CIRCULAR

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY

NO.: 13-03-DPP	ORIGINATING AGENCY: DIVISION OF PURCHASE AND PROPERTY	PAGE 1 OF 6
EFFECTIVE DATE: 07/27/12	EXPIRATION DATE: INDEFINITE	SUPERSEDES: 05-10-DPP
SUBJECT: STATE OF NEW JERSEY TRAVEL CARD PROGRAM		
ATTENTION: DIRECTORS OF ADMINISTRATION, CHIEF FISCAL OFFICERS AND AGENCY PURCHASING CARD		
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I. PURPOSE

The State of New Jersey's Travel Card Program was established to provide a more convenient and efficient payment system for expenses incidental to official State business travel. This Circular prescribes policies and procedures governing the State of New Jersey's Travel Card Program. It provides standard guidelines for usage of the card.

II. GENERAL

The Department of the Treasury is responsible for administering the Travel Card Program, including establishment of State Program policies and procedures.

State statutes and regulations for travel, including those outlined in this Circular and Circular 12-14-OMB, are in effect for all purchases made with the Travel Card.

Unauthorized use of the Travel Card may result in revocation of card privileges, and/or disciplinary action, with the State reserving the right to demand employee reimbursement for such purchases.

Participating Travel Card agencies will be subject to periodic audit review and Travel Card usage will be a targeted area in the annual Internal Controls Assessment to ensure compliance with the policies and procedures of this Circular.

Charges made to the Travel Card may be subject to review under the Open Public Records Act (OPRA).

III. RESPONSIBILITIES

A. The State's Program Administrator will exercise overall responsibility for policy and program implementation for the State's Travel Card Program for travel-related expenses which include:

1. Establishing and publishing program policies for the State's Executive Branch Agencies and Departments.

2. Ensuring compliance with the policies and procedures established herein.

3. Agency point of contact for the Travel Card provider (Bank).

4. Approving Agency program participation.

5. Providing assistance and training for program participants.

6. Restricting merchant category spending in accordance with the State's travel policy.

7. Processing applications in accordance with this Circular.

8. Informing the Executive Commission on Ethical Standards of inappropriate personal use of the travel card, which may be considered a violation of the Department/Agency's Code of Ethics.

9. Administering appropriate action to those who abuse their card privileges.

B. The Agency's Program Administrator is responsible for the overall administration of the Agency's program, which include:

1. Monitoring contract compliance and administering the Department's/Agency's Travel Card program.

2. Ensuring that all Cardholders are familiar with the policies, procedures, and their responsibilities regarding the travel card.

3. Reviewing Cardholder applications for accuracy prior to forwarding to the State Program Administrator.

4. Promptly notify, in writing, the State Program Administrator with all changes regarding the cardholder card cancellation, credit limit changes, etc.

5. Ensuring prompt payment to guarantee rebate eligibility of payment.

6. Solving program problems and answering Cardholders' questions.

7. Monitoring Cardholder use to evaluate necessity of card, evaluate transaction activities for appropriate use, and informing the State Program Administrator of inappropriate use.

8. Receiving and reviewing statements and reports provided by the Travel Card provider.

9. Informing Department/Agency Head of card abuse.

C. A Cardholder whom an Agency has entrusted to make travel arrangements on its behalf is responsible for:

1. Knowledge of the policies established in this Circular and OMB Circular 12-14-OMB and the Travel Card's vendor terms and conditions.

2. Ensuring all travel arrangements are for official State travel business and travel-related expenses only.

3. Reporting fraudulent charges immediately to Agency Program Administrator.

4. Relinquishing the Travel Card to the Agency Program Administrator and reconciling transactions prior to a change of duties where the use of Travel Card is not part of the new duties; or a separation from the Agency.

IV. POLICIES

A. Travel Card Eligibility

1. All State of New Jersey full-time employees who are likely to organize travel arrangements for official State business travel are eligible to apply for the Travel Card.

2. The State of New Jersey reserves the right to exclude individuals from participating in the Travel Card program.

B. Agency's Initial Travel Card Setup

1. An Agency designee should contact the State Program Administrator to obtain forms necessary to enroll in the Travel Card program.

2. Complete the Billing Account Setup form along with the Agency Program Administrator form. These should be returned to the State Program Administrator for processing.

C. Cardholder Application

1. New applicants need to contact their Agency Program Administrator to inquire about internal policy and procedures concerning eligibility to acquire the Travel Card.

2. Upon Agency authorization, complete the Travel Card Setup form and return it to your Agency Program Administrator.

3. Agency Program Administrators should forward the completed application to the State Program Administrator for processing.

D. Cancellation of the Travel Card

1. The Cardholder must advise the Agency Program Administrator that the Travel Card is no longer needed.

2. The Agency Program Administrator must notify in writing the State Program Administrator so the Travel Card can be cancelled.

E. Termination of Cardholder

1. The Cardholder or his/her supervisor must contact the Agency Program Administrator when the Cardholder leaves the Department/Agency due to retirement or other separation from State employment.

2. The Agency Program Administrator will contact the State Program Administrator to have the Travel employment.

F. Card Abuse

Use of the Travel Card for reasons other than authorized official travel and untimely payment of charges incurred is considered abuse of the privilege of having use of such card. The Travel Card provider will not hold an Agency liable for any unauthorized transaction, which occurs after the Agency notifies the Travel Card provider of an unauthorized use of the card. The Agency will immediately notify the State Program Administrator and Travel Card provider by calling the customer service number listed on the billing statement. Card abuse can result in the suspension of card privileges or cancellation of the Travel Card.

