

 <p><b>ARIZONA STATE FORESTRY DIVISION</b></p> <p><b>STANDARD OPERATIONAL GUIDELINES</b></p>	<p><b>SECTION: 300</b></p> <p><b>BUDGET &amp; FINANCE</b></p>	<p><b>APPROVAL PARTY:</b></p> <p><u>/s/ Scott Hunt</u> <b>STATE FORESTER</b></p>
	<p><b>SOG : 301</b></p> <p><b>TRAVEL CARD PROGRAM</b></p>	<p><b>EFFECTIVE DATE:</b></p> <p><b>October 21, 2011</b></p>
		<p><b>SUPERCEDES:</b></p>

**PURPOSE**

The Travel Card program consists of two distinct travel accounts:

- 1) the Central Travel Account (CTA) and
- 2) the Corporate Travel Card.

**P-Cards shall not be used for State travel purposes. Travel purchases shall be made with the CTA, the Corporate Travel Card or a combination of both accounts.** Generally, travel arrangements for only airfare, will be booked using the CTA and charges incurred at the destination, such as hotel bills, meals and local transportation, must be paid using the Corporate Travel Card.

Though conference registration costs do appear on out-of-state travel requests and other travel-related forms, these are not travel-related expenses. Therefore, conference registrations must be paid for using the Purchasing system.

The CTA is a State liability travel account number (not a physical card) that is to be used in connection with travel on official State business for the reservation and purchase of airfare. The CTA is the preferred method for the reservation and purchase of airfare. Airfare purchases on the Corporate Travel Cards are not allowed, and must be made through the CTA.

The CTA custodian must sign an affidavit acknowledging his/her understanding of policies and procedures for use of the CTA. The official Form GAO-CTA-101 may be found on the GAO website under the Online Forms section. Each agency may use the official form or adopt a customized agency form to meet specific needs, provided that all the required elements are included and the form has been approved in advance by the GAO. An agency's Form GAO-CTA-101 or its equivalent must be kept on file with the agency and available for audit purposes.

The CTA custodian is responsible for monitoring all charges incurred on the CTA(s) to which he is assigned and for ensuring that the CTA number is safeguarded and accessible only to authorized personnel within his agency.

In order to ensure proper segregation of duties, the designated CTA custodian cannot be responsible for the approval or payment of the monthly CTA statement. The CTA custodian must work in cooperation with employees in the agency who are responsible for approving and issuing payment to the Travel Card Program Contractor.

The CTA custodian must keep adequate records (logs, itineraries, receipts and other relevant documentation) for each charge made on the CTA in order to facilitate efficient reconciliation and payment processes when the monthly CTA statement is received.

In the event that a CTA custodian is notified of or discovers fraud or abuse related to the use of the CTA, he must notify the Agency Travel Card Program Administrator and the Travel Card Program Contractor immediately.

Upon resignation, retirement, transfer to another State agency, or termination, the CTA custodian shall no longer be authorized to incur any charges on the CTA on behalf of the agency. Doing so will result in criminal prosecution for theft.

### **Corporate Travel Card Policies**

The Corporate Travel Card is an employee liability charge card that may be used by State employees to purchase lodging, car rental, other transportation charges, meals and incidental expenses, and other miscellaneous charges for travel on **official State business**. The Corporate Travel Card is available to all travelers who are deemed eligible by the Travel Card Program Contractor. **Unless a traveler 1) has been denied a Corporate Travel Card for which he applied or 2) has not yet received a Corporate Travel Card for which he was approved, his request for a travel advance will be rejected.** All State travelers, especially those who are identified to be frequent travelers, are encouraged to apply for the Corporate Travel Card.

Issuance of Corporate Travel Cards to employees must be controlled by the individual agency. Authorization of employee applications and the establishment of overall spending limits, monthly limits (if applicable) and ATM withdrawal limits (if applicable) are the responsibility of the agency head. This control has been delegated to the financial administrator and is documented through the completion of the GAO-3 form.

The distribution of Corporate Travel Card applications (which may be accomplished in paper format or electronically) and the submission of authorized applications to the Travel Card Program Contractor are the responsibility of the Agency Travel Card Program Administrator. In the Forestry Division, the Administrator is also the Financial Administrator.

The Agency Travel Card Program Administrator is responsible for ensuring that all employees who have applied for and been granted a Corporate Travel Card have signed Form GAO-TC-101 prior to applying for a card. Form GAO-TC-101 must be kept on file with the agency and available for audit. Since the Financial Administrator is designated as the Agency Travel Card Program Administrator, this position shall not obtain a Corporate Travel Card.

The Agency Travel Card Program Administrator should, using the Travel Card Program Website, review the Corporate Travel Card activities—charges and payments—of all agency cardholders not later than the twenty-fifth (25th) calendar day of each month. Agency Travel Card Program Administrator should immediately report any irregularities—such as unauthorized charges, late payments, attempted or actual spending above established limits, etc.—in the use of the Corporate Travel Card to the cardholder's superiors. In the event of severe or continued irregularities, the agency should cancel the transgressing employee's Corporate Travel Card. In all cases of substantiated credit card misuse, the Division will result in discipline, up to and including dismissal from State service.

Spending limits established should reasonably accommodate the expected travel needs without being unduly excessive. Consideration should always be given for immediate and future travel needs as well as the cardholder's compliance with policy. Monthly limits may be adopted, but the overall spending limit for an individual Corporate Travel Card shall not exceed five thousand dollars (\$5,000.00). For frequent in-state travelers with no or limited need for lodging, it is expected that the overall spending limit should not exceed five hundred dollars (\$500.00).

