



**ADMINISTRATIVE COMMUNICATIONS SYSTEM
U.S. DEPARTMENT OF EDUCATION**

DEPARTMENTAL DIRECTIVE

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All Department of Education Employees

Approved by: _____/s/_____
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Travel Card Program

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For technical questions concerning information found in this ACS document, please contact Darlene Hughes on (202) 401-2108 or via [email](#).

Supersedes OCFO:3-106 "Travel Card Program" dated 12/28/2004.

I. Purpose

This directive defines policies and procedures governing the issuance, activation and proper use of Individual Travel Charge Cards (ITCC) for the payment of official travel expenses incurred by U.S. Department of Education (ED) employees.

II. Policy

ED policy requires that all employees comply with the procedures listed in ACS Handbook OCFO-05 (Handbook for Travel Policy), and the provisions of the Federal Travel Regulation (FTR), Title 41 of the Code of Federal Regulations (CFR) Chapter 301, with respect to the use of the ITCC while on official government travel.

III. Authorization

The authority for this directive is derived from P.L. 105-264, codified at 5 U.S.C. Section 5701; Section 639 of the Consolidated Appropriations Act, 2005 (P.L. No. 108-447, 118 Stat. 3281); and 41 CFR Chapters 300-304, primarily Part 301-51, Paying Travel Expenses; Part 301-52, Claiming Reimbursement; and Parts 301-54 and 301-76, Collection of Undisputed Delinquent Amounts Owed to the Contractor Issuing the Individually Billed Travel Charge Card.

IV. Applicability

This directive applies to all ED employees who travel on official agency business.

V. Definitions

Cancellation – When an ITCC account retains a past due balance equal to or greater than 120 days, or if the ITCC account is suspended three times within a period of twelve consecutive months, the ITCC issuer will cancel the employee's account. ITCC privileges will not be reinstated.

Centrally Billed Account - An account held in the Executive Office used to charge specific travel expenses when an ED employee or invitational traveler does not have an active ITCC account.

Contract City-Pair – GSA established negotiated fares with airlines between major city pair locations.

Credit Worthiness Assessment – An internal control to ensure that ITCC cardholders are financially responsible.

Deactivation of card – If an employee travels infrequently, an ITCC may be deactivated at a supervisor's request. The ITCC will be reactivated when the employee travels again on official business.

Delinquent – Any account that has not been paid by the due date on the statement from the ITCC issuer. Bank of America uses the term "past due amount" to describe delinquent. (This definition is subject to change at any time if the ITCC issuer or GSA changes it.)

Fair Credit Release Form (FCR) – This form gives the agency the authority to obtain a FICO Score from one of the three major credit bureaus.

FICO Score – Fair Isaac Corporation Credit Score.

Financial Management Policies & Administrative Programs Group (FMP&APG) – Entity within the Office of the Chief Financial Office (OCFO) responsible for the management of ED's travel program, including the ITCC program and the agency travel charge card program coordinators. For simplicity and consistency throughout this directive, the FMP&APG will be referred to as the OCFO Travel Office although travel activities are only a part of its responsibilities.

Individual Travel Charge Card (ITCC) – Authorized charge card by which an employee may charge government business-related travel expenses (lodging, meals, transportation, and limited incidental costs) while on official travel for ED, as well as make travel related ATM cash withdrawals.

ITCC Issuer - The contractor that issues the ITCC to authorized ED employees.

Meals and incidental expenses (M&IE) – Fixed rate allowance for meals and incidental expenses incurred during temporary duty travel.

Restricted Card – A travel card issued to an employee who receives a FICO Score under 660 or a satisfactory alternative credit worthiness assessment.

Salary Offset – Automatic deduction from an employee's disposable pay to repay ITCC issuer for delinquent, undisputed ITCC account balances.

Suspension – When an ITCC account retains a balance that is 60 days past due, the ITCC issuer will suspend the account. If the delinquent balance is paid in full within 60 days of account suspension, ITCC privileges will be restored.

Travel Authorization – Document that authorizes government and non-government employees to travel on official government business.

Travel Management Centers (TMC) - Travel agencies with Federal contracts to provide travel services to Government employees conducting official travel.

Travel Office – As used within this directive, refers to the travel responsibilities within the FMP&APG. The Director of the OCFO Travel Office is the director of FMP&APG.

Travel Voucher – Document submitted by a traveler upon return from official travel identifying costs incurred and seeking reimbursement of allowable expenses.

