

21 September 99

MEMORANDUM FOR 62 CONS/LGCP

FROM: 171st EXPEDITIONARY OPERATIONS GROUP/LGC (DEPLOYED)

SUBJECT: APPLICATION OF THE IMPAC CARD DURING OPERATIONS
NOBLE ANVIL, JOINT FORGE AND ALLIED FORCE

The focus of this After Action Report (AAR) is to provide some first-hand experiences on the usability of the IMPAC card during contingency operations.

I can tell you without a doubt that this method of doing business has trail-blazed its place forever in my contracting tool kit. There wasn't much that I couldn't accomplish with the 'plastic'.

I was assigned to the 171st Expeditionary Operations Group in Budapest Hungary for three months as one of three Contingency Contracting Officers (CCO) during OPERATIONS NOBLE ANVIL, JOINT FORGE AND ALLIED FORCE. From the time I arrived with the first airplanes until the last piece of equipment left our location, the IMPAC card was my total savior.

A little background on the Hungarian economy, the use of credit cards there has only been in existence, as it is today, over the last few years. This is due to the economic restrictions placed on Hungary and other Communist-block countries alike until about 10 years ago. The actual process of going to a business, placing an order and using the IMPAC to pay is quite similar as it is here in the United States. The only real difference is the limited single purchase limit imposed by the local banks in Budapest. They actually govern the electronic approval amount of all the transactions placed over the Point of Sale (POS) terminals. This is due to the large Russian and Chinese Mafia presence, with that, an ever present degree of corruption.

One of the hurdles that I had to overcome during this assignment was the credit card system itself in Hungary. Credit cards are still in the early stages there, unlike the rest of Europe. Although most merchants, contractors and hotels had POS terminals to run the

Another problem involved a safety feature that US Bank place on all its cardholders. For any single transaction over \$10,000.00, it requires that the merchant call the Hungarian bank each time with a barrage of the cardholder's personal information to verify the identity of the person attempting to use the card. With the information in hand, the Hungarian bank then attempts to contact the US Bank to get a manual confirmation number. During the infancy of this deployment, this grew very tiresome. The process was incredibly slow and tedious. An average transaction over \$10,000.00 took about 3 hours to process. However; after I learned how all the internal processes worked and the Hungarian banks got to know who I was, (not hard considering how many people were consistently charging six-figure invoices on a Visa), the procedure was quite a bit less painful to administer.

If there were a way for the deploying CCO to have a higher approval threshold before having to go with the manual approval method from US Bank, it would simplify matters considerably. The certifying or approving official could arrange for this just prior to the deployment. This would allow more latitude to the deployed CO.

There really isn't a truly negative thing I can say about the IMPAC Visa during this contingency. I can tell you that I absolutely without a doubt couldn't have been effective without this contracting method. The only other alternative was to have a disbursing officer accompany me with huge amounts of currency and an armed escort. There are no checking accounts to set up in this country. The treasury checks we took with us to deposit and set up an LDA account (government checking account) were useless. Everything is paid in cash. Everything.

Barring paying everything in cash, credit cards weren't only the 'preferred' method; they were the 'only' plausible alternative. Evidence of this would be the \$3,000,000.00 I alone expensed using this instrument in about 90 days. That's start to finish boys and girls. Writing the instruments, executing the contracts, making all the payments and closeout.

Bottom line, I couldn't have done my job without it. So, never leave home without it.

TSgt Rick Risso
Contingency Contracting Officer
Budapest Hungary