It should be noted that an employee being denied a Corporate Travel Card differs from a Corporate Travel Card being revoked due to non-payment by the cardholder. Forestry shall not issue a travel advance to an employee who has had his Corporate Travel Card revoked.

**Cancellation of Corporate Travel Cards for employees who leave or will be leaving State service must, to the extent practicable, occur on or before the employee's separation date.** In the event that the employee leaves State service and subsequently fails to make full payment for charges outstanding, agency heads and other agency management may be personally responsible for any charges that have been incurred after the employee's separation date until the date that the Travel Card Program Contractor receives notification of cancellation of the Corporate Travel Card.

- a. Upon the sooner of an employee's separation from State service or receiving notice of his intent to separate, the Travel Card Administrator must cancel the employee's card.
- b. The Travel Card Administrator must notify a terminated employee that his Corporate Travel Card has been cancelled. This notification must be in writing, using an agency and employee specific, fully executed, Form GAO-TC-CN, Account Cancellation Notification Letter. (The GAP-TC-CN published on the GAO Website is a template that an agency is to use when creating Account Cancellation Notification Letters using its agency's letterhead.) The Account Cancellation Notification Letter is to be delivered to the employee:
  - 1). If practicable, in person, at or before the time of termination, or
  - 2). Within two (2) business days of the card's cancellation, by mail or fax.
- c. A copy of the Account Cancellation Notification Letter is to be retained in the agency's files.
- d. If a terminated employee fails to make payment on an outstanding balance owed on the Corporate Travel Card that consists of any unauthorized purchases or purchases previously reimbursed by the State, the agency will be required to submit a Liability Waiver Form to the Travel Card Program Contractor. This form will be provided to the agency by the Travel Card Program Contractor. Along with this form, the agency must submit a copy of the Account Cancellation Notification Letter, Form GAO-TC-CN.

Cancellation of Corporate Travel Cards for employees who are transferring to another State agency must occur on or before the employee's transfer date. While it is realized that there are situations in which an employee who is transferring to another State agency may require a Corporate Travel Card at the gaining agency, it has been determined that for both administrative and internal control purposes, the card must be cancelled by the losing agency and reissued by the gaining agency.

### **Employee Responsibilities**

- a. All State travelers, especially those identified as frequent travelers, are encouraged to apply for the Corporate Travel Card. Employees shall generally not be issued a travel advance unless they have either applied for and been denied a Corporate Travel Card or have been approved for a Corporate Travel Card which is still in transit when the employee's travel commences.
- b. The Corporate Travel Card may be used to purchase lodging, car rental, other transportation charges, meals and incidental expenses, and other miscellaneous charges for travel on official State business.
- c. Purchases of travel-related goods and services in excess of established limits (e.g., upgrades of airfare to first class, meals whose cost exceeds maximum State reimbursement rates, etc.) made while in travel status may be charged to the Corporate Travel Card but will not be reimbursed to the traveler by the State and remain the sole responsibility of the cardholder.
- d. The employee is liable for all charges incurred on the Corporate Travel Card. The employee is required to appropriately maintain his account and for making all payments on a timely basis. The State will reimburse the employee for allowable expenses upon receipt of a properly completed Form GAO-503EZ

(or its authorized equivalent) accompanied by required backup documentation. The employee is responsible for full payment of the Corporate Travel Card upon receipt of the statement.

- e. Employees whose Corporate Travel Card privileges are revoked due to non-payment of charges are not eligible to receive travel advances. The State is not responsible for card reinstatement or any associated fees for Corporate Travel Cards that are revoked. Card reinstatement and associated fees are the sole responsibility of the employee.
- f. Delinquency charges incurred on the Corporate Travel Card are not eligible for reimbursement. Ample time is allowed to submit a complete and accurate Form GAO-503EZ (or its authorized equivalent), receive reimbursement, and make full payment before delinquency charges are incurred.
- g. The State is not responsible for resolving any billing disputes involving an employee's use of the Corporate Travel Card.
- h. If authorized by the individual agency, the Corporate Travel Card may be used to obtain a travel advance from an ATM for the purposes of paying for non-chargeable travel expenses while on official State business.
  - 1) ATM cash advances using the Corporate Travel Card should be limited to amounts necessary to cover State travel expenses while in travel status. Excess amounts withdrawn and not used while in travel status are the responsibility of the cardholder.
  - 2) Because there is a fee for each cash withdrawal from an ATM, the number of withdrawals should be held to a minimum. It is recommended that each advance be an amount of at least \$60.00.
  - 3) ATM cash advance fees, as determined by the Travel Card Program Contractor, are reimbursable when an employee is in travel status overnight. Reimbursement of ATM cash advance fees is limited to once every five (5) business days while in travel status. Employees may be reimbursed up to \$8.00 per withdrawal for cash advance fees using the Corporate Travel Card only. Cash advance fees using personal payment cards are not eligible for reimbursement.
- i. Corporate Travel Card privileges may be cancelled at any time by agency management, due to misuse of the card, change in duties, termination of employment, or any other circumstances as determined by the agency.
- j. Upon a cardholder's resignation, retirement, or termination from State service
  - 1) The cardholder must immediately destroy the card or surrender it back to the issuing agency.
  - 2) The agency must, upon receiving a surrendered card, immediately destroy it by shredding or similar means and keep a record of the card's destruction.
- k. Prior to applying for a Corporate Travel Card, all employees must sign an affidavit acknowledging their understanding of policies and procedures for use of the Corporate Travel Card. The official Form GAO-TC-101 may be found on the GAO website under the Forms section. Each agency may use the official form or adopt a customized agency form to meet specific needs, provided that all the required elements are included and it is approved in advance by the GAO.