

For: All FSA Offices and FAS National Office Employees

Interim Guidance on USDA's Travel Charge Card Program

Approved by: Deputy Administrator, Farm Programs



1 Managing the Travel Card Program

A Background

The Office of the Chief Financial Officer requests agencies to forward a copy of the interim guidance about the use of the travel charge card to all employees.

B Purpose

This notice provides interim guidance in managing the travel card program.

C Effective Date

The interim guidance is effective for official travel performed after May 12, 2003. This guidance will be cleared and finalized in a forthcoming Departmental Regulation.

D Interim Guidance Report

Exhibit 1 is the interim guidance report as reference material for all FSA and FAS employees.

E Contact

Direct questions about this notice to FMD's, Accounting and Travel Policy Section at 703-305-1408.

Disposal Date May 1, 2004	Distribution All FSA Offices; State Offices relay to County Offices, and FAS National Office Employees
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USDA Guide for Disciplinary Penalties

The following is a guide for disciplinary penalties.

Type of Misconduct	Penalty for First Offense	Penalty for Subsequent Offender
a. Having a direct or indirect financial interest that an employee could reasonably expect to be in conflict or appear to be in conflict with his or her official duties and responsibilities. (When a conflict of financial interest occurs that is inadvertent and that could not be reasonably anticipated by the employee, the situation would normally be handled by divestiture or recusation rather than disciplinary action.)	Letter of Reprimand to Removal	Removal
b. Engaging in outside employment or other activities without required prior approval.	Letter of Reprimand to 5-Day Suspension	14-Day Suspension to Removal
c. Improperly soliciting or accepting, directly or indirectly, a gift from any individual or establishment seeking or having a contractual or business relationship with the Department.	5-Day Suspension to Removal	Removal
d. Improperly soliciting a contribution from another employee for a gift to a official superior, making a donation as a gift to an official superior, or accepting a gift from an employee receiving less pay.	Letter of Reprimand and to Removal	Removal
e. Borrowing money from a subordinate employee, securing a subordinate’s endorsement on a loan, or otherwise having a subordinate assume the financial responsibility of a superior.	Letter of Reprimand and to Removal	Removal
f. Use of (or authorizing the use of) employees, or Government owned, leased or provided property, facilities, services or credit cards, for inappropriate or non-official purposes.	Letter of Reprimand and to Removal	5-Day Suspension to Removal
g. Willful use of (or authorizing the use of) any Government-owned or Government-leased passenger vehicles or aircraft for other than official purposes.	30-Day Suspension to Removal [31 U.S.C. 1349(b) mandates a minimum penalty of a 1 month suspension for unofficial use of Government passenger carrying vehicles or aircraft.]	Removal

Department of Agriculture
Office of the Chief Financial Officer
Government Travel Card Guidance
April 11, 2003

1 PURPOSE

This document prescribes interim guidance to the Department of Agriculture (USDA) in the management of the travel card program. The interim guidance will be effective for official travel performed after May 12, 2003. This guidance will be cleared and finalized in a forthcoming Departmental regulation.

The Government travel card program was developed to procure transportation services, subsistence, and other allowable travel and transportation expenses incurred during official travel. The goal of the program is to reduce substantially the USDA's cash requirements by diminishing the need for travel advances and improving internal control cash management and administrative procedures.

2 REFERENCES

- a The Travel and Transportation Reform Act of 1998, P.L. 105-264, 112 Stat. 2350
- b Federal Travel Regulations (FTR), 41 CFR Parts 301-51, 301-52, 301-54, 301-70, 301-71, and 301-76
- c GSA SmartPay Contract
- d FTR Amendment 90
- e "*USDA Guide for Disciplinary Penalties*," DPM, Chapter 751- Subchapter 4, Appendix A
- f "*Standards of Ethical Conduct for Employees of the Executive Branch*", 5 CFR Parts 2635

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3 DEFINITIONS

Agency/Organization Program Coordinator (A/OPC). Agency designated coordinator who administers the travel card program.

Automated Teller Machine (ATM). An electronic device that allows cash withdrawals/advances from participating banks.

Cash Advance. Monies obtained from a Government contractor-issued travel card via ATM, or bank teller. Cash advances must be obtained in limited amounts commensurate with actual travel.

Delinquency. A debt on which payment is overdue.

