

DFAS 4500.55-I  
Defense Finance and Accounting Service



**GOVERNMENT TRAVEL CARD PROGRAM**

**AUGUST 2002**

**ADMINISTRATIVE SERVICES**

FOREWORD

This Instruction outlines policies, procedures and responsibilities to be used in the administration and management of the Defense Finance and Accounting Service (DFAS) Government Travel Charge Card Program. It includes DoD Task Order Modifications dated April 2001.

Labor Relations obligations under Title 5, United States Code, chapter 71, have been met. This Instruction is effective immediately and is applicable to all DFAS personnel who obtain and use the Government sponsored, contractor issued travel charge card for official travel and to those who administer the program.

Recommended changes to this Instruction should be forwarded to Administrative Services Directorate, DFAS Indianapolis.

//Signed//

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REFERENCES

- (a) Public Law 105-264, Travel and Transportation Reform Act (TTRA) of 1998  
[http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=105\\_cong\\_public\\_laws&docid=f:publ264.105](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=105_cong_public_laws&docid=f:publ264.105)
- (b) DoD Financial Management Regulation (FMR), Volume 9 Chapter 3, May 1993  
<http://www.dtic.mil/comptroller/fmr/>
- (c) General Services Administration SmartPay Contract, 1998  
[http://www.gsa.gov/Portal/content/offerings\\_content.jsp?channelId=-13964&programId=11313&contentOID=119308&contentType=1004&cid=1](http://www.gsa.gov/Portal/content/offerings_content.jsp?channelId=-13964&programId=11313&contentOID=119308&contentType=1004&cid=1)

**ABBREVIATIONS AND/OR ACRONYMS**

APC	Agency Program Coordinator
ATM	Automated Teller Machine
BoA	Bank of America
CBA	Centrally Billed Account
CONUS	Continental United States
CPM	Component Program Coordinator
CTO	Commercial Travel Office
DoD	Department of Defense
EAGLS	Electronic Account Government Ledger System
EFT	Electronic Funds Transfer
FMR	Financial Management Regulation
GSA	General Services Administration
MER	Management Employee Relations
IBA	Individually Billed Account
PCS	Permanent Change of Station
TCPMO	Travel Card Program Management Office
TDY	Temporary Duty
TTRA	Travel and Transportation Act of 1998
USD C	Undersecretary of Defense Comptroller

C1. CHAPTER 1  
GENERAL INFORMATION

C1.1. PURPOSE. This Instruction provides policy, procedures and responsibilities for the DFAS Government Travel Card Program. It is the policy of the Defense Finance and Accounting Service (DFAS) that all employees who are frequent travelers (more than two trips per year) use the Government Travel Charge Card for all expenses related to official travel.

C1.1.1. This Instruction provides policies and procedures for program management of the DFAS Government Travel Card Program and for proper use of the Government-sponsored, contractor-issued travel charge card. The program will hereafter be referred to as the "Travel Card Program" and the Government Travel Charge Card will hereafter be referred to as the "travel card" or "card".

C1.1.2. Responsibilities are outlined in this Instruction for the DFAS Component Program Manager (CPM), Agency Program Coordinators (APCs), DFAS managers and cardholders. Procedures are outlined for program development and management. It is intended to provide a common reference for administration of the Travel Card Program throughout DFAS.

C1.2. APPLICABILITY AND SCOPE. This Travel Card Program Instruction applies to all DFAS activities and to all DFAS personnel who obtain and use the travel card. Each organization will establish and maintain the DFAS Travel Card Program in accordance with this Instruction. No components are excluded. The Travel Card Program is centrally administered by the DFAS CPM located at DFAS Indianapolis. This Travel Card Program Instruction is consistent with The Travel and Transportation Reform Act of 1998 (TTRA), Public Law 105-264, the General Services Administration (GSA) Contract, and the Department of Defense (DoD) Financial Management Regulation (FMR), Volume 9, Chapter 3.

C1.3. PROGRAM OVERSITE.

C1.3.1. Administrative Services maintains control and oversight of the Travel Card Program for Individually Billed Accounts (IBA). The Director for Administrative Services appoints the DFAS CPM, who ensures all serviced activities are in compliance with this Instruction.

C1.3.2. Resource Management Directorate maintains control and oversight of the Centrally Billed Accounts (CBA) for the Travel Card Program. The Director for Resource Management appoints the

DFAS CPM, who ensures all serviced activities are in compliance with this Instruction.

C1.4. PROGRAM POLICY.

C1.4.1. Individually Billed Accounts (IBA). The Government travel card, with Automated Teller Machine (ATM) access, is issued to DFAS military and civilian personnel traveling on official business. The travel card is used by travelers to pay for reimbursable costs incidental to official travel (both temporary duty (TDY) and permanent change of station (PCS)), such as lodging, transportation, rental cars, meals, and other allowable expenses.