VI. Responsibilities

A. Employees

1. Charge only expenses related to authorized government travel to the ITCC.
2. Do not use the ITCC to transact personal business.
3. Accept personal liability for all valid ITCC charges relating to their travel.
4. Apply reimbursements received for allowable travel expenses to any outstanding ITCC balances.
5. Pay monthly statement balance in full within time periods prescribed in the ITCC issuer's billing statement regardless of whether they have received reimbursement at the time the balance is due.
6. Report disputed items to the ITCC issuer within 60 days of receipt of the monthly billing statement.
7. Report lost or stolen card immediately to the Agency Travel Charge Card Program Coordinators.
8. Complete the ITCC Acknowledgement Statement, the General Service Administration's (GSA) on-line ITCC training for new cardholders and the FCR form.

B. Supervisors

1. Upon notification from the Executive Office, review ITCC activity by employees under their supervision to ensure travelers' compliance with the FTR and ED travel guidance.

2. Monitor employees under their supervision to ensure that they are paying ITCC accounts in a timely manner.
3. Initiate appropriate corrective action, up to and including possible removal from Federal service, in any case of unauthorized use of an ITCC by an employee under his/her direct supervision. This includes improper charges, unauthorized ATM withdrawals, and delinquent payment of undisputed balances. ED has promulgated recommended penalties for misuse/delinquency, which are found at [ED PMI 751-1, "Discipline and Adverse Actions"](#).
4. Ensure that ITCCs are issued only to individuals with a bona fide need.

C. Executive Offices

1. Monitor ITCC activity by employees within their Principal Office (PO) to ensure travelers' compliance with the FTR and ED travel guidance.
2. Review monthly ITCC management reports and notify supervisors immediately of any questionable ITCC charges incurred by their employee(s), unauthorized ATM withdrawals, and delinquent payment of undisputed account balances.
3. Review monthly suspension and cancellation reports and notify supervisors and employees of any delinquent ITCC balance.
4. Ensure that every new cardholder within the PO completes an ITCC Acknowledgement Statement, completes the General Service Administration's (GSA) on-line ITCC training, and completes the FCR form.
5. Provide support and guidance to supervisors when corrective action is required to address unauthorized use of the ITCC.
6. Implement controls to ensure there is no duplicate payment or reimbursement of travel-related expenses resulting from charges made on ITCC and Centrally Billed Accounts (CBA).
7. Review the application package, which includes the ITCC application, the ITCC acknowledgement form, the GSA training certificate, and the Fair Credit Release Form, and indicate approval by initialing the ITCC application.

D. Travel Office (Agency Travel Charge Card Program Coordinators)

1. Educate cardholders on the proper use of the ITCC.
2. Interpret FTR and provide direction regarding its implementation within the agency.
3. Formulate and implement agency policy governing the ITCC.
4. Ensure that Executive Officers or designees receive or know how to generate appropriate ITCC management reports to monitor cardholder activity within their POs.
5. Generate Delinquency/Pre-Suspension/Suspension/Cancellation Reports on a monthly basis and provide those reports to Executive Offices for review and follow up.
6. Notify Executive Officers and other senior officials of ITCC account delinquencies and other issues regarding ITCC misuse by employees in their PO.
7. Issue guidance, distribute agency-wide notices, and conduct training on the ITCC program.
8. Define goals, objectives, and mandates to reduce or eliminate delinquencies and provide support to offices such as Human Resources, General Counsel, Office of Inspector General, employee unions, etc.
9. Establish ITCC accounts with the ITCC issuer.
10. Authorize cash advances; set daily and weekly ATM limits; and examine monthly spending limits on accounts.
11. Authorize suspension or cancellation of accounts with cooperation and agreement of the appropriate Executive Office.
12. Close accounts for those cardholders that separate from the agency or request closure.
13. Deactivate employee accounts at the request of the supervisor or Executive Officer.

VII. Procedures and Requirements

A. General Policies

1. ED's policy requires that all ED employees who travel more than twice a year apply for an ITCC.
2. The ITCC is the official charge card used by agency employees authorized to travel on official business. Official government travel expenses include common carrier tickets, lodging, rental cars, meals, and any incidental travel-related expenses. A traveler must obtain a travel authorization prior to charging these expenses to the ITCC account except when prepayment of hotel, for example, is required. Travelers Checks are not authorized for purchase with the ITCC or for use while on official government travel.
3. The ITCC has mandatory Contract City Pair access and a \$3,500 monthly limit for most agency employees. The traveler's supervisor and Executive Office, based on factors such as frequency, duration and destination of travel, determine if the \$3,500 is a sufficient credit limit. The OCFO Travel Office maintains and monitors credit limits, based on written authorization from the Supervisor or Executive Officer. Employees that are issued a restricted card based on a credit worthiness assessment will have a \$1,750 monthly limit (for additional information on credit worthiness see Section VII.B, below).
4. Cash withdrawals are limited to \$550.00 a day or \$1,100.00 a week, and may not exceed 100% of the traveler's M&IE for a single trip. Employees who are issued a restricted card will not have ATM access. A cardholder will receive a PIN number from the ITCC issuer for ATM access. A cardholder may also make a cash withdrawal without the PIN number as a walk-in customer in any bank branch that displays the VISA logo. Although cash withdrawals are permitted, all travel expenses should be charged to the ITCC except where it is not feasible to use the card. **If a cash withdrawal is necessary, ED strongly encourages travelers to make their withdrawals at the ITCC issuer's (Bank of America) ATM or bank branch at least 1 to 2 days prior to commencement of travel.** The Bank of America fee for cash withdrawals is 1.9% of the withdrawal amount. However, if the ITCC is used at another bank, the traveler will be charged the ATM's bank fee in addition to the ITCC issuer's fee. ATM withdrawal fee(s) are reimbursable to the traveler and may be claimed on the voucher.

