

CHAPTER 3**DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CARD****0301 POLICY AND PURPOSE**

030101. General. It is departmental policy that the government-sponsored, contractor-issued travel card, hereafter referred to as the “travel card,” shall be used by DoD personnel to pay for all costs incident to official business travel, including lodging, transportation, rental cars, meals, and other allowable reimbursable expenses. The purpose of the travel card program is to provide for and standardize the use by DoD travelers of a safe, effective, commercially available method for paying expenses incident to official travel—including cash requirements. The travel card is used in order to improve DoD cash management, reduce DoD and traveler administrative burdens, and provide better service to DoD travelers. Unauthorized use may result in disciplinary or adverse personnel action. Commercial travel offices (CTOs) will accept the travel card for the purchase of transportation for official travel. In addition to individual travel cards, there are related travel card products consisting of travelers checks, unit travel cards and centrally billed accounts (CBA). These alternative applications will be the exception and shall be tailored to serve specific DoD Component needs.

030102. Program Oversight and Review. The OUSD(C)/Deputy Chief Financial Officer is responsible for DoD policy and program oversight over the travel card program. The Director, DFAS, is responsible for the operational control of the program.

0302 PROGRAM STRUCTURE AND RESPONSIBILITIES

030201. General Services Administration. The GSA awards and administers the master contract to provide travel cards for official travel. The contract’s current official name is “GSA Smart Pay Program.” A GSA contract administrator is vested with all responsibility for soliciting, modifying, and/or negotiating any part of the contract for its users.

030202. Office of the Under Secretary of Defense (Comptroller). The OUSD(C) is responsible for policy guidance covering the DoD travel card program.

030203. Director, Defense Finance and Accounting Service. The DFAS has established the DoD Travel Card Program Management Office (TCPMO). It works closely with OUSD(C), the GSA, the DoD Components, and the contractor to initiate program implementations, improvements, or exceptions.

030204. Assistant Secretaries for Financial Management and Comptroller and Agency Comptrollers. The Military Department Assistant Secretaries for Financial Management and Comptroller and Defense Agency Comptrollers, or equivalents, each are responsible for designating a Component Program Manager (CPM) for that DoD Component and notifying DFAS of the selection. Additionally, they shall ensure program management responsibilities are accomplished within their Component.

030205. Component Program Manager (CPM). CPMs are responsible for establishing and maintaining a government travel card program in compliance with this regulation. Each CPM also is responsible for establishing a travel cardholder hierarchy for his or her Component.

030206. Agency Program Coordinator (APC). APCs are responsible to their respective CPM for program execution and management at hierarchy levels determined by the CPM.

030207. Travel Cardholders. Travel cardholders are personnel to whom the DoD travel card has been issued for use in performing official travel. They will adhere to the procedures set forth in this Regulation.

030208. Unit Travel Cardholders. Unit travel cardholders are personnel designated as the responsible person for an account that can contain multiple supplemental accounts and provide the privileges, using a travel card, to groups or to individuals who do not have individual cards. (See sub-paragraph 030306.B)

0303 GOVERNMENT TRAVEL CARD INFORMATION

030301. General Information. The GSA contracts to make available government sponsored, individual travel cards. The master contract also permits travelers to use these travel cards to receive cash for payment of out-of pocket travel related expenses from a network of ATMs through use of a personal identification number (PIN) assigned at card issuance. The master contract provides for "on-line" access, a "dial-up" computer capability to display account and transaction data. DoD Components are required to inform the contractor in writing of the level (e.g., Service Headquarters, major command headquarters, and wing/base level) at which on-line access will be used within their organization. Currently, the contract provides a refund (rebate) on charge volume. Transaction fees for use of a cash advance at the ATM, and for the use of standard travelers checks are charged back to the travel card by the contractor. The travel card normally is imprinted with "US Government, For Official Travel Use Only" and, at Component request, may contain the Component name. A "generic travel card" may be issued upon written request by the APC to the contractor when security is an issue. The contractor provides program management reports to management levels determined by the TCPMO and the CPMs.