C1.4.1.1. Standard Travel Card. Standard cards are issued to individuals who agreed for the contractor to conduct a credit check that resulted in a favorable report. The limit on total charges is \$5,000.00, with \$500.00 available in cash. This limit may be increased by the APC or CPM to accommodate mission requirements.

C1.4.1.2. Restricted Travel Card. Restricted cards are issued to individuals who either refuse credit checks or for those whose credit reports prove to be unfavorable. The limit on total charges is \$2,000.00, with \$250.00 available in cash. APCs or CPMs may temporarily increase this limit for specific travel requirements.

C1.4.1.3. ATM Access for Travel Advances. Cardholders will use ATM machines to obtain necessary cash for travel advances. Use of this card negates the need for travel advances from any disbursing office for DFAS military and civilian personnel unless the accompanying travel order specifically states the card cannot be used for certain items or when traveling to locations where use of the card is not feasible. Standard cards allow for cash withdrawals up to \$500.00 and restricted cards allow up to \$250.

C1.4.1.4. Retail charges. The travel card may be used for retail charges only in emergencies, such as the event of lost luggage. In these cases, the merchant must swipe the card for approval. The approved limit for these charges is \$250.00 for standard cards and \$100.00 for restricted cards. Purchases of this nature are generally not reimbursable.

C1.4.1.5. Personal Charges. The travel card may not be used for personal expenses or retail purchases unrelated to official travel. Cardholders who use the card for charges other than official travel are subject to disciplinary action.



C1.4.1.6. Airline Tickets. Travelers may use the travel cards to purchase transportation tickets for official travel but should do so only after coordinating with the Commercial Travel Office (CTO) to obtain the correct government rates and ensure they receive GSA contract fares. Travelers are required to use the government rate, even if airlines offer a lower rate. Such charges must be claimed on travel settlement vouchers upon completion of travel.

C1.4.1.7. Travel Claims. All DFAS travelers are to submit travel vouchers within 5 working days after their return to duty. Travelers on extended TDY need to submit a partial claim at least every thirty days in accordance with the FMR Volume 9, Chapter 3. This will enable travelers to be reimbursed more frequently, so that they will be able to pay the card company on time.

C1.4.1.8. Program Hierarchy. Individually billed accounts are organized into a hierarchy, which ensures that only specified individuals have access rights to the controlled data maintained by the travel card contractor. The travel card contractor's hierarchy account structure should generally mirror the DFAS organizational structure. However, there are acceptable variations to this rule. Any change to the hierarchy structure will be established by the CPM.

C1.4.2. Centrally Billed Accounts (CBA).

C1.4.2.1. CBAs are "cardless" account numbers issued for Commercial Travel Offices (CTOs) to charge official travel transportation costs.

C1.4.2.2. Each DFAS activity will use CBAs issued only through the CPM or APC. Use of CBAs held by other organizations creates cross-disbursements and is to be avoided at all cost.

C1.4.2.3. DFAS activities receive monthly invoices reflecting charges for airline tickets. These invoices are reconciled with the information from the Commercial Travel Office (CTO) and submitted for payment to the contractor.

C1.5. RESPONSIBILITIES.

C1.5.1. DFAS Director. The DFAS Director is designated by the Undersecretary of Defense Comptroller (USD)(C) as the Program Manager for the Travel Card Program.

C1.5.1.1. The DFAS Director assigns, in writing, responsibilities for the Travel Card Program Management Office (TCPMO) within the Directorate for Finance. The TCPMO manages the Travel Card Program for the entire DoD.

C1.5.1.2. The DFAS Director assigns, in writing, responsibilities for management of the Travel Card Program within DFAS to the Director for Administrative Services for IBAs and to the Director for Resource Management for CBAs.

C1.5.2. The Director for Administrative Services will:

C1.5.2.1. Appoint, in writing, the DFAS CPM who administers the Travel Card Program throughout DFAS and an Alternate CPM.

C1.5.2.2. Review and approve all program policies and procedures.

C1.5.3. The DFAS CPM will:

C1.5.3.1. Establish and maintain the DFAS Travel Card Program, in accordance with the provisions of the DoD FMR, Volume 9. Provide overall direction and guidance for the Government Travel Card Program within DFAS.

C1.5.3.2. Ensure APCs and alternates are appointed, in writing, for each DFAS activity and oversee their training to administer the program. Establishes system access to the Bank of America Electronic Account Government Ledger System (EAGLS) for all assigned APCs.

C1.5.3.3. Plan and organize a minimum of one APC conference per year for the purpose of refresher training, program briefings and discussion of current issues.

C1.5.3.4. Furnish APCs with adequate training materials to administer the Travel Card Program and provide information to APCs on EAGLS training opportunities.

C1.5.3.5. Serve as the primary contact with APCs, DFAS senior level managers, the DoD Travel Card Program Manager, and the travel card contractor. Establish and maintain the DFAS organizational structure (hierarchy) and notify the contractor and the Travel Card Program Management Office of any organizational changes that affect the travel card program.

