



# CIRCULAR

## STATE OF NEW JERSEY

### DEPARTMENT OF THE TREASURY

NO.: 25-13-DPP	ORIGINATING AGENCY: DIVISION OF PURCHASE AND PROPERTY	PAGE 1 OF 6
EFFECTIVE DATE: IMMEDIATE	EXPIRATION DATE: INDEFINITE	SUPERSEDES: 23-17-DPP
SUBJECT: STATE OF NEW JERSEY TRAVEL CARD PROGRAM		
ATTENTION: DIRECTORS OF ADMINISTRATION, CHIEF FISCAL OFFICERS AND AGENCY TRAVEL CARD ADMINISTRATORS		
FOR INFORMATION CONTACT: <a href="mailto:PCARD-TRAVELSUPPORT@TREAS.NJ.GOV">PCARD-TRAVELSUPPORT@TREAS.NJ.GOV</a>		

#### I. PURPOSE

The State of New Jersey's Travel Card Program was established to offer a more convenient and efficient payment method for expenses related to official State business travel. This Circular outlines the policies and procedures governing the State of New Jersey's Travel Card Program, providing standard guidelines for card usage.

#### II. GENERAL

The Department of the Treasury oversees the administration of the Travel Card Program, including establishment of State Program policies and procedures.

All purchases made with the Travel Card are subject to State statutes and travel regulations, including those outlined in this Circular and Circular 25-09-DPP.

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.

Agencies participating in the Travel Card Program will undergo periodic audit reviews, and Travel Card usage will be a focus area in the annual Internal Controls Assessment conducted by the Office of Management and Budget (OMB) to ensure compliance with the policies and procedures outlined in this Circular.

Additionally, 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, specifically for travel-related expenses, which include:

1. Establishing and publishing program policies;
  2. Acting as Program point of contact for the Program vendor and Agency Program Administrator;
  3. Approving Agency program participation;
  4. Providing assistance and training for program participants;
  5. Ensuring compliance with the policies and procedures established herein; Approving Agency MCCG templates and template changes;
  6. Processing Program enrollment applications;
  7. Monitoring Agency Program compliance;
  8. Reporting inappropriate card activities to the appropriate parties; and
  9. Reporting employees who abuse their card privileges to the appropriate agency.
- B. The Agency's Program Administrator is responsible for the overall administration of the Agency's program, which include:
1. Establishing written internal policies and procedures consistent with this Travel Circular;
  2. Ensuring that Cardholders (employees whom an agency has entrusted to make purchases with a Travel Card on its behalf) and other applicable participants understand the Program and procurement policies and guidelines by providing them with the relevant Circulars;
  3. Providing assistance and training to Cardholders and disseminating updates;
  4. Requesting any appropriate MCCG master template changes, and if warranted, individualized Cardholder MCCG templates;
  5. Acting as point of contact with the State Administrator and the Program vendor;
  6. Enrolling Program participants, including the establishment of participant profiles, such as agency cycle limits and transaction limits for each Cardholder;
  7. Completing Program forms and maintaining Program files;
  8. Receiving and distributing Travel Cards after verifying accuracy of card data;
  9. Determining if a card is needed; evaluating transaction activities for appropriate use and informing the State Administrator of inappropriate card activities, and adjusting limits accordingly;
  10. Ensuring monthly reconciliation of all Cardholder accounts and that the reconciliation information remains on file for future audits;
  11. Ensuring timely payment to the Program vendor; and
  12. Promptly notifying the Program vendor in writing of Program participant changes and cancellations to affected vendors from whom recurring transactions have been authorized.
- C. A Cardholder whom an Agency has entrusted to make travel arrangements on its behalf is responsible for:
1. Understanding Program and procurement policies and guidelines;
  2. Notifying vendors of tax-exempt status of purchases;
  3. Obtaining proper pre-approvals before placing orders;
    - Pre-approvals must be included for all transactions regardless of dollar amounts;
    - In the event of an emergency purchase, the Cardholder must attempt to obtain pre-approval. If pre-approval cannot be obtained, the Cardholder must initiate the process of providing justification and obtaining transaction approval by the next business day from their procurement, or fiscal unit. Misuse of the Travel Card for emergency purchases is strictly prohibited.
  4. Ensuring all travel arrangements are for official State travel business and travel-related expenses only;
  5. Discussing a disputed charge with the merchant prior to contacting the Program vendor. If the charge has not been corrected by the next billing statement, or the merchant does not