030302. The Program. The government travel card program consists of three parts: the traditional individually-billed charge card (which includes ATM access), centrally billed accounts (unit and organization cards), and travelers checks (issued by the traditional "purchase" method). The TCPMO will incorporate value-added optional features in the future. A PIN is assigned with each travel card to enable ATM cash withdrawals. Transaction fees are charged for both ATM cash withdrawals and travelers checks. These fees are reimbursable expenses provided the traveler requests reimbursement on the travel voucher (JFTR, paragraph U4521).

030303. Travel Orders. All travel orders must identify whether the traveler is a government travel cardholder. This statement will authorize alternative payment methods (e.g., transportation tickets being charged to a centrally billed account). It also will identify that government travel cardholders shall receive needed cash through ATMs. (See paragraph 020302 on Advances.)

030304. Eligibility

A. Permanently Assigned Personnel. DoD Components shall offer the travel card to all permanently assigned military and civilian personnel who are likely to travel. Commanders/supervisors may refuse to issue traditional, individually billed travel cards to personnel who have a history of financial irresponsibility. Travel card denials must be reviewed annually by the authorizing official. Optional charge card technologies, such as the flexible activation and stored value cards, are available and should be used to the extent possible when the traditional, individually billed travel card is judged to be inappropriate for use.

B. Recruiting Personnel. Service personnel assigned to recruiting positions are authorized use of the travel card for official reimbursable expenses in their local area.

C. Cadets/Midshipmen of Service Academies. Cadets/midshipmen travel in accordance with the policies of their respective Service Academies. When a cadet/midshipman is required to travel, the respective Academy must authorize travel card issuance and its use in lieu of cash advances in accordance with this Regulation. (See sub-paragraph 020302.C for Academy addresses.)

D. Reserve, Guard and Part-Time Civilian Employees. All Reserve Component personnel (to include Individual Mobilization Augmentees (IMAs)), and seasonal or part-time civilian employees are authorized to use the travel card for official travel. The optional charge card technologies, such as those described in paragraph A., above, should be used to the extent possible when the traditional, individually billed travel card is judged to be inappropriate for use.

030305. Individually Billed Accounts. The travel cardholder is responsible for payment in full immediately upon receipt of the monthly billing statement. The contractor may suspend travel cardholder charge privileges if payment is delinquent over 60 days, and may cancel the travel card when payment is delinquent over 120 days. The contractor may initiate garnishment proceedings through the judicial system against a travel cardholder's salary for accounts over 120 days delinquent, and also may notify credit bureaus of the delinquency. Canceled travel cards may be reissued by the contractor on a case-by-case basis when requested in writing by Component Heads or activity commanders through their designated APCs.

030306. Centrally Billed Accounts (CBAs)

A. General. CBAs can be established using either "cardless" account numbers or plastic cards. A CBA is issued to a DoD activity and charges are billed to that activity for

payment using official funds. All CBAs contain a unique government prefix that identifies the account as a centrally billed account for official federal government travel. The government prefix helps the designated CTO identify the account as eligible for government travel rates. CBAs currently can support up to 99 supplemental accounts that can be aligned to organizational structures. For example, supplemental accounts can designate specific divisions, departments, cost centers, or CTOs.

B. Unit Travel Cards. The use of this travel card program feature enables commanders/supervisors to provide transportation, lodging and meals for groups, teams, and travelers who do not have individual travel cards or who have been denied individual travel cards due to financial irresponsibility and when no other process is available to accomplish the mission. The unit travel card may include ATM and/or travelers check options. The CPM will designate the level at which unit travel cards may be issued and notify the card contractor of that designation in writing. Components are requested to restrict the issuance of unit travel cards wherever possible and maximize the use of the individual travel card. Reconciliation of the unit travel card billing statement is the responsibility of the person in whose name the account is issued.

030307. Reports. The card contractor will provide monthly summary reports.

A. For each CPM:

1. Industry Spending Summary - Agency Report, and
2. Agency Overall Program Report.

B. For Each APC:

1. Cardholder Account Listing, KG 2005. This report shows names, addresses, and telephone numbers of cardholders assigned to the APC basic account number. The APC is required to review and forward any corrections to the card contractor on a monthly basis.

