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Bulletin

Title: Use and Management of Travel Charge Cards

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This bulletin replaces REE Bulletin 04-307 dated July 20, 2004. This bulletin states USDA and REE policy on the use and management of the Government contractor-issued individually billed travel charge card.

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This bulletin prescribes guidance to the Research, Education, and Economic (REE) agencies for the use of and management of travel charge cards. This guidance is effective for official travel performed on and after May 12, 2003. The REE Travel Charge Card Policy will be updated to reflect the recent publication of the Office of Management and Budget Circular A-123, Appendix B, Improving the Management of Government Charge Card Programs. Until this new policy is published, REE employees will use this Bulletin as the source of policy and guidance for the Travel Charge Card program.

1. POLICY

The Government travel charge card program was developed to procure transportation services, subsistence, and other allowable travel and transportation expenses incurred during official travel. The Travel and Transportation Reform Act of 1998 requires the mandatory use of the travel charge card by employees who meet REE requirements for issuance of the card. Exemptions to mandatory use are; 1) new employees who are required to perform temporary duty travel en route to their first post of duty; 2) employees who have had their travel charge card canceled for cause by Bank of America (BoA); 3) Intermittent/seasonal employees; or 4) employees not expected to travel once or more a year. The use of the travel charge card is limited to reimbursable travel expenses incurred in conjunction with official travel. The provisions of this policy apply to all employees, supervisors, and managers of REE who have been issued or are applying for a travel charge card.

This policy sets forth a “*USDA Zero Tolerance Policy*” for any inappropriate charges and delinquencies. Zero tolerance strictly prohibits the following uses of the card:

- a. Unauthorized charges and charges not associated with official travel.
 - (1) Personal and family member use of the card is forbidden.
 - (2) Additional prohibited activities are listed in Section 3.
- b. Charges while not in an official travel status.
 - (1) Use of the card in the vicinity of the official duty station or residence is forbidden unless used in connection with official travel.
 - (2) Cash withdrawals from an automated teller machine are also forbidden, unless used in connection with official travel.
- c. Shared use of the card with another employee for official travel purposes.
- d. Account delinquency beyond a 30-day period.
- e. Failure to use the card while on travel.
- f. Failure to pay accounts with sufficient funds.
- g. Failure to use Government voucher reimbursements to repay travel expenses.

- h. Excessive ATM cash withdrawals or ATM cash withdrawals not commensurate with official travel.

The underlying objective of the “*USDA Zero Tolerance Policy*” is to eliminate misuse and abuse in the travel charge card program and to avoid imposing disciplinary procedures on any REE employee. Proper use of the travel charge card will preserve the reputation of REE, the Department of Agriculture (USDA), and its employees to achieve its mission and goals with integrity.

2. CYCLE AND SPENDING LIMITS

There is a monthly use limit of \$5,000 and a cumulative limit (in the event travel spans two or more months) of \$10,000 for REE travel charge cardholders. These limitations are based on the monthly billing cycle.

Employees performing foreign travel, transfer of station (relocation), or a short/long term detail, may request, with supervisory concurrence, higher monthly limits for a specific travel situation. Supervisors will contact the appropriate Agency Program Coordinator (APC) at least 3 days prior to an employee’s departure to request limit changes. Once an employee completes their travel assignment, the supervisor will notify the APC to initiate action to reset the monthly limit. **Please Note:** Agricultural Research Service Area Offices may establish local, alternate procedures for controlling card limit changes.