- agree to reverse the disputed charge, contact the Program vendor;
6. If necessary, reporting disputed charges to the Program vendor via calling customer service, submitting the request online, or by mailing, or faxing a detailed letter explaining the reason for the dispute, along with the transaction information; and appropriate agency personnel within 60 days from the date of the first statement on which the item was billed. If a dispute case is initiated beyond the 60-day timeframe, the Program vendor may no longer be able to assist with the transaction;
  7. Reporting fraudulent charges immediately to the Program vendor and appropriate agency personnel via telephone so that the Program vendor can cancel the card upon notification. Vendors from whom recurring transactions have been authorized must be notified via telephone and in writing by the Cardholder, as the Program vendor will cancel the card immediately upon report of fraud;
  8. When necessary, and as part of fraud cases, complete the Statement of Fraud (SOF) form to confirm that the Cardholder did not authorize the flagged transactions;
  9. Reporting a lost or stolen card immediately after the loss is realized to the Program vendor and by the next business day to the Agency Program Administrator and to vendors from whom recurring transactions have been authorized;
  10. Notifying the Agency Program Administrator of absence from the office, planned, or otherwise, for more than 10 business days; and
  11. 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 there is 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 Set-Up**

1. An Agency designee should contact the State Agency Program Administrator to start the enrollment application for the Travel Card program.
2. Participating agencies must identify and name an Agency Travel Card Agency Administrator.

##### **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, Agency Program Administrators should log into US Bank's Access Online portal to begin the application.

##### **D. Separation of Duties**

1. No one employee should handle all aspects of the Travel Card process, i.e., the Cardholder shall not also be the Agency Program Administrator.
2. The duties of purchase, reconciliation/monitoring and payment should 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 that additional oversight is in place.

#### E. Cancellation of the Travel Card

1. The Cardholder must advise the Agency Program Administrator when the Travel Card is no longer needed.
2. The Agency Program Administrator must provide written notification to the State Program Administrator to facilitate the cancellation of the Travel Card.
3. Vendors with authorized pending, or re-occurring transactions, must be notified by the Cardholder, both by telephone and in writing.

#### F. Termination of Cardholder

The Cardholder, or their supervisor, must contact the Agency Program Administrator when the Cardholder leaves the agency due to retirement, or other separation from State employment.

#### G. Card Abuse

Using the Travel Card for purposes other than authorized official travel, or failing to pay charges in a timely manner, is considered an abuse of the card privileges.

Once the agency informs the Program vendor of unauthorized card use, the vendor will not hold the agency liable for any subsequent unauthorized transactions, which occur.

The agency must immediately notify the State's Program Administrator, the Agency's Program Administrator, and the Program vendor, of any unauthorized purchases. The Program Vendor can be reached by calling the customer service number located on the back of the card and/or the statement.

Card abuse can result in the suspension of card privileges, or cancelation of the Travel Card.

#### H. Separation of Duties

No single employee is permitted to manage all aspects of the Travel Card process. For example, the Cardholder may not also serve as the Agency Program Administrator.

- I. To ensure independent verification of the Travel Card process, the responsibilities for purchasing, reconciliation/monitoring, and payment, must be assigned to different individuals. However, if this is not feasible, particularly in small agencies, compensatory controls must be put in place to provide additional oversight 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.

### V. PAYMENT

#### A. Payments

The State uses the check payment method for Travel Card payments, which requires, at a minimum, an additional two business days before payment can be sent to the Program Vendor.

Agencies should take into consideration the additional processing time when making payments.

NOTE: Travel Card payments should be made as soon as possible to maximize the rebate for the State; however, all payments due from the State shall be made in accordance with the Prompt Payment Act, and shall be due no sooner than 60 calendar days from the receipt of a properly executed State invoice, or 60 calendar days from the receipt of goods or services, whichever is later.

1. Payments to the Travel Card must be made in accordance with the terms and conditions of the contracted agreement.
2. Payments made to the Program Vendor **must** reference the 16-digit managing account number, followed by a unique identifier in the CFS payee reference filed.
3. The Agency Program Administrator is responsible for maintaining her/his account in current status.
4. The Cardholder must reconcile purchases to monthly billing statements and submit receipts for all Travel Card transactions.
5. Billing inquiries and disputes should be made by the Cardholder to the Travel Card provider.

#### B. Payment Options

1. There are two methods available for payment to allow for payments to be made on time:
  - a) Travel Voucher (TV)
  - b) Using Agency Payment Voucher (U1)

NOTE: When making a Travel Card payment, you must use the correct Travel Card Vendor ID.

2. When making a Travel Card payment, regardless of the payment method selected, the managing account number must be included on every payment, followed by a unique identifier.
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 the managing account number for the Agency's Travel Card.
4. The formatting of the payment description field facilitates the Program Vendor's accounts receivable team to apply payments to the correct account.

NOTE: No special characters, such as hyphens, dashes, or spaces should be entered. However, additional information may be added from the 17<sup>th</sup> position of either field, up to the remaining 14 positions.

## VI. TRAVEL METHODS

#### A. 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. The use of a travel agent is not permitted.
4. Policies established in this Circular and OMB circular 20-04-OMB, should be adhered to when making any travel arrangements.

## B. Car Rental

The Travel Card must be used to reserve a car. 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 check to see if there is a State contract in place and, if so, review contractor vehicle class pricelists as furnished in the contract listing on the Division of Purchase and Property's NJSTART website. Using agencies are encouraged to rent the lowest cost vehicle, regardless of minor differences in functionality and/or features.
- 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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