

INTERNAL OPERATIONS MANUAL

SUBJECT: State Corporate Travel Card
DIVISION: Operations Division, Office of Business Administration

NUMBER: 107-03-010
EFFECTIVE DATE: 04-10-02

APPROVED: Original signature on file with the Office of Business Administration

POLICY/PURPOSE: This policy establishes criteria and provides guidance for the Department of Administrative Services (DAS) employees who use the State Corporate Travel Card.

AUTHORITY: Oregon Accounting Manual Policy Number 40-20-00.PO

APPLICABILITY: All Department of Administrative Services employees

ATTACHMENTS: Exhibit A – Corporate Travel Card Agreement
Exhibit B – US Bank Corporate Card Employee Applicant Information Form

GUIDELINES:

It is the policy of the Department of Administrative Services to provide employees with an appropriate method to pay for authorized travel expenses incurred while traveling on behalf of state government. The State Corporate Travel Card is **issued to an employee using the employee name and social security number**. This travel card will reflect on the individuals credit history and the employee is responsible to make payments to the issuer of the credit card. The Corporate Travel Card is designed to:

- 1) Eliminate the need for employees to use personal credit cards or funds to pay for authorized expenses incurred while traveling on state business;
- 2) Save the department money by limiting costly and time consuming cash advance transactions.

State issued cash advances to employees who are authorized to travel on behalf of state government are no longer authorized. Exceptions may be granted for the following circumstances

- 1) Employee has been denied a state corporate travel card.
- 2) Newly hired employee who must travel prior to card being issued.
- 3) An employee who does not travel on a regular basis.

These exceptions will be approved by management on a case-by-case basis. ***(Justification must be documented and available for audit.)***

The preferred method of providing employees with a means to pay for travel expenses is through the issuance and use of a state corporate travel card. Employees may use their own "personal" funds if they prefer not to obtain a corporate travel card.

- I. **ELIGIBILITY** - DAS employees who travel on state business, who have their supervisor's approval, are eligible to apply for the state corporate travel card. Prior credit approval is not a condition for obtaining a Corporate Travel Card. However, the Corporate Travel Card may be cancelled, or denied re-issuance to, employees who do not make payments in accordance with the contract.
- II. **OBTAINING A CARD** - Application for the state corporate travel card must be made through the DAS Travel Coordinator. Each employee who requests a travel card must complete an Employee Information Release Authorization form, have it signed by his or her supervisor, and return to the to

the

DAS Travel Coordinator. The DAS Travel Coordinator is responsible for forwarding the application material to the corporate card company.

- III. **USING THE CARD** - Cards are issued using the employee's name and social security number. The card is mailed directly to the employee's home address. Employees *must* activate their cards before attempting to use them.

Card holding employees may use the department-issued State Corporate Travel Card to pay for authorized travel expenses. Employees may use the card to withdraw cash from ATMs (Automated Teller Machines) and to purchase travelers checks.

Restrictions - Employees may **not** use the state corporate travel card for personal purposes. Irregularities or charges in a cardholder's account may be questioned. Employees who misuse the card will be subject to appropriate corrective action.

- IV. **ATM CASH ADVANCES** – Cardholders may use the corporate travel card for cash withdrawals from ATMs. Employees should limit the use of cash obtained through ATMs to items such as meals, taxi fees, parking or other authorized expenses from establishments which do not accept the State Corporate Travel Card.

Limitations – The cash advance fee is a legitimate expense and is reimbursable on a Travel Reimbursement Form. A minimum transaction fee of \$2.00 or 2% is charged each time the ATM is used. Employees are encouraged to limit the number of cash withdrawals they make to one transaction per three days of travel. It is recommended that each advance be a minimum amount of \$50 but not exceed \$200 for a three to five day period of consecutive travel. The total ATM limit on all cards authorized for ATM use is \$250. Once a traveler reaches the limit, ATM use is suspended until the balance is paid and then only the dollar difference between the balance owed and the \$250 limit is available for withdrawal.

