

DEFENSE TRAVEL MANAGEMENT OFFICE



Department of Defense

Government Travel Charge Card Regulations

These Regulations replace the DoDFMR, Volume 9, Chapter 3 (April 2014)

***Blue text denotes new or updated guidance**

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DEPARTMENT OF DEFENSE
GOVERNMENT TRAVEL CHARGE CARD REGULATIONS

0401 POLICY AND PURPOSE

*040101. Overview

The Department of Defense (DoD) policy is that the Government Travel Charge Card (GTCC) will be used by all DoD personnel (military or civilian) to pay for all costs related to official government travel. See Section 0406 for exemptions to mandatory use. Official government travel is defined as travel under official orders while performing duties pertaining to official government assignments such as temporary duty (TDY) and permanent change of station (PCS). The purpose of the GTCC is to serve as the primary payment method for official travel expenses incurred by DoD personnel (military or civilian). Refer to the [Joint Travel Regulations \(JTR\)](#), Chapters 3-7 and Appendix G for information on authorized travel expenses. Use of the card for expenses not authorized by the JTR is prohibited. Refer to the Travel and Transportation Reform Act of 1998 ([TTRA](#)), Public Law 105-264 for additional information regarding mandatory use of the travel card. Benefits of the GTCC Program include but are not limited to the following:

- A. Increases data capture, providing business intelligence to improve travel programs, reduce overall travel costs and expand strategic sourcing opportunities
- B. Improves audit readiness and program management
- C. Reduces the need (and costs to the Department) for travel advances and related reconciliation/collection
- D. Eliminates the need for travelers to pay for expenses with personal funds
- E. Improves financial readiness/security of travelers
- F. Increases rebates from the travel card vendor (See section 040306)

040102. Applicability

Travel card policies are applicable to all DoD personnel (military or civilian).

*040103. Compliance

It is the responsibility of commanders and supervisors at all levels to ensure compliance with this Regulation.

- A. Military personnel who violate the specific prohibitions contained in paragraph 041005 can be prosecuted under Article 92 of the Uniform Code of Military Justice ([UCMJ](#)) for failure to obey a lawful order or regulation, as well as, any other applicable article

of the UCMJ based on the nature of the misconduct involved. In each case of improper, fraudulent, abusive, or negligent use of the travel card by military personnel, including any use at establishments or for purposes that are inconsistent with the official business of DoD or with applicable standards of conduct, the commander or supervisor of the responsible individual or parties will be informed in a timely manner in order that appropriate corrective or disciplinary action may be taken. The intent of this policy is to ensure that management emphasis is given to the importance of supervisors carefully considering all of the facts and circumstances in reaching a disposition that is warranted, appropriate, and fair. Actions available when military personnel misuse the travel card include counseling, admonishment, reprimand, non-judicial punishment (Article 15, Uniform Code of Military Justice (UCMJ)), court-martial, and administrative separation. In taking corrective or disciplinary action against military personnel who misuse the travel card, commanders or supervisors must use the procedures established for each action by the appropriate Military Department and consult with their legal advisors as necessary. In addition to corrective or disciplinary action, military personnel who misuse their travel card may have their access to classified information modified or revoked if warranted in the interests of national security. Commanders or supervisors must ensure that security clearance reviews are conducted when the cardholder comes under investigation for charge card misuse. DoD Components must incorporate these guidelines into their own policies. Additionally, each Military Department must have a regulation providing that a violation of any of the rules governing the use of travel cards by a person subject to the UCMJ is punishable as a violation of Article 92, UCMJ.

B. Civilian personnel who misuse or abuse the travel card may be subject to appropriate administrative or disciplinary action up to, and including, removal from Federal service. It is DoD policy that improper, fraudulent, abusive, or negligent use of a travel card is prohibited. This includes any use of a travel card at establishments or for purposes that are inconsistent with the official business of DoD or with applicable regulations. DoD Components must take action to implement travel card disciplinary guidance for civilian employees as necessary. Components must advise the DTMO of any additional administrative action, or any recommended legislation your Component considers necessary to effectively take disciplinary action against DoD civilian employees for improper, fraudulent, or abusive use of DoD travel cards. DoD policy requires supervisors who receive information indicating that a civilian employee has engaged in any misuse of a travel card take appropriate action, including an investigation if warranted. The supervisor of the responsible individual(s) will be informed in a timely manner so that appropriate corrective or disciplinary/adverse action may be taken. In addition, civilian personnel who fail to satisfy an indebtedness arising from the use of a travel card or those who fail to do so in a timely manner may be subject to corrective or disciplinary/adverse action. The intent is to ensure that management emphasis is given to personal accountability for travel card misuse. The circumstances of each individual case will determine the appropriate type of corrective or disciplinary/adverse action, if any, which may be imposed. The supporting Human Resources Office must assist the appropriate supervisor who is considering corrective or disciplinary/adverse action on the selection of the charge and appropriate penalty based on Component past practice, regulatory guidance, applicable case law and good judgment. Coordination with the appropriate legal office must occur early in the process, as required by Component policy. The review of the security clearance (or the

modification or revocation of such security clearances in light of this review) of the individual involved in travel card misuse or abuse cases is not a disciplinary action and must not be treated as such. However, this does not preclude a separate and independent review of such misuse or abuse by the appropriate security managers. Modification or revocation of a security clearance will result in appropriate action, which could include reassignment or removal for failure to meet or maintain a condition of employment.

C. Willful misuse of the travel card by DoD personnel (military or civilian) may constitute a crime punishable under Federal or State law.

0402 RESPONSIBILITIES

040201. General Services Administration (GSA)

The GSA is responsible for issuing government-wide travel card policies and procedures for implementation of the TTRA, and awards and administers a master contract for the travel card program, which is part of the “GSA SmartPay® Program.” Through this contract, Federal agencies can obtain several types of charge card products and services to support their mission needs. The DoD tailored task order which further outlines DoD requirements for the travel card is managed at the DoD level.

*040202. Under Secretary of Defense (Personnel and Readiness) (USD (P&R))

The OUSD (P&R) will establish DoD wide policies for the DoD travel card program through the Defense Travel Management Office (DTMO).

040203. The Defense Travel Management Office (DTMO)

The DTMO is the Travel Card Program Manager for all DoD Components. DTMO responsibilities are:

- A. Managing the DoD tailored task order
- B. Providing guidance, policy, and overall management of the DoD travel card program
- C. Acting as a liaison to GSA, the travel card vendor and DoD Component Heads/Component Program Managers (CPMs) on travel card related issues
- D. Meeting regularly with the CPMs to discuss and make critical decisions concerning travel card administration throughout the DoD
- E. Ensuring that travel card program training materials are made available throughout the Department

040204. Defense Finance and Accounting Service (DFAS)

DFAS will facilitate traveler determination of any late payment fees or charges that may be payable to a traveler under the TTRA as indicated in Section 041201.C and the salary offset process as outlined in Section 041201.G.

*040205. DoD Component Heads/Defense Agency Directors

The heads of the DoD Components are responsible for developing TTRA implementation strategy for use in that Component. The Component Heads will also ensure all personnel, to include Agency Program Coordinators (APCs), Centrally Billed Account (CBA) Managers, and cardholders, are properly trained on travel card use and policy.

A. Comptrollers. The Military Department Assistant Secretaries (Financial Management and Comptroller) and Defense Agency Comptrollers, or equivalents, will ensure program management responsibilities are accomplished within their respective Component, and when so delegated to do so by their Component Head or Agency Director will designate a CPM. The CPM will be designated in writing and identified both to the DTMO and the travel card vendor.

B. DoD Component Program Managers (CPMs). DoD personnel (military or civilian) designated in writing by the Component Head/Agency Director or designee responsible for establishing and managing their travel card program in accordance with this Regulation. Each CPM is also responsible for establishing and maintaining the Component's organizational structure ("hierarchy") and notifying the DTMO and the travel card vendor of any changes in organizational structure that affect the travel card program. The CPMs will conduct periodic hierarchy level reviews, to include validating hierarchy level structure and verifying point of contact information. This process may be delegated down to lower hierarchy levels. The CPMs will also ensure that Individually Billed Accounts (IBAs) and CBAs are properly approved; reasonable credit limits are established and maintained; and annual reviews are performed to monitor credit limits and card utilization. Annex 2 provides credit limit charts.

C. Agency Program Coordinators (APCs). DoD personnel (military or civilian) will be designated in writing by a commander or director as responsible for the management of the travel card program. APCs are responsible to their respective Commander/Director for program execution and management of the day-to-day operations of the DoD travel card program. Detailed APC duties can be found in Section 0411. Contractor personnel or Foreign National employees may be designated as an APC at the discretion of the Component; however, their duties as an APC must not include activities that are inherently governmental.

D. Commander / Supervisor. Responsible for monitoring compliance with policy, to include responding to inquiries from APCs and determining administrative or disciplinary actions.

***040206. CBA Managers**

DoD personnel (military or civilian) will be designated in writing by a commander or director as responsible for the management of CBAs. Account managers are responsible for day-to-day management and reconciliation of CBAs. Account managers must be familiar with their designated payment office and designated billing office points of contact. [Contractors may be CBA managers but are not authorized to certify CBAs for payment. Contracted personnel and foreign national employees may be designated as a CBA manager at the discretion of the Component; however, their duties as a CBA Manager must not include activities that are inherently governmental.](#)

***040207. Travel Cardholders**

DoD personnel (military or civilian) who have been issued a travel card for use while performing official government travel. Cardholders must adhere to the procedures set forth in this Regulation and applicable DoD Component guidance, to include the travel card vendor's cardholder agreement and terms and conditions of use. Cardholders must [verify receipt of the card with the travel card vendor when they receive it](#), ensure their account is active and available for use prior to travel, and use the card for all expenses related to official travel unless otherwise exempted in Section 0406. Cardholders may be exempt from taxes in regard to lodging in selected states. Travelers are directed to obtain tax information from the GSA SmartPay website under the [SmartTax](#) tab and present the tax exempt form to the merchant for exemption to be applied. Cardholders are required to submit travel vouchers within five business days of completion of travel and use split disbursement to pay all expenses charged to the card directly to the travel card vendor. The travel card vendor will issue a monthly billing statement to each cardholder, the amount due is payable no later than the due date on the billing statement, regardless of the status of their travel reimbursement; cardholders whose accounts become delinquent may be subject to disciplinary or administrative action. The cardholder is responsible for payment of any remaining balance of undisputed charges to the travel card vendor. It is the cardholder's responsibility to notify the APC and the travel card vendor of changes in contact information such as a new address, new phone number, email address, name change, or new employer. [Cardholders whose mail has been returned to the travel card vendor for non-delivery will have a return mail indicator placed on their account. A return mail indicator deactivates the travel card until the mailing address has been updated and/or verified by the cardholder or APC. Credit balance refunds will not be issued to cardholders who have a return mail indicator.](#) Cardholders are responsible for providing a signed Statement of Understanding (See Annex 1) and certificate of training to their APC [upon initial card issuance, arrival and in-processing into a new organization and every three years thereafter](#). An electronic version with digital signatures of the SOU can be found at [Electronic SOU](#).