3. MERCHANT CATEGORY CODE

BoA operates a monitoring system that incorporates use of a four digit Merchant Category Code (MCC). The MCC groups various merchants, products, and services into like categories i.e.; motels, restaurants, retail vendors, training establishments, banks, etc. This process will be used by BoA to monitor and control various travel charge card purchases.

a. **Retail Block: USDA has instructed BoA to decline travel charge card use for the following MCCs:**

- 1) Book and Magazine Subscriptions
- 2) Membership Fees
- 3) Training and Conference or Registration Fees *
- 4) Higher Education Expenses
- 5) Theme Parks
- 6) Management Consulting Services
- 7) Automobile Purchases; Car Repairs & Services
- 8) Clothing, Lingerie, Outerwear, Shoes, & Furniture
- 9) Hair Services, Cosmetics, Tattoos, & Massages
- 10) Emergency Medical Services
- 11) Office Supplies
- 12) Computers, Televisions, or Digital Equipment
- 13) Any other service or product is prohibited for personal, family, or household purposes

- 14) Any charges associated with a Government-owned vehicle (GOV should be charged to the Voyager Fleet card assigned to the vehicle.

* Training, conference, or registration fees **MAY NOT** be paid with the travel charge card. All such fees must be paid using an alternate procurement method, i.e., Government Purchase Visa card. If lodging costs are included in the registration fee, the costs must be deducted from the employee's travel voucher claim. It is agency policy that only official government expenses be financed through use of the purchase card. However, in rare, extenuating circumstances where non-official expenses are included in the registration fee (outside activities, social events, etc.), the employee must reimburse the agency for those non-official expenses.

b. Dollar **limitations**: USDA has instructed BoA to place dollar limitations on the following types of charges and monitor them using the MCC process. Cardholders will be automatically precluded from exceeding the following dollar limitations. Attempting to exceed these dollar limitations will result in the charge being declined by BoA.

- 1) Automated Teller Machine (ATM)
- 2) Cash withdrawal limits are \$375 weekly. No more than \$50 per day. ATM service fees will be reimbursed as a miscellaneous expense on the travel voucher. Cash obtained from the ATM in amounts greater than required for the travel duration are considered excessive cash withdrawals.
- 3) Food - weekly food allowance of \$400.
- 4) Other - a billing cycle limit of \$2,000 for hotels/motels, rental cars, etc.

4. TRAVEL ADVANCES

Employees that have a travel charge card have access to the ATM for cash withdrawals. Therefore, employees who have a travel charge card may not obtain a travel advance from the National Finance Center (NFC) through the travel system, except for foreign travel.

A canceled travel charge card account reflects unfavorable past performance. For this reason, employees with canceled travel charge card accounts are considered high risk in the repayment of travel advances. Therefore, an employee who has had their travel charge card canceled for misuse or non-payment may not apply for a travel advance from NFC. Common carrier tickets will be paid by the agency; however, all other travel expenses will be paid by the employee and subsequently reimbursed.

However, in the case of extreme hardship, employees who have lost their charge card privileges may request written approval for a travel advance on a trip-by-trip basis from the REE Chief Financial Officer (CFO). Such requests must be forwarded to the CFO (Director, Financial Management Division, ARS/AFM) through the employee's travel approving official. Consideration of such requests will be made on a case-by-case basis, and approval should not be assumed. The CFO will maintain a written record of all such approvals, as well as the basis for each approval for future Office of Inspector General review during program specific audits.

5. DEACTIVATION AND REACTIVATION

Travel charge card accounts that remain inactive during a twelve-month period will be deactivated automatically by BoA, or when requested by an employee's immediate supervisor.

Infrequent travelers must contact BoA Customer Service using the telephone number provided on the reverse of the travel card to determine their card status. Employees with a deactivated travel charge card must contact their APC 3 days prior to commencing travel (does not include weekends) to have their travel charge card reactivated, if required. Please Note: ARS Area Offices may establish local, alternate procedures for card reactivation.

6. RESPONSIBILITIES

The following offices and individuals have direct responsibilities for monitoring the use of the travel charge card:

a. Employees. Employees who are issued a travel charge card assume the responsibility to use the card for official purposes and pay their charges in a timely manner. Use of the card does not relieve the employee of the responsibility to employ prudent travel practices and to observe rules and regulations governing travel as set forth under the “*USDA Zero Tolerance Policy*” and agency specific policies and procedures.