- V. **EMPLOYEE RESPONSIBILITIES** – Cardholders are liable for all charges and cash advances obtained through the use of state corporate travel cards. Payment of the monthly statement for the state corporate travel card is the responsibility of the employee in whose name the card is issued.

Employees must surrender their corporate travel cards to their supervisor at the time of termination from department employment.

Employees may not take a DAS issued corporate travel card to another state agency. Any employee who transfers to another state agency may make application for a new card through the new agency.

- VII. **LIABILITIES** - Card holders must report lost or stolen cards to the Travel Card Contractor and the DAS Travel Coordinator as soon as possible. Under the current contract, neither the state nor the employee is liable for illegal charges due to lost or stolen cards if the loss or theft is reported to the Contractor soon after an employee becomes aware of it. However, if stolen or lost cards are not reported, the cardholder is held liable for charges against the account.

- VI. Employees are also subject to the liability provisions governing the use of traveler's checks obtained with the state corporate travel card.

VII. PAYMENT OF CHARGE CARD BALANCE - Employees are allowed two billing cycles (60 days total) in which to pay off their card balances. The 60 day period between the time a charge is made and the time the payment is due provides employees with enough time to submit requests for reimbursement, have the requests processed, receive the reimbursement, and make payment, before late charges are assessed

Employees will pay their balances during this period. If any portion of the past due balance appears on two consecutive billing statements the cardholder must pay a late charge of 2.5%, with a minimum charge of \$2. A late charge of 2.5 % per month (on the past due balance) until payment is received. Employees risk having their travel card privileges cancelled if their account remains delinquent.

VIII. TRAVEL REIMBURSEMENT - To avoid additional charges employees should submit a completed and approved original Expense Detail Sheet to the DAS Travel Coordinator/OBA Accounts Payable section after completing their travel. The department will reimburse employees for authorized travel expenses and ATM transaction fees (up to a maximum of two per week of travel). Employees who use their personal card for cash advances will be reimbursed for ATM transaction fees (if applicable) up to the amount allowed for the corporate travel card. The department will not reimburse employees for interest, delinquency fees, or late charges. Employees should contact their division's travel coordinator for reimbursement forms and follow the division's procedure for approving and routing original Travel Expense Detail Sheet requests to the Office of Business Administration (OBA) Accounts Payable section. Reimbursement requests must be accompanied by original receipts and conform to requirements in the Oregon Accounting Manual General Travel Rules 40.20.00.P.O., 119 and 120.

IX. TRACKING AND CONTROL - A monthly corporate travel card usage summary and delinquency statement is sent to the DAS Travel Coordinator. The DAS Travel Coordinator reviews monthly card usage reports to ensure employees are paying balances as required.

PROCEDURES:

OBTAINING A CARD

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
1.	Employee	Contacts DAS Travel Coordinator and requests State Corporate Travel Card Application form.
2.	DAS Travel Coordinator	Send Corporate Travel Card application to employee.
3.	Employee	Completes Travel Card application and information release form, has supervisor sign it, and sends form to the DAS Travel Coordinator.
4.	Supervisor	Reviews and approves appropriate request
5.	DAS Travel Coordinator	Sends application information to State Corporate Travel Card company.
6.	Travel Card Company	Mails card to employee's home address.
7.	Employee	After receiving card, calls phone number listed on the card to activate account using employee's personal social security number.

USING THE CARD

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
1.	Employee	Makes purchases or ATM cash withdrawals for authorized state travel expenses using Corporate Travel Card.

REIMBURSEMENT

<u>Step</u>	<u>Responsible Party</u>	<u>Action</u>
1.	Employee	Completes Travel Expense Detail Sheet, attaches original receipts (if needed under OAM General Travel Rules 40.20.00.P.O, 119 and 120,) forwards the expense detail sheet to supervisor for approval. <i>NOTE: Travel card bills will be sent directly to the employee's home address.</i>
2.	Supervisor	Reviews/approves original Travel Expense Detail Sheet and sends approved form to OBA Accounts Payable Section.
3.	Accounts Payable Section	Processes Travel Expense Detail Sheet, generates check, and delivers reimbursement check to employee.
4.	Employee	Pays travel card statement.

