



## Chapter 3: Financial Management and Accounting

### Part 3.2.1 – Travel Card Manual

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## **Introduction**

This manual prescribes official Department of Homeland Security (DHS) **travel card** policies and procedures covering the use of the travel card authorized by the General Services Administration (GSA) for payment of official travel and local travel expenses under the DHS Travel Card Program. This manual includes definitions, roles and responsibilities, and processes to address the operation of the Travel Card Program and describes the DHS relationship with the travel card bank, referred to throughout this policy as the “bank.”

The travel card is authorized for the purchase of certain goods and services while on approved, official government travel. The Travel Card Program saves taxpayers millions of dollars by reducing administrative costs and providing for refunds, or rebates. Compliance with this manual will maximize the rebates and minimize the risk of fraud, waste, and abuse.

The policies and procedures contained in this manual are based on the governing regulations and guidelines in Title 5, United States Code, Chapter 57 (5 U.S.C. Chapter 57), Travel, Transportation, and Subsistence. This manual covers the information presented primarily in the **Federal Travel Regulation** (FTR) (41 CFR Part 300–301) and in Office of Management and Budget (OMB) Circular A-123, Appendix B. This manual also contains guidelines regarding privacy which are found in Title 4, U.S. Code of Federal Regulation, Part 83 – Privacy Procedures for Personnel Records (4 CFR Part 83).

In compliance with the *Travel and Transportation Reform Act of 1998* (Public Law 105–264), this manual is intended to supplement the FTR and the Joint Travel Regulations (JTR) and does not duplicate all information contained in the FTR or JTR. This manual provides DHS employees with the travel card regulations and policies established by both GSA and DHS. Questions regarding unusual or specific circumstances not covered by this manual should be referred to the appropriate **Component primary organizational program coordinator (CPOPC)**.

This policy applies to all DHS employees. This policy supersedes the Travel Card Manual dated March 28, 2016. (See the summary of changes incorporated in this revision.) This policy will expire three years from the date of publication or upon reissuance, whichever comes first.

## **Responsibilities**

1. The **Under Secretary for Management (USM)** assigned responsibility for travel card policy development and program oversight to the DHS Chief

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Financial Officer (CFO) within DHS Delegation 01000, *Delegation for Financial Activities*.

2. The **Chief Financial Officer (CFO)** will to the extent allowed by law, and to ensure functional integration of Department-wide financial activities, provide supervision, oversight and direction including—
  - a. Internal controls to promote the use of the card and to protect against fraud, waste, and abuse. Internal controls will include a review of the travel card program at least annually.
  - b. The travel card program, including the authority to require reimbursements to issuers of contractor-issued travel charge cards, under Public Law 105-264, Section 2 (5 U.S.C. § 5701 note), and the authority to require reimbursements to issuers of contractor-issued travel charge cards under 14 U.S.C. § 517.
  - c. The Government Charge Card Program, pursuant to Federal Acquisition Regulation 13.301 and OMB Circular A-123, Appendix B.
  - d. Travel and transportation expenses and allowances authorized under 5 U.S.C. Chapter 57 and Public Law 111-83, Section 546, including—
    - 1) Official travel expenses and subsistence allowances authorized for individuals, including but not limited to employees and immediate family members, Senior Executive Service candidates, witnesses; and
    - 2) Transportation expenses for the remains of a covered employee or dependent pursuant to 5 U.S.C. §§ 5724d and 5742.
3. The **agency program coordinator (APC)** will—
  - a. Successfully complete training on the roles and responsibilities of an APC prior to appointment, including proper management, control and oversight tools and techniques, and the FTR Part 301-70 - Internal Policy and Procedures Requirements, Subpart H - Policies and Procedures Relating to Mandatory Use of the Government Contractor-Issued Travel Charge Card for Official Travel Section 301-70.700 through 708. The APC must also receive the same training as the cardholders and CPOPCs and organizational program coordinators (OPC).
  - b. Monitor and oversee internal controls for the overall travel card program including the development of internal controls to prevent fraud, waste and

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abuse in individually billed account (IBA) and centrally billed account (CBA) travel cardholder transactions as detailed in the DHS Travel Card Key Controls, Appendix B.

- c. Serve as the liaison to the bank, card company, and GSA on issues dealing with the program.
  - d. Coordinate training for CPOPCs, including GSA SmartPay and ad hoc training through coordination with the bank and card companies.
  - e. Review bank reports on delinquent accounts; provide management with a report on these accounts, and request action plans from applicable Components.
  - f. Approve travel card credit limits of more than \$20,000. During an appropriation lapse where the APC is furloughed, this responsibility is delegated to CPOPCs as needed. For each week of a lapse, the travel card credit limits may be raised \$5,000 for authorized travel expenses only.
  - g. Implement and maintain DHS Travel Card Manual and initiate timely review and revision.
  - h. Submit to the bank merchant category code (MCC) group change requests.
  - i. Submit to the bank IBA reinstatement requests.
4. The **Component primary organizational program coordinator (CPOPC)** or the designee will—
- a. Successfully complete GSA program coordinator and cardholder training prior to appointment, including proper management, control and oversight tools and techniques, JTR and the FTR Part 301-70 - Internal Policy and Procedures Requirements, Subpart H - Policies and Procedures Relating to Mandatory Use of the Government Contractor-Issued Travel Charge Card for Official Travel Section 301-70.700 through 708. The CPOPC must also receive the same training as the cardholders. Provide status of completed GSA and DHS training to APC.
  - b. Manage the travel card program, including the development of internal controls to prevent fraud, waste, and abuse, monitoring Component travel cardholder transactions, and overseeing CBAs.

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- c. Maintain records of travel cardholder agreements, training certificates, and appropriate documentation to meet the requirements of OMB Circular A-123, Appendix B (creditworthiness) if an alternate form of creditworthiness was required. Documents must be retained for 6 years after the final payment to the card account per National Archives and Records Administration (NARA) general records schedule.
- d. Establish and issue Component initial training, refresher training every two years, job aids, and guidance for effective implementation of the travel card program.
- e. Establish credit and cash limits with the bank for their Component up to \$20,000. Travel card credit limits over \$20,000 must be approved by the APC. Document justification to change IBA cardholder credit limits above \$20,000.
- f. Establish Automated Teller Machine (ATM) withdrawal limits in the bank's system in accordance with policy.
- g. Directly oversee no more than 800 active IBA cardholders. Active accounts are defined as any account that has been used in the last year. Assign subordinate Organization Program Coordinators (OPCs) if needed to effectively manage the Component program.
- h. Manage the accounts of active IBA cardholders in the bank's electronic access system (EAS).
- i. Assign MCC groups appropriately
- j. Manage IBA Delinquencies:
  - 1) Notify the cardholder in writing at 31, 61, and 90 days delinquent.
  - 2) Notify the cardholder's supervisor of the delinquency once the account reaches 61- and 90-days delinquent.
  - 3) Initiate salary offset collection procedures upon notice from the bank via the APC for delinquent account balances 91 days past due.
- k. Promptly respond and provide requested documentation to APC inquiries for monthly or cycle reports, transaction data, documentation, and status updates on their programs.
- l. Process post-payment audit cases through the card company's data

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mining system and alert the APC of any delay of cases taking over 30 days to resolve. Provide additional update every 30 days as necessary until the case is closed. Provide a corrective action for any cases found to be misuse, abuse or fraud. Components are encouraged to initiate their own review in the system.