B. Credit Worthiness Assessment

1. Credit worthiness assessments are mandated by Section 639 of the Consolidated Appropriations Act, 2005 (P.L. No. 108-447, 118 Stat. 3281). The Department of Education will implement this statutory requirement by obtaining a Fair Isaac Corporation (FICO) score for all new ITCC applicants. OMB Circular A-123, Appendix B – “Improving the Management of Government Charge Card Programs” provides guidance to agencies in assessing the credit worthiness of all new ITCC applicants. OMB Circular A-123 can be located at http://www.whitehouse.gov/omb/circulars/a123/a123_appendix_b.pdf. Credit worthiness assessments are an important internal control to ensure that charge cardholders are financially responsible.
2. In order for a first time applicant to receive an ITCC, a FICO credit score for that employee must be 660 or higher. The numerical score indicates the credit risk level associated with a specific credit applicant. FICO Scores will be obtained by Security Services, Office of Management, through one of the three major credit bureaus. In the event that an applicant’s FICO Score is below 660, the applicant may still receive a card with the following restrictions:
 - The card will remain in a deactivated status until the cardholder is in travel status.
 - There is no ATM access.
 - The overall monthly credit limit on the card will be reduced to \$1,750, as opposed to the normal \$3,500 monthly limit.
3. If obtaining a credit score is not possible (e.g., the applicant refuses to provide consent or the applicant does not have a credit history), the applicant may still receive a card with the restrictions noted above, but the agency is required to conduct an alternative credit worthiness assessment to determine whether the individual possesses a satisfactory credit history. The alternative credit worthiness assessment will be completed by reviewing the proposed applicant’s most recent Standard Form (SF) 85P, Section 22, Questionnaire for Public Trust Positions, or SF86, Section 27, or use a similar vehicle containing the same type of questions as in the forms and sections noted. The vehicle used to determine the credit worthiness must not be older than one year. The Department of Education’s Security Services, Office of Management, will conduct the alternative credit worthiness assessment at the request of the OCFO Travel Office as described in Section VII.C.7, below.

C. Applying for an ITCC

1. An applicant may obtain an ITCC application from his/her Executive Office or by contacting one of ED's Agency Program Coordinators (APC) for the ITCC program. An application can also be found at the following link: [ITCC Application](#).
2. The Applicant must read, complete, and sign the card application. The Applicant will also be asked to review this ACS Directive and sign the acknowledgement form located at the end of this Directive (See [Appendix A](#) of this Directive).
3. Additionally, the applicant must complete the on-line training entitled, "GSA SmartPay Travel Charge Card: Charting the Course" located at <http://fss.gsa.gov/webtraining/trainingdocs/traveltraining/index.cfm>. The Applicant will be given a reasonable amount of time to complete the training during his or her normal working hours. The Applicant must print the certificate at the end of the course and submit the certificate along with the application.
4. The Applicant must also sign a copy of the Fair Credit Release Form. (See Appendix B of this directive). This form gives the Department the authority to obtain the applicant's FICO Score.
5. The ITCC application, the acknowledgement form, the GSA training certificate and the Fair Credit Release Form are then forwarded to the employee's supervisor for review. Once the supervisor has signed the ITCC acknowledgement statement, all four forms should be forwarded to the appropriate Executive Office for approval. The Executive Officer will review the application package and indicate approval by initialing the application. The application package is then forwarded in a sealed envelope to the OCFO Travel Office for processing. **The OCFO Travel Office will be responsible for maintaining the ITCC Records.**
6. When the OCFO Travel Office receives the application package, the applicant's name will be checked against a list of employees who have had their ITCC cancelled with ED's current or previous ITCC vendor. If the applicant's name does not appear on the list, the Fair Credit Release Form is submitted in a sealed envelope to Security Services, Office of Management to obtain the FICO Score. Security Services, Office of Management will obtain the applicant's FICO score from one of the three major credit bureaus. Once the FICO score has been obtained, Security Services, Office of Management will then provide it to the OCFO Travel Office, in a sealed envelope. The OCFO Travel

Office will process the application based on the FICO Score that was received. The OCFO Travel Office will notify the applicant and the Executive Officer of the applicant's credit limit and ATM restrictions.