Disposable Pay. The part of pay remaining after the deduction of any amount required by law to be withheld. Required deductions do not include discretionary deductions such as health insurance, savings bonds, charitable contributions, etc. Deductions may be made from basic, special, and incentive pay.

Excessive Advance. Cash advances obtained in amounts greater than required to accomplish official travel.

Individual Billed Account(IBA). An account established for a Government employee used to pay for travel and transportation expenses.

Centrally Billed Account (CBA). A Government account established by the charge card contractor at the request of the USDA.

Merchant Category Code(MCC). A numerical identifier assigned by the bank for classification of products and services.

Misuse. Use of the travel card in an unauthorized, illegal or adverse manner.

Official Travel. Written authorization to travel on business for the Federal Government.

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Travel Advance. Prepayment of estimated travel expenses from the Government paid to an employee in the form of electronic funds transfer with the exception of non-government travelers who receive prepayment in the form of a check.

Travel Card. Implies use of the contractor-issued Government travel charge card.

Travel Management Center (TMC). A commercial travel firm under contract that provides reservation, tickets, and related travel management services for official travelers.

4 POLICY

The law requires the mandatory use of the travel charge card by employees who meet the USDA requirements for issuance of the card. The use of the travel charge card is limited to expenses incurred in conjunction with official travel. The provisions of this policy apply to all employees, supervisors, and managers of USDA who have been issued or are applying for a travel charge card.

The Travel and Transportation Reform Act (TTRA) of 1998 requires USDA to reimburse employees within 30 calendar days after employees submit a proper voucher (Form AD-616) to their approving officials. Employees are held accountable for paying the travel charge card in accordance with the terms and conditions of their cardholder agreement.

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

- a Unauthorized charges and charges not associated with official travel.
 - (1) Personal and family member use of the card is forbidden.
 - (2) Additional prohibited activities are listed in Section 6b (7).
- b Charges while not in an official travel status.
 - (1) Use of the card in the vicinity of the official duty station or residence is forbidden unless used in connection with officially ordered travel.

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- (2) Cash withdrawals from an automated teller machine are also forbidden.
- c Shared use of the card with another employee for official travel purposes.
- d Account delinquency beyond a 30-day period.
- e Failure to use the card while on travel.
- f Failure to pay accounts with sufficient funds.
- g Failure to use Government voucher reimbursements to repay travel expenses.

- h Excessive cash advances, or cash advances not commensurate with official travel.

The underlying objective of the “*USDA Zero Tolerance Policy*” is to eliminate misuse and abuse in the travel card program so that it does not become necessary to impose disciplinary procedures on any USDA employee. Proper use of the travel card reduces the need to cancel travel charge card privileges, eliminates the administrative burden of taking action against employees, lessens the stress for all involved, and preserves the reputation of USDA and its employees to achieve its mission and goals with integrity.

Under Secretaries, Agency heads and the Inspector General may exempt any payment, person, type or class of payments, or type or class of agency personnel from the use of the travel charge card, if the exemption is determined to be necessary in the interest of USDA. The General Services Administration (GSA) must be notified in writing within 30 days after granting the exemption, stating the reasons for the exemption. A copy of the exemption must also be forwarded to the Departmental Coordinator. (FTR 301-51.3)

The spending limits issued on travel charge cards should be in line with the actual needs of each cardholder. A departmentwide default limit of \$2500 dollars is set for most travel cards. This limit should be on all new cards unless agency management can justify a higher amount. (FTR 301-10.4)

Possession and use of the travel card does not relieve the employee from observing rules and regulations governing official travel, including use of Government city-pair contract carriers, American Flag carriers, Government car rental agreements, Government approved lodging facilities, or a Travel Management Center.

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No USDA official has the authority to override the contractor's corporate policy regarding the suspension or cancellation of employee accounts.

5 RESPONSIBILITY

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

- a **Office of the Chief Financial Officer (OCFO)**. The OCFO, Credit, Travel, and Accounting Policy Division (CTAPD) will:
 - (1) Issue and interpret Departmental policy and procedures on the use of the charge card.
 - (2) Serve as the liaison to the contractor and GSA, with the assistance of the contracting officer, on issues dealing with the program.
 - (3) Promote standardization, centralization, and automation of the program throughout USDA. Establish departmentwide operating limits for card usage, food, cash and other expenses.
 - (4) Review on a semi-annual basis all merchant category codes (MCC) available on travel charge cards; restrict, if necessary, any MCC not appropriate for use during official travel. (FTR 301-51.6)
 - (5) Minimize the establishment of centrally billed accounts.
 - (6) Monitor agencies' compliance in the use of the travel charge card.
 - (7) Promote and maximize travel card rebates.