2. Cardholder Activity Report, KG 2000. This report can be requested any time, but is provided monthly by the card contractor. The report identifies travel cardholder activity and ATM usage during the recent billing cycle. It should be reconciled with the travel order log monthly to determine possible misuse of the travel card.

3. Delinquency Performance Report, KG 3005. This report indicates the 60, 90, and/or 120-day delinquent travel cardholders. The report will be reconciled as outlined in paragraph 030407. Due to the sensitive nature of the report, it should be stored in a locked filing area.

4. Suspended Account Report, KG 3005.

5. Pending Cancellation Report, KG 3006.

6. Renewal Report, KG 3007.

030308. Misuse. APCs will review travel card usage reports and reconcile them with the official travel orders/travel log published for the corresponding month. The APC will notify the travel cardholder's supervisor if it appears that a travel cardholder has misused the travel card. The supervisor will take disciplinary action, as appropriate. A copy of the APC's notification, the contractor usage report reflecting misuse, and any applicable correspondence or notes will be maintained locally for future reference.

030309. Training. The TCPMO and the other DoD Components will ensure travel card program training materials are provided throughout the Department. Training materials will include specific manuals, videos obtained through the GSA contract, and available instructions for requesting contractor products tailored for unique Component requirements. DoD Components are responsible for ensuring the travel card training packages for APCs and travel cardholders are provided annually.

0304 MANAGEMENT CONTROLS

030401. General. This section identifies the standard travel card program management controls that are in place. DoD Components may request more restrictive program management controls for their organizations.

030402. Travel Card Applications. Applications will contain the following: a supervisor signature authorizing the travel card, a signed DoD statement of travel cardholder understanding, SSN, current address, and work/home phone numbers. The card contractor will issue travel cards only when the application is properly completed, has a basic control account number, and is signed by a recognized APC.

030403. ATM Cash Withdrawals

A. Limits. ATM limits are published through the TCPMO to each CPM. ATM cash withdrawals currently are limited to \$600 per month, provided the travel cardholder's account is current. This limit may be raised to \$1,000 per week/\$4,000 per month by the traveler with a telephone call to the travel card company using the toll-free number provided to all travel cardholders. Organizations with unusual travel requirements may work through their APC and the TCPMO to tailor higher limits to meet the traveler's special needs. In order to minimize costs associated with ATM cash withdrawals and maximize the benefits associated with charging travel expenses, ATM usage should be limited by travelers to cover only those travel expenses for which charging is not possible. Travelers should charge to the travel card as many of the expenses associated with official travel as possible.

B. Cash Advances. Cash advances, when approved, will be obtained no earlier than five working days before the scheduled departure date and not later than the completion of travel.

030404. Transaction Fees. Transaction fees that are charged for authorized ATM cash withdrawals and travelers checks are reimbursable expenses provided the traveler requests reimbursement on the travel voucher (JFTR, paragraph U4521).

030405. Travelers Check Program. This program is designed for frequent and long-term travelers, when the travel charge card is not appropriate for use. Travelers checks, authorized by the immediate supervisor and monitored through the APC, are issued to the individual traveler in pre-determined amounts on a continuing basis. The use of this portion of the travel card contract does not preclude the use of the ATM privilege.

030406. Travel Card Retail Purchases. There may be extenuating circumstances of official travel in which the use of the travel card is appropriately used for retail purchases. Each time a traveler uses the government travel card at a retail outlet, the merchant must “swipe” the travel card for approval of the sale. Retail purchases (i.e., those purchases other than airfares, lodging, meals and car rentals) generally are limited to \$500 per month.

