agency/organization policies and procedures as they relate to official federal government travel.
- Complying with the terms and conditions of the account holder agreement that is issued with the travel account by the contractor. Account holders should be informed that the agency may take disciplinary action and make appropriate civil and criminal referrals for inappropriate use of the travel account.
- Using your government travel account to pay for official travel expenses and not for personal use.
- Obtaining travel advances for official travel through an ATM if authorized by your agency.
- Tracking your expenses and keeping receipts while on travel, so you have accurate information for filing your travel claim.
- Paying all charges and fees associated with the Individually Billed Account (IBA) travel account in full by the billing due date (whether or not the account holder has been reimbursed by the agency).
- Filing your travel claim within five days after you complete your trip or every 30 days if you are on continuous travel.
- Following the dispute process for charges that are incorrect.
- Contacting the contractor’s customer-service number for questions about the monthly bill.
- Being aware that misuse of the travel account could result in disciplinary actions by your agency.
- Immediately reporting a lost or stolen account to your A/OPC and the contractor.
- Researching state tax-exemption policy and finding out what is required before you travel.
Account Holder Resources
For a list of guides, presentations, publications, and other account holder resources, click on "Resources," located on the top menu bar of the GSA SmartPay website (https://smartpay.gsa.gov).

In addition, each account holder will be given an account holder agreement issued by the contractor that will contain the following information:

- Purpose of the card/account;
- Procedures for renewal and replacement of cards;
- Restrictions on use of the card/account;
- Individual liability for charges;
- Procedures for reporting non-payment to credit bureaus;
- Payment schedule;
- Non-payment actions, including salary offsets and debt-recovery fees (debt-recovery fees are those standard commercial fees charged for formal debt-collection action);
- Delinquency and suspension/cancellation procedures;
- Dispute processes;
- ATM access procedures, where authorized;
- Procedures for reporting lost or stolen cards/accounts;
- Method of foreign currency conversions;
- Toll-free number for billing inquiries, billing disputes, reporting lost or stolen cards, and problems with goods and services;
- Privacy Act notice; and
- Account holder consent to creditworthiness assessment.

State Taxes
Official government purchases using CBAs are generally exempt from state taxes, with limited exceptions. The GSA SmartPay Travel Tax Advantage Account acts as a CBA for lodging and rental car purchases and therefore is also exempt from state taxes on those items. In addition to state taxes, accounts may be exempt from some local taxes or fees, depending on the city, county, or locality. Some states also provide tax exemption on IBAs for sales, occupancy, city, county, and some local taxes and fees. IBA tax exemption varies from state to state. The tax-exemption policies and exemption documentation requirements for each state can be found on the GSA SmartPay website: https://smartpay.gsa.gov/smarttax.
Chapter 7: Delinquency

The account holder is responsible for paying all charges and fees associated with the IBA and the IBA fees associated with the Tax Advantage travel accounts in full by the billing due date, even if they have not been reimbursed by the agency. If the charges incurred on the travel account are not paid within the time frame required, the account becomes delinquent.

To reduce the risk of delinquency, agencies should implement mandatory split disbursement. Split disbursement is the process of dividing a travel voucher reimbursement between the contractor and the traveler. The balance designated to go to each is sent directly to the appropriate party. Disbursements that are typically split include, but are not limited to, common-carrier transportation charges, hotel/motel charges, and car rental charges.

Disputes
A dispute occurs when there is a disagreement between the account holder and the merchant with respect to a transaction. It is recommended that an account holder first contact the merchant on a questionable charge and ask for clarification. If the account holder is having trouble identifying the merchant, they can contact the contractor directly. If the charge is erroneous, generally, the merchant will reverse it, and it will appear as a credit on the next billing statement. Before paying the bill, the account holder should check with the contractor or view their account online, to see that the credit has posted. If so, deduct the amount from the payment. If there has been sufficient time for the merchant to reverse the charge, and the credit has not posted, begin the dispute process.