- m. Close cardholder accounts and advise the cardholder to destroy card when the cardholder resigns, retires, or transfers to another Component or government agency.
  - n. Establish a process to ensure inactive accounts are reviewed to ensure all inactive accounts are still needed. Lower credit limit until travel is required or close inactive accounts.
  - o. For restricted account renewals, or upon restricted cardholder's request after one year's use, evaluate the restricted cardholder's account usage. If the cardholder's account has not been delinquent and the card has not been misused, the CPOPC may choose to request the bank change the account to unrestricted.
  - p. Ensure **split disbursement** is used to the maximum extent possible unless otherwise exempt.
  - q. Assign or remove OPCs with the bank.
  - r. Perform oversight of the OPCs.
  - s. Verify accuracy of IBA bank rebates.
  - t. Maintain records in accordance with NARA records schedules.
5. The **organizational program coordinator (OPC)** will—
- a. Successfully complete DHS travel card training as required and complete the bank's EAS training.
  - b. Under the direction of the CPOPC, assist with the management of the travel card program to include any of the CPOPC responsibilities listed above.
  - c. Directly oversee no more than 800 active IBA cardholders. Active accounts are defined as any account that has been used in the last year.
6. The **Component centrally billed account (CBA) manager** may be the

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CPOPC and a CBA cardholder. The Component CBA manager will –

- a. Complete the initial DHS Online Travel Card Program training and complete refresher training every two years.
- b. Establish a process, with strict internal controls, to ensure that all charges and payments are timely, accurate, appropriate (i.e., travel-related purchases) and supported by receipts.
- c. Ensure credit limits are reasonable and based on need to minimize financial risk. Review CBAs annually and close unused accounts.
- d. Establish controls to prevent reimbursement of CBA charges to employees.
- e. Dispute unallowable and erroneous charges and track the status of the disputed transactions to ensure appropriate resolution.
- f. Submit requests to servicing vendors for refunds of fully or partially unused tickets when entitled to such refunds and track the status of unused tickets to ensure appropriate resolution.
- g. Contact appropriate personnel to ensure any missing vouchers and delinquent payments are addressed, and corrective actions are taken to prevent further occurrence.
- h. Verify accuracy of CBA bank rebates.

### 7. **Supervisors or designated alternates** will—

- a. Determine which employees in their organization should apply for a travel card in accordance with the DHS Travel Card Manual.
- b. Instruct employee to contact the CPOPC or local OPC for travel card application procedure.
- c. Sign employee's cardholder agreement.
- d. Notify the CPOPC or local OPC of suspected travel card misuse or abuse. Recommend or initiate an investigation.
- e. Take prompt corrective action when notified that a cardholder has a delinquent account or has misused an IBA.

8. The **travel cardholder** will—
- a. Use the travel card for official authorized and reimbursable travel expenses incurred only while on official **temporary duty (TDY) travel**, relocation travel, or for local travel to pay for authorized and reimbursable travel expenses such as parking fees and taxis.
  - b. Use state tax exemption forms when applicable to avoid paying taxes when not required. Status and form requirements vary from state-to-state. Specific requirements can be found on the GSA SmartPay website or on the GSA SmartPay application available for smart phones and tablets.
  - c. Provide travel card account numbers to the designated Component travel management system when completing the system's traveler profile.
  - d. File a voucher requesting reimbursement for travel expenses within 5 business days of completing travel or at least every 30 days if on continuous travel. Reimbursements should be submitted sooner if approaching the credit limit. The cardholder must not be the approving official for the travel voucher.
  - e. Pay the bank in full for the amount billed by the payment due date on the statement regardless of voucher reimbursement status, or **dispute** incorrect charges directly with the bank in accordance with the cardholder agreement. Cardholders may dispute charges online or by calling the customer service number on the back of their travel card.
  - f. Comply with this policy manual, the terms and conditions of the Component cardholder agreement, and policies and procedures of the Component if they do not conflict with the guidance provided in the DHS Travel Card Manual.
  - g. Update their profile in the bank's online system or notify the bank in a timely manner when a change of name, address, or other personal profile change occurs. FEMA and USCG cardholders should contact their CPOPC to change their name with the bank. Notify the CPOPC or OPC of any transfer between offices within your Component.
  - h. Successfully complete the DHS mandatory Travel Card Training at time of application and as a refresher a minimum of every 2 years. Provide copy of training certificates to the local OPC or CPOPC upon request.
  - i. Destroy the card upon retirement or termination of employment or transfer to another agency or DHS Component and notify CPOPC or

local OPC to close the account.

- j. If issued a restricted account, may request the restricted status be removed after one year of maintaining the account in good standing (i.e., no delinquency or misuse). Submit your request via email to your local OPC or CPOPC for account evaluation. If approved, the CPOPC will request the bank remove the restricted status.

## **Policy**

All DHS employees who travel two or more times per fiscal year or who may be required to travel on extended TDY must obtain and, to the maximum extent possible, use the travel card to pay for all authorized and reimbursable travel and **transportation expenses**. This includes DHS interns. It is mandatory to use the contractor-issued government travel card for all authorized travel expenses other than those exempted by the JTR and FTR (§ 301-51.2). Foreign nationals are not eligible to hold IBA travel cards issued by federal agencies, as they are not federal employees. However, CBAs may be used to pay for their travel expenses when required by and approved by the agency or Component.

For new employees, infrequent travelers, and non-DHS employees including contractors traveling on behalf of DHS, DHS will provide reimbursement for travel expenses paid for in an alternative manner.

The Secretary or the CFO may authorize a waiver for the requirements of the Travel Card Manual on a case-by-case basis. Request for a waiver must be in the form of an action memo addressed to the CFO.

DHS travelers must fully comply with all applicable travel requirements set forth in the FTR, JTR, DHS travel policy, and their Component-specific travel policy.

### ***1. IBA Travel Card Application and Activation***

- a. To obtain a travel card all prospective cardholders must—
  - 1) Successfully complete the DHS online travel card training course and obtain the DHS online training course completion certificate or transcript. Travel cardholders are required to complete travel card training every two years to maintain their accounts. If a cardholder has not completed this mandatory training, the CPOPC will issue three warnings. If the training remains incomplete 15 work days after the first warning, the account will be suspended until training is complete. Cardholders must maintain a copy of their training

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certificate and must also provide a copy to their local OPC or CPOPC upon request.

- 2) Complete and submit their Component's Cardholder Agreement Form.
  - 3) Submit copies of the above forms and documents to the CPOPC or local OPC for processing.
  - 4) Complete the IBA travel card application process.
- b. In accordance with OMB Circular A-123, Appendix B, travel card applicants must consent to a credit worthiness evaluation. Applicants that do not meet the minimum required credit score will be issued a restricted card. The bank conducts a **soft credit check** that does not affect an applicant's credit score.
- c. If the applicant refuses the bank's credit check in the application workflow, the CPOPC must complete an alternate form of credit worthiness (Appendix C) before approving the application. Once the application is processed, the bank will issue a restricted travel card defined as a card set to a low credit limit when the cardholder is not on official travel.
- d. The restricted account credit limit should only be increased temporarily to the amount required for travel and only for the dates of the travel. The restricted account credit limit of cardholders who are emergency responders may be set to allow for immediate travel to ensure the safety of American citizens and property.
- e. Travel Card Activation
- 1) The bank will mail the travel card directly to the employee's billing address for receipt within 5 to 7 business days of an approved application, or to an alternate address where the travel card can be signed upon receipt.
  - 2) The employee is required to activate the travel card upon receipt. Per the terms of the bank's cardholder agreement, a copy of which is included in the envelope in which the card is delivered, by activating, signing, or using the card or account, the employee is agreeing to the terms of the bank's cardholder agreement. Employees are encouraged to read and retain the bank's cardholder agreement and table of fees.