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- (8) Provide annual training to agency/organization program coordinators on USDA's Travel Card Program.
 - (9) Submit quarterly reports to the Office of Management and Budget on USDA's travel card performance.
- b **Office of Human Resource Management (OHRM).** OHRM is responsible for developing the personnel policies and disciplinary procedures for USDA. Specific excerpts related to the travel card misuse are addressed in the "*USDA Guide for Disciplinary Penalties*," DPM, Chapter 751-Subchapter 4, Appendix A. Travel card delinquency and misuse is a serious employee behavior dilemma. OHRM through its servicing personnel offices will determine the appropriate disciplinary action for misuse or delinquency made by employees on the travel charge card. Penalties will be assessed by agency management depending on the circumstances, but can include written reprimand, suspension, or removal from the Government.
- c **Agencies Heads.** Agency Heads will establish internal procedures to promote the use of the card and to monitor fraud, waste, and abuse on the travel charge card. Agencies must ensure their employees receive information on how the travel card program operates, proper use of the travel card, safeguards to the travel card and conveyance of the "*USDA Zero Tolerance Policy*" to all cardholders. Agencies will conduct their program in accordance with the Federal Travel Regulations and the GSA SmartPay contract by taking advantage of services, technology and rebates offered. Agencies or their designees will:
- (1) Establish designated approving officials. Agencies will be responsible for determining the appropriate managers that will be delegated this authority and for providing A/OPCs with the name(s) of the manager(s).
 - (2) Designate employee(s) and alternate(s) to act as A/OPCs. These individuals will administer the travel charge card program for their agency and/or appropriate operating unit(s).

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- (3) Determine which employees are eligible for issuance of a travel charge card and sign (or designate the employee's immediate supervisor) to sign the certification block on the Employee Acknowledgment Statement (Appendix A).
 - (4) Establish procedures to classify and reevaluate travelers within appropriate travel charge card limits. The card limits should be issued based on the frequency and/or duration of travel. Agencies are required to document the reason for granting employees with higher limits. Agencies are generally prohibited from increasing an employee's travel card limit to accommodate a traveler who has failed to pay his/her travel card in full and on time.
 - (5) Ensure A/OPCs are trained and aware of their program responsibilities.
 - (6) Establish a reporting process to ensure that the results of the monitoring activity performed by A/OPCs is transmitted to a central point in the agency in order to enhance the effectiveness of central oversight of the travel card program and expedite the development and reporting of trends and statistics. Further, ensure that all examination and referral activity related to travel card misuse is documented.
- d **Cardholder's Immediate Supervisor**. The cardholder's immediate supervisor will:
- (1) Authorize cash advances in amounts commensurate with the frequency and/or duration of travel. Cash advances should be reduced by the amount of expenses that will be charged directly to the travel card.
 - (2) Notify the employee of any questionable or inappropriate charges and/or delinquencies and give the employee the opportunity to explain the charge or delinquency. A record shall be maintained of the notification and the explanation received from the employee.

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- (3) Take appropriate disciplinary action if an explanation is inadequate to support a questionable charge. The supervisor shall contact the agency servicing personnel office for a determination of the appropriate disciplinary action that shall be taken. At the discretion of the agency, the card may be suspended or revoked. Maintain documentation of referrals to the agency's servicing personnel and document the resolution of the incident.
 - (4) Revoke the card if there is a pattern of inappropriate use or insufficient explanation for repeated delinquencies. Appropriate disciplinary action, as recommended by the servicing personnel office, shall also be taken.
 - (5) Provide their A/OPC with the card for cancellation when it has been revoked because of inappropriate use or delinquency.
 - (6) Notify the A/OPC when an employee is transferring between offices within USDA.
 - (7) Retrieve the travel charge card from the employee and return it to the A/OPC for cancellation when an employee leaves, retires, or transfers to another Government agency.
 - (8) Assure the appropriate official signs an exit clearance or other form to document cancellation of the card when an employee leaves USDA.
- e **Agency/Organization Program Coordinators (A/OPC)**. Those individuals, including alternates, who have been designated by the appropriate official in their agency to act as travel charge card coordinators. A/OPCs should regularly utilize their access to online reporting capabilities provided by the contractor to keep abreast of travel card misuse and delinquency trends. To increase USDA's retention of travel card rebates, A/OPCs are responsible for monitoring the monthly delinquency reports provided by the contractor for employees who are in a pre-suspension status.