Cardholders are personally responsible for all items billed to the card, unless the card was reported lost or stolen. Employees shall pay their bills in accordance with the contractor bank payment terms. These responsibilities are explained in the Cardholder Agreement that each employee signs during the application process. Furthermore, employees are not relieved of their obligation to pay the travel charge card bill in those rare instances when the agency has not reimbursed the traveler within the 30-days after receipt of a timely submitted voucher. (FTR 301-52.24)

Employees who apply for the card will:

- 1) Complete and sign the Acknowledgment Statement recognizing receipt and understanding of the policies and procedures related to the use of the travel charge card on the cardholder application; obtain the signature of the approving official or immediate supervisor on the cardholder application; and forward the application to their APC for processing.
- 2) Secure the travel charge card in the same manner as a personal charge card. The card shall not be stored or kept by anyone other than the employee.
- 3) Black out all but the last six numbers of the charge card number from any receipts submitted with your travel voucher.
- 4) Obtain cash withdrawals from ATMs as discussed in Section 2 of this policy. Cardholders are issued Personal Identification Numbers by BoA to use this feature of the travel charge card. **Employees who have been issued a travel charge card may not obtain a travel advance from NFC unless foreign travel is authorized.**
- 5) Pay travel charge card bills in full when due and before the next statement date.

- 6) Conform to the “*Standards of Ethical Conduct for Employees of the Executive Branch*,” 5 CFR Parts 2635. As a Federal employee, standards of conduct for public trust positions apply. The standards in Attachment A require employees to pay each financial obligation in a proper and timely manner.
- 7) Dispute a charge not made by the cardholder. It is the employee’s responsibility to contact BoA to dispute a charge. All disputes must be filed in writing within 60 days of the date the charge first appears on the billing statement. BoA can be reached by calling the customer service number provided on the monthly billing statement or on the back of the travel charge card for the specific forms to file a dispute. The bank will need to know the following:
 - (a) Employee name and account number;
 - (b) Reference number of the disputed charge;
 - (c) Name of establishment where charge was incurred;
 - (d) Amount of the charge;
 - (e) Statement date; and
 - (f) Reason for dispute.
- 8) Notify the APC when transferring between offices within REE or USDA. This notification is essential for internal management reports and mailing addresses to be kept current.
- 9) Return the card, cut in half, to your supervisor or APC for cancellation when leaving, retiring, or transferring to an agency outside of USDA.
- 10) Employees will have seven business days to respond to official inquiries regarding card use or payment status. Responses to official requests must be in writing (E-mail is acceptable).

b. Agency Program Coordinators (APC).

APC’s will regularly utilize their access to online reporting capabilities provided by BoA to keep abreast of travel charge card misuse and delinquency trends. To increase REE’s retention of travel card rebates, APC’s are responsible for monitoring the monthly delinquency reports provided by BoA for employees who are in a pre-suspension status. These reports should be forwarded to supervisors for appropriate action, including counseling, disciplinary action, and salary offset.

APC’s will also:

- 1) If applicable, monitor the use of centrally billed accounts (CBA). The use of a CBA results in significant administrative costs to the agency. A CBA will be used only to pay for common carrier expenses for non-government persons traveling on invitational travel orders, for those employees not issued a travel charge card or for those employees that have had their cards canceled for misuse or non-payment, and for foreign travel common carrier tickets. The National Agricultural Statistics Service has obtained a departmental waiver for continued CBA use.
- 2) Provide eligible employees requesting a card with a copy of the BoA Cardholder Agreement and either a copy of this bulletin or the web location of this bulletin.

