

<b>OREGON ACCOUNTING MANUAL</b>	
Subject: Accounting and Financial Reporting	Number: 40.20.00.PO
Division: State Controller's Division	Effective date: May 1, 2007
Chapter: <b>Travel</b>	
Part: <b>Travel Advances and Corporate Travel Card</b>	
Section:	
Approved: John Radford, State Controller	Original signature on file in SCD

Authority [ORS Chapter 291](#)  
[ORS 292.220](#)  
[ORS 292.230](#)  
[ORS 292.250](#)  
[ORS 292.495](#)  
[ORS 292.280 through 292.288](#)  
[ORS 240.250](#)  
[ORS 243.650](#)  
[ORS 244.040](#)

**Purpose**

- .101 The purpose of this policy is to provide guidelines to state agencies on the issuance of travel advances to state employees and to provide guidelines on the use of the State Corporate Travel **Charge Card** (travel card) for official state business travel.
- .102 The State sponsors the Travel Card Program to provide state employees who travel on behalf of state government a means to pay for authorized travel expenses incurred. The travel card is a personal liability card, not a State liability card. The travel card is available to individual state employees through US Bank, subject to US Bank credit standards.

**Agency Issued Cash Travel Advances**

- .103 Authorization. Cash advances may be issued by check or warrant to state employees who are authorized to travel on behalf of state government. Although use of the travel card is preferred, there may be circumstances in which an agency will issue a cash travel advance such as:
  - a. Employee has been denied a travel card, denied ATM cash privileges, or the travel card has been otherwise modified by US Bank restricting access to cash.
  - b. Employee's travel card has been canceled due to delinquency.
  - c. Newly hired employee needs to travel prior to a travel card being issued.
  - d. Employee does not travel on a regular basis.
- .104 Frequent Travelers. Permanent travel advances for frequent travelers are not authorized. State employees who travel frequently should use the travel card for travel related costs or cash needs and submit periodic requests for travel expense reimbursement. If an employee is on travel status most of the time and has been denied a travel card, travel advances may be issued

periodically, provided that each travel advance is timely substantiated as described in paragraph .102 of the accompanying procedure ([40.20.00.PR](#)).

- .105 Travel Advance Restrictions. A travel advance is not a loan to the employee, and any unauthorized travel advance of **state funds** by the agency or the use of state travel funds by personnel for other than official state travel purposes may be considered a misappropriation of state funds. A travel advance shall cover a period not to exceed 45 days. No travel advance is permitted to be made to an employee (or other qualified person) who has outstanding, unreconciled, and/or past due balances for previous travel cash advances or past due balances on unpaid travel card charges unless approved in writing by agency management.
- .106 Liability for Travel Advances. Employees should be cautioned that all state employees bear 100% liability (loss or theft) while in possession of cash obtained from state travel cash advances.

### **Use of Travel Card**

- .107 The preferred method of providing a means to state employees to pay for authorized travel expenses is through the use of the travel card. Agencies are encouraged to adopt the use of the travel card; however, it is understood that US Bank may deny issuance of a travel card or may cancel a travel card due to delinquency.
- .108 Agencies are encouraged to obtain the travel card for all personnel that continuously travel or periodically travel (minimum of at least one travel occasion every 6 months) on official state business. Agencies should periodically review authorized travel cards issued and regularly cancel travel cards if the employee travel needs have been significantly reduced or eliminated.
- .109 Only official travel expenses shall be purchased with the travel card. Official travel shall include, but is not limited to, lodging, meals, and ground transportation. When necessary, in emergency travel situations, air transportation fares may also be purchased with the travel card. However, the preferred payment method for air transportation is to use the Central Travel System (CTS) Account (or 'ghost account') through the State's travel agency. Retail spending is permitted only in those instances when, during official state travel time, the retail items being purchased are necessary for state business purposes.
- .110 Use of the travel card is authorized only for travel related expenses while on official state business travel and is strictly prohibited for any other purpose. The travel card shall not be used for personal purchases and doing so will be considered abuse of the card. Abuse of the corporate travel card privilege or disregard for the terms of the Corporate Travel Card Agreement may result in cancellation of the travel card and is grounds for disciplinary action up to and including dismissal.
- .111 Employees are liable for all charges they make on their travel cards. This includes purchases or cash obtained at an automated teller machine (ATM) as well as any late fees assessed. Cash that is lost is not reimbursable by the State. Under the current travel card contract, neither the employee nor the State is liable for illegal charges to the card due to lost or stolen cards. However, cardholders should immediately report lost and stolen cards to US Bank.