7. For those applicants that do not have a credit history or refuse to sign a copy of the Fair Credit Release Form, the OCFO Travel Office will request Security Services, Office of Management to perform the alternative credit worthiness assessment as described in Section VII.B.3, above. Security Services, Office of Management will notify the OCFO Travel Office of the results of the alternative credit worthiness assessment. If the alternative credit worthiness assessment is satisfactory, the OCFO Travel Office will issue the applicant a restricted card as described in Section VII.B.2, above and notify the applicant and the Executive Officer. If the results of the alternative credit worthiness assessment are unsatisfactory, the OCFO Travel Office will notify the applicant and the Executive Officer that the applicant will not receive a travel card.
8. Employees will receive their ITCC within 7-10 business days of the ITCC vendor receiving the approved application from the OCFO Travel Office. If the application is a "rush," it should be marked as such by the Executive Office. Cards with "rush" applications will be sent by overnight mail. In this case, employees should receive their ITCC within 3 calendar days from the date the application was processed by the ITCC vendor. If the card is not received within this timeframe, one of ED's APCs should be contacted.

D. Travel Before Receipt of Charge Card

If the ITCC is not received before the employee departs on travel, common carrier tickets and lodging may be charged to the Executive Office's Travel CBA. To cover M&IE and other related expenses, the traveler may use personal funds or receive a travel advance of no more than **100%** of the estimated M&IE and other related expenses. **The advance must be requested at least 5 business days prior to the date that travel begins. The traveler should allow 3 days for the money to be direct deposited to the employee's account.** All travel advances must be approved by the Director of FMP&APG and issued by that office.

E. Mandatory Use of the ITCC

Once an employee has been issued an ITCC, 41 CFR Part 301-51 mandates the use of the ITCC for these expenses:

1. Common Contract Carrier Fare;

2. Hotel Lodgings;
3. Rental Car; and
4. All other official travel related expenses, with the following exceptions:
 - Expenses incurred at a vendor that does not accept the ITCC;
 - Laundry/dry cleaning;
 - Parking;
 - Local Transportation;
 - Taxis;
 - Tips;
 - Meals (when use of the card is impractical); and
 - Telephone calls.

However, travelers are permitted to use the ITCC to pay for these exempt expenses if the vendor accepts the ITCC.

The employees listed below are exempted from using the travel charge card.

1. New employees subject to immediate travel;
2. An employee who has an application pending for the ITCC;
3. Employees traveling on invitational travel;
4. An employee who travels less than twice in a fiscal year; and
5. An employee whose ITCC was suspended/canceled due to personal abuse or non-payment.

F. Vouchering and Paying the ITCC Bill

1. ED employees on official government travel must charge their travel expenses to the ITCC and submit a voucher for allowable expenses in the agency's travel system within five business days of completing travel. Approving and Certifying Officials should review the voucher

within five business days of its receipt. When improper vouchers are filed, the Approving or Certifying Official will notify the traveler within seven business days of receipt of the voucher that the voucher is improper and include the reason for this determination.

2. Once a proper travel voucher has been certified in the Travel System, the traveler should receive reimbursement within 1-2 business days. The traveler will receive Prompt Payment interest if the reimbursement is not received within 30 days of the submission of a proper voucher. The Prompt Payment interest is considered taxable income and the traveler will be issued a 1099 if the Prompt Payment interest exceeds the \$600 threshold.
3. The reimbursement received by the cardholder should be used to pay any outstanding ITCC account balance. The ITCC statements cycle on the 16th of each month. Charges will appear on the current month's statement for charges made on or before the 16th. All charges made after the 16th, will appear on the following month's statement. **If charges appear on a travel statement before the trip is vouchered or before reimbursement is received, the traveler is still required to pay the ITCC issuer on time.**
4. The cardholder shall make timely payments within the dates prescribed on the ITCC monthly account statement. The traveler should remit payments to the address appearing on his/her statement or pay the charges in person at an ITCC issuer branch. Payment should be made by personal check or money order, by telephone or online via the Internet. Keep in mind that paying at a local branch will not expedite posting of the payment. The payment is sent to the same payment center and posted within approximately six days. The current ITCC issuer also has a Pay By Phone service, which currently charges a fee of \$10. **This fee is not a reimbursable expense.** A Pay By Phone payment posts within 24 to 48 hours after the transaction is made. The current ITCC provider also has an on-line pay available at <http://www.myeasypayment.com>.