***NOTE:** If travel reimbursement are not submitted timely. The employee may have to pay off the card prior to the state has reimbursed.*



Department of Administrative Services

Corporate Travel Card Agreement

Employee Name: _____

Agency Name: _____ Agency No. _____

For the purposes of this document, the State of Oregon Corporate Credit Card and the State of Oregon Corporate Travel Charge Card are the same.

Use of the State of Oregon Corporate Credit cards is authorized only for travel related expenses while on Official State business and is strictly prohibited for any other purposes. The Corporate Credit cards shall not be used for personal use and will be considered abuse of the card. Abuse of the Corporate Credit Card privilege or disregard for the agreement guidelines may result in personal liability and is grounds for disciplinary action, which could include dismissal.

The employee is responsible for promptly paying all charges and ATM cash withdrawals they incur while using this card. Any transaction fees for ATM use is reimbursable. Balances on the card are to be paid in full on or before the due date. This is a personal liability credit card, any payment delinquencies will affect your personal credit rating. You are personally responsible for all charges and fees incurred on this card. Late fees are the responsibility of the card holder. The Financial Services Branch or accounting office for your agency will receive monthly reports telling them how the cards were used and the outstanding balance.

If the cards are misused, abused, if balances remain unpaid and fall past due, the Agency, Department of Administrative Services or the Corporate Credit Card provider have the authority and reserve the right to revoke credit card privileges and cancel the card. The cards are to be surrendered upon request. Employees' wages may be subject to a payroll deduction to pay off outstanding and past due balances on their card.

Upon termination of employment or transfer to another State agency, employees are required to surrender their card to their manager who will send the card to the Financial Services Branch or accounting office.

Surrendered or revoked credit cards will be cancelled and the employee will be ineligible for restoration of credit card purchasing privileges with the exception of employees transferring to another agency. Transferring employees will need to apply for a new card with their new agency.

I have read, understand and agree to the use of the State of Oregon Corporate Credit Card and The Oregon Accounting Manual Number 06 02 00.PO on Travel Advances and Corporate Travel Charge Card Program.

Employee Signature: _____ Date: _____

Date of Card Issue: _____ Issued by: _____

Managers/Authorizers Approval Signature) _____

Employee Applicant Information		
Please Print or Type		
First Name	Middle Initial	Last Name
Social Security Number	Date of Birth	Anticipated Monthly Travel Expenses
Preferred Billing Address: Business <input type="checkbox"/> Home <input checked="" type="checkbox"/> Home Address Must Be Used		
Business Address – Street		
City	State	Zip
Home Address – Street		
City	State	Zip
Home Phone	Business Phone	Employee Number (If Applicable)
Company Information		
This Section to be Completed by Authorized Company Program Administrator		
Name of company Requesting Issuance of Card		
Address of Company – Street		
City	State	Zip
Processing	Company	Division
Reporting/FirstTrac		Department
Company Program Administrator Signature:		
Employee Understanding/Signature		
<p>Employee Applicant requests that he/she be issued a U.S. Bank Visa Corporate Card. U.S. Bank may obtain credit information concerning Employee Applicant for the sole purpose of issuance, renewal and/or replacement of the U.S. Bank corporate Card. In consideration of this issuance of the U.S. Bank Corporate Card, the Employee Applicant agrees to be bound by the U.S. Bank Corporate Cardholder Agreement accompanying the card, as amended by the U.S. Bank from time to time, for all charges incurred by the use of the card or the related account. Creditor is U.S. Bank National Association ND.</p> <p>Employee Applicant understands that this card is to be used for business charges only and that Employee applicant is totally responsible and liable for all expenses charged to the card. Employee Applicant understands and acknowledges that payment is due to U.S. Bank upon receipt of the statement. Employee Applicant further understands that if he/she fails to pay U.S. Bank for all undisputed charges his/her card will be permanently canceled.</p>		
Employee Applicant Signature Date	Approving Manager Signature Date	
<u>Please Return this Application to your Designated Company Program Administrator</u>		