G. Separation of Duties

One employee should not handle all aspects of the Travel Card process. The duties of purchase, reconciliation/monitoring, and payment must be performed by different individuals to ensure an independent verification of the process; however, if it is not practical, especially for small agencies, compensatory controls must be implemented so additional oversight is in place.

H. Suspension and Cancellation

1. A Cardholder's account may be suspended for card abuse. Suspension of an account precludes the Cardholder from placing any charges on the card.

2. The Travel Card provider may notify the Cardholder of the suspension. The Agency Program Administrator will detect this action through the review of monthly reports received from the Travel Card provider.

3. The Cardholder can dispute a charge. However, if the account/card dispute is not resolved, the account will then be suspended and may ultimately be canceled.

4. If the suspended account is paid in full prior to 90 calendar days after the billing date, the suspension may be lifted.

I. Reinstatement

Canceled accounts may only be requested for reinstatement with the written authorization and approval from the Agency Program Coordinator.

V. PAYMENT

A. Payments

1. Payments to the Travel Card must be made in accordance with the terms and conditions of the contracted agreement. The agreement stipulates that payment is due, in full, upon receipt of the monthly billing account statement.

2. The Agency Program Administrator is responsible for maintaining her/his account in current status.

3. The Cardholder must retain and submit receipts for all Travel Card transactions.

4. Billing inquiries and disputes should made by the Cardholder to the Travel Card provider.

5. The following procedures will apply to past due charges:

   a) At 30 days past due, a delinquency notice will appear on the billing account statement.

   b) At 60 days past due, the Travel Card company will automatically suspend the billing account's spending ability.

   c) At 180 days past due, the Travel Card company will send the account to collections.

   d) The privilege to use the Travel Card is subject to suspension and/or revocation due to misuse or non-payment.

B. Payment Options

1. There are three methods available for payment to allow for payments to be made on time and to ensure rebate eligibility:

   a) Travel Voucher (TV)
   b) Using Agency Payment Voucher (U1)
   c) Payment Voucher (PV)

2. When making a Travel Card payment, regardless of the payment method selected, the billing account number must be included on every payment.

3. When a payment is made to the Travel Card vendor through NJCFS, the first 16 digits of the "Payee Reference" field of the voucher must contain only the billing account of the Agency's Travel Card (e.g., 1234567890).

4. When a payment is made to the Travel Card vendor through MACS-E, the first 16 digits of the "Vendor Invoice No" field of the OPAY screen must be the billing account number.

5. In both cases (either NJCFS or MACS-E), the formatting of the payment description field facilitates the automated update of the Travel Card provider's accounts receivable system. No special characters such as hyphens, dashes, spaces, or others can be entered. However, additional information may be added from the 17th position of either field up to the remaining 14 positions.

VI. REBATES

A. Basis

Rebates are based on the statewide total and eligible Travel Card spend for the preceding calendar year. Each participating State Agency will receive 50% of the rebates earned for the Agency's eligible Travel Card spending.

B. Maximization

Agencies should make every effort to maximize the rebate amount. The most efficient way to maximize rebates is to make timely payments. For example, payments received by the Program vendor by the third day after the billing cycle (the 4th of each month) shall receive one added basis point for every day the payment is early.

VII. TRAVEL METHODS

C. Air and Rail Tickets

1. Air and non-local rail travel is authorized when it is determined to be beneficial to the conduct of State business; the most economical scheduling of air and rail travel is to be utilized, including excursion and government discounts, wherever applicable.

2. The purchase of air and non-local rail tickets must be made through the use of the State's Travel Card.

3. Air and rail tickets must be purchased via the internet using airline and rail websites or online travel services such as Expedia or Hotwire. The use of a travel agent is not permitted.

4. Policies established in this Circular and OMB Circular 12-14-OMB should be adhered to when making any travel arrangements.

B. Car Rental

1. The Travel Card must be used to reserve a car through the Nationwide Vehicle Rental Services contract. Car rental may be a cost efficient way for employees to travel to conduct official State business.

   a) Prior to renting a vehicle, the using Agency must review the contractor vehicle class pricelists as furnished in the contract listing on the Procurement Bureau website. Using agencies must rent the lowest cost vehicle, regardless of minor differences in functionality and/or features. Determining the lowest cost vehicle will be a function of the vehicle class and the rental period.

   b) Reservations may be made by the Agency Travel Coordinator, Agency Approval Authority or the Agency Cardholder. Using agencies must utilize their Travel Card to reserve vehicles. The contractor will bill the individual using Agency directly through the Travel Card.

   c) Employees will be required to sign a rental agreement. Reservations may be made online, at the individual branch location, via phone or in-person at the individual rental location, or via nationwide toll-free telephone number.

C. Hotels

1. The Travel Card may be used for the following types of hotel accommodations:

   a) Staff training and seminars - This includes recurring training functions conducted at a hotel or convention center. This also includes registration fee expenses.

   b) Regular State business - This includes all regular official travel including attendance at meetings, conferences and conventions. This also includes a hotel room when an employee's job requires them to temporarily leave the State for official State business.

   c) Any other hotel charges not listed above such as Agency sponsored events, which may be permitted under existing State guidelines, must be paid for by either the State's Purchasing Card (P-Card) or other payment methods approved by OMB.

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