- 3) Ensure completeness of the Employee Acknowledgment Statement on the cardholder application.
- 4) Maintain a central file of the signed cardholder applications for all employees who are current cardholders.
- 5) Monitor the contractor-issued monthly charges and delinquency reports identified in Attachment B of this bulletin and review BoA reports to identify employees who: have left USDA; have violated the “*USDA Zero Tolerance Policy*,” and have had additional administrative restrictions placed on their accounts. (Electronic and web based reports should be used whenever possible to reduce paperwork in accordance with the Paper Reduction Act.)
- 6) Notify the employee of possible misuse or delinquencies (30 days or greater), with a carbon copy to the employee’s supervisor. Provide the employee 7 business days to respond. If an acceptable response is not received within the 7 business days, the matter will be referred to the employee’s supervisor for resolution. For consistent notification procedures within USDA, use the Inappropriate Use, Unauthorized Use and Delinquent memoranda found in Attachment C of this policy for warning employees of potential travel charge card misuse and delinquency.
- 7) Notify BoA when an employee transfers between offices within REE or USDA, and transfer the cardholder account.
- 8) Reactivate travel charge cards for employees when needed for authorized travel.

The following individuals have been designated APC’s for the REE agencies:

ARS Diane M. Eggert, REE/ARS Travel Card Coordinator
Michele Williams
Alonzo Walker
Cherie “Angel” Spates

Note: ARS/AFM designated personnel have access to all REE agency accounts and transaction data.

ARS/Administrative Support Office/NAL	Elizabeth Jackson
Beltsville Area Office	Nancy Gatdula
North Atlantic Area	Joyce Hamilton James Rogers
Midwest Area	Joanne Volk Laura Abney
Pacific West Area	Lisa Jackson-Beitia Joyce Daniels
Northern Plains Area	Linda Sundstrom Phil Dailey
Southern Plains Area	Freida Williams

Mid South Area	Carolyn “Cack” Norquist Justine Bryson
South Atlantic Area	Valjean Farmer Chris Sherlock
CSREES	Angel Spates
ERS	
Office of the Administrator & Central Operations Staff	Leslee Lowstuter Linda Neely Cathi Ferguson Lisha Douglas
Information Services Division	Lisha Douglas
Market & Trade Economics Division	Jennifer Meyers Fran Hresan
Food Economics Division	Lisha Douglas
Resource Economics Division	Lori McPherson Toshiro Settles
NASS	Barbara Nelson

c. **Cardholder’s Immediate Supervisor.** The cardholder’s immediate supervisor will:

- 1) Notify the employee of any questionable or inappropriate charges and/or delinquencies and give the employee the opportunity to explain the charge or delinquency. A record shall be maintained of the notification and the explanation received from the employee.
- 2) Take appropriate disciplinary action if an explanation is inadequate to support a questionable charge. The supervisor shall contact the agency servicing personnel office for a determination of the appropriate disciplinary action that shall be taken. At the discretion of the agency, the card may be suspended or revoked. Maintain documentation of referrals to the agency’s servicing personnel and document the resolution of the incident.
- 3) Revoke the card if there is a pattern of inappropriate use or insufficient explanation for repeated delinquencies. Appropriate disciplinary action, as recommended by the servicing personnel office, shall also be taken.
- 4) Notify the APC when the card should be canceled or revoked because of inappropriate use or delinquency.
- 5) Notify the APC when an employee is transferring between offices within REE or USDA.

- 6) Retrieve the travel charge card from the employee and return it to the APC for cancellation when an employee leaves, retires, or transfers outside of USDA.
- 7) Assure the appropriate official signs an exit clearance or other form to document cancellation of the travel charge card when an employee leaves USDA.

7. USE OF CASH TO PROCURE TRANSPORTATION TICKETS

FTR 301-51.100 states, “you must use a Government contractor-issued travel charge card, centrally billed account (GVTS/CBA), or Government Transportation Request (GTR) [to be retired 6/30/03], to procure common carrier tickets when the cost is more than \$100. This regulation does not allow the use of cash or personal credit cards to purchase common carrier transportation except when the agency authorized a traveler to use a reduced fare for group, charter, excursion arrangements, or under emergency circumstances where the use of other methods is not possible.” Only the agency Administrator may approve the emergency use of cash. This regulation also applies to non-Government travelers under invitational travel orders. Therefore, non-government persons under invitational travel orders must use a government contracted travel management center for their common carrier tickets.