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These reports should be forwarded to supervisors for appropriate action, including counseling, disciplinary action and salary offset (when it becomes available in USDA). A/OPCs will also:

- (1) Monitor the use of centrally billed accounts (CBA). The use of a CBA results in significant administrative costs to the agency. A CBA will be used only to pay for common carrier expenses for those employees not issued a travel charge card.
- (2) Provide to the contractor/card issuer a listing of the names of the coordinator(s) and alternate(s), and their mailing addresses and telephone numbers. Also, provide this information to the Departmental Coordinator within the Office of the Chief Financial Officer/Credit, Travel, and Accounting Policy Division.
- (3) Provide eligible employees requesting a card with a copy of the Departmental and agency specific guidance on the use of the travel charge card.
- (4) Ensure completeness of the Employee Acknowledgement Statement included in Appendix A.
- (5) Complete sections designated for agency information and authorization on the employee card account application.
- (6) Maintain a central file of the signed Employee Acknowledgement Statements along with a copy of the employee's application for all employees who are current cardholders.
- (7) Forward the original copy of the application to the contractor.
- (8) Monitor the contractor-issued monthly charges and delinquency reports identified in Attachment B of this policy.

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- (a) Review contractor's reports to identify employees who:
- 1 have left USDA.
 - 2 have violated the "*USDA Zero Tolerance Policy*."
 - 3 have had additional administrative restrictions placed on their accounts.

Electronic and web based reports should be used whenever possible to reduce paperwork in accordance with the Paper Reduction Act.

- (9) Notify the appropriate manager(s), employee's immediate supervisor, or the employee, in accordance with established agency procedures, of possible misuse or delinquencies of 60 days or more. For consistent notification procedures

within USDA, agencies should use the Inappropriate Use, Unauthorized Use and Delinquent Memoranda found in Attachment B of this policy for warning employees of potential travel card misuse and delinquency.

- (10) Notify the contractor when an employee transfers between offices within USDA.
- (11) Return the card (cut in half) to the contractor for cancellation when notified that an employee's card has been revoked because of inappropriate use or delinquency; or when an employee leaves, retires or transfers to another Government agency.
- (12) Reactivate travel cards when employees are authorized for travel.

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Employees. Employees who are issued a travel charge card assume the responsibility to use the card for official purposes and pay their charges in a timely manner. Use of the card does not relieve the employee of the responsibility to employ prudent travel practices and to observe rules and regulations governing travel as set forth in the FTR, the "*USDA Zero Tolerance Policy*" and agency specific policies and procedures. Cardholders are personally responsible for all items billed to the card, unless the card was reported lost or stolen. Employees shall pay the contractor in accordance with the contractor bank payment terms. These responsibilities are explained in the Cardholder Agreement that each employee signs during the application process. Furthermore, employees are not relieved of their obligation to pay the travel charge card bill in those rare instances when the agency has not reimbursed the traveler within the 30-days after receipt of a timely submitted voucher. (FTR 301-52.24)

Employees who apply for the card will:

- (1) Complete and sign the Employee Acknowledgment Statement recognizing receipt and understanding of the policies and procedures related to the use of the travel charge card;

obtain the signature of the approving official or immediate supervisor as designated by their agencies, prior to the signing the travel charge card account application; and

forward the application and acknowledgment statement to their A/OPC for processing. If the A/OPC is unknown, call the Departmental Coordinator at (202) 720-1181.
- (2) Secure the travel card in the same manner as a personal charge card. The card shall not be stored or kept by anyone other than the employee.
- (3) Black out all but the last six numbers of the charge card number from any receipts submitted with their travel voucher.

