

OREGON ACCOUNTING MANUAL	
Subject: Accounting and Financial Reporting	Number: 40.20.00.PR
Division: State Controller's Division	Effective date: May 1, 2007
Chapter: Travel	
Part: Travel Advances and Corporate Travel Card	
Section:	
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Accounting for Agency Issued Cash Travel Advances

- .101 State employees who have received a travel advance issued by check or warrant shall submit a completed Travel Expense Detail Sheet timely, justifying the expenditures of the travel advance and:
 - a. If the travel advance is less than expenses incurred, the agency will process the voucher and reimburse the employee the additional amount due.
 - b. If the advance is equal to the expenses incurred, the agency will reconcile the travel advance with the Travel Expense Detail Sheet.
 - c. If the advance is in excess of expenses incurred, a cash repayment is made by the employee to the agency and shall accompany the Travel Expense Detail Sheet. Personnel may, with the agency's permission, arrange to repay the unused travel advance by a payroll deduction.

- .102 Timely Substantiation of Travel Advances. When granting cash travel advances, agencies must implement internal controls to monitor and track outstanding travel advances to ensure that the advances are substantiated and any excess is returned to the agency in a timely manner. The following timeframes meet the IRS test for timely substantiation and return of excess:
 - a. The advance is made no more than 30 days in advance of date the expenses will be incurred.
 - b. The expenses are substantiated within 60 days after they occur.
 - c. Any excess amount is returned to the agency within 90 days after expense is paid or incurred.

Advances that are not timely substantiated or any excess returned become taxable income to the employee and must be added to year-to-date earnings and taxes withheld no later than the first payroll following the 90-day period.

Obtaining Travel Cards

- .103 In order to manage the issuance and review of the State Corporate Travel Charge Card (travel card), the agency must appoint an agency Travel Card Coordinator (coordinator). The agency reports the name, phone number, mailing address and e-mail address of that person to the State Controller's Division, Statewide Accounting and Reporting Services (SARS). Upon assignment of the duties, the agency coordinator contacts the US Bank Account Coordinator at (612) 973-1266 to obtain a new password in order to access the US Bank Access Online program. Any changes

in staffing of the agency coordinator need to be reported in the same way as the initial assignment in order to revoke outdated user names and passwords and establish replacements. Access to the information provided by Access Online should be handled within the agency with careful thought to the security of the access and information.

- .104 The travel card, issued by US Bank, is available to any employee who travels on behalf of the State, upon authorization by the agency approving authority. The travel card is a personal liability card and individual cardholders are responsible for all purchases and cash advances made using the card.
- .105 Applicants who do not meet US Bank credit standards will not be offered a card. US Bank will conduct a full credit bureau check on new applicants that have been identified as high risk. Applicants whose credit indicates a significant credit risk will not be granted a travel card. US Bank uses the employee's social security number (provided on the employee's Corporate Travel Card Application) to perform the credit check.
- .106 State employees seeking to obtain the travel card must complete and sign the US Bank Corporate Card Application form (75.40.04.FO) and the Corporate Travel Card Agreement form (75.40.03.FO) and submit both forms to their supervisor/manager. Applicants must use their home address as the billing address on the application. The supervisor/manager reviews the card request and determines if the employee has a business need for the card. The supervisor/manager signs the US Bank Corporate Card Application on the "Approving Manager" line and submits both the application and agreement to the agency travel card coordinator.
- .107 The agency travel card coordinator reviews the application and verifies the receipt of a signed Corporate Travel Card Agreement. The agency coordinator determines if the credit limit should be set lower than the standard \$5,000 and if access to ATM cash is appropriate and indicates that across the top of the form as "Cash" or "No Cash". The bank-assigned five-digit company number is also required on the lower portion of the application.
- .108 The agency travel card coordinator signs the application as the "Company Program Administrator". The completed application and the agreement are faxed to US Bank to the attention of the State of Oregon Account Coordinator at (612) 973-3696. Applications take seven to ten business days to process. The agency retains the application and agreement forms on file as long as the employee has an active card and for a period of three years beyond cancellation of the card or termination of the State's contract with US Bank. The agency makes application and agreement forms available to DAS and the Secretary of State Audits Division upon request.
- .109 US Bank will mail cards directly to the cardholder. The cardholder shall sign the back of the card upon receipt of the card. At issuance, the cardholder receives information and instructions for activating the card by phoning a toll-free number at US Bank. The card cannot be used until activated. If US Bank does not issue a card to the employee, the bank notifies the employee directly by mail.
- .110 US Bank issues new travel cards after cards reach their renewal date, providing the account status is in good standing and the account has had activity during the previous 18 months. The cards are mailed directly to the cardholder and must be signed upon receipt.

Travel Card Cash Withdrawal Limits

- .111 If approved for this card feature, state employees traveling on state business may use the travel card to obtain cash advances from an ATM to cover incidental expenses. Employees that are authorized for ATM use should limit the use of cash advance withdrawals to one for every three to five days of consecutive travel. Charges for ATM cash withdrawals are a reimbursable expense.
- .112 Because there is a charge for each cash withdrawal from an ATM, the number of cash advances should be held to a minimum. Cash advances should be obtained only to pay for such items as meals, taxi fees, parking or other small, authorized incidental expenses when the travel card may

not be readily accepted. It is recommended that each advance be an amount of at least \$50, but not exceed \$100 for a three to five day period of consecutive travel. The total ATM limit on all cards authorized for ATM use is \$250; however, each agency may lower cash withdrawal limits depending on the individual agency needs. Once a traveler reaches the limit, ATM use is suspended until the balance is paid below \$250, and then only the difference between the balance on ATM withdrawals and the \$250 limit is available for withdrawal.