8. COLLECTION OF DELINQUENT AMOUNTS

In accordance with the cardholder agreement, employees are obligated to pay the undisputed balance within 30 days. Travel charge card account balances that are delinquent are eligible for the USDA automatic travel charge card salary offset program. Upon written request from BoA, USDA will collect from an employee’s disposable pay any undisputed amounts owed to BoA. Administrative offset from the employee’s disposable pay may not exceed 15% unless a cardholder authorizes a higher amount. USDA must follow the due process requirements contained in FTR 301-54.100 before any deductions can be made. An \$85 administrative fee shall be added to the delinquent balance when the salary offset is scheduled. NFC will notify the employee by letter informing them of their rights. Before initiating a salary offset action, the agency will verify the employee has been reimbursed for a properly filed travel voucher.

Employees with delinquent travel charge card accounts will be subject to disciplinary actions.

PAYING BANK OF AMERICA ONLINE

BoA offers a free online bill payment process to employees with a government travel charge card. MyEasyPayment.com allows an employee to access and make a payment to their government charge account with ease and convenience at no cost. All payments made through MyEasyPayment.com will be applied to the account within two to three calendar days. Any questions pertaining to this bulletin may be directed to Diane M. Eggert, Chief, Travel and Relocation Services Branch, Financial Management Division, on 301-504-1260.

/s/

S. M. HELMRICH

Director

Financial Management Division

Attachment A

Government Employees Standards of Conduct

The following excerpts pertinent to the use of the Travel Card are from Title 5, Code of Federal Regulations, Part 2635, “Standards of Ethical Conduct for Employees of the Executive Branch”:

Section 2635.101, “Basic Obligations of Public Service,” state the following:

-Public service is a public trust, requiring employees to place loyalty to laws and ethical principles above private gain.

(For example, do not take advantage of the charge card privileges for your personal use.)

-Employees shall put forth honest effort in the performance of their duties.

(For example, abide by the agency policy in carrying out your responsibilities as a cardholder.)

-Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the government.

(For example, do not make purchases with the travel card if purchases have not been authorized.)

-Employees shall not use public office for private gain.

(For example, do not use the charge card to make a personal unauthorized purchase.)

-Employees shall satisfy in good faith their obligations as citizen, including all just financial obligations.

(For example, pay your charge card bill on time. A check returned for insufficient funds does not demonstrate good faith in paying your bills.)

-Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part.

(For example, do not avoid agency policies and procedures for administrative convenience.)

Attachment B

Available EAGLS Reports

If you need to view information on...	... Then use these reports
<p style="text-align: center;">Accounts that may require A/OPC Review</p>	<p>Delinquency Suite:</p> <p>Delinquency Reports</p> <ul style="list-style-type: none"> • Pre-Suspension Report • Suspension/Pre-Cancellation Report • Cancellation Report <p>Exception Reports:</p> <ul style="list-style-type: none"> • Exceptions: Account Number • Exceptions: ATM/Cash Activity • Exceptions: Hierarchy Level • Exceptions: Returned Check Charges • Exceptions: Transactions Over \$2,500 <p>Account Maintenance:</p> <ul style="list-style-type: none"> • Account Renewal • Authorizations/Declines • Maintenance Requests • New Accounts • Lost/Stolen Report
<p style="text-align: center;">Cancelled Accounts</p>	<ul style="list-style-type: none"> • Aging Analysis (Summary Information HL1-HL3) • Cancellation Report • Cancellation Summary Report
<p style="text-align: center;">Cardholders or Agencies (Detail)</p>	<ul style="list-style-type: none"> • Account Listing • Account Renewal • Agency Program Information • Maintenance Request • New Accounts
<p style="text-align: center;">Charged-Off Accounts</p>	<ul style="list-style-type: none"> • Aging Analysis (Summary Information HL1-HL3) • Charge Off Report
<p style="text-align: center;">Delinquent Accounts (Detail)</p>	<p>Delinquency Reports:</p> <ul style="list-style-type: none"> • Delinquency Report - Account Number • Delinquency Report - Hierarchy Level • Delinquency Report - Hierarchy Level/Severity • Pre-Suspension Report • Suspension/Pre-Cancellation Report • Cancellation Report
<p style="text-align: center;">Travel Accounts</p>	<ul style="list-style-type: none"> • Account Activity Report • Airline Credit/Refund • Daily Invoice • Statistical Summary Travel • Summary ATM/Traveler's Checks • Summary Purchase • Summary Quarterly Merchant • Summary Quarterly Vendor Analysis • Transaction Activity