- (4) Obtain cash advances from ATMs as discussed in Section 6d of this policy. Cardholders will be issued Personal Identification Numbers (PINs) by the contractor to use this feature of the travel charge card. Employees who have been issued a travel charge card are not permitted a travel advance unless foreign travel is authorized for an extended period.
- (5) Pay travel charge card bills in full when due to the contractor on or before the next statement date.
- (6) Conform to the "*Standards of Ethical Conduct for Employees of the Executive Branch*," 5 CFR Parts 2635. As a Federal employee, standards of conduct for public trust positions apply. The standards require employees to pay each financial obligation in a proper and timely manner. Attachment A of this policy includes applicable excerpts as it pertains to the Travel Card Program.
- (7) Dispute a charge not made by the cardholder. It is the employee's responsibility to contact the contractor bank to dispute a charge. All disputes must be filed in writing within 60 days of the date the charge first appears on the billing statement. The contractor bank can be reached by calling the customer service number provided on the monthly billing statement or on the back of the travel card for the specific forms to file a dispute. The bank will need to know the following:
 - (a) Employee name and account number,
 - (b) Reference number of the disputed charge,
 - © Establishment where charge was incurred,
 - (d) Amount of the charge,
 - (e) Statement date, and
 - (f) Reason for dispute.
- (8) Notify the A/OPC when transferring between offices within USDA. This notification is essential for internal management reports and mailing addresses to be kept current.

- (9) Return the card, cut in half, to supervisor or A/OPC for cancellation of charge card privileges when leaving, retiring or transferring to another Government agency. If the coordinator is unknown, see Section 5 f(1) of this policy.

6 PROCEDURES

- a **Travel Card Issuance.** Employees who take two or more trips per year are strongly encouraged to apply for and use the travel charge card for official travel expenses. The card will give employees financial flexibility and convenience while traveling on official Government business. Other advantages of the travel card include no-cost travel accident and lost baggage insurance, direct purchase of common carrier tickets, and the opportunity to reserve lodging and rental cars when authorized in advance by agency management.
- b **Use of the Travel Card.** The mandatory use of the card will be employed whenever and wherever possible for airline and other common carrier transportation services, hotel/motel, restaurant, automobile rental, gasoline and other expenses incurred incident to official travel.
 - (1) Airline reservations should not be charged more than a week in advance of the trip. This will avoid having the situation where employees receive their monthly billing statements for tickets prior to receiving their reimbursement for the entire trip.
 - (2) Employees who acquire common carrier transportation with their travel charge card and either lose the ticket or fail to use all or part of the ticket are responsible for obtaining a credit for the unused ticket or reporting a loss to the carrier. Failure to obtain a credit from the carrier will result in the employee being financially liable for the entire amount of the ticket. Employees should not submit the unused ticket charged to the individually billed travel charge card account to an agency payment office with the travel voucher. The unused ticket **Notice FI-2591** **Exhibit 1**

shall be returned to the TMC or follow procedures proscribed by agency travel coordinators.

- (3) Payment of an advance room deposit when required by the lodging facilities is allowed under FTR 301-71.301. A travel voucher should be completed when the advance payment is made to allow timely reimbursement of the expense.
- (4) The travel charge card cannot be used to procure travel and transportation services from commercial travel agencies that are not under contract to the Government to provide such services to Government travelers.
- (5) USDA prohibits the use of the travel charge card to obtain contract city-pair fares on a common carrier for a member of the employee's family who is not on Government authorized travel while accompanying the employee.
- (6) USDA prohibits the use of the travel charge card to obtain contract city-pair fares for personal side trips taken in conjunction with officially authorized travel.
- (7) USDA restricts most MCCs that offer services and/or products that are non-travel related expenses. As a precautionary measure for those merchants who are misclassified within the travel card program, employees are prohibited from use of their travel card to procure the following:
 - (a) Book and Magazine Subscriptions
 - (b) Membership Fees
 - © Training and Conference Fees (Government Training Act, 5 U.S.C. 4109)
 - (d) Higher Education Expenses
 - (e) Theme Parks
 - (f) Management Consulting Services
 - (g) Automobile Purchases; Car Repairs & Services
 - (h) Clothing, Lingerie, Outerwear, Shoes & Furniture
 - (I) Hair Services, Cosmetics, Tattoos & Massages
 - (j) Emergency Medical Services
 - (k) Office Supplies
 - (l) Computers, Televisions or Digital Equipment
 - (m) Any other service or product is prohibited for personal, family, or household purposes