0403 GENERAL TRAVEL CARD INFORMATION

***040301. Individually Billed Accounts (IBAs)**

IBA cards are issued to DoD personnel (military or civilian) in order to access travel funds from their individually billed GTCC account. [Greater use of IBA cards will mitigate](#)

problems associated with unused airline tickets and improper payments; reduce costs associated to reconcile and pay Centrally Billed Account (CBA) invoices; and bring DoD practices in line with GAO recommendations included in their GAO-04-398 report. IBA cards are not for personal use; not transferable and for use only by the individual issued the card. Using an IBA card to charge expenses for any individual other than the cardholder and his/her authorized dependents is strictly prohibited. The individual cardholder is liable for payment of the full undisputed amount indicated on the billing statement no later than the due date, regardless of the status of their travel reimbursement. The DoD Components determine whether, and under what conditions, authorized dependent travel expenses may be charged to an IBA belonging to the sponsoring DoD military member or employee.

A. Standard Travel Card (e.g., IBA). Standard cards are issued to individuals with a qualifying credit score (FICO score of 660+). The credit, cash, and retail limits will be as prescribed by the Department. Standard accounts are activated upon verification of receipt of the card. The APC, CPM, or DTMO have the authority to increase the limits on a temporary basis, as needed/when requested, to meet mission requirements. Commanders and supervisors must validate the requirement to increase the limit. Limits are raised on a temporary basis not to exceed 12 months and can be accomplished within the travel card vendor's electronic access system or by contacting the travel card vendor. Approval authority/limits within the Department are communicated to the travel card vendor through the DTMO. Commanders and supervisors may, through their APCs, decrease the available cash and credit limits based on mission needs.

B. Restricted Travel Card (e.g., IBA). Restricted cards are issued to individuals with a non-qualifying credit score (FICO score of 500-659), individuals with no credit history, or to selected individuals as directed by their commander or supervisor. Individuals who do not consent to a credit check, but still require a travel card will be issued a restricted card. The credit, cash, and retail limits will be as prescribed by the Department. Restricted travel cards are the same in appearance as standard cards; however, they will remain in an inactive status after receipt verification of the card. The cardholder must contact their APC to request activation of the card for each period of travel. The APC will only activate restricted travel cards for official travel periods. The APC will deactivate restricted travel cards upon completion of official travel unless mission requirements dictate otherwise. In the same manner as standard cards, APCs, CPMs, and the DTMO are authorized to raise these limits temporarily in order to meet mission requirements. Limits are raised on a temporary basis not to exceed six months and can be accomplished within the travel card vendor's electronic access system or by contacting the travel card vendor. Commanders and supervisors may, through their APCs, decrease the available cash and credit limits based on mission needs.

***040302. Centrally Billed Accounts (CBAs)**

A CBA is a travel card account issued to a DoD activity. CBAs are issued to make travel arrangements and must be used in lieu of issuing an Optional Form (OF) 1169, Government Transportation Request, for payment purposes. CBAs are a government liability; therefore, payments are subject to [Public Law 97-177, the "Prompt Payment Act of 1982"](#), as amended. Prompt Pay Act information can be obtained at the US Department of Treasury, Bureau of the Fiscal Service's [website](#). These accounts contain a unique prefix that identifies the account as a

CBA for official Federal government travel. This prefix also identifies the account as eligible for government travel rates including GSA City Pair Program rates and tax exemption. The APC must forward any request to establish a CBA or increase a credit limit to the appropriate CPM for approval. The CPMs will also ensure that annual reviews are performed to monitor credit limits and card utilization. CBAs are issued for the following purposes:

A. Transportation Accounts. Transportation CBA travel card accounts are issued to DoD activities for use in purchasing transportation, including airline tickets, bus tickets, and rail tickets. **Due to the additional costs to the Department of maintaining and reconciling CBAs, restrict CBA transportation accounts use to the purchases of air, rail, and bus tickets ONLY for travelers who have not been issued an IBA.** These purchases are made through a Commercial Travel Office (CTO) directly with the travel service provider or their agent (e.g., charter bus or air companies). The transportation office, or other designated DoD activity, receives and is responsible for reconciling the transportation charges appearing on the invoice and for verifying/certifying the invoices for payment. The transportation office, or other designated DoD activity, will forward verified/certified invoices to the designated entitlement office (i.e., vendor pay) for computation and subsequent transmittal to designated disbursement office. This will be completed in a manner that allows payment to be made within the 30-day limitation prescribed in the “Prompt Payment Act” thus avoiding any interest penalties.

B. Unit Travel Charge Cards. DoD Components may use unit travel charge cards for group travel requirements only when it is cost effective, in the best interest of the mission, and authorized by the CPM. Categories of travelers whose travel expenses may be charged to unit travel charge cards include, but are not limited to, new recruits and employees who do not yet have IBAs, prisoners, DoD group travelers, and foreign nationals participating in support of official DoD sponsored programs or activities. Components will limit the issuance of unit travel charge cards whenever possible and maximize the use of IBAs. ATM withdrawals against unit cards will also be limited. The travel card vendor must receive written approval from the appropriate CPM before issuing a unit travel charge card. **Unit cards cannot be used in conjunction with travel authorizations or travel arrangements made through the Defense Travel System. Additionally, reconciliation of the CBA Unit Card charges must be done outside of DTS.** Upon receipt of each invoice, the designated unit cardholder is responsible for reconciling the travel card charges and promptly providing the reconciled copy of the statement to the unit account coordinator. The unit account coordinator is responsible for reconciling the charges appearing on the corporate/billing account’s monthly statement which is a composite (rollup) of all charges from all transacting cards assigned to that organization. The unit account coordinator is also responsible for filing any disputes (See subparagraph 041202.C.) with the travel card vendor. Once the billing statement is reconciled, the unit account coordinator will obtain fund certification from the resource management office before forwarding certified billing statements, with any required supporting documentation, to the designated entitlement office (i.e., vendor pay) for computation and subsequent transmittal to the designated disbursement office.

040303. Electronic Access System (EAS)

The travel card vendor provides an EAS to assist with travel card program management. The EAS is accessed via the Internet and will be used by CPMs, APCs, cardholders, and other

authorized users to assist in the management of their travel card accounts by displaying account and transaction data and by providing reporting capability. Individuals with access to the EAS will use the system to the maximum extent possible. The CPMs will inform the travel card vendor of any organizations (e.g., major commands, major subordinate commands, bases or installations) that are unable to access the EAS. In cases where access to the travel card vendor's EAS is not available, reports may be provided by the vendor with approval of the CPM or the DTMO.

***040304. Automated Teller Machine (ATM) Use**

IBA travelers **may** use their travel card at ATMs to obtain cash needed to pay for "out-of-pocket" travel related expenses. Valid "out-of-pocket" travel related expenses are those that cannot be charged on the travel card (See [section 040603](#) for examples). The cardholder will contact the travel card vendor to establish a personal identification number to gain ATM access. ATM advances will not be obtained more than three working days before the scheduled departure date of any official travel. The travel card vendor will charge the cardholder a transaction fee for ATM use. In addition, ATM owners may charge a service fee for ATM access. These charges will appear on the cardholder's billing statement. **ATM fees and cash advance fees for non-ATM cash withdrawals associated with official government travel are not separately reimbursable, and instead are included in the incidental expense portion of the applicable locality per diem rate (See JTR Appendix G).** Commanders and supervisors may direct the APC to adjust ATM/cash limits to accomplish specific missions or to reduce the potential of cardholders overspending on the trip. **ATM withdrawals during non-travel periods or not related to official Government travel requirements are "not authorized" and are considered misuse (See paragraph 041005 for examples).** This includes but is not limited to any withdrawal of a credit balance or any amount the travel card vendor owes the cardholder. Commanders and supervisors may authorize a travel advance, in writing, from a DoD disbursing office in situations where ATM access is not feasible with the travel card.

040305. Merchant Category Codes (MCCs)

A MCC is a four-digit number assigned to a business by MasterCard® or VISA® when the business first starts accepting one of these cards as a form of payment. The MCC is used to classify a business by the type of goods or services provided. The Department blocks some MCCs to prevent inappropriate card use. The use of MCCs can be tailored to meet the mission needs during the initial setup of the account.

***040306. Rebates**

A rebate is a benefit the DoD receives for the use and timely payment of the travel card. Two types of rebates, sales and productivity, are available from the travel card vendor. Sales rebates are based on charge volume and productivity rebates are based on payment **timeliness**. The rebates are computed and distributed on a quarterly basis. The formula used to compute these rebates varies depending on the type of rebate. Each Component will ensure the rebates are properly recorded. The heads of DoD Components will determine the distribution of rebates within their organizations.

In accordance with OMB Circular A-123, Appendix B, unless specific statutory authority exists allowing refunds to be used for other purposes, refunds will be returned to the appropriation or account from which they were expended, and can be used for any legitimate purchase by the appropriation or account to which they were returned, or as otherwise authorized by statute. Pursuant to permanent authority enacted in the Fiscal Year 2008 DoD Appropriation Act, Public Law 110-116, Section 8067, DoD rebates attributable to the use of the Government purchase or travel card may be credited to operation and maintenance, and research, development, test and evaluation accounts which are current when the rebates are received. This includes the operational portion of a non-appropriated or working capital account. For example, if a rebate is received in the new fiscal year against a bill that was paid in September of the previous fiscal year, the rebate may be credited to the operations and maintenance and/or research, development, test and evaluation account(s) current after October 1 of the new fiscal year.

0404 TRAVEL CARD ELIGIBILITY

040401. DoD Personnel

All DoD personnel (military or civilian), unless otherwise exempt, who perform travel as part of their duties will obtain and use an IBA travel card. DoD personnel will be issued only one travel card. If a DoD civilian employee is also a member of a Reserve/Guard unit, the travel card will be issued through the individual's civilian agency, not his/her Reserve/Guard unit. When a Reserve/Guard member is required to perform training or active duty, a copy of his/her military orders must be provided to his/her DoD agency and the account must be transferred into the appropriate hierarchy.

040402. Infrequent Travelers

Infrequent travelers are those who travel two times or less in a 12 month period. Infrequent travelers are not required to be issued a travel card; however, Commanders/supervisors may require infrequent travelers to obtain a travel card to meet mission requirements. If issued a travel card, infrequent travelers are required to use the card as per paragraph 040401.

*040403. Foreign National Personnel

Foreign national personnel, with the exception of those serving in the U.S. Uniformed Services, are not authorized to possess or use an IBA. Travel expenses for foreign national personnel traveling in support of official DoD sponsored programs or activities may be placed on a CBA or an alternative card product.