Managing Active Travel Cards

- .113 US Bank, through their Access Online program, provides for the download of online reports to assist the agency with card management. Those reports provide a roster of cardholders within the agency, information about cardholder spending and a listing of cardholders with delinquent balances. All reports are available for download by travel card coordinators when needed. The web site for the US Bank Access Online program is located at: <https://access.usbank.com>.
- .114 In the US Bank Access Online program, various codes are used to indicate the status of travel card accounts. These status codes are defined as follows:
- F1 = Lost/stolen
 - FA = Fraud has been identified
 - M9 = Account is suspended due to 60 day delinquency
 - P9 = Account closed due to abuse, NSF, or delinquency
 - Q9 = Miscellaneous closure code
 - R9 = Account is in collections (automatic code after 120 days)
 - S1 = Account is closed due to 90 day delinquency
 - T9 = Account terminated by the state agency
 - V9 = Voluntary surrender (voluntarily closed, but can be reopened upon request)
- .115 The agency travel card coordinator(s) or other individual(s) designated by the agency shall request and review monthly card management reports created in the US Bank Access Online program regarding the agency's cardholders. Agencies are required to perform appropriate reviews to monitor delinquent accounts and encourage payment of past due balances. The agency coordinator should securely store all travel card reports, protecting the confidentiality of the card and cardholder information.
- .116 Agencies should monitor the Account List Report (found under Access Online/Reporting/Program Management/Administration/Account List) for the following (when retrieving this report, be sure to click on the box for 'account information' in the 'Additional Detail' section and also change the 'Report Output' from PDF to Excel):
- a. Review to ensure the cardholder member list includes correct and current information.
 - b. Review for any cardholders that have terminated, retired, or transferred to other state agencies. Process immediate cancellation (using a cancellation code T9) of those card accounts.
 - c. Agencies are encouraged to voluntarily close accounts that have not been used in the past six months and are not expected to be used within the next six months. Review for cardholders with no activity for six months or more by looking at the 'Last Trans Date' column in the report. If any, verify that the card is still needed. If the agency travel card coordinator believes the card will be needed in the future and determines that it should not be fully cancelled, then a V9 cancellation is recommended (card is closed, but can be reopened with a phone call to US Bank at (612) 973-1266). Cancel and destroy cards that are no longer needed. Retrieve, cancel, and destroy cards from employees who are retiring, transferring to another agency, or terminating. To cancel a card, call the US Bank Account Coordinator at (612) 973-1266.

- .117 Agencies should monitor the Transactions Detail Report (found under Access Online/Reporting/Financial Management/Transaction Detail) and the Cash Advance reports (found under Access Online/Reporting/Program Management/Cash Advance) for the following:
- a. Review for purchases that do not appear to be related to travel. Bring these purchases to the attention of either the cardholder and/or the cardholder's manager to verify the appropriateness.
 - b. Review for personal charges and ATM anomalies. Coordinate needed corrections with the cardholder and US Bank.
 - c. Review for large dollar activity or changes in spending patterns.
 - d. Review for frequent ATM activity. If questionable, verify that the employee has been on travel status. ATM activity not related to travel status is an abuse of the card.
- .118 Agencies should monitor the Account Suspension Report (found under Access Online/Reporting/Program Management/Account Suspension). The Account Suspension report should be requested shortly after the monthly billing cycle, which is the 8th of each month. The Account Suspension report should be reviewed for the following:
- a. Review for delinquent balances (30 days or more). For delinquent balances of 30 to 60 days, notify the employee of the account status and confirm or suggest immediate payment.
 - b. For delinquent balances older than 60 days, notify the employee and his/her supervisor. The supervisor should then confirm or suggest immediate payment of the cardholder account.
 - c. When an account balance becomes 90 days past due, the account is cancelled in accordance with OAM policy 40.20.00.PO, .116. The agency travel card coordinator will receive notification of cancellations from SARS. For delinquent balances of 90 days or more, notify the employee and his/her supervisor of the cancellation of the account. The supervisor should report the delinquent status to the agency Personnel Office and seek immediate payment or begin disciplinary actions as needed.
- .119 In the case of erroneous information related to the delinquent status of a card, the cardholder works with US Bank Customer Service at (800) 344-5696 and if not resolved, contacts SARS to assist with resolution of the error.

Non-Sufficient Funds

- .120 For the first instance of a non-sufficient funds (NSF) check, US Bank will close the accounts of cardholders whose credit indicates a significant risk. If a cardholder's credit does not indicate a significant risk, US Bank will adjust the credit limit to \$500 for the first instance of a NSF check. For the second instance of a NSF check, US Bank will close the account, even if the cardholder's credit does not indicate a significant risk.

Purging Travel Card Accounts

- .121 US Bank monitors travel card accounts for inactivity. On, or soon after the travel card expiration date (renewal date), US Bank checks the activity for the account. US Bank will purge (close and delete from their system) accounts if they have reached the expiration date and have met one of the following two criteria:
- a. If the account status is R9, S1, FA, F1, or no status (status is "open") and:
 - Account has expired (renewal date has arrived); and
 - Account has a zero balance; and
 - Account has been inactive for at least 22 months.

- b. If the account status is P9, T9, V9, or Q9 and:
 - Account has a zero balance; and
 - Account has been inactive for at least 12 months.

- .122 Employees whose accounts are purged by US Bank due to inactivity may reapply for a new card using the procedure as outlined in paragraph .103 through .109, as long as the account was not closed because of delinquency.

- .123 US Bank will not purge a travel card account if: 1) the account is charged off; or 2) the account has a status of FA; or 3) the account has a balance; or 4) the account is used at least once every 12 months.