Cardholders are personally liable for ITCC account balances and may be reported to the credit bureaus by the ITCC issuer if timely payments are not made. Supervisors may also initiate disciplinary action against an employee for misusing the card and/or not paying the bill (See Section VII. J. 2. for additional information regarding disciplinary action).

G. Deactivation of Travel Charge Card

For the benefit of ED and the protection of the employee, a cardholder's supervisor or Executive Officer may request the deactivation of an ITCC during periods when the employee will not be traveling frequently. The supervisor or Executive Officer must notify the OCFO Travel Office to deactivate the ITCC within a reasonable amount of time after determining that the ED employee will be traveling infrequently. The supervisor or Executive Officer must notify the OCFO Travel Office to reactivate the card at least 72 hours prior to any anticipated use of the ITCC. The supervisor must notify the employee and the Executive Officer by email or other written correspondence to initiate deactivation/activation. For employees that are issued restricted cards, those cards will remain in a deactive status until the employee is in travel status. Executive Officers or supervisors must notify the OCFO Travel Office at least three business days prior to the employees travel date.

H. Reporting a Lost/Stolen Travel Charge Card

It is the cardholder's responsibility to report a lost/stolen ITCC **immediately** to the ITCC issuer, and to one of ED's APCs. The employee must also notify the Executive Officer and the supervisor of a lost or stolen ITCC by email or in writing. The ITCC issuer will reissue an ITCC with a new account number within 24 hours and send the ITCC to the employee's home address. If the employee is in travel status when the ITCC is reported as lost/stolen, the ITCC issuer will overnight a new card to the traveler's hotel.

I. Notifying the ITCC Issuer of Disputed Items

1. Cardholders should carefully review all charges on the ITCC issuer's monthly account statement. If any incorrect charges are noted, cardholders should first contact the vendor to have a credit issued for a disputed item. If the vendor is unwilling to issue the credit or agrees to issue the credit but the credit does not appear on the cardholder's next statement, the cardholder should contact the ITCC issuer by phone to dispute the item. Particular attention should be paid to credits for airfare since these credits may take up to eight weeks to process. If the cardholder has not received a credit on his/her next statement after contacting the TMC, the charge should be disputed with the ITCC issuer by phone. Otherwise, the cardholder risks having his/her ITCC suspended while the credit is being processed.
2. After the cardholder disputes a charge over the telephone with the ITCC issuer, the cardholder will immediately receive a provisional credit. The provisional credit will appear on his/her next statement. The cardholder must complete the dispute form located on the back of the monthly statement and fax it to the ITCC issuer (phone number

should appear on the monthly statement or can be obtained from the OCFO Travel Office). The cardholder may use ED fax equipment for this purpose. If the ITCC issuer does not receive the dispute form, the provisional credit will be reversed.

3. Cardholders must document disputes within 60 days of receiving the billing statement on which the transaction in dispute appears. The ITCC issuer will resolve disputes within two billing cycles. If at that time, the ITCC issuer finds in favor of the cardholder, the cardholder's statement will show the provisional credit reversed with a debit to the account, followed by a credit from the ITCC issuer. If the dispute is found in favor of the ITCC issuer, the item will be charged back to the cardholder's account and payment will be required.

J. Misuse/Late Payment of the ITCC

1. The ITCC is to be used for official government travel only. The ITCC must be used for ALL official travel expenses except in those situations where use of the card is not feasible. The ITCC shall NOT be used for personal expenses. If an employee mistakenly uses his/her ITCC, he/she should immediately **provide written notice to his/her Executive Officer** and an APC.
2. Personal use of the ITCC is a violation of the Agreement between the current ITCC vendor and the cardholder and may result in the cancellation of card privileges. ED POs may also initiate disciplinary action against an employee for misusing the card and/or not paying the bill. ED has promulgated recommended penalties for misuse /delinquency, which are found at the following link: [ED PMI 751-1, "Discipline and Adverse Actions"](#), and its appendix.
3. Cardholders must pay their ITCC bills by the due date listed on the statement. If an account becomes 60 days past due, the ITCC will be suspended. Once the ITCC is suspended, charging privileges will not be restored until the delinquent amount is paid in full. The ITCC vendor may cancel an ITCC account if it is suspended three times within a 12-month period.
4. **ITCC accounts that are 120 days past due will be cancelled.** Once an account reaches **more than 120 days past due**, the ITCC issuer will charge a \$20.00 late fee each month that the account has an overdue balance. An account that reaches 180 days past due will be referred to an outside Collection Agency and reported to a credit bureau by the ITCC issuer, which may impact the credit history of the cardholder. **The ITCC issuer will not reinstate an ITCC to any employee**

whose card has been cancelled as a result of nonpayment or misuse.