C1.5.3.6. Review and analyze Travel Card Program contractor reports on usage, performance, and cardholder payment trends.

C1.5.3.7. Conduct a review of each DFAS site's program at least every two years to ensure compliance with applicable regulations and instruction.

C1.5.3.8. Develop and provide a Statement of Understanding form, (Appendix 5) to be used by each APC in establishing accounts.

C1.5.3.9. Provide program information reports to DFAS Directors on the Travel Card Program, reflecting performance by location and business line.

C1.5.3.10. Perform periodic reviews of account listings to ensure accurate account hierarchies are in place.

C1.5.3.11. Oversee and maintain current EAGLS point of contact (POC) and User Profile listing for authorized users.

C1.5.4. Administrative Service Managers will:

C1.5.4.1. Ensure the Travel Card Program is implemented, resourced, and supported by Administrative Services. (Exceptions must be coordinated and approved by the CPM.)

C1.5.4.2. Appoints in writing, an APC and an alternate at each site to be responsible for administering the Travel Card Program. Appointments will be provided to the agency CPM.

C1.5.4.3. Ensure through the APCs that Travel Card Program policies and procedures are established and in place. Program management must be in compliance with this Instruction.

C1.5.5. APCs will:

C1.5.5.1. Administer the Travel Card Program at each applicable DFAS site, reporting to the appointed CPM.

C1.5.5.2. Establish and execute the DFAS Travel Card Program within the approved hierarchy. Coordinate with all levels of management, as well as cardholders, to ensure day-to-day operations are compliant with applicable regulations and guidance.

C1.5.5.3. Ensure the alternate APC has all necessary information and training to act as a back up and to manage the program in the absence of the APC.

C1.5.5.4. Maintain an up-to-date list of all current cardholder accounts to include information such as account names, card account numbers, addresses, and telephone numbers.

C1.5.5.5. Provide application packages to employees. These packages must contain a Government Travel Card Program Cardholder Guide, Statement of Understanding and a card company application to be completed by each cardholder and signed by the supervisor.

C1.5.5.6. Process applications with the travel card company within two days of receipt.

C1.5.5.7. Ensure that training is available for all cardholders on the use of the travel card. Provide refresher training when requested by management personnel.

C1.5.5.8. Continuously ensure that information on changes to program policy are provided to all cardholders and management.

C1.5.5.9. Request increased credit limits on cardholder accounts based on the cardholder's request as justified by the estimated costs shown on official travel orders.

C1.5.5.10. Identify delinquencies and suspected abuse/misuse of the card. Notify the appropriate supervisor for further action, as appropriate.

C1.5.5.11. Take action to suspend or cancel cards when the cardholder is delinquent or has abused/misused the card. APCs should also deactivate accounts for those employees who are infrequent travelers (less than 2 times per year).

C1.5.5.12. Take appropriate action when employees leave or terminate employment with DFAS. Accounts are immediately canceled when cardholders terminate their employment with DoD. Cards are transferable only within the DoD. The effective date of the transfer should coincide with the reporting date at the gaining activity.

C1.5.5.13. Analyze and maintain various monthly reports provided by the travel card company. Report status of the program to management and supervisors. Provide written or electronic reports each month to the DFAS CPM showing any delinquent accounts and/or accounts with unauthorized charges.

C1.5.5.14. Establish, maintain, secure, and dispose of reports and files in accordance with DFAS 5015.2-M, Records Disposition Schedule, Schedule 7333, Travel Records, Rule 13. Reports and associated documents used to administer the Government Travel Charge Card Program are maintained at the APC's office. These records are to be maintained for 6 years and 3 months after the cutoff date of the end of the year. (NOTE: This requirement does not include those reports received from the contractor.)

C1.5.5.15. Review card contractor usage reports and reconciles account activity with official travel orders published for the corresponding month. APCs must immediately notify the cardholder's supervisor when abuse of the card is verified.

C1.5.5.16. Conduct a regular review of account listing to ensure cardholders no longer with DFAS are removed.

C1.5.5.17. Use the internet-based electronic travel card management system (EAGLS) to the maximum extent possible to manage the program.

C1.5.5.18. Provide information to the Management Employee Relations (MER) POC on delinquent accounts and cases of misuse.

C1.5.6. Supervisors will:

C1.5.6.1. Make regular assessment of all employees to determine who does not possess the travel card, but may have frequent travel requirements (2 or more times per year).

C1.5.6.2. Authorize travel cards for all civilian and military personnel prior to performing TDY, by signing the application form.

C1.5.6.3. Coordinate with all levels of management, the APC, and cardholders to ensure a successful program.

C1.5.6.4. Instruct employees to submit travel vouchers within five (5) working days of completion of travel and to pay the travel card contractor as soon as possible. Encourage employees to use the split disbursement method of reimbursement.

C1.5.6.5. Request deactivation of accounts for cardholders with no future travel requirements. Request accounts to be reactivated when travel is necessary.