## **2. IBA Travel Card Use**

- a. *Official travel expenses.* Travel cards issued under this program must be used solely for all authorized and unexempted reimbursable expenses incurred during authorized official government travel.
- b. *For use by cardholder only.* Employees may only use travel card for payment of their own authorized official expenses. Employees must not use their travel card for payment of another traveler's expenses as doing so constitutes unauthorized use of the card and may result in disciplinary action. The cardholder is fully responsible for payment of all charges placed on their travel card unless charges are the result of theft, compromise, or any other unauthorized use that is not a direct result of the cardholder's negligence or failure to secure the account.
- c. *Use of third-party payment providers.* Cardholders may transact with vendors who use third-party payment providers (e.g., PayPal and Square). Components should monitor these types of transactions carefully.
- d. *Mobile pay.* The account number may be entered and used in mobile payment applications (e.g., Apple Pay, Samsung Pay, Google Pay, etc.). Cardholders should be cautious to prevent misuse when making personal purchases using mobile pay applications when personal credit card accounts and the IBA may both be available for payment selection.
- e. *Conference fees.* Conference/registration fees must be paid for using the purchase card with one exception. If the cardholder is in TDY status in the authorized period of travel the conference occurs, the travel card may be used to pay for a conference or registration fee when authorized by the Component.
- f. *Local travel.* The travel card may be used for authorized and reimbursable local travel expenses (e.g., taxis and parking fees) if authorized by Component. Local travel expenses may include fuel associated with rental vehicles used in connection with a United States Secret Service protection detail.
- g. *Relocation Expenses.* House-hunting expenses and travel expenses incurred en route to the relocation destination are subject to certain TDY policies under the FTR and therefore should be charged to the travel card. See DHS Directive Number 253-01, Relocation Allowances, and the supporting instruction for more specific relocation guidance. This does not apply to USCG personnel operating under the JTR.
- h. Exemptions from mandatory use of the travel card. Employees must use the travel card for official travel expenses unless:

- 1) Expenses are incurred at a vendor that does not accept the travel card.
- 2) Use of the card is impractical (e.g., group meals).
- 3) The employee does not have a card due to infrequency of travel, pending IBA application, or canceled IBA. These employees use the CBA to pay for authorized common carrier expenses and are reimbursed for M&IE and miscellaneous travel expenses.

### **3. ATM Cash Withdrawals and Cash Purchases**

- a. In accordance with the FTR and JTR, the use of cash to purchase transportation tickets is prohibited in any situation where the total cost of the tickets involved is \$100 or more, except in emergencies that make the use of all other methods impossible. Travelers must provide documentation to the local OPC or CPOPC for tickets purchased with cash over the \$100 limit explaining the circumstances surrounding the need to use cash. The documentation must be approved by the direct supervisor.
- b. Travel cards include a cash withdrawal feature. Cash withdrawals should only be obtained by the cardholder for the payment of their authorized travel expenses that cannot be paid for using the travel card and should not exceed the amount needed to pay for expenses that cannot be paid for using the travel card. Cash obtained from the travel card is issued to the employee (cardholder) by the bank on behalf of the government. Employees are liable for these funds as if they obtained cash directly from DHS.
- c. Cash withdrawals for official DHS travel are to be obtained using the travel card and a personal identification number (PIN) set by the cardholder. A traveler may make a withdrawal through a participating ATM or financial institution anywhere, including the duty station, the TDY station, or en route, subject to the following time requirements. A withdrawal may be made—
  - 1) After the **travel authorization**, Component specific form or travel order has been approved, but
  - 2) No earlier than three days prior to trip departure, and
  - 3) No later than the last day of travel.
- d. *ATM/teller transaction limits.* The maximum ATM/teller withdraw amount for domestic travel is limited to \$400.00 per seven-day period.

*Note: There may be instances (e.g., foreign or remote travel) where these limitations may need to be raised. If so, notify the CPOPC or local OPC as soon as possible prior to the need for an increase.*

- e. *ATM fees.* A finance charge or cash advance fee will be charged by the bank for the cash withdrawal and is reimbursed as a miscellaneous travel expense. In some cases, an additional surcharge (terminal fee) may be imposed by the financial institution that owns the ATM. This fee may also be claimed and reimbursed as a miscellaneous travel expense on the travel voucher. For USCG cardholders operating under the JTR, ATM fees are considered part of the M&IE flat rate and not reimbursable as unique charges.
- f. *Security of the PIN.* The PIN should not be written on the travel card or on any material that is kept with the travel card. If the travel card is lost or stolen and the PIN is discovered by trial and error, employees are not liable for any money illegally withdrawn, provided the travel card is reported lost or stolen as soon as its loss is discovered. Employees should call the bank immediately and select another PIN if the PIN is forgotten or compromised. Most ATMs will allow only three invalid PIN entries, after which the ATM machine will refuse to accept the travel card. If the machine does not return the travel card, call the bank that owns the ATM and the card provider bank to report the incident.
- g. *Disallowed ATM fee.* Claims for ATM fees will be disallowed in cases where:
  - 1) Cash withdrawals are not supported by an approved travel authorization.
  - 2) Cash withdrawals exceed the M&IE approved on the travel order and the voucher does not indicate an emergency withdrawal was made while on travel.
  - 3) Withdrawals are made after the last day of travel.
  - 4) The government travel card was not used to obtain the ATM withdrawal.

#### **4. Travel Voucher Claims**

- a. Employees must submit travel vouchers in accordance with the DHS and Component-specific travel procedures to obtain reimbursement for authorized travel expenses.
- b. If an IBA is suspended or closed and the cardholder needs to process a voucher that incurs a fee, the travel system voucher fee must be placed on the

Component's CBA.

## **5. Monthly Travel Card Billing and Payment**

- a. Cardholders are responsible for managing their monthly account statements, including review and verification of all transaction activity. The bank offers online statements and paper statements. Cardholders are expected to retrieve their monthly statement and take required action whether they receive or have access to the mailed/paper statement or not. Additionally, the bank offers a variety of automated alerts, including alerts for statement availability and payment due date. Cardholders are encouraged to maximize their use of electronic statement access and automated alerts as allowed by DHS and Component-specific IT policies and are reminded that they are ultimately responsible for retrieving their monthly statement and making payment directly to the bank by the due date listed on the statement.
- b. Regardless of reimbursement status, payment in full for the amount billed, including cash withdrawals and reimbursable transaction fees, are due and payable by the employee directly to the bank by the date shown on the cardholder's monthly statement. If the cardholder's statement includes a transaction that the cardholder disputes (See Section 6, following), the cardholder may omit the disputed amount from payment to the bank. Otherwise, deferred, extended, or partial payments are not permitted.
- c. In accordance with the bank's cardholder agreement, the bank will cancel any account where an Non-Sufficient Funds (NSF) payment is recorded two times within a 12-month period. A third NSF in the life of the account will result in closure of the account with no opportunity for reinstatement. Employees are responsible for any fees assessed due to NSF payments.

## **6. Transaction Disputes**

- a. A disputable transaction or charge is any unrecognized or unauthorized transaction that appears on the cardholder's monthly statement and may include billing errors that can be resolved directly with the merchant. Cardholders should attempt to resolve disputable transactions by first contacting the merchant to request correction. If the merchant is unwilling to correct the error, the cardholder should formally dispute the transaction following the bank's dispute procedures. The amount due for disputable transactions remains included in the cardholder's statement amount due until the merchant has corrected the error (issued a partial or full credit) or until the cardholder has formally disputed the transaction with the bank.