If the merchant says it is a legitimate charge to the account, the account holder should ask for additional information, such as a signed receipt. If, after receiving the information from the merchant, the account holder does not agree that it is a legitimate charge, begin the dispute process.

The account holder is responsible for notifying the contractor of any items in dispute and shall have 90 calendar days from the transaction date to initiate a dispute, unless otherwise specified by the agency/organization. This notification of transaction dispute may occur via the electronic access system, telephone, or other electronic means (e.g., email). If a disputed item is resolved before the payment due date, the resolution shall appear on the agency’s/organization’s invoice for the next billing cycle.

The account holder relinquishes their right to recover a disputed amount after 90 calendar days from the date that the transaction was processed. It is their responsibility to dispute questionable charges. If they don’t, they will be held personally liable for the amount of the questionable charge.

Suspension
Suspension is the process by which an account is deactivated because of delinquency or multiple pre-suspension actions. An account is considered past due if payment for undisputed principal amounts has not been received within 45 calendar days from the billing date (Note: The contractor shall not suspend any account because of disputed transactions or for any amount in dispute).

For more details on suspension procedures, see the GSA SmartPay 3 Master Contract, Section C.3.3.11, Suspension Procedures.
Cancellation

An account can be cancelled if:

1. The account has been suspended twice during a 12-month period for non-payment of undisputed amounts and is past due again within the same 12-month period.

2. The travel account is past due for undisputed amounts. For example, payment for the undisputed principal amount has not been received by the close of the 125th calendar day past the billing-cycle date in which the undisputed charge appeared and the requirements of C.3.3.11 Suspension Procedures have been met.

3. The travel account was used for unauthorized purchases and cancellation is approved by the A/OPC.

Under certain conditions, an A/OPC may request the contractor to delay or accelerate action for suspending or canceling an account. Once an account has been cancelled, the contractor is under no obligation to reinstate the account.

Upon written request from the contractor, an agency may initiate salary offset or collect the undisputed, delinquent amount via a direct deduction from an employee’s payroll disbursement or retirement annuity on behalf of the contractor. For more details on cancellation procedures, see the GSA SmartPay 3 Master Contract, Section C.3.3.12, Cancellation Procedures.

Can I, as an A/OPC, suspend or cancel an account?
Yes. A reason must be documented for suspension or cancellation. Accounts may be cancelled through your bank’s EAS or through the bank’s customer-service office.

Status of an Account

The following chart may be used as a guide for determining the status of an account.

<table>
<thead>
<tr>
<th>Calendar Days Past the Closing Date</th>
<th>Account Status/Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>45 Days Past Due</td>
<td>Pre-Suspension</td>
</tr>
<tr>
<td>61 Days Past Due</td>
<td>Suspension/Pre-Cancellation</td>
</tr>
<tr>
<td>126 Days Past Due</td>
<td>Cancellation</td>
</tr>
<tr>
<td>180 Days Past Due</td>
<td>Charge-Off/Write-Off</td>
</tr>
</tbody>
</table>

Please refer to your agency policy for specific delinquency stages.

It is important to notify employees that:

- Suspended IBA balances shall not be referred to outside collection entities unless otherwise directed by the agency/organization. However, cancelled IBAs may be referred to outside collection entities, in accordance with OMB Circular A-123, Appendix B.

- The contractor may assess its standard commercial late fee on undisputed charges made on IBAs. Late fees are the financial responsibility of the IBA holder and will not be reimbursed by the agency.
**Monitoring Delinquency**

The contractor shall assist GSA and agencies/organizations with the monitoring of delinquency in accordance with regulations and policies outlined in Public Law 112-194 and OMB Circular A-123, Appendix B, and any future enacted delinquency laws, regulations, and policies that pertain to the government-wide charge card program or specifically the GSA SmartPay program.