040404. Non-appropriated Fund Instrumentality (NAFI) Employees

NAFI employees of the DoD are authorized to use travel cards in conjunction with official travel.

040405. Recruiting Personnel

Military personnel assigned to recruiting duty are authorized to use travel cards for official reimbursable expenses in their local recruiting areas in addition to any official travel away from their duty stations.

040406. DoD Contractors

DoD contractors are not authorized to possess or use any type of travel card, regardless of the type of contract they are operating under.

040407. DoD Volunteer Positions

Individuals serving in voluntary positions are not eligible to obtain or use an IBA. The transportation costs of DoD volunteers may be charged to a CBA.

0405 USE OF THE TRAVEL CARD

*040501. Requirement for Use

Unless otherwise exempt (See section 0406), all DoD personnel (military or civilian) are required to use the travel card for all authorized expenses relating to official government travel. Official government travel is defined as travel under official orders to meet mission requirements.

040502. Failure to Use GTCC

Failure to use the travel card will not be used as a basis for refusal to reimburse the traveler for authorized expenses. However, failure to use the travel card may subject the traveler to appropriate administrative or disciplinary action.

*040503. Statement Notifying Traveler of the Requirements of the Travel and Transportation Reform Act (TTRA)

All travel authorizations/orders will include the following statement notifying travelers of the requirements of the TTRA: “The TTRA stipulates that the GTCC will be used by all U.S. Government personnel, military and civilian, to pay for costs incident to official government travel unless specifically exempt.” Travel Authorizations/Orders will also include:

A. Whether the traveler does, or does not, have a travel card.

B. If the traveler has a travel card, indicate whether the traveler is exempt from mandatory use under TTRA. This statement also authorizes alternative payment methods.

C. That individuals with a travel card will obtain cash for those official expenses that cannot be placed on the travel card, as authorized, through automated teller machines (ATMs), rather than obtaining cash advances from a DoD disbursing/finance office.

D. Whether a CBA or an IBA will be used to purchase airline tickets in accordance with the Joint Travel Regulations, Chapter 2, Part G, 2505, and [JTR, Appendix I](#), Part 3.

***040504. Leave in Conjunction with Official Travel (LICWO)**

Personal expenses associated with LICWO will not be placed on a GTCC, IBA or CBA, (see JTR, Chapter 2, Part B, 2120). LICWO is used at a traveler/cardholder's own risk. If the official travel is cancelled (i.e., there is no reimbursement for the official cost of the government/official ticket charged against the IBA/CBA) or rescheduled for a later date, there is no entitlement/reimbursement for the LICWO ticket to be changed or rescheduled. LICWO cases will be applied in the following manner:

A. When air is the approved mode of transportation for travel, the CTO must issue the official ticket from/to authorized locations prior to entertaining any LICWO travel request. Once the official ticket has been issued, the traveler **may have** the option of using the CTO for their leisure travel needs **if allowed under the CTO contract**.

B. When the CTO is used for leisure travel: The CTO, upon the traveler's request, must exchange the traveler's official ticket, paid for by either an IBA or CBA, for a leisure ticket incorporating the official value therein. The member must pay any additional costs (to include transaction fees) due at the time of the ticket exchange. The traveler will be required to pay any additional cost with cash, check, or personal credit card. If the form of payment used for the official ticket was a CBA, the service member may be required to sign a document acknowledging their responsibility to turn back into the government any official value which was applied to their leisure ticket if the official trip is cancelled for any reason. The document signed by the member may be used as a tracking tool to notify their local disbursing office after 30 days should a pay adjustment authorization (i.e., DD Form 139) become necessary. Electronic sweeps by the CTO will capture unused leisure tickets where official value is incorporated therein, and if a traveler does not turn the official value back into the government after 30 days a pay adjustment authorization may be initiated.

1. In cases where the cost of the official ticket is less than the LICWO ticket, the CTO will issue the official travel ticket. The traveler may apply/exchange the official ticket with the same carrier or a carrier that has an agreement with the issuing carrier for the LICWO ticket. The traveler will be required to pay any additional cost with cash, check or personal credit card.

2. In cases where the cost of the official ticket is more than the LICWO ticket, the CTO will issue the official travel ticket. The traveler may apply/exchange the official ticket with the same carrier or a carrier that has an agreement with the issuing carrier for the LICWO ticket. The official ticket amount may be applied to the LICWO ticket. If the

traveler used an IBA to purchase the official ticket, the traveler will receive a credit on their GTCC from the issuing carrier for the difference in fares. The traveler must request a new receipt for the lower cost fare and must adjust the fare cost when making the claim for reimbursement within the travel system used, providing both the original and adjusted receipts. If the traveler is using a CBA, the CBA will receive a credit for the exchanged fare from the issuing carrier for the difference in fares.

C. When the CTO is not used for LICWO travel: If the official ticket issued by the CTO was purchased with a CBA, and the ticket exchange is made directly with the airline, the traveler is liable for any official value which was applied to their leisure ticket should the official trip be cancelled for any reason. Electronic sweeps by the CTO will capture unused leisure tickets where official value is incorporated therein, and if a traveler does not turn the official value back into the government after 30 days a pay adjustment authorization may be initiated.

***040505. Permanent Change of Station (PCS)**

Use of an IBA for PCS travel is at the discretion of the Component. If use of the IBA is authorized by the Component, the Component will establish guidance on which expenses will be placed on the IBA with the exception of the purchase of City Pair airfares when a leave location is involved. For specific instructions concerning [the use](#) of City Pair airfares with a leave location involved refer to paragraph 040504.

0406 EXEMPTIONS

***040601. GSA Exemptions from the Mandatory Use of [the travel card \(IBA\)](#)**

The GSA has exempted the following classes of personnel from the mandatory use of the travel card:

- A. DoD personnel (military or civilian) who have an application pending for the travel card.
- B. Individuals traveling on an invitational travel order/authorization
- C. New appointees/recruits.

***040602. DoD Exemptions from Mandatory Use of [the travel card \(IBA\)](#)**

[These exemptions do not apply to DoD personnel \(military or civilian\) who are denied travel cards because they do not accept the terms and conditions of the cardholder agreement, such as refusing to: \(1\) complete \(to include SSN and residential mailing address\) and sign the account application form, or \(2\) permit a credit check. The exemption also does not apply when DoD personnel \(military or civilian\) cancel their cards, for whatever reason, to include disagreement with existing or revised terms and conditions of the cardholder agreement.](#)

In addition to the government-wide GSA exemptions, the DoD has further exempted the following classes of personnel from mandatory use of the card:

A. Members of the Reserve Officers Training Corps (ROTC) and military personnel undergoing initial entry or initial skill training prior to reporting to their first permanent duty station.

B. Individuals who are denied a travel card for failing to meet the minimum creditworthiness evaluation score or whose travel card has been canceled or suspended by the travel card vendor or the cardholder's agency/organization.

C. Individuals whose travel card is lost, stolen, or damaged. The cardholder must contact the travel card vendor immediately for a replacement card. The travel card vendor will expedite the delivery to a specified location at no additional cost. A temporary exemption applies while awaiting delivery of the new travel card.

D. Hospital patients and/or medical evacuees.

E. Prisoners.

F. DoD personnel (military or civilian) who use the card only for travel en route to a point of departure for deployment and cannot file a voucher prior to their deployment.

G. DoD personnel (military or civilian) traveling to or in a foreign country where the political, financial, or communications infrastructure does not support the use of the travel card.

H. DoD personnel (military or civilian) whose use of the travel card, due to operational, security, or other requirements of a mission, would pose a threat to national security, endanger the life or physical safety of themselves or others, or would compromise a law enforcement activity.

I. Individuals employed or appointed on a temporary or intermittent basis upon a determination by the individual's supervisor or other appropriate official that the duration of the employment or appointment or other circumstances pertaining to such employment or appointment does not justify issuance of a travel card to such individual.

***040603. Exemption of Mandatory Use for Expenses**

Expenses, including meals, incurred at a vendor that does not accept the travel card, such as government dining facilities, coin-operated parking meters, toll booths, laundry facilities, official local and long distance phone calls, etc. are exempt from the mandatory use of the travel card (IBA). However, since cardholders are required to use the travel card for all official travel related expenses, they may withdraw cash from an ATM to pay for these expenses, where practicable.

***040604. Additional Exemptions**

DoD Component Heads, or their designees, may exempt additional expenses from the mandatory use requirement of the travel card. Those exemptions covering classes of expenses or personnel (vice exemptions for individuals) [will be reviewed and forwarded by the CPM to the DTMO for approval prior to implementation.](#)

***040605. Payment Methods Authorized When Exempt**

When an exemption is granted from the mandatory use of the [travel card \(IBA\)](#), one, or a combination of, the following may be authorized for payment of travel expenses:

- A. Personal funds, including cash or a personal credit card.
- B. Travel advances and CBAs.
- C. Alternative card products offered under the [GSA SmartPay®](#) contract.
- D. [Official Form 1169 \(Government Transportation Request\)](#). GTRs are used on an “exception only” basis when no other payment method within paragraph 040605 is available.

City-pair contractors (airlines that provide services under the GSA City-Pair Program), however, are not required to accept the types of payments listed here with the exception of the CBA. Charge cards issued under the GSA SmartPay® Program contract contain a unique numeric prefix that identifies the account as an official travel card. This prefix identifies the account as being eligible for government travel rates, including City-Pair Program rates, and tax exemptions when permitted under state law.

0407 NON-MANDATORY USE OF THE TRAVEL CARD

***040701. Card Use**

If an individual is exempt from mandatory use of the travel card, he/she may elect to apply for the travel card on a voluntary basis. If issued a travel card, travelers are required to use the card in accordance with Section 040401. The Department’s policy on split disbursement of travel reimbursement applies to any voluntary use of the travel card. Commanders/supervisors may require individual travelers to obtain a travel card to meet mission requirements.

***040702. Local Travel**

A [travel card \(IBA\)](#) may be used for local travel expenses, but such use is not required under the TTRA. Use of an IBA for local travel is at the discretion of the Component. Local travel is considered official travel when the individual is performing official duties in and around the area of the permanent duty station; however, use of the travel card to purchase meals while in this status is not permitted unless otherwise specified in the JTR.

0408 TRAVEL CARD TRAINING

*040801. APC Training

When an individual is appointed as a new APC, it is mandatory that the appointee complete the [Travel Card Program Management APC Course](#) that is available on the DTMO [TraX](#). APCs will ensure a copy of the certification of completion is retained or can be found in TraX. Refresher training is required every three years and may be obtained from other sources, as approved by the CPM. A certificate of refresher training will be retained by the APC, either electronically or in hard copy. APCs are encouraged to attend training on the use of the EAS provided by the travel card vendor pursuant to its contract with the Government, to include the GSA SmartPay® Forum and web-based training.