- b. Cardholders must formally dispute a transaction within 90 days of the transaction date. Disputes may be initiated online within the bank's system or by calling the bank at the customer service number listed on the back of the card.
- c. Once the cardholder has formally disputed a transaction, the bank will issue a temporary dispute credit to the account that is equal to the amount of the disputed transaction. The temporary dispute credit remains on the account while the bank researches the dispute, and the cardholder is not responsible for making payment for the disputed transaction. If the bank upholds the cardholder's dispute, the dispute credit becomes permanent.
- d. Cardholders must provide all required information and documentation requested by the bank to support the dispute and should remain in contact with the bank throughout the dispute process until the bank has reached a final determination about the dispute. Failure to submit requested documentation by deadlines established by the bank will result in cancellation of the dispute, at which time the temporary dispute credit will be reversed and payment for the disputed transaction will be due. Cardholders may initiate a new dispute if it is still within the 90-day timeframe where the transaction is eligible for dispute.
- e. Transactions that are not formally disputed within 90 days of the transaction date cannot be disputed, i.e. after 90 days has passed since the transaction date, the transaction is not eligible for dispute. Cardholders are responsible for making payment to the bank for the full amount of all undisputed transactions, including transactions that were not accurate or not authorized if such transactions were not disputed within 90 days of the transaction or if the bank cancelled a dispute due to the cardholder's failure to respond to requests for information or documentation requested by the bank to support the dispute.

## ***7. Merchant and Credit Balance Refunds***

- a. A merchant refund is a transaction processed and approved by the merchant but pending credit on the cardholder account, i.e., a credit is forthcoming but has not yet posted to the cardholder account. Merchants typically issue refunds to correct billing errors or to credit a cardholder for unused services, e.g., unused portion or portions of transportation tickets. Once a merchant refund has posted to the cardholder account and is shown on the cardholder statement as a merchant transaction credit, the cardholder must return to the government any portion of the credited amount that was previously reimbursed by their Component
- b. A credit balance refund will occur when the bank receives a payment that

exceeds the amount due. The bank will reflect the amount of the excess as credit against future charges for up to 179 days. If there is a credit balance of more than \$1.00 on the account during any 179-day period, the bank will refund that credit balance to the cardholder no later than the end of that 179-day period via a check in the mail. The cardholder may also call the bank's customer service to initiate the credit balance refund. The cardholder must not withdraw the credit amount through an ATM. If that credit balance is \$1.00 or less, the bank will deem that credit balance to be zero.

## ***8. Security of the Travel Card***

- a. Employees are responsible for the security of their account information, travel card, and their PIN.
- b. Employees should not ask any other individual, including their CPOPC, OPC, supervisor, or assistant to store or hold their travel card on either a short or long-term basis.
- c. Employees should not provide their travel card or account number to any other individual to make or secure travel arrangements on their behalf except for TMC personnel.
- d. Employees should store their travel card in a secure location. Neither passwords used to access the online account, nor the PIN should be stored with the card at any time.

## ***9. Lost or Stolen Travel Cards***

- a. If a travel card is lost or stolen, the cardholder must immediately call the bank and CPOPC or local OPC.
- b. Cardholders should review charges. If any are considered fraudulent, the cardholder should notify the bank and their CPOPC or local OPC. Cardholders are not liable for any fraudulent charges if the travel card is lost or stolen.
- c. A replacement travel card will be mailed to the cardholder within 48 hours of notification if the travel card has been lost or stolen in the United States or Canada, and within 72 hours of notification in all other countries. Cardholders should update their profile in the TMS to include the new account number.

## **10. Travel Card Renewals**

- a. Travel cards show the date of expiration on the card. Renewal of the travel card is automatic when the account is in an open status.
- b. Per OMB A-123, Appendix B, Section 6.7 a credit worthiness assessment must be conducted for restricted cardholders before the cardholder is issued a renewed card. The re-evaluation of credit worthiness may be conducted by obtaining a credit score as described in OMB A-123, Appendix B, Section 6.3 or at the agency's discretion.
- c. CPOPCs may conduct the re-evaluation by reviewing the restricted cardholder's card usage during the initial period of card issuance. If the cardholder's account has not been delinquent and the card has not been misused, the CPOPC may request the bank to renew the card as unrestricted.

## **11. Travel Card Delinquency Actions**

- a. In accordance with the Component and bank cardholder agreements, cardholders are obligated to pay the undisputed portion of the new balance in full each month. Failure to honor just financial obligations in a prompt and timely manner also violates the Standards of Ethical Conduct for Employees of the Executive Branch (5 CFR Part 2635).
- b. *Suspension.* The issuing bank will suspend an account when the balance remains unpaid 31 days past due. The bank will not suspend any account for amounts in dispute. Thirty-one days past due equal 61 days from the billing or cycle date on the statement in which the unpaid charges first appeared.
- c. *Salary Offset Due Process Letter.* The bank will send a salary offset due process letter to a cardholder that is 61 days past due.
- d. *Salary Offset Initiation.* Individual card account balances that are delinquent and that are not disputed amounts will be eligible for the DHS travel card salary offset program (6 CFR 11.15 Applying the Debt Against DHS Payments). If the account ages to 91 days past due, the issuing bank will send a request to the CPOPC via the APC notifying of cardholder(s) eligible for salary offset. Due process must be granted that is substantially equivalent to that under appropriate federal code. The due process requirements that must be implemented prior to salary offset are:
  - 1) Provide the employee with written notice of the type and amount of the claim, the intention to collect the claim by deduction from the employee's

- disposable pay, and an explanation of the employee's rights as a debtor;
- 2) Provide the employee the opportunity to inspect and copy the records related to the claim;
  - 3) Provide the employee an opportunity to review the agency decision related to the claim; and
  - 4) Provide the employee an opportunity to make a written agreement with the bank to repay the delinquent amount.
  - 5) Once the bank receives notification from the APC that the account has been placed into salary offset status, late fees are stopped, but the account continues to age.
- e. *Closure or cancellation.* The issuing bank will cancel an account when the account ages to 96 days past due.
- f. *Late Fees.* Accounts become eligible for a 2.5% late fee once the account bills 4 payments past due. Example: \$1,000 (amount past due 96 days) x 2.5% = \$25. The bank assesses the late fee at 96 days past due on the amounts that are 126 or more days past billing. Late fees will continue to post every 30 days on amounts that are 96 days or more past due until the account is paid or is charged off (181 days past due). The late fee is not a travel expense and is non-reimbursable. The cardholder is responsible for paying any late fee.
- g. *Credit Bureau Reporting.* The issuing bank will report cardholders to credit bureaus when the balance remains unpaid 121 days past due.

## **12. Travel Card Account Closure**

- a. Travel cards may be closed by the employee, the employee's CPOPC or OPC, or the bank.
- b. When an employee resigns, retires, or transfers to another government agency, the CPOPC or local OPC will—
  - 1) If the account does not have a zero balance, advise the cardholder to pay the debt.
  - 2) Advise the cardholder to destroy the card.
  - 3) Immediately contact the bank or update the bank's EAS to close the

account.

- c. When an employee transfers within DHS to another Component they will follow the routine card application processing for the new Component.

### **13. Travel Card Reinstatements**

- a. Travel card accounts that were closed for delinquency or two NSF payments may be reviewed for reinstatement no earlier than six months past the date of full payment of the undisputed amount, and any penalties or late fees. A travel card account that was cancelled due to three or more NSF payments, or previously reinstated accounts are not eligible for reinstatement.
- b. If the CPOPC determines the employee's reinstatement request should be pursued, the CPOPC must submit a signed and completed copy of the APC Reinstatement Request Form.
- c. The APC will review and respond by email to each request for reinstatement within 5 business days. If the request for reinstatement is approved by the APC, the APC will request the bank reinstate the account. The bank will reinstate the account within two days.
- d. Travel card accounts that were closed for 18 months or more may have been purged from the bank's system and will not be reinstated. The CPOPC or local OPC should check the bank's system for an account that has been closed for 18 months or more. If the account has been purged, the cardholder must destroy the card and apply for a new account.
- e. Employees will not be eligible for reinstatement of an IBA or a new IBA if they have an unpaid balance on an IBA.

### **14. Improper Use of the Travel Card**

- a. Maintaining a government-issued travel card is a responsibility and not a right. At any time, a Component may initiate administrative and/or disciplinary actions up to and including removal from federal service in accordance with a Component's policy or practice to mitigate the risk of, and address, improper travel card uses.
- b. DHS policy prohibits the following—
  - 1) Making charges that are not authorized or reimbursable on approved

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official travel, (e.g., clothing, footwear and medical costs).

