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DEPARTMENT OF ENERGY

DOE Charge Card Program



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What are your options?

- GSA SmartPay Charge Card – The GSA SmartPay program provides charge cards to U.S. Government agencies, including DOE. Through GSA, DOE has contracted with JP Morgan Chase Bank to provide charge cards to pay for supplies/services to support our business purpose. All terms and conditions, including but not limited to, fees, liabilities, discounts, and rebates have been negotiated on behalf of all participants in the program. DOE allows the use of GSA SmartPay charge cards to cost reimbursement contractors that have been authorized to use Government Supply Sources pursuant to FAR Subpart 51.1.
- Commercial Charge Card – Charge cards issued to authorized individuals of a legal entity based on the entity's ability to obtain credit. The legal entity negotiates all term and conditions themselves, with a bank of their choice.



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What are the benefits of using charge cards?

Charge cards provide DOE with a means to simplify its small purchase procedures and improve its cash management by:

- streamlining the acquisition process by reducing paperwork, improving lead times, and expediting Contractor payments;
- reducing the administrative costs associated with small purchases; and
- providing greater and more detailed statistical data and an audit trail as an aid in managing purchasing activities.



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Why use the SmartPay Program?





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Comparison of Charge Card Fees/Liabilities

	SmartPay	Commercial	Comments
Fee for card issuance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Fee for rush card processing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Fee for priority mail delivery	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Fee for electronic file delivery	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Fee for data mining software	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Late payment penalties	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SmartPay: Prompt payment interest assessed. Commercial: Late payment fee assessed, which typically is higher than the prompt payment interest.
Fraud/delinquency losses borne by the bank	<input checked="" type="checkbox"/>	<input type="checkbox"/>	



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Comparison of Charge Card Services

	SmartPay	Commercial	Comments
Customized service	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SmartPay rate \$150/hr Commercial rate \$250/hr
Electronic access system compliant with Government requirements (e.g., NIST, Section 508 Compliance, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Compliance standards not available on commercial cards.
Dedicated customer service representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Expansion services (e.g., review of account payable file, etc. to leverage card technology and services)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SmartPay: Review of AP file at cost; minimal cost to leverage the card technology/services. Commercial: Fairly steep cost (internal cost incurred by the company and fees for the account review and setup).



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Comparison of Charge Card Bonuses/Rebates

SmartPay

Commercial

Comments

Sign-on bonus	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Bonuses typically have a claw back clause based on volume tiers not being met. Also, bonuses typically reduce the rebate amount until the bonus is offset by the rebate.
Two-factor rebate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SmartPay: Leverages the overall agency spend in addition to an adjustment based on speed of pay. Commercial: Based on company's spend with typically little or no additional adjustment based on speed of pay.
Discounts available at the point of sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	



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Additional Information

DOE Participation

18 Federal offices & 16 Contractors

DOE Purchase Card Program

http://management.energy.gov/policy_guidance/1907.htm



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