- c **Exemptions to the Use of the Travel Charge Card.** GSA has exempted the following official travel expenses and/or classes of employees from the mandatory use of the travel card.
- (1) Expenses incurred at a vendor that does not accept the Government travel charge card
 - (2) Laundry/dry cleaning
 - (3) Parking
 - (4) Local transportation systems
 - (5) Taxi
 - (6) Tips
 - (7) Meals (when use of the card is impractical, e.g., group meals or when the travel card is not accepted)
 - (8) Phone calls (when a Government calling card is available for use in accordance with Departmental policy)
 - (9) When an employee has an application pending for the travel charge card
 - (10) When individuals traveling on invitational travel
 - (11) New agency employees who must travel before receiving their travel card
 - (12) Relocation allowances, except for en-route travel and house hunting trips
- d **Cash Advances.** You may use the travel card to obtain cash advances for exempted expenses described in Section 6c. Funds may be advanced for travel expenses covered under the exemptions to the use of the travel charge card. These cash advances are limited to meals and incidental expenses rate (M&IE) for the location of the temporary duty location and other cash expenses identified in Section 6c of this policy. For this reason, cash needs should not exceed \$50 per day. USDA will reimburse travelers for service fees for ATM advances not exceeding \$50 per day multiplied by the number of calendar days in domestic travel status, for a maximum of seven calendar days or \$375 per week. USDA's weekly limit for international travel is \$1021. Cash obtained from the ATM in amounts greater than required for the travel duration are considered excessive cash advances. Actual use of the card may be verified from the reports provided to USDA by the contractor bank.
- e **Travel Voucher Reimbursement.** An employee must prepare and submit a travel voucher on Form AD-616, together with any required receipts, to their approving official, within 5 working days after completion of a trip or period of travel or every

30 days if on continuous travel status (FTR 301-52.7). Employees will be reimbursed for travel and transportation expenses authorized and allowable under FTR 301 and agency's specific policies. Adherence to this policy will ensure reimbursement by USDA in sufficient time to the pay the travel card monthly billing statement.

The agencies' finance or paying office will notify employees of any error that would prevent timely payment within 7 days of the receipt of the travel voucher, and the reasons why the voucher is not proper.

If employees are not reimbursed within 30-calendar days after submitting a proper voucher to their designated approving office, the employees will receive a late payment fee in addition to the amount due. Late payment fees are calculated using the prevailing Prompt Payment Act Interest Rate beginning the 31st day after submission of a proper travel voucher and ending on the date on which the payment is made, or a flat fee of not less than the prompt payment amount.

Cash advances are limited to meals and incidental expenses rate (M&IE) for the location of the temporary duty location and other cash expenses identified in Section 6c of this policy. Amounts obtained from the ATM greater than required for travel commencement are considered excessive cash advances.

- f **Cumulative Use of Travel Card Reports.** Cumulative 9-month charge activity reports will be used for the purposes of determining whether or not employees meet program eligibility criteria, the level of participation and for establishing budget estimates for travel.
- g **Travel Card Operations During National & State Declared Emergencies.** Employees designated as members of an emergency response team or continuity of operation plans are exempt from deactivation and cancellation requirements. Agencies should forward a listing to their A/OPC or Departmental Coordinator to ensure the members are placed in the appropriate credit limits for emergency designated personnel.

- h **Deactivation and Reactivation.** The Departmental Coordinator will work with the contractor bank to perform semiannual deactivation of cards that remain inactive during a six-month period. A/OPC's should deactivate cards upon notification from the employee's immediate supervisor of travel charge card ineligibility.

Infrequent travelers should contact the contractor bank to determine the status of their travel charge card for subsequent travel trips. Employees with a deactivated travel charge card will need to contact their A/OPC or agency travel coordinator at least 36 hours prior to travel commencement to have their travel charge card reactivated.

- I **Collection of Delinquent Amounts.** In accordance with their cardholder agreement, employees are obligated to pay the undisputed balance within 30 days. Effective immediately on all delinquent amounts, employees are requested to settle their debts with the contractor.