*040802. IBA Cardholder Training

When an individual receives a travel card for the first time, it is mandatory that they complete the “[Program & Policies - Travel Card 101](#)” training course that is available on the DTMO [TraX](#). Cardholders will ensure a copy of the certificate of completion is retained by the APC or can be [obtained from TraX](#). Refresher training ([along with resigning the SOU](#)) is required every three years and may be completed using the “[Program & Policies - Travel Card 101](#)” course or other sources as approved by the applicable CPM. Refresher training [and the updated SOU](#) will be documented and retained either electronically or in hard copy by the APC.

0409 APPLYING FOR A TRAVEL CARD

*040901. IBA Applications

Application forms (either electronic or hard copy) for an IBA are available via the travel card vendor’s [website](#) or from an APC. The electronic application is the preferred method since it provides tracking capability. An APC will provide an applicant with a travel card application [or website link with a one-time use passcode](#) along with appropriate program information and the “DoD Statement of Understanding for Travel Cardholders,” SOU which an applicant must complete. No card will be issued without a properly completed application, the signed SOU and the “[Program & Policies - Travel Card 101](#)” completion certificate.

A. Routine Applications. The APC will process the completed application and forward it to the travel card vendor. The APC will request that the travel card vendor establish a new IBA upon receipt of a properly completed application. The applicant, the applicant’s supervisor, and the APC will sign the application. The APC will complete the billing hierarchy information on the application before submitting to the travel card vendor. If the APC submitted the application via the online application feature, the APC will be able to monitor the travel card vendor’s EAS regarding application status.

B. Emergency/Expedited Applications

1. Use of the emergency application process will be determined by the APC and will normally be processed and the card shipped within 24 hours.

2. Expedited applications will be used for personnel who are scheduled to travel within five working days. Individuals must be reminded to plan ahead and apply for a travel card far enough in advance to avoid the need for an expedited application.

3. The travel card vendor will charge a fee, which will be on the cardholder's initial billing statement, for emergency/expedited delivery. APCs must make a special effort to ensure the cardholder is made aware of the expedited fee being charged to their account, that this fee is reimbursable and must be claimed on a travel voucher in order to be reimbursed. If, for any reason, the scheduled travel does not occur, cardholders may claim reimbursement for the expedited delivery fee on a Standard Form (SF) 1164, Claim for Reimbursement for Expenditures on Official Business, or a Defense Travel System (DTS) local voucher.

4. Cards that are shipped within 24 hours will be delivered in an activated status and do not require the APC to activate the card. The cardholder is responsible for verifying receipt of the card.

C. Reapplying for an IBA. If official travel is required of an individual previously declined a travel card due to a non-qualifying credit score, the individual's commander/supervisor may direct the APC to require the travel card vendor to issue a restricted card by providing written justification and approval with a subsequent review and approval by the CPM. The APC must ensure the account is only activated during specific periods of travel, and must review reports (See section 0414) to identify potential misuse and ensure timely payment.

D. Account Upgrade. An account upgrade is a process by which a cardholder may request to "upgrade" a restricted IBA account to a standard IBA account. Applicants must agree to a new credit check and must meet the minimum credit score to be upgraded to a standard account.

***040902. Issuance of IBA Cards by the Travel Card Vendor**

Upon receipt of a properly completed and approved application, the travel card vendor will issue the travel card and cardholder agreement within three business days. The travel card vendor will mail the card to the individual cardholder's mailing address on file with the travel card vendor, the cardholder's temporary duty location if applicable, or otherwise as directed by the APC. The travel card vendor will allow the cardholder the option to establish his or her personal identification number.

A. Quasi-Generic Card Design. Quasi-Generic cards are issued with the travel card vendor's generic commercial design, but do not contain any association with the DoD

other than the account number sequence. The quasi-generic card provides a level of protection for cardholders whose association with the U.S. Government must be protected.

B. Chip and PIN Card Technology. Travel cards include an imbedded chip in addition to the magnetic stripe. Chip and PIN technology provides an improved level of authentication and data protection. The Chip and PIN enabled cards will continue to support magnetic stripe technology enabling use where Chip and PIN technology is less prevalent. When traveling to locations with Chip and PIN technology, the cardholder may be asked to enter a four-digit Personal Identification Number (PIN). Retailers who have not upgraded to Chip and PIN technology will continue to request the cardholder's signature to identify the cardholder and validate the transaction/purchase.

040903. CBA Applications

All requests for CBAs must be forwarded to the applicable CPM for approval. Once approval has been granted by the CPM for establishment of a CBA account, the hard copy application form will be used. The requesting command must complete the application form and submit it to the CPM for signature. The CPM will submit the application to the travel card vendor for processing and monitor the travel card vendor's EAS regarding application status. The CPM is responsible for providing the billing hierarchy information, the appropriate Bank Identification Number (BIN) assignment and establishing and maintaining reasonable credit limits.

0410 PROGRAM MANAGEMENT CONTROL

041001. Requirement for Credit Checks

Title 10, United States Code (U.S.C.), Section 2784a requires the evaluation of creditworthiness before issuing a travel card (IBA only). To meet this requirement, the travel card vendor performs a credit check on each new card applicant who agrees to the credit check. Depending on the credit score, applicants are eligible for a standard card, a restricted card, or may not be eligible for a card. At no time and in no case will the travel card vendor provide credit check results to the APC. If the applicant agrees to a credit check, the fact that a credit check has been performed will appear on the credit bureau's record for the applicant and will be evident to subsequent credit grantors who request a credit check. The issuance of a travel card and the credit limit on the card will not be reported to the credit bureaus. This process is considered a "soft pull" or a screening; the travel card vendor checks the applicant's credit score to see if the minimum requirements are met. This has little to no effect on an individual's credit score.

041002. Non-Qualifying Applicants

Personnel who are denied an IBA travel card due to a non-qualifying credit score are exempt from mandatory use of the card. For additional information see subparagraph 040901.C. However, personnel who cancel their card, for whatever reason, to include disagreement with

existing or revised terms and conditions of the cardholder agreement, may not be eligible for a travel advance and may be subject to administrative/disciplinary action.

041003. Metric Reporting

The Office of Management and Budget ([OMB Circular A-123, Appendix B](#)), requires Federal Agencies to establish performance metrics as a measure of effectiveness and as a management control mechanism. Although reporting to OMB is no longer required, performance metrics remain a valuable tool as an indicator of the “health” of the Department’s Government Travel Charge Card Program. Delinquencies negatively impact program performance and long term delinquencies may have adverse impacts on an organization’s mission readiness. To facilitate meeting this requirement, the following performance measures are established effective immediately:

- A. IBAs based on the percentage of open accounts delinquent.
Green: 0.00% - 1.00%
Yellow: 1.01% - 2.00%
Red: > 2.00%

- B. CBAAs based on the amount of delinquent dollars.
Green: 0.00% - 1.00%
Yellow: 1.01% - 2.00%
Red: > 2.00%

*041004. Program Review

Commanders and Agency Heads will ensure that periodic internal control reviews are conducted for their travel card programs. Public Law 112-194, the “Government Charge Card Abuse Prevention Act of 2012”, outlines the minimum requirements to ensure effective management controls. To assist organizations with meeting these requirements, a compliance checklist was published by OMB and GSA (see Annex 9). Organizations may use the checklist, or incorporate those items into existing program management checklists to aid in conducting required program reviews, or to assist external organizations (e.g., Inspector General) with their reviews. Reviews must include: (a) ensuring travelers submit travel vouchers within five days of completion of official travel and comply with split disbursement requirements, (b) ensuring credit limits are adjusted/appropriate to meet mission requirements, (c) ensuring unused accounts are closed, (d) ensuring the APC is a part of the check-in/check-out process, APCs must verify account status before joining or detaching cardholders, (e) ensuring APCs are running and analyzing the reports identified in Section 0414 to assist with program management, and (f) ensuring APCs are following the procedures required to notify delinquent cardholders (See section 0411). [Findings of significant weaknesses must be reported to the CPM in addition to the Command or Agency Head.](#) For DTS travel, APCs must coordinate with their Defense Travel Administrator (DTA)/Finance Defense Travel Administrator (FDTA) to obtain the Un-submitted Voucher Report to identify travelers who have not submitted a voucher within five days of returning from official travel. APCs can request access to DTS to obtain this report for their organization by contacting their DTA.

***041005. Misuse**

Misuse of the travel card will not be tolerated. Commanders/Supervisors will ensure travel cards are used only for official travel related expenses (See section 040103). Examples of misuse include, but are not limited to: (a) expenses related to personal, family or household purposes except for authorized PCS expenses, (b) cash withdrawals or advances used during non-travel periods or not related to official government travel requirements are not authorized. This includes but is not limited to any withdrawal of a credit balance remaining on the card, (c) intentional failure to pay undisputed charges in a timely manner, and (d) cash withdrawals or advances taken more than three working days prior to official government travel. With the exception of expenses incident to official travel described in paragraph 041006, use of the travel card for personal expenses incurred during leave in conjunction with official travel is not authorized. Cardholders who misuse their travel card may be subject to administrative or disciplinary action, as appropriate. Annex 8 provides a sample of memorandum to cardholder regarding suspected misuse/abuse of travel card.

***041006. Expenses Incident to Official Travel**

Expenses incurred in relation to or while on official travel may or may not be reimbursable or appropriate for payment with the travel card (IBA).

A. The cardholder, while in a travel status, may use the travel card to charge non-reimbursable expenses incident to official travel such as in-room movie rentals, personal telephone calls, exercise fees, and beverages, when these charges are part of a room billing and are reasonable. Additional expenses incurred for spousal occupancy (hotel room) and meals may be included if inherent to the traveler's lodging billing statement even if the additional expense is not reimbursable. The [cardholder](#) is required to pay all charges (whether reimbursable or non-reimbursable) [via split disbursement](#) (See section 041007). Separate charges for airfare, hotel rooms, rental cars or meals for spouses or family members are not authorized to be charged on the IBA, except as determined by the Components for authorized dependent travel (i.e., PCS travel).

B. [Conference registration fees are an authorized travel expense and may be charged to the travel card. Payment of "early bird" conference registration fees prior to travel may be reimbursed by submitting a local travel voucher prior to travel. However, fees related to training courses are not considered a travel expense and may not be charged to the card. In cases where the cardholder is required to pay for a training course in advance of travel, the cardholder must contact their APC and arrange for use of their organization's Government Purchase Card.](#)

C. [Mission related expenses are not permitted to be reimbursed on a travel voucher. Reimbursing these types of expenses on a travel voucher is a direct violation of the JTR, a potential violation of appropriation law, and directly conflicts with the requirements of audit readiness and the Office of Management and Budget's direction to reduce travel expenditures by 30 percent. The authority for reimbursing Service members and civilians for personal and mission related expenditures is found in the DoD Financial Management Regulation, Volume 10, Chapter 11 "Payment as Reimbursement for Personal Expenditures,"](#)

Chapter 12 “Miscellaneous Payments” and the “Department of Defense (DoD) Guidebook for Miscellaneous Expenses.” While a mission related expense may be valid and reimbursable, it is not reimbursable using travel funds. Organizational or local level guidance does not supersede these governing authorities and Certifying Officers/Authorizing Officials may be held pecuniarily liable for any erroneously approved expense.