5. Employees who are required to travel whose ITCC is either suspended/cancelled must pay their travel expenses out of pocket and will be reimbursed once their voucher has been processed and approved for payment. Travel advances will not be issued to employees who have suspended/cancelled ITCC accounts. However, such employees' common carrier costs must be charged on the Executive Office's Travel CBA.

K. Managing Delinquencies and Misuse

1. ED aggressively monitors the on-time payment rate of the ITCC bills and has initiated several actions to improve the on-time payment rate. Executive Offices receive two types of monthly reports designed to inform them of ITCC activity by employees within their PO. The first type of these reports is the Pre-Suspension, Suspension/Pre-Cancellation and Cancellation reports. The second type of monthly reports is Transaction Activity reports.
2. Pre-suspension reports are distributed to Executive Offices several days prior to the 16th of each month and identify cardholders who will be 60 days past due on the 16th. The suspension/pre-cancellation reports are run several days after the 16th of each month and are distributed to Executive Offices to identify cardholders who appeared on the previous pre-suspension report and did not pay their bills, as well as those cardholders who were suspended in previous cycles. Cancellation reports identify cardholders who have unpaid balances of more than 120 days past due and have had their accounts cancelled.
3. Transaction Activity reports are distributed on nearly the same cycle each month and contain all cardholders' charge and payment transactions for the current billing period. Executive Offices must monitor travel activity each month to ensure that each discrete charge card expense is appropriate and allowable based on guidance in the FTR. Any expense that appears irregular must be identified and brought to the attention of the cardholder and the cardholder's supervisor.
4. Executive Offices also have access to Bank of America's Electronic Account Government Ledger System (EAGLS) and can review a cardholder's charge/payment history in real time. This system also provides management reports designed to monitor potential card misuse.

5. The OCFO Travel Office is also in communication with Bank of America's Collections Center and receives periodic calls on delinquent cardholders and on accounts where the Bank suspects misuse. The Collections Center representatives document the conversations they have with cardholders who call or are called about their accounts – this documentation is readily available to ED's APCs.

L. Salary Offset

ED may initiate salary offset from disposable pay to recoup undisputed delinquent amounts of money owed to the ITCC issuer.

Section 2(d) of the Travel and Transportation Reform Act of 1998 (P.L. 105-264) (codified at 5 U.S.C. section 5701, note¹) authorizes a deduction not to exceed 15% of disposable pay. FTR Parts 301-54 and 301-76 implement this statute. ED will use the procedures in this section to implement the salary offset provisions of the statute and FTR.

1. Request for Collection

- a. The ITCC issuer must make a written request to OCFO, with a copy to the employee, for collection of this debt. The request must include:
 - The delinquent debtor's name, social security number, and ITCC account number;
 - The amount of the debt, itemized by purchase, that represents the undisputed amounts owed on the ITCC;
 - Copies of the monthly statements showing that the amount was properly billed to the employee;
 - The ITCC issuer's routing information for electronic payment of the employee's debt; and
 - A contact at the ITCC issuer with information to allow the employee an opportunity to make a written agreement to repay the debt and clarify that the amount presented will not be increased by interest or collection fees.
- b. The OCFO is designated to receive the written request from the ITCC issuer for collection from an employee's disposable pay of undisputed debt on a contractor-issued ITCC.

¹ In accordance with FTR 301-54.101 and FTR 301-76.102, ED may only collect undisputed delinquent amounts after ED has reimbursed an employee under the applicable travel regulations and in accordance with a proper travel claim, unless the employee has not submitted a proper travel claim in a timely manner and there are no extenuating circumstances.

2. Offset Process Responsibilities

- a. The OCFO will receive the written request from the ITCC issuer to collect the undisputed debt by offset from the employee's biweekly disposable pay. The OCFO will review the written request and documentation and determine that charges are undisputed and owed by the employee. The OCFO will reconcile any discrepancies for amounts owed with the ITCC issuer before any further steps are taken.
- b. The OCFO will review travel payment records and determine that all properly submitted travel expense vouchers have been paid to the employee. If the review shows that ED has not timely reimbursed payments relating to the delinquent charges, the OCFO will notify the ITCC issuer if any of these untimely payments will delay the initiation of the offset process. If all properly submitted travel expenses have been paid, the OCFO will take action to initiate the offset of biweekly disposable pay.
- c. The OCFO will review the employee's payroll records to determine whether the employee has the ability to pay the debt. If the employee does not have the ability to pay the debt, the OCFO will notify the ITCC issuer in writing that the employee cannot pay the debt by offset due to other debt collection with higher priority.
- d. If the employee has the ability to pay the claim, the OCFO will notify the employee of ED's intention to collect the debt by offset, the specific amount of the biweekly deduction, and provide copies of the documentation to the employee of undisputed amounts owed to the ITCC issuer. This notice to offset (as described in Section VII.L.3, below) will be sent by certified mail, return receipt requested, to the last known home address contained in the employee's official personnel folder. This notice will advise the employee that he/she will have 30 days to review the information and make a written agreement with the ITCC issuer to repay the debt.
- e. The employee will provide a copy of the written agreement to the OCFO. If the employee does not make an agreement with the ITCC issuer to repay the debt after 30 days from the date the employee signed the return receipt, the OCFO will advise the employee that biweekly deductions will begin the next pay period. If the employee makes an agreement with the ITCC issuer at a later date, ED will stop the offset after receipt of a written agreement between the employee and the ITCC issuer.