- 2) Personal, family member, or any other individual's unauthorized use of the card.
  - 3) Violating DHS travel policy when transacting with the card.
  - 4) Failure to pay the bank in full on or before the statement due date.
  - 5) Returned payments due to non-sufficient funds (bounced checks).
  - 6) Failure to submit timely requests for reimbursement and properly use government voucher reimbursement to repay travel expenses.
  - 7) Use of cash withdrawals to pay for authorized travel expenses when the card may be accepted for payment.
- c. The travel card may be used only for authorized DHS travel expenses. The card may not be used for non-travel expenses even if the expenses are business-related. Examples of business-related expenses that are not considered authorized reimbursable travel expenses include, but are not limited to:
- 1) Publications (includes books, newspapers, journals, periodicals and subscriptions).
  - 2) Membership fees.
  - 3) Reproducing materials for meetings at a print shop including postage and other administrative business expenses.
  - 4) Higher education expenses.
  - 5) Management consulting services.
  - 6) Automobile purchases (car repairs, towing and services except for fuel and oil).
  - 7) Computers, televisions, phones, phone chargers, or digital equipment.
  - 8) Non-travel car rental.
  - 9) Fuel or maintenance service expenses for any DHS- or GSA-owned fleet vehicles.

- 10) Rental of vehicles or purchase of POV fuel to move work-related equipment.
  - 11) Shipment of team gear or equipment for training.
- d. The DHS APC, CPOPC, OPC and the Component closely monitor employees' use of the card for fraudulent, abusive, or negligent charges and usage through the bank's system and through data mining efforts. The card company in conjunction with the bank provides a data mining system to manage the records of travel cardholders. The system detects anomalous transactions and the DHS APC assigns these cases to the CPOPC. The cases progress through the review, respond, and approve process, concluding with submission to the DHS APC within 30 days.
- e. Appendix A provides examples of travel card misuse frequently identified.

**15. Discipline and Adverse Actions**

- a. If a government-issued travel card is misused whether intentional or not, Components, through their supervisors and managers, must report that misuse to their respective personnel security division and consult with their servicing employee relations office, or office designated to oversee disciplinary and adverse actions. The severity of travel card misuse and any prior incidents of misuse will be taken into consideration when taking administrative and/or disciplinary or adverse actions.
- b. Cardholders with delinquent accounts and cardholders who misuse their travel cards may be subject to disciplinary action. DHS Directive, Instruction Number 250-09-001 provides nonbinding assistance in determining an appropriate penalty for certain common types of misconduct and performance deficiencies. The following offenses and suggested range of penalties taken from the instruction's table of penalties are pertinent to the DHS Travel Card Program.

*Note: The word suspension in the table refers to employment suspension.*

	Nature of Offense	References and Explanatory Notes	Range of Proposed Penalties 1 <sup>st</sup> Offense	Range of Proposed Penalties 2 <sup>nd</sup> or more Offenses
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1	Improper, fraudulent, abusive, or negligent use of a government – issued debit or credit card; or allowing another person to use your government-issued credit card	For example, using a government-issued travel card for other than official travel, misuse of purchase (debit) card for private gain	Written reprimand to removal	15-day suspension to removal
2	Failure to honor just debts or legal obligations in a timely manner	5 CFR 2635; includes untimely payment of government-sponsored travel card bills	Written reprimand to 14-day suspension	15-day suspension to removal
3	Failure to promptly and fully comply with directions, instructions, or assignments of a supervisor or other management official; failure to follow a regulation, policy, procedure, practice, protocol, or rule		Written reprimand to 14-day suspension	15-day suspension to removal

- c. Employees who lose their travel card privileges because of delinquency or unauthorized use and need to perform official travel must charge their **common carrier** transportation to their Component CBA. In some cases, the CBA can be set up to pay for hotel expenses and rental cars. All other travel-related costs must be paid by the employee using a personal charge card, with other personal funds or by obtaining a travel advance.

## **16. Financial Obligations and Liability**

- a. Employee. Government employees are required to pay their financial obligations on time and in full regardless of voucher reimbursement status, and to use the travel card only for official and local travel-related expenses.
- b. Government. The government assumes no liability for charges incurred on employee travel cards, nor is the government liable for employee’s lost or stolen travel cards. Payment of CBA charges is a government liability.

## **17. Refund Management**

- a. Proper management of sales refunds, also known as rebates is critical to ensuring that cost-effective charge card programs have internal controls in place to identify and collect refunds. Refunds will be managed in accordance with the Treasury Financial Manual (TFM 4500).
- b. The GSA Master Contract requires the bank to pay quarterly refunds, or rebates based on the travel card charge spend volume.
- c. Finance managers must return refunds to the account from which the charge was made in accordance with OMB Circular A-123, Appendix B, Chapter 7, unless express statutory authority authorizes a Component to credit a different appropriation.
- d. The quarterly refund may be used in support of the program (e.g., training, contract support, and program reviews).

## **18. Centrally Billed Accounts (CBA) Use**

- a. CBAs have been established by the Components, primarily to purchase transportation tickets for individuals who do not have their own individual government-issued travel card. However, the CBAs may be used for the common carrier portion of a travel cardholder's travel expenses. In some cases, it can be set up to pay for hotel and rental car expenses.
- b. The CBA may be used by, but not limited to invitational travelers, infrequent travelers, and for travelers who have not been authorized to use a travel card. Family members may be permitted to use the CBA for invitational travel on a case-by-case basis.
- c. To issue tickets on a CBA, the TMC must have supporting documentation. When booking the tickets, the traveler will provide the TMC with a travel authorization number or a copy of the approved travel authorization.
- d. TMCs will obtain and confirm prior approval from a Component point of contact prior to processing first-class or business-class travel.
- e. Each CBA will be subject to regular, periodic, documented review and reconciliation.

- f. CBAs will not be used for any expenses related to local travel; however, the use of the CBA is authorized to pay for TMS fees for local travel when the employee is not an IBA travel cardholder, if authorized by the Component.
- g. The CBA may also be used for TMS voucher fees if the IBA travel cardholder's account is suspended or cancelled.

## **19. Privacy Act Notice**

The following is provided to comply with the *Privacy Act of 1974* (5 U.S.C. § 552a) and DHS's privacy procedures for personnel records (4 CFR Part 83). The information requested in the travel card application is required under the provisions of 5 U.S.C. Chapter 57 (as amended) for recording travel expenses incurred by the employee and for claiming other entitlements and allowances as prescribed in the DHS travel policies.

In addition, the application is required to provide government agencies with necessary information on the commercial travel and transportation payment and expense control system. This system provides travel cards for official travel and related expenses, attendant operational and expense control support, and management information reports for expense control purposes.

The information contained under this system is used by federal agency officers and employees who have a need for such information in the performance of their official duties. Information is transferred to appropriate federal, state, or local agencies, when relevant to civil, criminal, or regulatory investigations or prosecutions, or pursuant to a requirement by GSA or other such investigations of the performance of official duty in government service.

The information requested is not mandatory. However, failure to provide the information invalidates the application and prevents the issuance of the travel card.

The bank does not use names, addresses, social security numbers, or any other account or card information for any purpose other than that specified in the master contract. The bank does not release, sell, or make available any such information to any third party.

## **Procedures and Internal Controls**

Components must develop and implement procedures and internal controls to comply with this policy. Within six months from the date of publication or revision of the DHS Travel Card Manual, the CPOPC must certify, through the APC that their Component

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has incorporated the DHS Travel Card Policy into the existing Component policy and provided a copy to the APC or does not have a separate travel card policy and refers all travel card related inquiries to the DHS travel card policy.