***041007. Split Disbursement**

All DoD personnel (military and civilian) are required to split disburse all undisputed expenses charged to the travel card as a part of the travel settlement process. Payment for all travel card charges will be sent directly to the travel card vendor via split disbursement as part of the traveler’s voucher reimbursement. It is the cardholder’s responsibility to promptly pay the travel card vendor directly for any outstanding charges not split disbursed at the time of the travel voucher settlement. To support the split disbursement requirement, the DTS automatically **defaults** air/rail (when charged to the IBA only), hotel, rental vehicle, and other miscellaneous, **non-mileage expenses** identified by the traveler in the split disbursement amount paid directly to the travel card vendor. DTS users must also include the amount of any ATM withdrawals and any miscellaneous travel card charges, **to include but not limited to meals charged to the travel card**, in their split disbursement amount paid directly to the travel card vendor. Traveler’s submitting manual voucher’s for non-DTS travel are required to annotate the split disbursement amount in the upper right hand section of the DD 1351-2. Approving officials are responsible for ensuring that split disbursement amounts are properly annotated and must return any travel vouchers that do not comply for correction and resubmission. For additional information regarding split disbursement, refer to Title 10 U.S.C. 2784a.

0411 AGENCY PROGRAM COORDINATOR (APC) DUTIES

***041101. General**

An APC plays an important role in the proper management of the travel card program. Commanders/Supervisors must consider the volume of workload associated with the APC responsibilities in determining how many personnel may be needed to manage their travel card programs. The frequency of travel and the delinquency rate of the organization must also be taken into account. Individuals appointed as APCs must have the skills necessary to properly manage the travel card program and access to the travel card vendor’s EAS to run and work monthly reports to assist in the management of the travel card program. APCs have access to sensitive information and relay this information to the chain of command for determination of appropriate action when necessary. Commanders/supervisors must consider assignment of APC duties to civilian personnel where practical in order to avoid the loss of knowledge of program responsibilities in high turnover military positions. **APCs will coordinate with their DTS administrator to ensure travel card information is accurately included in the cardholder’s profile.**

041102. APC Travel Card Guides

APCs must refer to the APC Travel Card Guides available on the **DTMO** website or **made available by their Component** to assist them with performing their duties.

*041103. Records [Retention](#)

Charge card information is sensitive and in some instances is considered PII. Therefore, it must be protected based on the Privacy Act of 1974. APCs will maintain, or have access to all pertinent records for cardholders assigned to their hierarchy, such as the SOU, certificates of training, delinquency notices, and required reports specified in Section 0414. Each APC, in conjunction with the travel card vendor, will maintain an up-to-date list of current cardholders and accounts, to include information such as account names, account numbers, addresses, and telephone numbers. Due to the sensitivity of the data contained in these files, the data must be maintained in a secure container or area that precludes unauthorized access. APCs maintaining these records must ensure they are marked and protected in accordance with the provisions of the Privacy Act. Records may be retained in hardcopy, in a secure electronic format, or an authorized document management system. Records will be retained for two years in accordance with the U.S. National Archives and Records Administration requirements, General Records Schedule 9 (NARA). However, records may be retained longer at the discretion of the Component. Online applications are no longer required to be maintained by the APC; the travel card vendor maintains the online application.

041104. Hierarchy Structure

The APC is responsible for maintaining his/her organizational hierarchy structure. This hierarchy is the link that identifies cardholder accounts to correct organizations within a Component. The APC is responsible for tracking arriving and departing cardholders through the check-in/out process to maintain the validity of the organizational hierarchy and the travel card vendor reporting information. The establishment of a new hierarchy requires the approval of the next higher level APC who has administrative rights over that hierarchy.

*041105. [Transferring Cardholders Between Hierarchies](#)

The APC will follow the procedures published in the travel card vendor's training guides for using the EAS to transfer cardholders with open, closed, and suspended accounts. Travelers attending formal training en route to their next assignment will remain in the hierarchy of the losing organization until completion of training. The receiving component must accept the account regardless of account status and ensure any outstanding balance is paid during the travel settlement process via split disbursement.

*041106. Closure of [Accounts Upon Separation](#)

APCs will close a travel card account upon a cardholder's retirement, separation, termination, or death. APCs must notify the cardholder's supervisor of any outstanding balance and ensure the balance is paid prior to final separation. [APCs will ensure/validate separated cardholder's accounts are properly closed.](#)

041107. Monitoring and Reporting Delinquencies

The APC will monitor and report all delinquencies to appropriate personnel and take appropriate actions as described in the delinquency management section. APCs are also responsible for monitoring all accounts for proper use of the travel card and to report accounts with unauthorized transactions to commanders and/or supervisors for action, as appropriate.

*041108. Review Reports to Identify Inactive Accounts for Closure

On a periodic basis, the APC will review any reports provided or made available by the travel card vendor to identify accounts for potential closure. Accounts not used in a 12-month period may be closed with an option to reopen without a new application if the need for travel arises.

0412 TRAVELER REIMBURSEMENT AND PAYMENT RESPONSIBILITIES

*041201. Timely Reimbursement of Travel Expenses

A. Reimbursement Within 30 Days. Agencies will reimburse DoD personnel (military or civilian) for authorized travel expenses no later than 30 days after submission of an accurate and complete travel claim to the office where the claim is to be approved. Therefore, a satisfactory recordkeeping system will be maintained by the approving official to track submission and receipt of travel claims. For example, the approving office must annotate on travel claims received by mail the date when the office received the claim. Travel claims submitted electronically to the approving official are considered to have been received on the submission date indicated on the email, or on the next business day if submitted after normal working hours. For DTS, the travel claim is considered to be received when the traveler signs the claim and it is routed to the approving official.

B. Travel Claim Errors. A travel claim with an omission or an error will be returned to the traveler within a seven day period. The notification will include the reason(s) why the travel claim is not correct. Receipt of a corrected travel claim by the paying office begins/restarts the 30 day payment period in which the government must make payment or pay a late fee.

C. Late Payment Fees and Charges. Should payment of the travel settlement take longer than 30 days following receipt by the office where the claim is approved, that office may be required to pay a late payment fee to the traveler. This fee is payable, using the Prompt Payment Act interest rate, beginning on the 31st day after the submission of a proper travel claim and ending on the date that the payment is disbursed by the government. The only exception to the requirement for this payment is that no payments are required for amounts less than \$1.00. Interest payment funding instructions can be found in the DoDFMR, Volume 10, Chapter 7. The Internal Revenue Service has determined that the late payment fee is reportable as interest and that the payment equal to the late payment charge is to be reported as additional wages. In addition, travelers may be reimbursed for late fees imposed by the travel card vendor if the non-

payment that incurred the late fee was a result of the government's untimely processing of the travel voucher.

D. Systems Modifications. As necessary, DoD Component travel systems will be modified to capture the date of submission of a proper travel claim and compute entitlement for late payment fees due as a result of untimely settlement.

E. Claims for Late Payment Fees. Payment of late fees must be calculated and paid at the time the voucher is processed. Travelers who believe that late payment fees were not included in the calculation of their travel vouchers may submit supplemental travel claims for late payment fees. Each supplemental travel claim will be submitted through the office where the claim is to be approved. That office will annotate the claim with the date that the original travel claim was received.

F. Reduced Payment Plan. A plan offered by the travel card vendor to delinquent cardholders that allows for payment of outstanding balance over a defined time period as an alternative to salary offset. The Reduced Payment Plan cannot be initiated once salary offset has begun. Failure to comply with the agreed-to payment schedule will result in automatic referral for salary offset.

G. Salary Offset. Salary offset is the collection (by deduction from the amount of pay owed to the cardholder) of any amount the cardholder owes to the travel card vendor as a result of undisputed delinquencies. Upon written request DFAS will, on behalf of the travel card vendor, begin the process of salary offset. Accounts become eligible for salary offset when an unpaid balance reaches 126 days past billing. Specifics on the procedures of salary offset are contained in the DoDFMR, Volume 7A, Chapter 43, Section 4305 for military members and the DoDFMR, Volume 8, Chapter 8, paragraph 080902 for DoD civilian employees.

*041202. **Cardholder** Responsibilities

A. Monthly Statements. Cardholders are responsible for payment in full of the undisputed amount stated on the monthly billing statement by the due date indicated on the statement regardless of the status of their travel reimbursements. Accounts are considered past due at 30 days past billing and delinquent if unpaid 61 days after the billing date.

B. Long Term Travel. Long term travel is defined as travel greater than 45 days. While in a long term travel status, the traveler will file interim vouchers every 30 days in order to receive partial payments and will use split disbursement as the means of settlement to ensure payment to the travel card vendor to avoid delinquency. For DTS travel, cardholders must request scheduled partial payments as part of the authorization process, ensuring that expenses anticipated to be charged on the travel card are properly designated.

C. Disputed Charges. In the event that the billing statement includes charges that the account holder considers questionable, the cardholder will first contact the merchant to try to resolve the questionable charge. If unsuccessful, the cardholder will obtain a dispute form

from the APC for IBA, account manager for CBA, or from the travel card vendor's website. The cardholder will complete and send the form to the travel card vendor. The cardholder can find a Transaction Dispute Guide on the travel card vendor's website, under APC Guides. All disputes must be filed within 60 days of the date on the billing statement on which the erroneous charge first appeared. It is the responsibility of the cardholder to ensure the dispute form has been received by the travel card vendor. Once the dispute notification has been received by the travel card vendor, the travel card vendor will issue a provisional credit for the amount of the dispute pending resolution. Formally disputed charges will not age and the account will not suspend for lack of payment. Any disputed charge identified in the reconciliation process will be resolved in the manner prescribed in the GSA SmartPay® Master Contract. Should the travel card vendor request additional information to research and resolve the dispute, the cardholder must provide the requested information within the timeframe given. Disputes found in favor of the merchant vendor or failure to comply will result in the disputed charge being placed back onto the cardholders account, and the cardholder would be responsible for repayment as well as any applicable late fees for IBA or Prompt Payment Interest charges for CBA.