3. Due Process Notice to Employee

When ED determines that collection can begin, the employee must be notified and provided with the following due process protections. Notice will be mailed to the employee's home address, return receipt requested. The written notice must include the following:

- The type and amount of the claim, identifying the ITCC issuer and account number;
- ED's intention to collect the claim by deduction from the employee's disposable pay as described in FTR, Parts 301-54 and 301-76;
- Copies of monthly account statements showing itemized charges that substantiate the undisputed debt owed, and a statement that the employee has the right to inspect and copy records related to the claim;
- An opportunity for a review within the OCFO of ED's decision to collect the amounts;
- An opportunity to make a written agreement with the ITCC issuer to repay the delinquent amounts; and
- A statement concerning union representational rights.

4. ED's Responsibilities

ED is responsible for assuring that the employee has been afforded due process before any amounts are collected from the employee's disposable pay.

- a. A review will be made by the OCFO Travel Office to determine that the amounts requested represent undisputed delinquent debt owed by the employee on the contractor issued ITCC.
- b. The employee will be afforded 30 days from the date the employee signed the return receipt (as described in Section VII.L.3, above) to make a written agreement with the ITCC issuer.
- c. If the employee wants a higher level of review in the OCFO, the request must be in writing or by email, and collection cannot begin until the review has been completed, not to exceed 10 working days.

- d. A copy of the written agreement will be obtained by the OCFO from the employee. If no agreement has been reached, collection may begin.
- e. During the thirty (30) day review period and subject to the procedures for raising work-related concerns as described in the Collective Bargaining Agreement, an employee shall, upon request, be excused from official duty for a reasonable amount of time to make a written agreement with the ITCC and/or prepare for a review within the OCFO.

5. Collection

Once all due process requirements are satisfied, ED will proceed with collection. The employee's disposable pay will be calculated using the definition at FTR Parts 301-54.2 and 301-76.2, including the amounts that will be deducted and the number of pay periods over which the collection will occur. Once all prerequisites are met, the employee and the ITCC issuer will be notified that the collection will begin the next pay period.

- a. Maximum collection amount. No more than 15% of the employee's disposable pay per pay period will be collected under this procedure, unless the employee consents in writing to deduction of a greater percentage.
- b. Priority of collection. The debt covered by this collection procedure is lower in priority to all other involuntary collection, garnishment and other offset actions, and will not be collected if higher priority debt would result in more than 15% of the employee's disposable pay for any given pay period being collected.
- c. Termination of collection. Collection under this section will be terminated when the full amount of debt is collected, or the employee enters into a written agreement with the ITCC issuer to repay the ITCC issuer, or when the employee separates from ED.

6. Voluntary Repayment

Nothing in this directive shall preclude a voluntary agreement between the employee and the ITCC issuer for repayment. If a voluntary collection agreement is made, the parties must notify ED in writing so the collection can be terminated. Voluntary repayment may be

accomplished through a voluntary allotment of pay initiated by the employee, but will not be effected through this procedure.

M. Training

ITCC cardholders are required to complete GSA's On-Line Travel Card Training before submitting the application for an ITCC. A refresher training course is required every 3 years. The OCFO Travel Office will notify Executive Officers and cardholders, via email, when the refresher training course is required. Cardholders will then be required to complete GSA's On-Line Travel Card Training Course located at: <http://fss.gsa.gov/webtraining/trainingdocs/traveltraining/index.cfm>. Cardholders must complete the refresher training course and print the certificate located at the end of the course. The certificate must then be submitted to the OCFO Travel Office. Cardholders will be given 30 days from the date of the email notification to complete the refresher course. If the refresher training course is not completed within the 30 days, the OCFO Travel Office will deactivate the ITCC account. The ITCC account will remain in a deactive status until the training has been completed.