Components that are unable to complete this process within six months must provide monthly updates to the APC on the status of the Component manual.

## **Authorities and References**

### **Authorities**

4 CFR Part 83, Privacy Procedures for Personnel Records

5 CFR Part 2635, Standards of Ethical Conduct for Employees of the Executive Branch

6 CFR 11.15 Applying the Debt Against DHS Payments

41 CFR Part 300–301, Federal Travel Regulation

5 U.S.C. Chapter 57, Travel, Transportation, and Subsistence

5 U.S.C. § 552a, Records Maintained on Individuals (*Privacy Act of 1974*)

*Travel and Transportation Reform Act of 1998* (Public Law 105–264)

OMB Circular A-123, Appendix B, *Improving the Management of Government Charge Card Programs*

OMB M-13-21, *Implementation of the Government Charge Card Abuse Prevention Act of 2012*

### **References**

DHS Delegation 0160.1, *Delegation to Department of Homeland Security Organizational Elements*

DHS Delegation 01000, *Delegation for Financial Activities*

DHS Directive 253-01, *Relocation Allowances*

GSA SmartPay 3 Master Contract

Joint Travel Regulations (JTR)

NARA General Records Schedule

Pub. L. 104–134, *Debt Collection Improvement Act of 1996*

Pub. L. 105-264, *Travel and Transportation Reform Act of 1998*

## **Appendix A. Examples of Travel Card Misuse**

### **A. For personal use:**

While Ms. Smith was on official travel, she wanted to buy some souvenirs for her children. When she went to pay the cashier for the souvenirs, she realized that she had left her personal credit cards at home, and only had her official travel card with her. Ms. Smith did not want to return home without bringing souvenirs for her children, so she decided that she would buy the items and send in a payment to pay for the souvenirs before receiving the next month's travel card statement. Ms. Smith used her official travel card to purchase the souvenirs. Official travel card policy does not permit use of the travel card for personal use.

### **B. For other than cardholder use:**

Mr. Anderson was on official travel as a key note speaker at a Department approved conference. Mr. Anderson was accompanied by a junior member of his team. The evening prior to returning to his duty station, Mr. Anderson and his junior team member decided to eat dinner at the local steak house. When the check arrived, Mr. Anderson offered to place the entire amount of the bill on his official travel card, as opposed to splitting the bill in two and the junior team member paying for his own meal. Departmental policy requires that the use of the official travel card is for the cardholder only.

### **C. For use while not on official travel:**

Ms. Jones is a new employee with a DHS Component. Ms. Jones' job requires her to travel multiple times a year. When Ms. Jones reported to her office, she was instructed to obtain an official travel card. After completing the required training and obtaining the proper supervisor approvals, Ms. Jones was granted a travel card. When Ms. Jones received her travel card and activated it, she immediately went to her neighborhood ATM to make sure her travel card was activated; Ms. Jones received a cash advance of \$100. Travel card policy permits use of the official travel card only for authorized travel expenses.

### **D. For not following travel policy:**

Mr. Ruiz lives 5 miles from National Airport in Washington D.C. While on official travel, he drove his POV and parked in the daily lot at the terminal. He took a flight to Atlanta for a trip that included official travel and annual leave. Once in Atlanta, he picked up his rental vehicle and checked into his hotel Sunday evening when his official business began Monday morning. His conference ended Wednesday afternoon. His leave began Thursday. He stayed in the hotel and kept the rental vehicle until that Sunday when he flew back to Washington.

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Mr. Ruiz put the full amount of the rental car, hotel room, and the parking fee on his IBA and vouchered for full reimbursement of the rental car and parking charges. He also added mileage expenses for his POV to his voucher. Mr. Ruiz used his card for personal expenses while on leave and did not follow travel policy. His experienced and knowledgeable travel voucher reviewer did not approve POV mileage or full reimbursement of the parking expense because a taxi to and from the airport would have been far less expensive. The reviewer also did not approve the entire rental car bill since it was only authorized for Sunday through Thursday. Travel card policy prohibits the violation of DHS travel policy when transacting with the travel card and does not permit use of the travel card for personal expenses.

## **Appendix B. Travel Card Key Controls**

Note: Actions may be performed by the CPOPCs or local OPCs depending on the size of the Component program unless otherwise noted that the action is performed by the APC.

### **1. Improper Travel Card Charges**

**Objective:** To prevent fraud, abuse and misuse and to ensure cardholders follow Federal Travel Regulations and DHS Travel Policy.

**Supporting Actions:**

- A. Respond to transaction audits.
  - 1. Review travel authorizations & vouchers to ensure only authorized, government-related travel expenses while on TDY are charged to travel cards (e.g., lodging, meals, parking, gasoline, rental cars, and tickets for airline and other authorized modes of transportation) and reimbursed.
  - 2. Ensure ATM withdrawals are made only in support of official authorized government travel by reviewing and investigating ATM withdrawals without any associated airline ticket, hotel, or car rental expenses.
  - 3. Ensure travelers' expenses and transactions are justified and do not exceed authorized amounts (e.g., terminal parking, offline booking).
- B. Monitor travel cardholder transactions including CBAs using CitiManager's online reports
- C. When needed, take corrective action. Refer to Section 15, Discipline and Adverse Actions.

**Supporting Documentation:**

- A. Visa Intellilink Analytics, Rules and Predictor Modules Reports
- B. Component Travel Management Systems Reports
- C. CitiManager Transaction Detail and Declined Reports

### **2. Cardholder Delinquency**

**Objective:** To prevent cardholders from losing their government travel card privileges.

**Supporting Actions:**

- A. Ensure Component's monthly delinquency rate (\$ over 60 days past due / total balances) is below the Government-wide 2% standard.

- B. Notify cardholders of Component and bank delinquency actions when they reach 31 days past due.
- C. Send second email to 61 days past due cardholder and include cardholder's supervisor.
- D. Send third email to 90 days past due cardholder and include cardholder's supervisor.
- E. Receive notice from APC if any cardholders are 91 days past due and eligible for salary offset. Initiate salary offset collection procedures.
- F. Ensure salary offset procedures are in place and functioning as designed to meet requirements.

**Supporting Documentation:**

- A. CitiManager IBA Delinquency with Current Balance Report
- B. Monthly Financial Management Health Assessment Scorecard, IBA Delinquency Report

**3. Monthly Spend limit**

**Objective:** To ensure cardholders have high sufficient credit limits to support travel plans, and low enough to help prevent late voucher processing, cardholder delinquency, and abuse.

**Supporting Actions:**

- A. Periodically review cardholder limits to ensure limits are still required and that all accounts with higher than \$20K have APC approval on file.
- B. Cardholder accounts without DHS APC approval must be immediately reduced below \$20K monthly limit until approval is obtained.
- C. The CPOPC must maintain the written (email) justification for all cardholder accounts with greater than \$20K limits.

**Supporting Documentation**

- A. CitiManager Report Showing Hierarchy, Cardholder Name, Cash Limit, and Credit Limit
- B. CitiManager Account Transaction Summary Report

**4. Weekly Cash Limit**

**Objective:** To help prevent cardholder delinquency and abuse.

**Supporting Actions:**

- A. Set limits in CitiManager to allowed weekly limits.
- B. Periodically review cardholder weekly cash limits above normal allowable limit. Determine if they are required.

### **Supporting Documentation**

- A. CitiManager Report Showing Hierarchy, Cardholder Name, and Cash Limit.
- B. CitiManager Account Transaction Summary Report

## **5. Merchant Category Code (MCC) Validation**

**Objective:** To help prevent cardholder fraud, abuse and misuse.

### **Supporting Actions:**

- A. When approving applications, ensure accounts have only required and authorized MCC groups selected.
- B. When selecting a non-standard MCCG for an account in the bank's EAS, use the MCCG End Date when editing the MCCG to control how long the MCCG is applied to the account.
- C. Quarterly review the account master file report to ensure non-standard MCCGs that have been added to the account are still necessary.
- D. Process MCCG deletions from accounts via client account services or by online maintenance.