*041203. Fees Chargeable by the Travel Card Vendor

A. The following fees may be charged by the travel card vendor:

1. Non-Sufficient Funds (NSFs) Fee. A NSF fee will be applied to a cardholder's account when a payment is returned by the cardholder's financial institution for insufficient funds. NSF fees are not reimbursable. An account that has two (2) or more NSF payments within a 12 month period or the 3rd NSF payment in the life of the account is subject to immediate cancellation by the travel card vendor.
2. Reinstatement Fee. The reinstatement fee (See section 041306) is non-reimbursable.
3. Late Fees. Late fees are applied at 75 days past billing and at every 30 day increment/billing cycle thereafter until the past due/delinquency amount is paid in full. Late fees may be reimbursable if the late fee was charged as the result of a late reimbursement to the traveler.
4. Salary Offset Fees. Salary offset fees (See section 041201.G) are non-reimbursable.
5. Reduced Payment Plan Fee. The travel card vendor may offer a reduced payment plan for which additional fees will be assessed, which is not reimbursable.
6. ATM Withdrawal/Cash Advance Fees. ATM and cash advance fees may be charged by the travel card vendor and/or the ATM owner for each withdrawal. ATM fees and cash advance fees for non-ATM cash withdrawals associated with official government travel are included in the incidental expense portion of the applicable locality per diem rate and are not reimbursable as a separate miscellaneous expense (See JTR Appendix G).

7. Expedited Delivery Fee. This fee is applied when a card is delivered via overnight or express delivery. The expedited/express delivery fee may be reimbursable if expediting the card is incident to official travel. The cardholder is advised to claim these on their travel settlement.

8. Merchant Surcharge Fees. Beginning on January 27, 2013, merchants in the United States (US) and U.S. Territories **are** permitted to impose a surcharge (up to 4%) on consumers when they use a Visa or Master Card credit/charge card. For more information on merchant surcharge fees, see [Visa's](#) website. For traveler reimbursement information, see JTR, Appendix G.

0413 DELINQUENCY MANAGEMENT

041301. Pre-suspension Notification for Accounts 45 Days Past Billing

At 45 days past billing, the travel card vendor will make pre-suspension reports available. APCs will notify the cardholder (or the CBA Manager for CBAs) and the cardholder's supervisor that the account will be suspended in 15 days if the travel card vendor does not receive full payment of all undisputed amounts. For IBAs, the APC will request that the supervisor notify the APC, within 15 days, of any reason why the account cannot be suspended. The APC will keep a record of the supervisor's notification and related correspondence in accordance with records retention requirements in paragraph 041103. Commanders/supervisors must ensure the individual has properly filed/submitted a claim for reimbursement of travel expenses and that DoD policy on split disbursement was adhered to. Annex 3 and 4 provides delinquency timelines for IBA and CBA.

041302. Suspension of Accounts 61 Days Past Billing

At 61 days past billing, the APC will notify the cardholder (or the CBA Manager for CBAs) and the cardholder's supervisor (by email where possible) that the account has been suspended due to nonpayment (see Annex 5 for a sample letter). The APC will keep a record of the supervisor's notification and related correspondence in accordance with records retention requirements in paragraph 041103. The travel card vendor will block charging privileges, to include ATM access, until payment for the current amount due is received.

041303. 91-Day Delinquency Notification to Supervisors

At 91 days past billing, the APC will notify the cardholder (or the CBA Manager for CBAs), the cardholder's supervisor, and the second level supervisor (by email where possible) that the account is still delinquent and subject to cancellation (See Annex 6 for a sample letter). The APC will keep a record of the supervisor's notification and related correspondence in accordance with records retention requirements in paragraph 041103. The individual cardholder will receive notice from the travel card vendor that his/her account will be cancelled and referred for salary offset within 30 days if the balance is not paid in full.

041304. Cancellation of Accounts 121 Days Past Billing

At 121 days past billing, the travel card vendor will make available cancellation reports. The APC will notify the cardholder (or the CBA Manager for CBAs), the cardholder's supervisor, and the cardholder's chain of command (by e-mail where possible) that the cardholder's account has been cancelled (see Annex 7 for a sample letter). The APC will keep a record of the supervisor's notification and related correspondence in accordance with requirements in paragraph 041103. For IBAs, if no action is taken toward payment of the debt, collection action via a reduced payment plan or salary offset will be initiated by the travel card vendor beginning on the 126th day past billing. Once canceled, an account may be reinstated in accordance with subparagraph 041306. The travel card vendor reserves the right to deny the reinstatement request.

041305. Cancellation of an IBA Suspended Two Times

Cancellation of an IBA may also occur if the account has been suspended two times during a 12-month period for nonpayment of undisputed amounts and again becomes past due. Accounts that have been suspended twice during a 12 month period will be considered (for cancellation purposes) past due for the third time at 45 days past billing.

*041306. Reinstatement of Cancelled IBAs

Accounts that have been cancelled due to delinquency may be eligible for reinstatement as a restricted account. In order to be approved for reinstatement, cardholders must meet set criteria: A reinstatement application is required, the individual must consent to a credit check, and a non-reimbursable reinstatement fee is required. In addition, the balance must have been paid in full for a minimum of 60 days; there have been no payments returned for nonsufficient funds (NSF) in the previous 12 months, and there were no more than three (3) NSF payments in the life of the account. The 3rd NSF payment in the life of the account is subject to immediate cancellation by the travel card vendor. The account will not be considered for reinstatement if the previous account had been charged off as a bad debt. If the reinstated account is subsequently canceled, the cardholder will not be considered for reinstatement a second time.

*041307. Mission Critical Travel for IBAs

Mission critical travel is defined as travel performed by DoD personnel (military or civilian) under official orders that prevent the traveler from filing interim travel vouchers or from scheduling partial payments to pay for charges to the travel card. Mission critical status must be reflected on the travel authorization/order and the CPM (or the APC dependent upon Component procedures) must place the cardholder in a mission critical status before the account is suspended (61 days past billing). Should there be an outstanding balance at the time the cardholder is removed from mission critical status, the balance must be paid within 45 days of removal from this status. Pending travel vouchers must be settled prior to an individual's departure for a deployment or PCS. Mission critical status will not be authorized in cases where the individual is in a location where the cardholder may file timely vouchers or utilize the Scheduled Partial

Payments feature of DTS. The APC/CPM may use the bulk maintenance features to put large groups into Mission Critical (i.e. natural disasters, evacuations, etc.).

***041308. Exception Status for CBAs**

When a CBA is nearing suspension (61 days past billing), CPMs may request the account be placed in an exception status to allow for a temporary reprieve on the suspension of the account pending a scheduled payment. A payment against the account must have been initiated and expected to be made shortly. For accounts that are 91 days past billing, the CPM must communicate the request to the DTMO for processing. No more than three requests within a rolling 12 month period are permitted without DTMO review and concurrence; approval of these requests is at the travel card vendor's discretion. If approved, accounts are normally placed in exception status for a period not to exceed 30 days. Canceled accounts do not qualify for CBA exception. The request must be submitted by the CPM with the following information: Last (6) digits of CBA central account number, date of last payment, number of days past due, reason for delinquency, expected full reconciliation date, expected payment day and payment amount, and exception justification.

***041309. Reinstatement of Cancelled CBAs**

When a CBA has been placed in a cancelled status (126 days past billing), CPMs may request the account be reinstated upon payment in full. No more than one request within a rolling 12 month period is permitted without DTMO review and concurrence; approval of these requests is at the travel card vendor's discretion. The reinstatement request must be submitted by the CPM with the following information: last (6) digits of CBA central account number, date of last payment, and reinstatement justification.

0414 TRAVEL CARD MANAGEMENT REPORTS

***041401. General**

Reports are considered primary program management tools and are made available via the travel card vendor's EAS, [Visa® IntelliLink](#), and DTS. The travel card vendor will make reports available to the APC to help in identifying upcoming suspensions or cancellations of delinquent accounts within specified timeframes. Due to the sensitive nature of all travel card reports, the reports and all information contained therein must be properly safeguarded at all times [in accordance with the Privacy Act and DoD policy](#). Reports are considered personnel records and as such must be retained by the APC for no less than two years from the as of date. Reports that are required in support of an ongoing investigation or audit may be required to be retained for an additional time period to support completion of the investigation or audit. This retention may be in the form of paper files and/or electronic files.

***041402. Mandatory Reports for IBA**

The following reports are mandatory. APCs are expected to obtain the reports at a minimum of once per cycle and take corrective action as necessary to maintain proper program

management. The reports noted below are titled based on the report name in the travel card vendor EAS; however, CPMs and APCs have the option of utilizing the Visa® IntelliLink tool to obtain similar reports. Components may also require additional mandatory reports.

A. Account Activity Text Report. This report displays all transaction activity for a specified billing cycle. APCs will use the report to review a minimum of 10% of transactions to ensure there is no misuse.

B. Account Listing Report. This report identifies cardholder names, addresses, telephone numbers, and account numbers assigned under the APC's hierarchy. APCs will use this report to ensure correct information is on file with the travel card vendor; and notify the travel card vendor of any needed corrections. APCs will ensure that cardholders no longer assigned to their organization/hierarchy are either transferred appropriately or that their account has been closed.

C. Declined Authorizations Report. This report lists all transactions attempted but declined against an account and details reasons for decline and type of purchase (ATM, purchase, or cash). APCs will use this report to determine where transactions failed and the reason for the decline.

D. Delinquency Report-Hierarchy. This report identifies delinquent accounts and ages the delinquencies by time frame (i.e., 31, 61, 91, 121, or more days past billing). APCs will use this report to aggressively work all delinquencies.

E. DoD Travel IBA Aging Analysis or IBA Aging Analysis Summary Report. These reports identify detailed account delinquencies and summary level information by Component hierarchy. APCs will use one or both of these reports to get a point in time listing of their delinquencies. These reports must be run at the completion of each cycle.

F. Non-Travel Activity Report. This report identifies cardholders with transaction activity (such as cash, fuel, or food) occurring without other associated travel activity (such as airline, car rental, or lodging). APCs will use this report to research potential misuse of the travel card.

G. Weekend/Holiday Activity Report. This report identifies cardholders with transaction activity, such as lodging and car rental, when checkout is on a Sunday, Monday, or a Federal holiday. APCs will use this report to research potential misuse of the travel card.

***041403. Mandatory Reports for CBA**

The following reports are mandatory. APCs are expected to run these reports after the completion of all accounts cycles and take corrective action as necessary to maintain proper program management.

A. Delinquency Report. This report identifies delinquent accounts and ages the delinquencies by time frame (i.e., 31, 61, 91, 121, or more days past billing). APCs and account managers will use this report to aggressively work all delinquencies.

B. DoD Travel CBA Aging Analysis. This report identifies summary level delinquency information by Component hierarchy.

*041404. Additional/Optional Reports for IBA/CBA

Listed within paragraph are additional/optional reports that the travel card vendor offers for additional program management. [The reports noted below are titled based on the report name in the travel card vendor EAS; however, CPMs and APCs have the option of utilizing the Visa® IntelliLink tool to obtain similar reports.](#)

A. Account Info List Report (DTS). This DTS report identifies DTS travelers and their profile settings to include travel card account information. APCs will coordinate with their DTS administrator to ensure travel card account information is correctly included and maintained in DTS.