Individual card account balances that are delinquent will be eligible for the USDA automatic travel card salary offset program, when it becomes available in the Department. Upon written request from the travel charge card contractor, USDA will collect from an employee's disposable pay any undisputed amounts owed to the travel charge card contractor. Administrative offset from the employee disposable pay may not exceed 15% of disposable pay unless a higher amount is authorized by a cardholder. USDA must follow the due process requirements contained in FTR 301-54.100 before any deductions can be made. Before initiating a salary offset action, agency finance offices will verify the employee has been reimbursed for a properly filed travel voucher. Employees carrying delinquent travel charge card accounts will be subject to disciplinary actions.

- j **Cancellation of Travel Charge Cards.** Employees who have lost their charge card privileges because of delinquency or use of the card for non-official purposes and need to perform official travel will charge their common carrier transportation to their agency centrally billed accounts. All other travel related costs must be paid by the employee using a personal charge card or with personal funds.

Employees are expected to comply with this policy by promptly resolving any outstanding balance on the travel charge card. The use of personal funds to finance all travel expenses (except transportation tickets) on official travel is authorized when an employee has been cancelled from the use of the travel charge card. When personal funds are thus used, employees will be reimbursed for qualifying travel expenses by submitting a proper travel voucher. Employees are advised that additional charges may be imposed if salary offset procedures (when it becomes available) are necessary to resolve delinquencies on outstanding travel card balances.

A cancelled travel card account reflects unfavorable past performance. For this reason, employees with cancelled travel card accounts are considered high risk in the repayment of travel advances. Travel advances will not be allowed for issuance to individuals with cancelled travel charge cards.

Privacy Act Notice.

The following information is provided to comply with the Privacy Act of 1974 (5 U.S.C. 552a). The information requested on the application form is required under the provisions of 5 U.S.C. Chapter 57, as amended, for the purpose of recording travel expenses incurred by employees and to claim other entitlements and allowances as prescribed in the USDA travel regulation. The information requested on the application form is required to provide Government agencies with:

- (a) Necessary information on the commercial travel and transportation payment and expense control system which will provide travelers charge cards for official travel and related expenses;
- (b) Attendant operational and control support; and
- © Management information reports for expense control purposes.

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The information contained under this system shall be used by Federal agency officers and employees who have a need for such information in the performance of their duties. Information shall be transferred to appropriate Federal, state, local agencies, when relevant to civil, criminal, or regulatory investigations. Information can also be transferred for prosecutions required by the GSA or other agencies regarding the hiring or firing, security clearance, or Government service-related performance investigations. The information requested is not mandatory. However, failure to provide this information shall invalidate the application and prevent the issuance of the travel charge card.

Questions regarding travel cards may be directed to OCFO at (202) 720-8992.

END

APPENDIX A-1

**THE DEPARTMENT OF AGRICULTURE (USDA)
GOVERNMENT TRAVEL CARD PROGRAM
ACKNOWLEDGMENT & ACCEPTANCE STATEMENT**

1. The Government Travel Card Program provides travelers with a means of financing their official travel expenses without obtaining costly travel advances or using their own funds. Only official Government expenses incurred as a result of temporary duty travel may be charge to the travel charge card. Expenses include meals, lodging, rental car, transportation tickets, and any other authorized travel related expenses. Travelers are expected to directly use the travel charge card whenever and wherever practical for all these expenses prior to the use of an automatic teller machine (ATM). ATM use is available for limited cash advance amounts where use of the travel charge card is impractical.

1. Use of the travel charge card for any other purpose than official Government travel business is **NOT AUTHORIZED** and is considered misuse of the travel charge card program. Delinquency in payment of the monthly travel card billing is considered card abuse. The frequent issuance of Non-Sufficient Fund checks to repay the contractor is also considered a form of travel card abuse. Card misuse and abuse may be subject to disciplinary actions under the appropriate agency and civilian personnel regulations.

2. The "*USDA Zero Tolerance Policy*" strictly prohibits the following use of the card:
 - a Unauthorized charges not associated with official travel.
 - (1) Personal and family member use of the card is forbidden.
 - (2) Activities listed in Section 6 b(7) of the USDA Government Travel Card Guidance are forbidden.
 - b Use of the card while not on official travel status.
 - (1) Use of the card in the vicinity of the official duty station or residence, unless used in connection with officially ordered travel.
 - (2) Cash withdrawals from an automated teller machine also are forbidden.
 - c Shared use of the card with another employee for official travel purposes.
 - d Account delinquency beyond a 30-day period.
 - e Failure to use the card while on travel.
 - f Failure to pay accounts with sufficient funds.
 - g Failure to use Government issued voucher reimbursements to repay travel expenses.
 - h Excessive cash advances, or cash advances not commensurate with official travel.