C1.5.6.6. Counsel employees who have delinquent accounts or have abused/misused the card. Take appropriate disciplinary action in accordance with applicable regulations and guidance from Management Employee Relations personnel.

C1.5.7. Cardholders will:

C1.5.7.1. Complete application for a travel card with supervisor's signature as soon as potential travel is known.

C1.5.7.2. Use the Government travel card for reasonable and necessary travel expenses, in connection with official travel, as authorized and validated by official travel orders.

C1.5.7.3. Read the DFAS Travel Card Cardholder Information Sheet provided by the APC, and certify on the Statement of Understanding that they agree to abide by the rules and regulations pertaining to the program.

C1.5.7.4. Safeguard and protect the Government travel card from unauthorized use and promptly report a lost or stolen card to the APC and card company.

C1.5.7.5. Prepare and submit travel voucher for reimbursement within five (5) workdays upon return to duty, or as soon as possible if mitigating circumstances occur. Long term travelers must file travel vouchers every 30 days.

C1.5.7.6. Pay the card company by the due date appearing on the invoice, if possible.

C1.5.7.7. Contact the card company and local APC when billing discrepancies occur or when payments will be late.

C1.5.7.8. Request the APC temporarily deactivate the card after travel, if desired. Request card be reactivated when travel is planned.

C2. CHAPTER 2  
PROGRAM ADMINISTRATION

C2.1. TRAVEL CARD PROCEDURES.

C2.1.1. Eligibility. All civilian and military personnel who travel on official orders are eligible for a Government travel card and should take action to obtain one.

C2.1.2. Applications. APCs maintain application packages which contain general information about the card program and the expectations of the cardholder. Applicants are required to complete the form, obtain written supervisory approval, read the Cardholder Guide, sign a Statement of Understanding certifying they understand the rules and regulations governing the card program and agree to abide by them. APCs process the application through the card company within two days of receipt. The contractor normally issues the card within 7-10 working days. Emergency requests are usually completed within 3 days.

C2.1.3. Travel Advances.

C2.1.3.1. DoD policy states that travel advances are the exception rather than the rule. DoD requires that travelers use the card for all payments of expenses for official government travel (both TDY and PCS) and to withdraw any necessary cash from ATMs, within the prescribed limits.

C2.1.3.2. Supervisors or the travel order authorizing official may authorize emergency cash advances only in limited situations where no other process is available to accomplish the mission. Advances must be obtained through EFT and requested from DFAS Columbus not more than seven days prior to the date of travel departure.

C2.1.3.3. Personnel whose card has been canceled because of financial irresponsibility or abuse/misuse may obtain cash advances through EFT if authorized by the supervisor. Travel advances for personnel without the travel card will be computed at 100 percent of expenses considered "cash transactions", (meals and incidental expenses) for such items as taxi fares, parking fees, mileage, etc. as well as 80 percent of lodging, rental car and transportation costs.

C2.1.4. ATM Usage. Each cardholder receives the capability to withdraw cash through the use of an ATM, which assists the traveler in paying for incidental expenses where the card cannot be used (e.g., taxi fares, parking fees, meals where the card may not be used, etc.).

C2.1.4.1. Travel orders must identify the traveler as a cardholder or non-card holder. Travel orders state an amount allowable for ATM withdrawal in the "Advance Authorized" block. This amount is meant as a guide, recognizing that certain situations and trip arrangements may require a different ATM withdrawal. Most major expenses (e.g., hotel costs, meals, rental cars, gas, etc.) are to be charged to the card.

C2.1.4.2. Cardholders will charge as many expenses as possible in support of official travel to their government cards and only take the minimum amount of cash necessary for incidentals.

C2.1.4.3. ATM cash advances are authorized only after the travel order has been approved, but no earlier than two days prior to departure and no later than the last day of travel.

C2.1.4.4. Travelers who are current on their payments may request, through their APC, that their ATM limits be increased for a specific period. In emergency situations when an APC cannot be contacted, the traveler may call the card company directly to request an increase in ATM limits. The card company may raise the limit temporarily, but will contact the APC the next day.

C2.1.4.5. Travelers may claim any fees associated with authorized withdrawals of ATM cash, to include bank fees, on the travel voucher. To claim reimbursement, expenses should be shown as "ATM Advance of \$XXXX" and provide the amount of the associated fees. Receipts for the ATM transaction fee are not required.

C2.1.4.6. There may be exceptions for reimbursement of the standard fee for ATM withdrawals, based upon extenuating circumstances. Examples can include TDY completed early or TDY canceled. When an advance is obtained and the trip is canceled, the traveler submits a Standard Form 1164, Claim for Reimbursement for Expenditures on Official Business, to be reimbursed for the ATM fee, provided the advance was not withdrawn more than two days prior to the scheduled departure date. The SF 1164 should be approved by the supervisor and be supported by a copy of the original order and its cancellation.

C2.1.4.7. Using the card to obtain cash from ATM machines for other than officially approved travel expenses is strictly prohibited and is a basis for disciplinary action.