B. Account Listing Report. This report identifies cardholder names, addresses, telephone numbers, and account numbers assigned under the APC's hierarchy. APCs and account managers will use this report to ensure correct information is on file with the travel card vendor; and notify the travel card vendor of any needed corrections.

C. Account Renewal Report. This report identifies those cardholders whose cards are coming due for renewal. APCs will review the information on this report monthly and take appropriate action.

D. Blocked MCC Report. This report provides a list of all transactions made against MCCs that are blocked from charges against the travel card. APCs will use this report to see where charges were made against blocked MCCs and take appropriate action.

E. CBA NCV Report. Net Charge Volume Summary Report available by Hierarchy and Cycle Date.

F. Credit Balance Refund Report. This report provides a list of accounts that have received a credit balance refund. Use this report to determine which accounts have been issued credit balance refunds.

G. Mission Critical Report. This report provides a listing of accounts that have been placed in mission critical status. The APC will use this report to identify accounts that have been deemed mission critical and to check against orders to ensure that accounts continue to qualify for mission critical status.

H. PCS Status Report. This report identifies accounts in mission critical status that are related to a PCS move. Use this report to identify cardholders who have been

placed in mission critical as a result of a PCS move and ensure removal from the status as appropriate.

I. Pre-suspension Report. This report lists accounts that are nearing suspension and identifies account names, account numbers, status, balances past due, and the number of days that each account is past due. APCs will use the information from this report to notify commanders and supervisors to ensure their travelers make prompt payment of their account balance.

J. Returned Check Report. This report provides a list of all cardholders that incur payment reversal transactions within a specified hierarchy level and time frame. APCs will use this report to determine where account holders have made payments with insufficient funds.

K. Suspension Report. This report lists accounts that have been suspended and are nearing cancellation and identifies account names, account numbers, status (suspended or canceled), date of status, balances past due, and the number of days that each account is past due. APCs will use this report to notify cardholders and leadership of the potential cancellation of an account.

L. View CBA Listing (DTS). This DTS report identifies CBA accounts and their current expiration date by DTS Organization Code, which aids APCs on what CBA accounts need to be updated in DTS.

*041405. Data Mining/Optional Reports for IBA/CBA

Visa® IntelliLink is a web-based modular application designed to provide sophisticated information services including analytics and investigative reporting, misuse detection, program compliance, regulatory compliance, spend management, and support for strategic sourcing. For additional information, guidance, and/or access to IntelliLink, contact the Component/Agency CPM.



ANNEX 1 STATEMENT OF UNDERSTANDING (SOU)

The Government Travel Charge Card (GTCC) is mandated to be used by DoD personnel to pay for authorized expenses when on official travel unless an exemption is granted. This includes temporary duty travel (TDY), and, per Component guidance, permanent change of station (PCS) travel.

Cardholder must check off each item below.

I understand that I am being directed to:

- Use my card only for expenses incurred by me for official travel, and my dependents, if authorized for PCS travel.
- Confirm receipt of my GTCC upon delivery.
- Ensure that my card is activated by my APC before I travel.
- Pay all my undisputed charges by the due date on my billing statement, regardless if my travel voucher has been processed.
- Use split disbursement to pay for all outstanding charges.
- Charge my official expenses to the GTCC wherever possible rather than use cash withdrawals or another form of payment.
- File my travel voucher within five business days after completing my travel.
- Obtain tax exemption information prior to my trip from <https://smartpay.gsa.gov/content/state-tax-information>.
- Keep my account number, expiration date and contact information updated in DTS.
- Update my contact information with the travel card vendor, when necessary.
- Notify the travel card vendor, and my APC, if my GTCC is lost or stolen.
- Complete "Travel Card 101" training initially, and refresher training every three years thereafter.
- Complete a "NEW" SOU upon arrival at each new duty assignment, or every three years.

I understand that:

- Disputes must be submitted within 60 calendar days from the statement date.
- If I misuse the card, I will be subject to administrative or disciplinary action.
- Cash withdrawal fees are part of incidental expenses and not separately reimbursable.
- Online, and mobile, access to my account is available at citimanager.com.

For additional information on the Travel Card, refer to your APC and the DoD GTCC Regulations (<http://www.defensetravel.dod.mil/Docs/regulations/GTCC.pdf>).

APC's Name: _____ APC's Phone Number: _____

Applicant Name/Signature

Date

Supervisor Name/Signature

ANNEX 2 CREDIT LIMIT CHARTS

Charts for Army, Marine Corps, Navy, and Air Force

| *Standard and **Restricted Accounts | | Default | APC Approval Maximum | HL3 Approval Maximum | CPM Approval Maximum | DTMO Approval Maximum |
|--|---------------|-----------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| | Credit | *\$7,500 **\$4,000 | \$10,000 | \$15,000 | \$25,000 | No Maximum |
| | Travel | *\$7,500 **\$4,000 | \$10,000 | \$15,000 | \$25,000 | No Maximum |
| | Cash | *\$665 **\$365 | \$5,000 | \$10,000 | \$25,000 | No Maximum |
| | Retail | *\$250 **\$100 | \$500 | \$1,000 | \$2,000 | No Maximum |

*Standard Accounts credit limit increases are based on mission requirements and are limited to no more than 12 months.

**Restricted Accounts credit limit increases are based on mission requirements and are limited to no more than 6 months.

Charts for DoD Independent Agencies

| *Standard and **Restricted Accounts | | Default | APC Approval Maximum | HL4 Approval Maximum | CPM (HL3) Approval Maximum | DTMO Approval Maximum |
|--|---------------|-----------------------|-------------------------------------|-------------------------------------|---|--------------------------------------|
| | Credit | *\$7,500 **\$4,000 | \$10,000 | \$15,000 | \$25,000 | No Maximum |
| | Travel | *\$7,500 **\$4,000 | \$10,000 | \$15,000 | \$25,000 | No Maximum |
| | Cash | *\$665 **\$365 | \$5,000 | \$10,000 | \$25,000 | No Maximum |
| | Retail | *\$250 **\$100 | \$500 | \$1,000 | \$2,000 | No Maximum |

*Standard Accounts credit limit increases are based on mission requirements and are limited to no more than 12 months.

**Restricted Accounts credit limit increases are based on mission requirements and are limited to no more than 6 months.

ANNEX 3 DELINQUENCY TIMELINE FOR IBA

DELINQUENCY TIMELINE for IBA

| CURRENT 1 to 60 Days* | SUSPENDED 61 to 125 Days* | CANCELLED/CLOSED 126 to 210 Days* | CHARGE OFF 211 Days* |
|--|---|--|---|
| File travel voucher within 5 days after completion of travel | No new charges allowed on card | Submitted for enrollment in Salary Offset | May charge off |
| Receive statement | Late fee applied at day 75 | Member may request a travel advance if required to travel | Could affect cardholder's credit rating |
| Day 1 = The day after charges post to the cardholder's statement | Additional late fees applied at day 91 and each 30 day increment thereafter | Receiving APC must transfer member into their HL regardless of delinquency | Delinquency removed from HL |
| Past Due status at day 31 | Receiving APC must transfer member into their HL regardless of delinquency | Effects Command's delinquency rate | |
| Disputed/Fraudulent transactions must be reported within 60 days of when the charge first appears on a statement | Effects Command's delinquency rate | | |

***Days = days past billing statement date**

ANNEX 4 DELINQUENCY TIMELINE FOR CBA

DELINQUENCY TIMELINE for CBA

| CURRENT 1 to 60 Days* | SUSPENDED 61 to 125 Days* | CANCELLED/CLOSED 126 to 210 Days* | CHARGE OFF 211 Days* |
|--|--|---|--|
| Receive statement | No new charges without CBA exception granted by travel card vendor | PPA interest is being accrued until payment receipt | May charge off |
| Day 1 = The day after charges post to the organization's statement | PPA interest is being accrued until payment receipt | At 126 days and beyond no further exceptions can/will be approved | Could affect the organization's ability to open new CBA accounts |
| Past Due status at day 31 | Effects Command's delinquency rate | Reinstatement of account upon payment in full and CPM approval | Delinquency removed from HL |
| Prompt Pay Act (PPA)-Interest is incurred at day 31 | At 61- 90 days exceptions must be approved by CPM/HL 2-3 | Cannot transfer to another HL | |
| Disputed/Fraudulent transactions must be reported within 60 days of when the charge first appears on a statement | At 91-125 days exceptions must be approved by DTMO/HL 1 | | |

***Days = days past billing statement date**

ANNEX 5 SAMPLE 61 DAY DELINQUENCY MEMORANDUM FOR IBA

MEMORANDUM FOR (NAME OF CARDHOLDER'S IMMEDIATE SUPERVISOR)

SUBJECT: DELINQUENT GOVERNMENT TRAVEL CHARGE CARD PAYMENT NOTIFICATION – 61 DAYS

We have been informed by the travel card vendor that (cardholder's name) is 61 days delinquent in payment of his/her account. The total amount due is \$_____. The account is subject to a \$29 late fee at the point the account becomes 75 days delinquent and an additional \$29 late fee for each subsequent billing cycle until the delinquency is resolved.

(Provide the specific information regarding the delinquent charges.)

The travel card contract requires that all outstanding, undisputed charges be paid by the due date specified on the billing statement. The travel card vendor has suspended card privileges for this cardholder due to non-payment. The cardholder is required to be notified of this action and counseled concerning the non-payment and use of the travel card. Cardholders on temporary duty more than 45 days are required to submit travel vouchers for payment every 30 days and maintain their travel card account in a current status. The Department's policy requires mandatory use of split disbursement for all outstanding charges on the travel charge card for all DoD personnel (military or civilian) where applicable.

Noncompliance, or failure to adhere to the guidelines for the travel card, may result in disciplinary action in accordance with applicable statutory, regulatory, or contractual provisions and applicable Multi-Unit Master Agreement for bargaining unit employees.

The delinquent balance may be resolved by one of the following actions: (1) payment in full or (2) an agreed upon repayment schedule with the travel card vendor. Billing questions may be directed to the travel card vendor at the number printed on the billing statement for that purpose. Questions concerning the travel card program may be directed to (APC's name) at (telephone number).

Please have the cardholder sign below to acknowledge receipt of this delinquent notification and return to me with your written response, outlining the actions taken, within 5 business days.