Cardholders should read and familiarize themselves with the contents of the bank's Card Agreement, the USDA Travel Card Regulation 2300.002 (interim) and agency specific policies regarding the use of the card. Questions concerning the card should be addressed to the local or primary travel card coordinator.

(Over)

APPENDIX A-2

- 4 I hereby acknowledge that I have read and understand the above policy. I agree to the terms of the Bank of America Card Agreement and to abide by the “*USDA Zero Tolerance Policy*.”

_____(SIGN/DATE)
SIGNATURE OF CARDHOLDER

- 5 The application for the above to participate in the Travel Card Program is recommended for approval.

_____(SIGN/DATE)
SIGNATURE OF AGENCY DESIGNEE

NOTE: THIS STATEMENT SHOULD ACCOMPANY THE TRAVEL CARD APPLICATION SENT TO THE PRIMARY AGENCY/ORGANIZATION PROGRAM CARD COORDINATOR.

Attachment A

Government Employees Standards of Conduct

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

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

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

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

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

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

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

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

-Employees shall not use public office for private gain.

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

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

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

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

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

ATTACHMENT B-1

Available EAGLS Reports

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

Attachment B-2

**Example of the Memorandum to Agency Heads
Delinquent Account Summary**

TO: Agency Heads
FROM:
SUBJECT: Travel Card Delinquencies

This memorandum serves as notification of agency's name delinquencies that appeared on the Bank of America's month activity reports for the travel card program.

The Office of the Chief Financial Officer (OCFO) has recently reviewed the identify report listing from the Bank of America (BoA) on all individual travel credit card delinquent accounts and amounts. The on-line file contains provide number & total amount cardholder delinquencies for your agency. We ask assistance from you to ensure that the manager of each cardholder in the proper office is notified of the delinquent cardholder account and amount. We also ask you to ensure that managers are provided the following reminder and guidance in their meetings with the delinquent cardholder:

- 43 Failure to properly make payments on government credit cards is a violation of the Rules of Conduct and can lead to disciplinary action, based on the facts in each case. Therefore, managers are advised to contact their servicing human resources or labor relations' staff prior to discussing the delinquencies with their employees.
- 44 Any discussions with employees concerning the reasons for their failure to make payments on their credit cards would be considered a disciplinary meeting.

If you have any questions, please contact CTAPD member at (XXX) XXX-XXXXX. We appreciate your cooperation in this matter.

Attachment B-3

**Example of the Memorandum to Employee From A/OPC
INAPPROPRIATE USE NOTICE**

TO:

FROM: Agency Travel Card Coordinator

SUBJECT: Inappropriate Charge Card Use

A review of the Bank of America (BoA) monthly activity charge card reports indicates that your travel Government charge card appears to have (a) questionable transaction(s) during this reporting period. Please submit a written explanation of the expense incurred in conjunction with official travel.

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

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

If you have any other questions, please contact add A/OPC name at (XXX) XXX-XXXX.

cc: Supervisor

Attachment B-4

**Example of the Memorandum to Employee From A/OPC
UNAUTHORIZED USE NOTICE**

TO:

FROM: Agency Travel Card Coordinator

SUBJECT: Unauthorized Charge Card Use

Our review of the monthly activity reports provided by the Bank of America (BoA) has brought to my attention several instances of apparent unauthorized use of your Government travel charge card. These charges have included the use of the card for unauthorized personal retail purchases and/or excessive unauthorized Automated Teller Machine (ATM) withdrawals. Please provide a written explanation of the charges incurred in conjunction with official travel.

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

If you have any questions, please contact add A/OPC name at (XXX) XXX-XXXX.

cc: Supervisor

Attachment B-5

**Example of the Memorandum to Employee From A/OPC
DELINQUENT NOTICE**

TO:

FROM: Agency Travel Card Coordinator

SUBJECT: Delinquent Notice for the Government Charge Card

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

The agreement that you made with the BoA requires that all outstanding charges be paid upon receipt of your monthly statement. Your charge privileges may be subject to interruption if you do not bring your account to a current status.

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

If you have any other questions, please contact add A/OPC name at Accounting and Travel Policy Staff at 703-3051408.