## C2.2. PAYMENTS TO CARD CONTRACTOR.

C2.2.1. Prompt payment of travel card bills by cardholders is extremely important. Delinquencies reflect adversely on DFAS and



the entire program. Delinquencies are immediately addressed by APCs through the supervisory chain.

C2.2.2. Travelers are required to submit travel claims within five working days after return from TDY in order to receive reimbursement to pay the bill promptly. Late or untimely submission of travel claims does not excuse the traveler from meeting this obligation.

C2.2.2.1. Travel settlements that have either been lost or not paid within 2-3 weeks after sending the travel claim to DFAS Columbus should be reported to the APC. In these cases, the APC can work with the card company to delay account suspension on a case-by-case basis.

C2.2.2.2. Long-term TDY of more than 30 days requires partial settlement by the cardholder at 30 day increments. When on long-term TDY, the travelers should file their first claim after the 22<sup>nd</sup> day for a partial payment by DFAS Columbus. Thereafter, claims should be filed every 30 days.

C2.2.3. Split Disbursement. Cardholders are highly encouraged to use the split disbursement option when filing travel claims. Split disbursement allows the traveler to designate an amount to be paid by DFAS Columbus directly to the card company at the same time the claim is settled and the remaining funds are forwarded back to the traveler. Selecting this option saves the traveler the time and expense of making a separate payment to the card company and assists greatly in reducing the possibility of a delinquent account.

C2.2.4. Pay by Phone Payment. Cardholders may use the pay by phone method of payment by calling the card company and requesting payment be made using their checking account information. This method usually posts to the cardholder's account within 48 hours. There will be a non-reimbursable charge of \$10.00 for this service.

### C2.3. ACCOUNT TRANSFERS.

C2.3.1. When cardholders transfer to a non-DoD component, the APC will cancel the cardholder's account within 60 days after departure. This will allow for the employee to report to the new agency and apply for a new card.

C2.3.2. When cardholders transfer within the DoD, the travel card is retained for use during the move. However, the APC must coordinate with the travel card contractor to transfer the account to the gaining unit, if known. The cardholder must ensure that their account is transferred to the new activity. If

the account has not been transferred within 60 days of departure, the APC will deactivate the account.

C2.4. REFUND PROGRAM.

C2.4.1. Refunds from the Government travel card contractor are based on sponsor use (how many cards are in use) and productivity refunds (how well delinquencies and cash are managed). These refunds are processed by DFAS Columbus.

C2.4.2. Refunds will be applied to reduce overall DFAS expenses. The CPM will provide a quarterly report to the APCs of these refunds and the amount received and applied as DFAS revenue.

C2.5. REPORTS.

C2.5.1. Reports are provided by the card company, through the use of EAGLS. Hard copy reports may be mailed to the APC, in the event electronic reports are not available.

C2.5.2. APCs will use this information to effectively manage the program and to provide program information to supervisors and senior management. Under no circumstances will an APC use information for any other purpose.

C2.5.3. APCs must use the contractor reports, and maintain them for a period of twelve (12) consecutive months. These reports include account listings, delinquencies, activity (usage), and payment history. These reports are not included in the Records Management requirement discussed in C1.5.5.14.

C2.5.4. The CPM receives consolidated reports from the card company providing information used to ascertain the overall status of the program.

C2.5.5. The CPM may require special reports, monthly reports, or specific account information from each APC.

C2.6. PROGRAM FILES.

C2.6.1. APCs are required to maintain complete and accurate program files. One file per cardholder is required containing applications, signed statements of understanding, correspondence, etc.

C2.6.2. Government travel card program files consist of account background information, directors' reports, memoranda, policy requirements or other information received from the cardholders, managers, or the GSA program contractor. These files are maintained for 6 years, 3 months.

C2.6.3. Due to the sensitivity of these files and the nature of Privacy Act Data, these files are to be maintained in a locked filing area or some other secure location.

C2.7. TRAINING.

C2.7.1. The CPM ensures that each APC is properly trained and receives necessary training materials and assistance with which to train their local management and all cardholders.

C2.7.2. Training is a continuing responsibility for each APC to ensure that management and cardholders are kept abreast of program changes and are provided refresher training annually. The travel card training should be an important part of employee orientation programs and supervisor training, provided by Human Resources activities.

C2.7.3. The CPM will organize and host an annual meeting and training opportunity for all APC's to provide refresher training and information on current issues or new initiatives that may affect local programs.

C2.8. PROGRAM REVIEWS.

C2.8.1. At least every two years, the CPM will conduct a review of the program at each of the DFAS sites and provide additional training as necessary. Center APCs determine any necessary reviews of their subordinate programs.

C3. CHAPTER 3  
DELINQUENCY MANAGEMENT

C3.1. Delinquencies reflect adversely on the Government Travel Card Program and on the entire Federal Government. They are to be immediately addressed by APCs through the supervisory chain. An account is considered delinquent after 60 days. If the bill has not been paid after 60 days, the contractor will automatically suspend the account. After 120 days delinquent, the account will be canceled by the contractor and may be subsequently turned over to a collection agency or set up for salary offset.