Signature

Agency Program Coordinator

cc: Cardholder

I acknowledge receipt of this memorandum. _____
(Name, Grade, Organization) (Date)

ANNEX 6 SAMPLE 91 DAY DELINQUENCY MEMORANDUM FOR IBA

MEMORANDUM FOR IMMEDIATE/SECOND LEVEL SUPERVISOR

SUBJECT: DELINQUENT GOVERNMENT TRAVEL CHARGE CARD PAYMENT NOTIFICATION – 91 DAYS

The 91-day delinquent notification list from the travel card vendor has been received and (cardholder's name) is now 91 days delinquent on his/her account. The total amount due is \$____. The attached 61-day notification memorandum previously informed the immediate supervisor that the payment on the cardholder's travel card account was delinquent. The travel card vendor sent a letter notifying the cardholder of their due process and impending salary offset procedures. The account became subject to a non-reimbursable \$29 late fee on the date the account became 75 days delinquent; an additional \$29 non-reimbursable late fee will apply for each subsequent billing cycle until the debt is resolved or salary offset is established.

(Provide specific information regarding the delinquent charges.)

The travel card contract requires all outstanding, undisputed charges be paid by the due date specified on the billing statement. If no action is taken to settle this debt, the travel card vendor will cancel the account at 126 days past billing. Travel card charging privileges have been suspended as of (date). These privileges may be restored upon full payment of the amount owed prior to cancellation. The cardholder must be notified and counseled. Cardholders on temporary duty more than 45 days are required to submit travel vouchers for payment every 30 days and maintain their travel card account in a current status. The Department's policy requires mandatory use of split disbursement for all outstanding charges on the travel charge card.

Noncompliance or failure to adhere to the guidelines for the travel card may result in disciplinary action in accordance with applicable statutory, regulatory, or contractual provisions and applicable Multi-Unit Master Agreement for bargaining unit employees.

The delinquent balance may be resolved by payment in full or an agreed upon repayment schedule with the travel card vendor. Billing questions may be directed to the travel card vendor at the number printed on the billing statement for that purpose. Questions concerning the travel card program may be directed to (APC name).

Please have the cardholder sign below to acknowledge receipt of this delinquent notification and return it to me with your written response, outlining the actions taken, within 5 business days.

Signature
Agency Program Coordinator

cc: Cardholder

I acknowledge receipt of this memorandum. _____
(Name, Grade, Organization) (Date)

ANNEX 7 SAMPLE 121 DAY DELINQUENCY MEMORANDUM FOR IBA

MEMORANDUM FOR COMMANDER/DIRECTOR

SUBJECT: CANCELLATION OF TRAVEL CARD - 121 DAY DELINQUENT PAYMENT NOTIFICATION

The 61 and 91 day delinquent notification memoranda, dated __ and __ respectively, notified the immediate supervisor and second level supervisor of the past due account for cardholder (name). It has been brought to our attention that this cardholder has a delinquent travel card balance of \$__ that is now over 121 days delinquent. To date, no arrangement has been made with the travel card vendor to resolve this debt. Therefore, the account has been canceled. The cardholder has received notice of impending salary offset from the travel card vendor. If the cardholder is not eligible for salary offset, the travel card vendor may begin official collection action. Collection action may include credit bureau notification of the employee's failure to pay. Additionally, delinquent cardholders are subject to a \$29 non-reimbursable late fee per billing cycle for each billing cycle following the point at which the account became 75 days delinquent.

(Provide specific information regarding the delinquent account.)

The cardholder may request reinstatement with the approval of the commander or director. Reinstatement, at the travel card vendor's discretion, is conditioned on a new favorable credit score, no outstanding balance, and payment of all late fees.

Noncompliance or failure to adhere to the guidelines for the travel card may result in disciplinary action in accordance with applicable statutory, regulatory, or contractual provisions and applicable Multi-Unit Master Agreement for bargaining unit employees.

Please contact (Agency Program Coordinator) at (telephone number), should further questions arise. Please have the cardholder sign to acknowledge receipt of this notification and return it with your written response, outlining the actions taken, within 5 business days.

Signature
Agency Program Coordinator

cc: Cardholder

I acknowledge receipt of this memorandum. _____

(Name, Grade, Organization)

(Date)

ANNEX 8 SAMPLE SUSPECTED MISUSE/ABUSE MEMORANDUM FOR IBA

MEMORANDUM FOR CARDHOLDER

SUBJECT: SUSPECTED MISUSE/ABUSE NOTIFICATION

I am the Government Travel Charge Card (GTCC) Agency Program Coordinator for {Activity}. I received a non-travel activity report dated {date} from the travel card vendor indicating that your GTCC was used when not on official travel. In accordance with the DoD Travel Card Regulations, <http://www.defensetravel.dod.mil/Docs/regulations/GTCC.pdf>, misuse/abuse of the card will not be tolerated. This report indicates that your card was used for *{list suspected non-official travel purchases and dates}*. Supporting travel documentation for this timeframe is not available.

Please provide information to justify use of the card during the timeframe listed above. If there is no justification provided by *{provide a suspense date}*, your supervisor will be apprised of this issue and your card will be deactivated while in a non-travel status.

If you have any questions, please contact me.

{APC name}
{APC email}
{APC phone}

ANNEX 9 P.L. 112-194 GOVERNMENT CHARGE CARD ABUSE PREVENTION ACT OF
2012

| | P.L. 112-194 Description and Reference | Responsible Office/References | Tools/Reports available |
|------------|--|--------------------------------------|--------------------------------|
| | § 1909.3 - "Management of Travel Cards" [Amends Section 2 of the Travel and Transportation Reform Act (TTRA) of 1998 (P105-264; 5 U.S.C. 5701 note) by adding the following new subsection: (h) Management of Travel Cards to include the following 112-194 provisions: | | |
| T1. | § 1909.3(1) - "Required Safeguards and Internal Controls" - The head of each executive agency that has employees that use travel charge cards shall establish and maintain the following internal control activities to ensure the proper, efficient, and effective use of such travel charge cards: | | |
| T2. | § 1909.3(1)(A) - There is a record in each executive agency of each holder of a travel charge card issued on behalf of the agency for official use, annotated with the limitations on amounts that are applicable to the use of each such card by that travel charge cardholder. | Components / 041103 Records | Account Listing Report |

| | | | |
|------------|---|--|-------------------------------|
| T3. | § 1909.3(1)(B) - Rebates (Refunds) based on prompt payment, sales volume, or other actions by the agency on travel charge card accounts are monitored for accuracy and properly recorded as a receipt of the agency that employs the cardholder. | Components / 040306 Rebates | Detail/Summary Rebate Reports |
| T4. | § 1909.3(1)(C)- Periodic reviews are performed to determine whether each travel charge card holder has a need for the travel charge card | Components / 041108 Review Reports to Identify Accounts for Closure | Account Activity Text Report |
| T5. | § 1909.3(1)(C)- Appropriate training is provided to each travel charge cardholder and each official with responsibility for overseeing the use of travel charge cards issued by an executive agency. | DTMO / Responsible for policy and training through web based training in TraX / Component - Responsible for compliance / 0408 Travel Card Training | DTMO TraX courses |
| T6. | § 1909. 3(1)(D) - Each executive agency has specific policies regarding travel charge cards issued for various component organizations and categories of component organizations, the credit limits authorized for various categories of card holders, and categories of employees eligible to be issued travel charge cards, and designs those policies to minimize the financial risk to the Federal Government of the issuance of the travel charge cards and to ensure the integrity of travel charge card holders. | DTMO / 0403 General Travel Card Information / 0404 Travel Card Eligibility | |

| | | | |
|------------|--|--|--|
| T7. | § 1909.3(1)(E) - Each executive agency has policies to ensure its contractual arrangement with each travel charge card issuing contractor contains a requirement that the creditworthiness of an individual be evaluated before the individual is issued a travel charge card, and that no individual be issued a travel charge card if that individual is found not creditworthy as a result of the evaluation (except that this paragraph shall not preclude issuance of a restricted use, prepaid, declining balance, controlled-spend, or stored value card when the individual lacks a credit history or has a credit score below the minimum credit score established by the Director of the Office of Management and Budget.) | Components / 041001 Requirement for Credit Checks | Both the GSA SmartPay® Master Contract and the DoD Tailored Task Order include this requirement |
| T8. | § 1909.3(1)(E) - Each executive agency utilizes effective systems, techniques, and technologies to prevent or identify improper purchases. | Components / 041005 Misuse / 041402.E Weekend/Holiday Activity Report / 041402.F Non-Travel Activity Report / 041405 Data Mining/Optional Reports for IBA/CBA | Citi EAS - Non-Travel Activity Report, Weekend/Holiday Activity Report Visa IntelliLink - Data Mining Reports |
| T9. | § 1909.3(1)(F) - Each executive agency ensures that the travel charge card of each employee who ceases to be employed by the agency is invalidated immediately upon termination of the employment of the employee (or, in the case of a member of the uniformed services, upon separation or release from active duty or full-time National Guard duty). | Components / 041106 Closure of GTCC Cardholders | Ensure APC is listed on Checkout Sheet / DMDC Separation Reports |

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| T10. | § 1909.3(1)(G) - Each executive agency shall ensure that, where appropriate, travel card payments are issued directly to the travel card-issuing bank for credit to the employee's individual travel card account. | Components / 041007 Split Disbursement | |
| T11. | § 1909. 3.b "Inspector General Audit" - The Inspector General of each executive agency with more than \$10,000,000 in travel card spending shall conduct periodic audits or reviews of travel card programs to analyze risks of illegal, improper, or erroneous purchases and payments. The findings of such audits or reviews along with recommendations to prevent improper use of travel cards shall be reported to the Director of the Office of Management and Budget and Congress. | DoDIG | |

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| T12. | § 1909. 3.c "Penalties for Violations" - Consistent with the guidance prescribed under paragraph (2), each executive agency shall provide for appropriate adverse personnel actions to be imposed in cases in which employees of the executive agency fail to comply with applicable travel charge card terms and conditions or applicable agency regulations or commit fraud with respect to a travel charge card, including removal in appropriate cases. | Components / 040103 Compliance / 041005 Misuse | |
| | § 1909.4 - "Management of Centrally Billed Accounts". | References | |
| CB1. | § 1909. 4.a - "Required Internal Controls For Centrally Billed Accounts" - The head of an executive agency that has employees who use a travel charge card that is billed directly to the United States Government shall establish and maintain the following internal control activities: | | |
| CB2. | § 1909.4.a.1 - The executive agency shall ensure that officials with the authority to approve official travel verify that centrally billed account charges are not reimbursed to an employee. | Components / JTR U2505 / JTR C2505 | Itinerary/Invoice provided by the Commercial Travel Office (CTO) indicates IBA or CBA usage |

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| CB3. | § 1909.4.a.2 - The executive agency shall dispute unallowable and erroneous charges and track the status of the disputed transactions to ensure appropriate resolution. | Components / 041202.C Disputed Charges | Incorporated into CTO contracts; CBA reconciliation processes and procedures include reporting/tracking disputed transactions |
| CB4. | § 1909. 4.a.3 - The executive agency shall submit requests to servicing airlines for refunds of fully or partially unused tickets, when entitled to such refunds, and track the status of unused tickets to ensure appropriate resolution. | Components | Incorporated into CBA reconciliation processes and procedures |