030407. Delinquencies. The Departmental of Defense does not tolerate delinquency. Reports reflecting 60, 90, and 120-day delinquent travel cardholders will be reviewed by the APC within five working days of receipt. The APC will notify the immediate supervisors of 60-day delinquent travel cardholders, the division chiefs/commanders of 90-day delinquent cardholders, and the Component Head, activity commander, or designee, of 120-day delinquent travel cardholders. They will be notified in writing within five working days of delinquent report receipt. APC delinquent notifications will request that action be taken within five working days of notifications. APCs shall assist the card company by notifying them of all suspension/cancellation actions and by providing office address and telephone changes in a timely manner.

030408. Account Suspension/Cancellation. Individual travel card accounts are payable upon receipt of the contractor billing statement. Accounts are considered delinquent when the contractor has not received the payment in full before another bill is issued. Individuals who are delinquent for the full payment of the account will be added to the delinquent report provided on a monthly basis to the APC. Delinquent reports are provided in 60, 90, and 120 day increments. Individual travel cardholders who are delinquent for 60 days are suspended from ATM use. The APC and immediate supervisors are notified, and the travel cardholder is requested to make payment. A 90-day delinquency results in suspension of travel card and ATM privileges, APC notification, and supervisory-level notification. One hundred and twenty day delinquency results in a canceled account. Contractor actions that may result include: notifying credit bureaus of the debt, initiating garnishment proceedings, and possibly transferring a delinquent account to a collection agency.

0305 APC REQUIREMENTS

030501. APC Program Management Information

A. General. Complete and accurate files are critical to the success of the travel card program. The travel card correspondence files consist of background information, card contractor management information reports, memoranda, Component headquarters requirements, or other information received from the card contractor. Correspondence files will be maintained for 12 consecutive months after initial receipt and then destroyed. A copy of the travel card contractor's application package, any other correspondence relating to the package, and any correspondence relating to the individual travel cardholder shall be maintained by the APC. Due to the sensitivity of the data contained in these files, such data shall be maintained in a secure area.

B. Program Hierarchy. The hierarchy is the linkage of individual travel card accounts to the organization responsible for issuing the travel card by billing cycle and DoD Component management information. The APC is responsible for tracking incoming/outgoing travel cardholders to ensure validity of the agency hierarchy.

030502. Processing Applications

A. APCs will make application packages available to prospective travel cardholders. At a minimum, the travel card application package should contain the contractor provided Government Travel Card Application, the Government Travel Card General Information and the DoD Statement of Understanding for Cardholders (see appendix A). Applicants will complete the application, obtain supervisory approval, and submit these documents to the APC. The APC reviews the documents, signs the application and forwards it to the travel card company within two working days of receipt. The travel card contractor generally will mail the travel card to the traveler's address provided on the application.

B. Emergency applications are defined as applications for employees authorized to have a travel card and who are scheduled to travel within five working days. Emergency applications will be telefaxed immediately to the travel card contractor by the APC. APCs will verify that the travel card contractor received the emergency application. Emergency applications will be processed by the travel card contractor and travel cards delivered to the APC, or the individual as determined by the APC, within two days of travel card company receipt.

030503. Account Transfers - Within and Outside of the Organization. In order to maintain an accurate travel card hierarchy, it is essential that the assignments of DoD personnel are regularly revalidated. APCs are responsible for monitoring their employee/enrollee listings as part of their program management. APCs will use the following information to manage the movement of travel cardholders within the Department.

A. Transfers Within the Same Component. Inprocessing data sheets used throughout the Department must include the APCs name and location. Travel cardholders are responsible for ensuring that the losing and gaining APC and the travel card contractor are notified of impending transfers or PCS moves. Travel cardholder accounts will be suspended automatically 61 days after the travel cardholder leaves the current work site and will be canceled 91 days after leaving the original work site unless the travel cardholder reports his or her arrival to

the gaining APC. The gaining APC will notify the travel card contractor that the travel cardholder has reported, ensure that a new application is processed, and transfer the travel cardholder to their basic account number, or cancel the travel card, as appropriate.