C3.2. When a cardholder's account goes past 45 days without payment, the APC will notify the cardholder that the bill must be paid, in order to prevent suspension of the account. The APC may also remind the cardholder at the 30 day point.

C3.3. APCs may notify the card company of a "mission critical" status prior to the suspension, if sufficient rationale is provided by the traveler or supervisor. Such information may secure a brief grace period with the card company but will not negate the need for payment.

C3.4. Upon verification of the delinquency at 55 days, the APC notifies the appropriate supervisor, in writing, of the delinquency providing additional information, if necessary. A sample letters is included at Appendix 1. This notification may be done electronically by email. Supervisors are required to counsel the cardholder and present the delinquent memorandum to them. They should notify the APC when circumstances prevent immediate notification to the cardholder. Supervisors should also notify the APC that action has been taken to resolve the delinquency, such as a repayment plan.

C3.5. Cardholders delinquent at the 90-day period will be reported to the appropriate Director. A sample memo is at Appendix 2. At that point, cardholders will receive a "due process" letter informing the cardholder that his/her pay will automatically be reduced by up to 15 percent of the disposable income to pay their undisputed delinquent balance, if the account ages past 120 days.

C3.6. Cardholders delinquent at the 120-day period will be Automatically canceled by the card company. APCs prepare the 120-day written notification (Appendix 3) for the appropriate Director. Cardholders canceled by the card company at the 120-day level for non-payment will not be considered for reinstatement of their account. The card company reserves the

right to deny reinstatement of any cards in accordance with their GSA contract. If no repayment plan has been established, the account will be set up for salary offset.

C3.7. Delinquencies are considered resolved when payment is made in full. The card company may allow a repayment plan but such arrangements are between the card company and the cardholder. It is important to remember that the card company is not a revolving credit company and under no contractual obligation to agree to a repayment schedule with the cardholder. Existence of a repayment plan may not negate the possibility of disciplinary action by the supervisor. Likewise, employees who default on a prepayment plan may be subject to further disciplinary action.

C3.8. Cardholders must notify the APC expeditiously of any discrepancies or problems with their statement. APCs may contact the card company to verify payment problems for the cardholder. From time to time, the card company may also contact the APC directly when problems with payments occur and to obtain information as to settlement problems, etc.

C3.9. All notifications to supervisors or directors of delinquent accounts or instances of travel card misuse may be accomplished electronically through the use of email, if feasible. Hard copy memos may also be used for this purpose. Copies of all correspondence regarding delinquent accounts must be kept in the cardholder's file.

C3.10. All delinquent accounts are reported monthly to the CPM by the APC. The CPM provides reports containing information on all delinquencies to the DFAS Directors each month.

C4. CHAPTER 4  
MISUSE/ABUSE OF GOVERNMENT TRAVEL CARD

C4.1. Card misuse/abuse occurs when a cardholder uses the Travel card to obtain cash or services unrelated to official government business. The Government travel card is issued to individuals who must travel in conjunction with the performance of their positions. The card is issued for use "for official government business only" away from the official duty location.

C4.2. Supervisors are notified of any unauthorized use of the travel card (Appendix 4) that has been verified by the APC. Copies of the notification memos are provided to Management Employee Relations (MER). Cardholders may be subject to disciplinary actions.

C4.3. Copies of any card company notifications or correspondence regarding abuse/misuse, and any applicable correspondence or notes, are filed in the individual cardholder's file. File retention will be IAW DFAS 5015.2-M, Records Disposition Schedule 7333, Travel Records, paragraph 13.

C5. CHAPTER 5

TRAVEL AND TRANSPORTATION REFORM ACT (TTRA) OF 1998

C5.1. TRAVEL CARD USE. All DFAS personnel are required to use the Government-sponsored, contractor-issued travel charge card for all expenses arising from official government travel, unless otherwise exempted in accordance with the provisions of the TTRA.

C5.1.2. Exemptions.

C5.1.2.1. Classes of Personnel Exempted. The following classes of personnel are exempt from mandatory use of the travel charge card.

C5.1.2.1.1. Employees who have an application pending for the travel charge card.

C5.1.2.1.2. Individuals traveling on invitational travel orders.

C5.1.2.1.3. New appointees.

C5.1.2.1.4. Military and DoD civilian personnel who are denied travel charge cards or whose travel charge cards have been canceled or suspended for financial irresponsibility or for other specific reasons.

C5.1.2.1.5. Personnel such as may be approved by the Under Secretary of Defense (Comptroller) during periods of declared national emergency or state of war.

C5.1.2.1.6. Infrequent travelers (two trips or less per year).

C5.1.3. Expenses.

C5.1.3.1. Expenses covered by meals and incidental portion of the per diem allowance are exempted. However, DFAS cardholders should use the card to the maximum extent possible for these types of expenses whenever possible.

