

Frequently Asked Questions

Q1 What is a financial agent?

A1 Federal banking laws grant Treasury the authority to designate financial institutions as financial agents of the government to provide services on its behalf. Financial agents act on behalf of the government in performing their duties under a relationship with Treasury. In this instance, Treasury will be designating a financial agent to provide prepaid debit card services for the U.S. Debit Card Program.

Q2 What is the Financial Agent Selection Process (FASP)?

A2 The FASP is a set of procedures and guidelines that Treasury has established for the purpose of selecting financial agents.

Q3 Why is Treasury looking for a new U.S. Debit Card Program financial agent now?

A3 Treasury is considering applications at this time because the current financial agency agreement expires in June 2016, and Treasury wants to ensure there is ample time for customer agencies to transition to the new financial agent. Treasury intends to make a selection by the beginning of October 1, 2015

Q4 What is the process for submitting a proposal to Treasury for the U.S. Debit Card Program?

A4 All of the application submission requirements are listed in the requirements document, including deadlines and all application format requirements, through this website https://www.fiscal.treasury.gov/fsservices/gov/pmt/dbtCrd/dbtCrd_home.htm).

Q5 Why does Treasury offer the U.S. Debit Card Program?

A5 The Bureau of the Fiscal Service, Department of the Treasury has the authority to provide debit card and other payment, collection and cash management services to agencies under 31 USC 321, 3301-3343. The U.S. Debit Card Program Provides Federal Agencies with the ability to deliver Federal non-benefit payments (both recurring and non-recurring) through debit cards as an alternative to checks, drafts, cash, and other non-electronic mechanisms

Q6 Did Congress ever approve the electronic payments requirement?

A6 The Debt Collection Improvement Act of 1996 gave the Treasury the authority to require EFT for all federal non-tax payments.

Q7 How is the U.S. Debit Card card different from a credit card?

A7 The U.S. Debit Card is a prepaid debit card that can be used for non-benefit federal payments only. For example, the Department of Transportation's TRANServe program provides transit benefit support services for 150,000+ federal employees, including purchasing/distributing transit fare media through the use of a prepaid debit card issues by the U.S. Debit Card Program, which helps to streamline the program, reduce fraud, and provide detailed reporting. The U.S. Debit Card Program is primarily issued to Federal Government employees or contractors. The U.S. Debit Card Program does not provide a line of credit. With a credit card, you use the card to borrow money to make purchases and pay back the credit card company in part or in full every month.

Q8 Who is the current financial agent for the U.S. Debit Card Program?

A8 The current financial agent for the U.S. Debit Card Program is J.P. Morgan Chase, designated in 2008.

Q9 How will Treasury ensure the current FASP selection process is objective and fair?

A9 Treasury has outlined the criteria for the U.S. Debit Card Program, which includes low card usage fees, consumer protections, and comprehensive fraud prevention measures. Financial agents that meet the requirements of the program will all be carefully assessed through a process designed to ensure objectivity and fairness.