1. The losing APC will:

a. Keep the travel cardholder account on his or her basic control account for 90 days.

b. Review proper use of the travel card with the travel cardholder, inform the travel cardholder of his or her responsibility to notify the gaining APC within 60 days of arrival at the new duty location, and remind the travel cardholder that the travel card will be suspended on the 61st day without gaining APC notification and canceled on the 91st day without gaining APC notification.

c. Obtain the reporting date, new assignment address, and the new mailing address from the travel cardholder.

d. Contact the travel card contractor to identify the travel cardholder's impending move, the new information as stated above, and the travel cardholder's account suspension date not to exceed two consecutive months (61 billing days) from the date of departure. Also identify the travel card cancellation date if transfer is not accomplished by the gaining APC. Confirm the initial telephone transaction with the travel card contractor's hierarchy maintenance form.

2. The travel card contractor will:

a. Update the travel cardholder listing for the losing APC.

b. If possible, contact the new APC and provide suspension and cancellation dates.

c. Suspend travel cardholder accounts if the gaining APC has not requested transfer of the travel cardholder account by the 61st day and/or, cancel the accounts if transfer is not completed by the 91st day.

B. Transfers Outside of Component. The travel card contractor cannot transfer travel card accounts outside of respective DoD Components due to differing billing cycles. If the travel cardholder travels in the performance of his or her new duties, another travel card will be issued. Travel cardholders are responsible for ensuring the losing and gaining APC and the travel card contractor are notified of impending PCS moves. Travel cardholder accounts will be suspended automatically 61 days after leaving the current work site and canceled 91 days after leaving the original work site, unless the travel cardholder reports to the gaining APC. The gaining APC will notify the travel card contractor that the travel cardholder has reported, ensure a

new application is processed, cancel the prior travel cardholder account and order a new travel card if appropriate.

1. The losing APC will:
 - a. Keep the travel cardholder account on his or her basic control account for 90 days.
 - b. Review proper use of the travel card with the travel cardholder, inform the travel cardholder of his or her responsibility to notify the gaining APC within 60 days of arrival at the new duty location, remind travel cardholder that the travel card will be suspended on the 61st day without gaining APC notification, and canceled on the 91st day without gaining APC notification.
 - c. Obtain the reporting date, new assignment address, and the new mailing address from the travel cardholder.
 - d. Contact the travel card contractor to identify the travel cardholder's impending move, the new information as stated above, and the travel cardholder's account suspension date not to exceed two consecutive months (61 billing days) from date of departure. Also identify the travel card cancellation date. Confirm the initial telephone transaction with the travel card contractor's hierarchy maintenance form.
2. The travel card company will:
 - a. Update the travel cardholder listing for the losing APC.
 - b. If possible, contact the new APC and provide the suspension and cancellation dates.
 - c. Suspend travel cardholder accounts if the gaining APC has not requested transfer of the travel cardholder account by the 61st day and, or, cancel the accounts if transfer is not completed by the 91st day.

030504. Termination. Travel cardholder accounts are terminated upon dismissal, retirement, or separation from federal service or upon personal request. Those travel cardholders who are entitled to a government paid move when terminating their accounts will be given a cash advance through EFT. The APC immediately must give the travel card contractor the new billing information (in the event the travel cardholder's account was active in the previous month before termination) and close and cancel the travel cardholder's account on a specific date.

030505. Delinquencies. Delinquency reflects adversely on the entire travel card program and will be addressed immediately by cognizant APCs through the travel cardholder's supervisory chain.

A. Monitoring Delinquencies. When a travel cardholder becomes delinquent, the APC will prepare a memorandum for delivery to the appropriate management level within five days of receipt of the delinquency report from the travel card contractor. Supervisors are required to present the delinquent memorandum to the travel cardholder within five working days of receipt. APCs may contact the travel card contractor to verify payment problems. Suspension or cancellation can be initiated by the APC, office director, activity commander or immediate supervisor after any delinquent period. The travel card contractor reserves the right to cancel the travel card when the delinquency reaches 120-days.