### **Supporting Documentation:**

CitiManager Report showing MCCGs assigned to IBAs and CBAs such as the Account Master File Report

## **6. Quarterly Rebate Validation**

**Objective:** To ensure Component receives amount due from bank.

### **Supporting Actions:**

- A. Receive quarterly rebate report from APC.
- B. Run Account Summary Transaction Report in CitiManager to show quarterly spend.
- C. Ensure spend amount eligible for refund on account transaction summary matches spend amount on rebate report.
- D. Submit any discrepancies to the APC.
- E. APC reviews and resolves any discrepancies with the bank.
- F. File quarterly rebate documentation in a central location within the office.

### **Supporting Documentation:**

- A. Citibank Quarterly Rebate Report
- B. CitiManager Account Transaction Summary Report

## **7. Separated Employee Account Monitoring:**

**Objective:** To help prevent cardholder fraud, abuse and misuse.

**Supporting Actions:**

- A. Establish a Component process to ensure separated employees' IBAs are closed in a timely manner.
- B. Update the status of separating or separated employee's IBAs to closed in bank's EAS.
- C. Note reason for account closure in CitiManager.

**Supporting Documentation**

- A. Documentation from Component human resources office showing employee status or employment actions, (e.g., onboarding, off boarding, termination, etc.)
- B. CitiManager custom report showing account status

**8. Inactive Accounts Monitoring:**

**Objective:** To help prevent cardholder fraud, abuse and misuse.

**Supporting Actions:**

- A. Establish and document a Component process to ensure that inactive accounts are reviewed to ensure that the account is still needed by the employee.
- B. Quarterly run the CitiManager Infrequent Travel Report to identify accounts with no activity within the prior 12 months
- C. Contact cardholders with no activity for 12 full months to verify that the account is still needed.
- D. If the account is no longer needed, update account status to closed in the bank's EAS, or lower the credit limit to \$1.
- E. Note reason for account closure or reduced credit limit in CitiManager.

**Supporting Documentation**

- A. CitiManager Infrequent Travel Report
- B. Email correspondence with cardholder

**9. Document Maintenance**

**Objective:** To comply with requirements and ensure documents are available upon request.

**Supporting Action:**

Maintain travel documentation (e.g., rebate report and cardholder agreements) in a central location within the CPOPC or OPC office in accordance with DHS policy.

## Appendix C. Alternate Credit Worthiness Evaluation

DEPARTMENT OF HOMELAND SECURITY <b>ALTERNATE CREDIT WORTHINESS EVALUATION</b> <i>(Read Privacy Act Statement and Instructions on back before completing form.)</i>		
<b>SECTION I - PERSONAL IDENTIFYING INFORMATION</b>		
1. NAME <i>(Last, First, Middle Initial, Suffix (Jr., Sr., etc.))</i>		2. WORK TELEPHONE NO. <i>(Include area code)</i>
3. E-MAIL ADDRESS		
<b>SECTION II - PERSONAL FINANCIAL INFORMATION</b>		
This form is being used in lieu of a credit check submitted through a credit reporting agency. Please check "Yes" or "No" in the spaces provided for each question below. False statements may result in penalties (18 U.S.C. 1001).  For the purpose of the government travel card, the answers provided below will be used to determine the credit limit to which you are entitled. Individuals who decline both a credit check and completion of this form will not be issued a travel card.		
4. Have you had a government charge card cancelled as a result of delinquency or misuse? <i>(Actions which were reversed through appeal do not have to be included.)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No		
5. In the past 7 years, have you been subject to any disciplinary action or adverse action stemming from the improper use of a government charge card? <i>(Actions which were reversed through appeal do not have to be included.)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SECTION III - CERTIFICATION</b>		
I certify that the answers above are true, complete, and correct to the best of my knowledge and belief, and are made in good faith. I understand that a knowing and willful false statement on this form can be punished by fine or imprisonment or both. (See Section 1001 of Title 18, United States Code)		
6. SIGNATURE		7. DATE
<b>8. SUPERVISOR/APPROVING OFFICIAL</b>		
a. NAME <i>(Last, First, Middle Initial)</i>	b. TELEPHONE <i>(Include area code)</i>	c. ADDRESS <i>(If different from applicant)</i>
<b>SECTION IV - TO BE COMPLETED BY THE AGENCY PROGRAM COORDINATOR (APC)</b>		
9. ACCOUNT HIERARCHY NUMBER		10. ORGANIZATION /COMPONENT NAME
<b>11. APC</b>		
a. NAME <i>(Last, First, Middle Initial)</i>	b. SIGNATURE	c. DATE

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<b>ALTERNATE CREDIT WORTHINESS EVALUATION</b>	
<b>PRIVACY ACT STATEMENT</b>	
<p><b>AUTHORITY:</b> E.O. 9397 (SSN); P.L. 108-447 Sec. 639 and 5 U.S.C. 5707 and implementing Federal Travel Regulations, FPMR 101-7</p> <p><b>PRINCIPAL PURPOSE(S):</b> The purpose of this form is to collect information related to determining whether Federal employees who are applicants for and will be issued a government travel charge card have suitable credit histories to ensure the appropriate use of such card for government duties. The information from this form will be used primarily as the basis for evaluating the credit worthiness of an individual in the absence of an authorized credit check.</p> <p><b>ROUTINE USE(S):</b> The information on this form may be disclosed as generally permitted under 5 U.S.C. Section 552a(b) of the Privacy Act of 1974, as amended. This includes using this information as necessary for administrative purposes or as authorized by routine uses in the GSA/GOV'T 3 system of records entitled, The Travel Charge Card Program.</p> <p><b>DISCLOSURE:</b> Disclosure is voluntary; however, if you do not provide the requested information, you may not be able to obtain an individually billed government travel card to perform government duties.</p>	
<b>INSTRUCTIONS</b>	
<p>Follow instructions fully and answer all questions or we cannot process your form. Be sure to sign and date the certification statement in Section III. If you have any questions, contact the Agency Program Coordinator who gave you the form or your Approving Official/Supervisor.</p> <p><b>Purpose of this Form:</b></p> <p>Complete this form only if you have declined to permit a credit check for an individually billed travel card.</p> <p><b>The Review Process:</b></p> <p>The information that you provide is considered to be truthful and accurate. You should provide your completed form to your Agency Program Coordinator. Individuals unable or unwilling to sign this form will not be issued a government charge card. If your answers reflect that no financial risk exists, your form will be maintained along with your application for the government charge card for which you are applying as a result of your official duties. Should information arise at a later date that would cause your current answers to be incorrect, you may revise and resubmit the form. Any information that indicates that your responses are not accurate or truthful may result in administrative action.</p> <p><b>Completing this Form:</b></p> <p>1. Follow the instructions given to you by the person who gave you the form and any other clarifying instructions furnished by that person to assist you in completion of the form. You must sign and date, in ink the original.</p>	<p><b>Completing this Form (Continued):</b></p> <p>2. Type or legibly print your answers in ink. If your form is not legible, it will not be accepted.</p> <p>3. Any changes that you make to this form after you sign it must be initialed and dated by you. Under certain limited circumstances, agencies may modify the form consistent with their intent.</p> <p>4. All telephone numbers must include area codes.</p> <p>5. All dates provided on this form must be in Month/Day/Year or Month/Year format.</p> <p>6. If the address is outside of the United States, please indicate the country.</p> <p><b>Penalties for Inaccurate or False Statements:</b></p> <p>The U.S. Criminal Code (Title 18, Section 1001) provides that knowingly falsifying or concealing a material fact is a felony that may result in fines of up to \$10,000 and/or 5 years imprisonment, or both. In addition, Federal agencies usually remove from their employment, do not grant a security clearance, or disqualify individuals who have materially and deliberately falsified these forms, and this remains a part of the permanent record for future placements. Because the position you are in is considered necessary to require use of a government charge card, your trustworthiness and creditworthiness are important considerations in determining your eligibility for retention of a government charge card.</p>

## **Glossary**

The following tables contain definitions of the acronyms and terms used in this policy.