The contractor assistance with delinquency monitoring shall include, at a minimum, the following:

- Reports of delinquency levels at agency/organization provided thresholds, including pre-suspension and pre-cancellation, regularly and as requested;
- Automated customized past-due notices, depending on level of delinquency;
- Ability to track delinquency on a daily basis;
- Identifying areas for improvement;
- Delinquency prevention leading practices; and
- Implementing regulations/guidance.

You will need a user ID and password to access the electronic reports. If you have not received a password, contact the contractor. Each contractor has different reporting formats and different reports available. Review your contractor A/OPC guide or visit the contractor’s website to learn about the specific reports offered.

GSA and agencies/organizations may choose to receive some or all of the following reports and shall determine the frequency, distribution points, and method of transmission at the task order level. The contractor shall provide the ability for GSA and/or agencies/organizations to create ad hoc reports based on program and transaction data elements.

Transmission of all reports is required through the EAS (see C.7.1, Electronic Access System), unless otherwise specified by the agency/organization at the task order level:

- Pre-Suspension/Pre-Cancellation Report: Provides a listing of accounts eligible for suspension or cancellation.
- Suspension/Cancellation Report: Provides a listing of accounts that have been suspended or cancelled.
- Delinquency Report: Provides account status for each range of days accounts are past due (30, 60, 90, 120, or more days).
- Charge-Off/Write-Off Report: Lists the amounts charged-off/written-off for non-payments.
- Exception Report: Provides information on declined authorizations, MCC reports for non-travel expenditures, ATM withdrawals, high-volume accounts, etc. These reports may vary by contractor.

For more information on reporting, see the GSA SmartPay 3 Master Contract, C.7.3, Reporting Requirements.

**Monitoring Account Activity**

As the GSA SmartPay Travel A/OPC, you have 24-hour access to account holder transactions. By using the contractor’s EAS, you can track account holder transactions, as well as payments. Contact your contractor’s customer service department to request additional information about EAS and/or account activity.

What action should I, as an A/OPC, take if an account holder does not pay their bill on time or it becomes delinquent? Every effort should be made to assist the contractor in collecting the balance due. Ensure that your account holders are aware of their responsibilities.
Chapter 8: Misuse/Abuse/Fraud

Misuse/Abuse
Use of a travel account for activities other than official federal travel and travel-related expenses is considered misuse/abuse.

In most instances, the A/OPC is the first point of contact when misuse/abuse is suspected. Account holder activity should be monitored regularly to identify possible misuse/abuse. Some activity may appear questionable upon initial review, but with further investigation it may be determined a valid federal travel-related expense.

Examples of misuse/abuse may include:
- Personal use;
- Use of the travel account for someone other than the specific account holder;
- Use while not on official government travel;
- Purchases from an unauthorized merchant;
- Excessive ATM withdrawals; and
- Failure to pay undisputed amounts on time.

Consequences for misuse/abuse may include:
- Reprimand;
- Travel account cancellation;
- Counseling;
- Suspension of employment;
- Termination of employment; and
- Criminal prosecution.

It is up to your agency to provide agency-specific penalties and consequences for misuse/abuse of the travel account.
Fraud
Fraud is a deception deliberately practiced with the motive of securing unfair or unlawful gain. Fraud can be an attempt to cheat the federal government and corrupt its agents by using GSA SmartPay payment solutions for transactions not part of official government business. Like any deception, fraud has its fair share of victims.

Some of the different types of fraud include:

- **Counterfeit Accounts:** To make fake accounts, criminals use the newest technology to “skim” information contained on magnetic stripes of cards and also to pass security features (such as holograms).

- **Lost or Stolen Accounts:** Often physical cards are stolen from a workplace, gym, or unattended vehicle.

- **Card Not Present (CNP) Fraud:** Internet fraud occurs whenever account information is stolen and used to make online purchases. Usually, a merchant will ask for the card verification code (CVC), which is located on the back of the card, to help prevent this type of fraud.