Attachment C-1

Example of the Memorandum to Employee From APC INAPPROPRIATE USE NOTICE

TO:

FROM: Agency Program Coordinator

SUBJECT: Inappropriate Charge Card Use

A review of the Bank of America (BoA) monthly activity charge card reports indicates that your Government travel charge card appears to have questionable transaction(s) during this reporting period. Please provide a written explanation, within seven business days, of the expenses incurred on your travel charge card. **List questionable transactions.**

As part of our commitment to provide service to employees participating in the travel charge card program, we would like to remind you of the responsibilities that employees have in using the BoA's travel charge card.

Employees who participate in the travel charge card program shall, to the maximum extent possible, utilize the travel charge card to pay for expenses connected with official Government travel (e.g., lodging, meals and automobile rentals). Employees should use the card **only** for authorized travel expenses on agency business. You should not use the travel charge card to pay for personal travel expenses or for any other purpose, which is not related to your authorized **official** government business.

If you have any other questions, please contact **add APC name** on **(XXX) XXX-XXXX**.

cc:

Supervisor

Attachment C-2

Example of the Memorandum to Employee From APC UNAUTHORIZED USE NOTICE

TO:

FROM: Agency Program Coordinator

SUBJECT: Unauthorized Charge Card Use

Our review of the monthly activity reports provided by the Bank of America (BoA) has brought to my attention several instances of apparent unauthorized use of your Government travel charge card. These charges have included the use of the card for unauthorized personal retail purchases and/or excessive unauthorized Automated Teller Machine (ATM) withdrawals. Please provide a written explanation, within seven business days, of the expenses incurred on your travel charge card. **List questionable transactions.**

Unauthorized use of the travel card may result in the suspension or cancellation of the travel card privileges, the forward of a delinquent account notice to a collection agency, or in case of court judgments, a garnishment of salaries, as well as agency disciplinary action. Your agency head and supervisor have been notified of your account status for immediate review and resolution.

If you have any questions, please contact **add APC name** on **(XXX) XXX-XXXX**.

cc:

Supervisor

Attachment C-3

Example of the Memorandum to Employee From APC DELINQUENT NOTICE

TO:

FROM: Agency Program Coordinator

SUBJECT: Delinquent Notice for the Government Charge Card

Our review of the monthly activity reports provided by the Bank of America (BoA) indicates that your account may be 30 days past due. It is our position that delinquencies beyond the 30-day timeframe violate the USDA's zero tolerance policy.

The agreement that you made with the BoA requires that all outstanding charges be paid upon receipt of your monthly statement. Your charge privileges may be subject to interruption if you do not bring your account to a current status. Please provide a written explanation, within seven business days, as to why your account is delinquent. **List delinquent amount.**

Any questions concerning your statement should be reported directly to the BoA. Please submit your payment for the total balance, both current and past due, to BoA.

If you have any other questions, please contact **add APC name** on **(XXX) XXX-XXXX**.

cc:

Supervisor