B. Processing Delinquencies. Upon receipt of the monthly delinquency report the APC will do the following:

1. Sixty Day Delinquency. At a minimum, ATM access is denied automatically by the travel card contractor. The APC will verify that the travel cardholder was on official travel and the voucher has been filed. The APC will notify the travel card contractor of any legitimate travel cardholder delinquency. This is done in writing within five work days of receipt of the delinquency report. APCs also may verify delinquencies by calling the travel card contractor representative and noting the date of the last payment, if applicable. When the delinquency has been verified as unresolved, the APC will prepare the 60-day delinquent memorandum (appendix A) and forward it to the immediate supervisor. The incidence of two delinquencies is justification for the APC to cancel the travel card.

2. Ninety Days Delinquency. The APC will reconcile the 90-day delinquent report with the 60-day report. Using the verification procedures outlined above, the APC will prepare the 90-day delinquent memorandum (appendix A) and forward it to the appropriate management level. One 90-day delinquency is adequate reason for cancellation unless the APC or appropriate supervisor justifies, in writing, why the travel cardholder's privileges should not be terminated.

3. One-Hundred Twenty Days Delinquency. Travel cardholders delinquent at the 120-day period will be canceled by the travel card contractor. The APC will prepare the 120-day delinquent memorandum (appendix A) for the appropriate activity commander, office director or equivalent. Travel cardholders canceled by the travel card contractor at the 120-day activity window require commander/director authorization and signature for reinstatement. The contractor reserves the right to deny reinstatement.

4. Travel Card Cancellation and Reinstatement Procedures. Reinstatement is at the discretion of the activity commander/director, or designated representative, and with the concurrence of the travel card contractor, once cancellation has occurred. Under no circumstance will the travel card contractor reinstate travel card privileges without the knowledge of the APC. Travel cards may be reinstated when the:

- a. Account is paid in full,
- b. Commander/director has approved the reinstatement, and

c. Travel card contractor concurs.

C. Notification Process. Upon notification that a travel cardholder is delinquent or abusing the travel card, the supervisor will present the appropriate memorandum to the travel cardholder within five working days. This will be followed by a memorandum to the APC that indicates the supervisory action taken. The supervisor must follow-up with the travel cardholder and the APC to ensure the delinquency is resolved. Delinquencies are considered resolved by:

1. Payment in full;
2. A reasonable explanation documented by the travel cardholder and submitted to the travel card contractor and the APC; and/or
3. An agreed upon repayment plan scheduled with the travel card contractor. (NOTE: The current travel card contractor is under no contractual obligation to agree to a repayment schedule.)

Appendix A identifies the Government Travel Card Billing Milestones with a description of each event.

D. Garnishment Procedures. Title 5, United States Code, section 5520a (reference (g)), allows for collection of just debts through the judicial system. When the contractor is awarded settlement, the claim is forwarded to the DFAS-Cleveland Center to process a collection from the individual travel cardholder's pay account.

030506. Unit Travel Accounts. When authorized, the APC will notify the travel card contractor in writing and request a unit travel account. The request must contain the name of the individual who will be responsible for the account and specify whether the account will be plastic or "cardless." The APC is responsible for reconciling the monthly billing statement and transmitting the certified invoice for payment. Unit travel accounts that are delinquent 60 days or more will be suspended by the travel card contractor unless the bill is properly disputed. Unit travel account undisputed bills that go delinquent for 60 days twice in a twelve month period, will result in account cancellation by the travel card contractor. The CPM will be so notified and no other unit travel account will be authorized for that activity.

030507. APC Management of All Reserve Components and Part-Time Civilian Employees.

A. Commanders/supervisors will authorize travel cards for Reserve Component personnel and part-time civilian employees. Travel cards may be maintained by the APC or the individual. When travel cards are in the individual's keeping, the APC will authorize travel card usage by calling the travel card contractor to request that the account be activated and stating the amount to be allowed in charges/cash and the expected dates of travel.

B. DoD employees who also are active Reserve or Guard members are required by law to provide their full-time federal employer with a copy of their order to perform military duty. Therefore, where applicable, the employee will be issued only one travel card. That card will be issued by the full-time employing agency, and also may be used for Reserve Component duty travel. Duplicate individual travel cards are not authorized within the Department.