C5.1.4. Payment Methods.

C5.1.4.1. When an exemption is granted from the mandatory use of the travel charge card, one or a combination of the following may be authorized for payment of travel expenses.

C5.1.4.1.1. Personal funds, including cash or a personal charge card.

C5.1.4.1.2. Government Travel Requests. City pair contractors are not required to accept payments under C5.1.4.1.1.

C5.1.4.1.3. Additional exemptions are listed in the DoD FMR, Volume 9, Chapter 3 entitled, "DoD Government Travel Charge Card".

C5.2. TRAVEL ORDERS STATEMENT.

C5.2.1. The Travel Orders will contain a statement notifying the traveler whether mandatory use of the travel card is required or whether the traveler is exempt from the mandatory use provision.

C5.3. REIMBURSEMENT.

C5.3.1. Failure to use the travel card shall not be a basis for refusing to reimburse the traveler for otherwise appropriate charges; however, such failure may subject the traveler to appropriate administrative or disciplinary action.



C6. CHAPTER 6  
COLLECTION OF DEBTS OWED TO CONTRACTOR

C6.1. The TTRA authorizes (but does not require) agencies to collect travel charge card debts incurred by agency personnel. Accounts that age to 90 days past the billing date will receive a due process letter informing the cardholder, that his/her net pay will automatically be reduced by up to 15 percent of the disposable income to pay their undisputed delinquent balance. Salary offset will only affect those cardholders that allow their account to age to 120 days delinquent and will continue until the balance is paid in full.

C7. CHAPTER 7  
CONTRACTOR FEES

C7.1. The card contractor will assess the following fees to cardholder accounts.

C7.1.1. ATM withdrawal fee - 3 percent or \$2.00, whichever is greater (reimbursable).

C7.1.2. Late fee - \$29.00, assessed at 75 days past due and monthly thereafter (not reimbursable).

C7.1.3. Returned check fee - \$29.00 (not reimbursable).

C7.1.4. Expeditious delivery of cards - \$20.00 (reimbursable).

C7.1.5. Check by phone fee - \$10.00 (not reimbursable).

AP1. APPENDIX 1  
SAMPLE DELINQUENCY MEMORANDUM - 55 DAYS

MEMORANDUM FOR (NAME OF SUPERVISOR)

DATE

SUBJECT: Delinquent Travel Card Payment - 55 Days

We have been notified by the Travel Card Company that (cardholder's name), who is assigned to your activity, is now past 55 days delinquent in paying his/her account and currently owes \$\_\_\_\_\_.

*(In a separate paragraph, provide specific information if known regarding the delinquent charges.)*

Card privileges for this cardholder will be suspended upon reaching 60 days past due. The cardholder must be notified of this delinquency and counseled concerning the proper management of the Government Travel Card. When counseling the cardholder, her/she should be directed to pay off the delinquent account immediately or to contact the Travel Card Company to set up a payment plan. The cardholder should be warned that failure to do so before the account ages to 90 days will result in formal disciplinary action. Contact your servicing Human Resources representative to obtain advice and assistance on taking appropriate corrective action.

The cardholder should contact the card company immediately at 1-800-472-1424 (CONUS), or collect at 1-757-441-4124. The contractor may agree to a repayment plan with the cardholder but is not contractually bound to make such agreements. Please have the cardholder sign below, acknowledging receipt of this delinquent notification and return to me with information on actions taken.

The cardholder should be encouraged to use the split disbursement option for any subsequent travel.

Questions may be directed to (Program Coordinator) by email \_\_\_\_\_ or by phone at \_\_\_\_\_.

(Signature)  
DFAS XX Agency Program Coordinator

Receipt by Cardholder:

I acknowledge receipt of this memorandum regarding my delinquent account with the Travel Card Contractor.

\_\_\_\_\_  
(Cardholder Name and Date)

cc: HR

AP2. APPENDIX 2  
SAMPLE DELINQUENCY MEMORANDUM - 90 DAYS

MEMORANDUM FOR (NAME OF DIRECTOR)

DATE

SUBJECT: Delinquent Travel Card Payment - 90 Days

We have been notified by the Travel Card Company that (cardholder's name), who is assigned to your activity, is now past 90 days delinquent in paying his/her account and currently owes them \$\_\_\_\_\_.

*(In a separate paragraph, provide any specific information regarding the delinquent charges.)*

Card privileges for this cardholder have been suspended per our contractual agreement with the card company. The cardholder must be notified of this problem and counseled concerning the proper management of the Government Travel Card. The cardholder should also be warned that failure to pay off this debt may result in additional formal disciplinary action up to and including removal from the Federal service. You should immediately contact your servicing Human Resources representative to obtain advice and assistance on appropriate corrective actions.

The cardholder should contact the card company immediately at 1-800-472-1424 (CONUS), or collect at 1-757-441-4124. The contractor may agree to a repayment plan with the cardholder but is not contractually bound to make such agreements. Please encourage the cardholder to use split disbursement for subsequent travel and provide information on this option.