Appendix A: Individual Travel Charge Card Acknowledgement

1. I acknowledge that I have signed and am bound by the terms and conditions of the contractor issued government Travel Charge Card (Travel Charge Card) account agreement. I also acknowledge that the Travel Charge Card was provided to me as a direct result of my employment with the U.S. Department of Education.
2. I agree to use the Travel Charge Card only for OFFICIAL TRAVEL AND OFFICIAL TRAVEL RELATED EXPENSES in accordance with the U.S. Department of Education Travel Charge Card policy. PERSONAL AND FAMILY MEMBER USE OF THE TRAVEL CHARGE CARD IS PROHIBITED and misuse will result in corrective action up to and including possible removal from Federal service.
3. I acknowledge that withdrawals of cash from Automated Teller Machines (ATM) will be in accordance with official travel policy and only for official travel expenses. Misuse will result in corrective action up to and including possible removal from Federal service.
4. I agree that I am responsible for paying this account in a timely manner and that I am responsible for any outstanding balance on this account. Failure to make timely payments will result in cancellation of the ITCC and may be reported to the credit bureaus by the ITCC.
5. I acknowledge that the U.S. Department of Education has the authority to review all activity on my Travel Charge Card account at any time.
6. I acknowledge that my Travel Charge Card account may be deactivated when I am not in official travel status.
7. I acknowledge that any use of this card for other than official travel and official travel related expenses will result in corrective action up to and including possible removal from Federal service.
8. I acknowledge that failure to pay in a timely manner any undisputed travel account balances will result in corrective action up to and including possible removal from Federal service.
9. I acknowledge that the U.S. Department of Education, upon written request from the Travel Charge Card contractor, may collect from my disposable pay, any undisputed delinquent amounts that I owe the contractor, in accordance with the Travel and Transportation Reform Act of 1998 (P.L. 105-264) and the Federal Travel Regulations, Parts 301-54 and 301-76.
10. I agree to return the card to my Executive Officer before separating from the U.S. Department of Education.

Employee's Signature	Employee's Printed Name	Date
Supervisor's Signature	Supervisor's Printed Name	Date

Appendix B: Fair Credit Release Form

Fair Credit Reporting Act of 1970, as amended

(RELEASE)

PLEASE TAKE NOTICE THAT ONE OR MORE CONSUMER CREDIT REPORTS MAY BE OBTAINED FOR EMPLOYMENT PURPOSES PURSUANT TO THE FAIR CREDIT REPORTING ACT, AS AMENDED, 15 U.S.C., §1681, ET SEQ. SHOULD A DECISION TO TAKE ANY ADVERSE ACTION AGAINST YOU BE MADE, BASED EITHER IN WHOLE OR IN PART ON THE CONSUMER CREDIT REPORT, THE CONSUMER REPORTING AGENCY THAT PROVIDED THE REPORT PLAYED NO ROLE IN THE AGENCY'S DECISION TO TAKE SUCH ADVERSE ACTION.

Information provided by you on this form will be furnished to the consumer reporting agency in order to obtain information in connection with the Travel Card Program to assess the credit worthiness of travel card applicants.

I hereby authorize the Department of Education to obtain such report(s) from any consumer/credit reporting agency for employment purposes.

Printed Name

Social Security Number

Signature

Date

Your Social Security Number is needed to keep records accurate, because other people may have the same name. Executive Order 9397 also asks Federal agencies to use this number to help identify individuals in agency records.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. For more information, including information about additional rights, go to <http://www.ftc.gov/credit> or write to: Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

- You must be told if information in your file has been used against you. Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- You have the right to know what is in your file. You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identify theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud;
 - you are on public assistance;

- you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See <http://www.ftc.gov/credit/> for additional information.

- You have the right to ask for a credit score. Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- You have the right to dispute incomplete or inaccurate information. If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See <http://www.ftc.gov/credit/> for an explanation of dispute procedures.
- Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information. Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- Consumer reporting agencies may not report outdated negative information. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access.
- You must give your consent for reports to be provided to employers. A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to <http://www.ftc.gov/credit/>.
- You may limit "prescreened" offers of credit and insurance you get based on information in your credit report. Unsolicited "prescreened" offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- You may seek damages from violators. If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- Identity theft victims and active duty military personnel have additional rights. For more information, visit <http://www.ftc.gov/credit/>.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. Federal enforcers are:

TYPE OF BUSINESS:	CONTACT:
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission: Consumer Response Center – FCRA Washington, DC 20580 1-877-382-4357
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision Consumer Complaints Washington, DC 20552 800-842-6929
Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-519-4600
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Consumer Response Center 2345 Grand Avenue, Suite 100 Kansas City, Missouri 64108-2638 1-877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator – GIPSA Washington, DC 20250 202-720-7051