<b>Acronym</b>	<b>Definition</b>
APC	agency program coordinator
ATM	automated teller machine
CBA	centrally billed account
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CONUS	continental United States
CPOPC	Component primary organizational program coordinator
DHS	Department of Homeland Security
EAS	electronic access system
FTR	Federal Travel Regulation
GSA	General Services Administration
IBA	individually billed account
JTR	Joint Travel Regulations
M&IE	meals and incidental expenses
MCC	merchant category code
OCONUS	outside the continental United States

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OIG	Office of Inspector General
OMB	Office of Management and Budget
OPC	organizational program coordinator
PDS	permanent duty station
PIN	personal identification number
POV	privately owned vehicle
SF	standard form
TDY	temporary duty
TMC	Travel Management Center
TMS	Travel Management System
U.S.C.	United States Code

<b>Term</b>	<b>Definition</b>
agency program coordinator	DHS employee designated by the CFO to have overall responsibility for a bankcard program.
centrally billed account (CBA)	A centrally billed charge account, established by the travel card contractor, on which the common carrier fares for employees who do not have a travel card are charged. Also, a CBA is referred to as a Government Travel System account or a Government Travel Request. A CBA account is usually maintained by the TMC.
common carrier	An organization that transports persons according to defined routes and schedules and offers its services to the general public. Airlines, trains, bus lines, and ships may be common carriers.
continental United States (CONUS)	The contiguous 48 States and the District of Columbia.

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Component primary organizational program coordinator (CPOPC)	Individual designated by each Component to have responsibility for the specified Component's bankcard program.
delinquent	When payment is not made by the due date or the end of the grace period as established in a loan or repayment agreement.
dispute	A dispute occurs when the cardholder contacts the card-issuing bank to formally dispute a transaction that they believe has been incorrectly billed. Once the cardholder initiates a dispute with the bank, the bank conducts an investigation to determine whether the charge is valid.
disputed transaction	A transaction that has been formally disputed by the cardholder with the card-issuing bank.
Federal Travel Regulation	The regulation which implements statutory requirements and executive branch policies for travel by federal civilian employees and others authorized to travel at government expense on official business.
individually billed account (IBA)	A government contractor-issued individually billed charge card.
internal controls	The tools—organization, policies, and procedures—to help program and financial managers achieve results and safeguard the integrity of the program. The three objectives of internal controls are— (1) effectiveness and efficiency of operations, (2) reliability of financial reporting, and (3) compliance with applicable laws and regulations.
lodging	Includes expenses for overnight sleeping facilities, baths, personal use of the room during the daytime, telephone access fee, and service charges for fans, air conditioners, and heating units furnished in the room when such charges are not included in the room rate. Lodging does not include accommodations on airplanes, trains, buses, or ships, which are considered transportation costs.

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merchant category code	Merchant category codes (MCC) are four-digit numbers assigned to a merchant as a categorization of the type of business the merchant operates and what types of goods and services the merchant provides.
meals and incidental expenses (M&IE)	Allowable travel expense for meals and incidental expenses (M&IE) while on temporary duty (TDY) travel. These expenses are a fixed daily amount based on the maximum per diem rate for the location. M&IE covers the costs of meals and such incidental expenses as lodging taxes and laundry/dry cleaning on international travel (see Miscellaneous Travel Expenses).
outside the continental United States (OCONUS)	Areas outside the contiguous 48 States and the District of Columbia.
per diem	An established allowance for daily payment of lodging and meals and incidental expenses (M&IE) while on temporary duty (TDY) assignment.
soft credit check	A soft credit check, or inquiry occurs when a bank checks your credit to pre-approve you for an offer. Soft inquiries do not appear on your credit report and do not affect your credit scores.
split disbursement	Sometimes referred to as split payment or split pay, split disbursement is the process of dividing a travel voucher reimbursement between the traveler and the bank. The reimbursement amount designated to go to each is sent directly to the appropriate party.
statement of account	Monthly documentation available to the cardholder from the bank showing purchases, payments, and/or credits for a specific cycle.
temporary dispute credit	A temporary credit equal to the amount of a disputed transaction that the card-issuing bank places on a cardholder's account while the disputed transaction is being investigated.
temporary duty (TDY) travel	Authorized travel for an employee conducting official business outside of his/her Permanent Duty Station (PDS).

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transportation expenses	Includes commercial bus, air, rail, or vessel/steamship fares and are reimbursable in addition to per diem allowances. Also includes local transit system and taxi fares, cost of commercial rental cars and other special conveyances, and mileage and other allowances to cover operating expenses for use of privately-owned conveyances, including fees for parking, ferries, etc.
travel advance	Prepayment of estimated travel expenses paid to an employee.
travel authorization	Written permission (recorded electronically or on paper) for an employee to travel on official business, and for the employee to incur certain travel related expenses, travel accommodations, and/or travel services.
travel card	The bank-issued charge card used by DHS employees to pay for authorized travel expenses.
travel cardholder	Approved DHS employee, or federal employee attached to DHS, who has been issued a travel card for official government travel.
travel management center (TMC)	Travel services are provided by private companies under contract with GSA and DHS to assist employees in making travel and lodging arrangements and reservations in connection with official travel. Representatives of the companies are located in TMCs around the country.
travel management system	Electronic booking system for government travel.
travel voucher	A request supported by appropriate documentation and receipts, for reimbursement of expenses incurred while on official travel.

## **Summary of Changes**

**Revision Type:** Substantial

**Changes:**

- Allowed the IBA to be used for local travel expenses.
- Removed travel policy language redundant with DHS Travel Policy guidance in FMPM Chapter 7, Travel and Conferences.
- Separated CBA Manager responsibilities from CPOPC and expanded CBA guidance.
- Added appropriation lapse guidance for IBA credit limit raises under APC responsibilities.
- Removed the requirement to maintain IBA applications as a record.
- Removed all hyperlinks to external references.
- Changed flow and organization of the manual.
- Added discipline and adverse actions table.
- Changed transaction dispute timeline to align with new bank.
- Updated delinquency actions to align with new bank.
- Added language to clearly differentiate between rebates and refunds.
- Removed the requirement to close inactive IBAs. CPOPCs may close or lower credit limits.
- Added CPOPC requirement to set weekly ATM withdrawal limits in bank's system.
- Added post-payment audit guidance to include corrective action for misuse.
- Added CPOPC and CBA manager requirements to verify bank rebates.
- Added requirement under cardholder responsibilities that travel voucher

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approvers do not approve their own vouchers.

- Removed requirement to use official email address in the bank's online system.
- Added language and definition identifying the bank's credit check as a soft credit check that does not affect credit scores.
- Strengthened guidance for conference fee payments.
- Added guidance for travel voucher fee payment when an IBA is closed or suspended.
- Removed reference to the *Federal Aviation Administration Travel Policy*
- Updated transaction dispute guidance and added definitions for disputed transaction and temporary dispute credit
- Added one example to Appendix A., *Examples of Travel Card Misuse*
- Added Appendix B. *Travel Card Key Controls* and Appendix C. *Alternate Credit Worthiness Evaluation*
- Shortened list of travel card use exemptions to align with FTR.
- Added IBA cardholder responsibility to use applicable forms to avoid paying state taxes when not required.
- Added mobile pay under IBA Travel Card Use.
- Allowed restricted account credit limits for emergency responders to be set at an amount to allow for immediate travel.