Questions may be directed to (Program Coordinator) on extension \_\_\_\_\_.

(Signature)  
DFAS XX Agency Program Coordinator

Receipt by Cardholder:

I acknowledge receipt of this memorandum regarding my delinquent account with the Travel Card Contractor.

\_\_\_\_\_  
(Cardholder Name and Date)

cc: HR

AP3. APPENDIX 3  
SAMPLE DELINQUENCY MEMORANDUM - 120 DAYS

MEMORANDUM FOR DIRECTOR

DATE

SUBJECT: Delinquent Travel Card Payment - 120 Days

We have been notified by the travel card company that (*cardholder's name*) is now over 120 days delinquent in paying his/her account and currently owes them a total of \$\_\_\_\_\_.

Notices provided at 60 and 90 days have not resulted in resolution of this debt. (Provide specific information as appropriate regarding the delinquent charges and/or recent payments.)

The account is considered seriously delinquent and will be canceled by the card company within the next few days. At that time, official collection actions will be taken, as well as reporting of this debt to the credit bureaus. The card company reserves the right to deny reinstatement for this account.

If the cardholder has not yet contacted the Travel Card Company to establish a payment plan, he/she should be directed to do so immediately. Failure to do so can result in additional formal disciplinary action up to and including removal from the Federal Service. He/she should contact the Travel Card Company at 1-800-472-1424 (CONUS), or collect at 1-757-441-4124. The contractor may agree to a repayment plan with the cardholder, but is not contractually bound to make such agreements.

Questions may be directed to (*Program Coordinator*) by email \_\_\_\_\_ or by phone \_\_\_\_\_.

(Signature)  
DFAS XX Agency Program Coordinator

Receipt by Cardholder:

I acknowledge receipt of this memorandum regarding my delinquent account with the Travel Card Contractor.

\_\_\_\_\_  
(Cardholder Name and Date)

cc: HR

AP4. APPENDIX 4

SAMPLE MEMORANDUM - UNAUTHORIZED CHARGES

MEMORANDUM FOR SUPERVISOR/DIRECTOR

DATE

SUBJECT: Government Travel Card Misuse

We have been notified by the Travel Card Contractor that (name of cardholder), who is assigned to your activity has charges on his/her account that may not be authorized for government travel expenses.

A separate paragraph should outline the charges in question. A copy of the charges may be attached to the memo.

We are requesting that you review these charges with the employee to determine if misuse of the Travel Card occurred. If you determine that misuse of the card has occurred, you should contact your servicing Human Resources representative immediately for advice on appropriate corrective action.

The Government Travel Card is for official travel related expenses only. Questions may be directed to (program coordinator) by email \_\_\_\_\_ or by phone \_\_\_\_\_.

Name  
Agency Program Coordinator

cc: HR

AP5. APPENDIX 5

DEFENSE FINANCE AND ACCOUNTING SERVICE  
GOVERNMENT TRAVEL CARD PROGRAM  
STATEMENT OF UNDERSTANDING

I certify that I have read the attached DFAS Government Travel Card policy and procedures. I understand that the Government Travel Card Program is designed to improve the management and control of government travel and thereby promote the efficiency of the Federal Service. I also understand that I am authorized to use the card **only** for those necessary and reasonable expenses incurred by me for **official travel as authorized and validated by travel orders.**

I will abide by these and other instructions issued by the Department of Defense (DoD) and the DFAS Agency Program Coordinator (APC) for use of the Government travel **card issued to me for the explicit purpose of conducting official government travel.** The above limitation on card usage also applies to automated teller machine (ATM) withdrawals.

I understand that the issuance of this card to me is an extension of the employer-employee relationship and that I am being directed specifically to:

- Abide by all rules and regulations with respect to the card. \_\_\_\_\_
- Use the card only for official travel validated by travel orders. \_\_\_\_\_
- Pay all my charges by the date specified on the Travel Card Billing Statement. \_\_\_\_\_
- Contact the APC immediately if due to disbursing office process delays, I have not received payment by the time the \_ travel card bill is due. \_\_\_\_\_
- Notify the APC of any problems with respect to my usage of the card. \_\_\_\_\_
- Notify Bank of America and the APC if my card is lost or stolen. \_\_\_\_\_

**(Cardholders applicants must check or initial all the above provisions)**

I also understand that failure on my part to abide by these rules or otherwise misuse the card may result in disciplinary action being taken against me, in accordance with DFAS 1426.1-R and any collective bargaining agreements for bargaining unit employees. I also acknowledge the right of Bank of America and/or the APC to revoke or suspend my card privileges if I fail to abide by the terms of this agreement or the agreement I have signed with Nations Bank.

(Applicant's Signature)

(Applicant's Printed Name)

\_\_\_\_\_  
Series/Grade/Title

\_\_\_\_\_  
Supervisory Authorization

**NOTE: The Government travel card application cannot be processed without this form on file with the APC.**