- **Phishing:** Phishing occurs whenever an account holder receives a fake email directing him or her to enter sensitive personal information on a phony website. The false website enables the criminal to steal information from the account holder.

- **Non-Receipt Fraud:** This occurs whenever new or replacement cards are mailed and then stolen while in transit.

- **Identity Theft Fraud:** This occurs whenever a criminal applies for an account using another person’s identity and information.

What is the liability for lost or stolen cards? Agencies/organizations and/or individual cardholders are not liable for charges made on a lost or stolen card after the card is reported as lost or stolen. In addition, the agency/organization has no liability for unauthorized use. Unauthorized use means the use of a GSA SmartPay solution by a person, other than the account holder, who does not have authority for such use and from which the account holder receives no benefit. A new card with a new account number will be issued to the account holder within 48 hours. Any previous authorized activity, disputed and undisputed, will be transferred to the new account.
Chapter 9: Best Practices

Below are a few examples of best practices used by federal agencies in managing their travel programs.

Best Practices for Managing Account Holders
- Train account holders on the proper use of the travel account. Use ethics training as another source for instruction.
- Develop a traveler hotline to respond to account holder questions.
- Develop and maintain a travel-specific website for your agency.
- Publish answers to frequently asked questions related to travel on your agency website.
- Create an informational newsletter.
- Send periodic reminders to account holders on agency travel policies and procedures.

Best Practices for A/OPC Program Managers
- Use the online tools provided by the banks, GSA, and your agency.
- Email updates on program changes to A/OPCs at all levels.
- Review reports regularly and track trends in delinquency rates and charge-offs/write-offs.
- Use exception reports to detect misuse of the travel account or unusual spending patterns.
- Use ad hoc reporting tools provided by the contractor to customize and/or develop your own agency reports.
- Eliminate manual calculations by developing ad hoc reports that can be generated as needed.
- Ensure that account holder information is properly secured and confidentially maintained in accordance with the security and privacy regulations of your agency, as well as with the Privacy Act.
- Create a monthly newsletter/memorandum to reinforce agency travel account holder policies for misuse and/or account delinquency.
- Develop and implement an agency-established penalty guide with your agency's human resources office, outlining appropriate disciplinary action for undisputed delinquencies and non-official use of the travel account by employees.
- Perform an annual review of all issued accounts to determine whether each account meets the criteria for continued participation in the federal government's travel program.

For further details, review the OMB Circular A-123, Appendix B, Attachment 5, Best Practices in Managing Government Charge Card Programs.
Chapter 10: 
Resources

GSA Websites
• GSA SmartPay Program Information
• GSA SmartPay Free Online Training for Account Holders and A/OPCs
• Other GSA programs and General GSA Information: https://gsa.gov

Regulatory Websites
• The FTR and FTR Library: www.gsa.gov/ftr
• The Department of Defense (DoD) Joint Federal Travel Regulations (JFTR) for military employees and the JTR for DoD civilian employees: https://www.defensetravel.dod.mil

Federal Reference Websites
• Office of Management and Budget Circular A-123, Appendix B, Improving the Management of Government Charge Card Programs
• The Department of Treasury Financial Management Service website for waiver of the requirements of 31 CFR §§ 208.6 and 210.5
• The Office of the Under Secretary of Defense, Comptroller
• The Federal Trade Commission website provides identity-theft information

Contractor Bank Contact Information
The following is a list of GSA SmartPay 3 contractor websites and contact information:

Citibank:
• (800) 790-7206 (within United States)
• (904) 954-7850 (collect calls from outside United States)
• Citibank Online Account Access

U.S. Bank:
• (888) 994-6722 (within United States)
• (701) 461-2232 (collect calls from outside United States)
• U.S. Bank Online Account Access
GSA SmartPay® Program Support
https://smartpay.gsa.gov
(703) 605-2808
gsa_smartpay@gsa.gov