### **Preferred Method of Travel Advance Issuance**

- .112 Whenever possible, travel advances shall be obtained through the travel card. Use of the travel card reduces the administrative burden of application, voucher/warrant issuance, reporting, and reconciliation costs associated with a cash advance issued by check or warrant. In addition, use of the travel card sustains State cash resources.

### **Travel Card Monitoring Responsibilities**

- .113 Agency Travel Card Management. Agencies are required to provide for internal management of the travel cards issued to their employees by assigning a person or persons to function as the agency Travel Card Coordinator (coordinator). The coordinator(s) will ensure that all card applications are appropriate and processed correctly. In addition, the coordinator(s) or other individual(s) designated by the agency shall request and review monthly card management reports (available on-line through US Bank's Access Online program) regarding the agency's cardholders using the accompanying procedures defined in **40.20.00.PR**. Agencies are required to perform appropriate review and monitor delinquent accounts or misuse of the card. Each agency is required to take appropriate corrective action as necessary for misuse, delinquent accounts, or other anomalies.
- .114 Canceling Travel Card Privileges upon Termination or Transfer. Each agency is responsible for canceling travel card privileges for an employee who either terminates or transfers to another agency. Failure to notify the card issuer of an employee termination transfers the liability of any charges made on the card after termination from the cardholder to the issuing agency. Agencies must destroy cancelled cards.

### **Payment of Travel Card Monthly Statement**

- .115 The payment of the travel card monthly statement is the responsibility of the state employee who is authorized to travel and to whom the charge card is issued. The entire balance is to be paid in full each month. Under no circumstance should an agency pay an employee's charge card statement. Employees are required to submit requests for business travel expense reimbursements timely after travel so that reimbursement payments to the employee provide sufficient resources and time for the employee to pay the monthly travel card statement.
- .116 Effective May 1, 2007 cardholder accounts with a 60 day past due balance will be suspended by US Bank and subsequently cancelled if not paid in full before they become 90 days past due. When an account is *suspended*, no additional charges can be made until the cardholder pays the past due balance. The first instance of a 90 day past due balance will result in the cancellation of the cardholder account with no provision for reinstatement of privileges, unless the past due balance was caused by circumstances beyond the control of the cardholder (i.e., erroneous posting of charges or payments through no fault of the cardholder). Travel cards that were canceled prior to May 1, 2007 as a result of a 60 day past due balance (in accordance with the previous policy) will not be reinstated.

### **Corporate Travel Card Rebate**

- .117 Under the Corporate Travel Card program, the State may qualify for an annual rebate from US Bank. The rebate amount is based on a combination of dollar volume of purchases and timeliness of payments on accounts. Therefore, timely payment by employees of travel card account balances contributes towards earning the rebate. When a travel card account balance is charged off by US Bank (180 days past due), the amount charged off reduces the rebate. Although the amount is "charged off" for the purposes of the travel card program, US Bank will continue to pursue collection from the cardholder.

### **Use of Personal Credit Card**

- .118 State employees may opt to use their own personal credit card in lieu of obtaining the travel card and/or a cash advance. Employees choosing to use a personal credit card to pay for official state travel expenses must adhere to the Oregon Government Standards and Practices Commission's Advisory Opinion 01A-1006. This advisory opinion states that using benefits earned from the use of a personal credit card that offers incentives such as cash rebates, frequent flyer miles or other benefits based upon the dollar amount of purchases made violates ORS 244.040(1)(a) which prevents public officials from using their position or office to obtain personal financial gain.

- .119 Employees using their own personal credit card for travel related expenses may be reimbursed for reasonable ATM cash withdrawal charges for cash advances up to the amount of the travel card fee. Interest accumulations for cash withdrawals made using a personal card are not reimbursable.