



Travel Card Guidelines

Policy & Procedures Manual

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This Manual will provide the user with policies and procedures necessary to remain in compliance with the Travel Card Program rules and regulations as set forth by the Office of Purchasing, Travel and Fleet Management, as well as applicable state laws.

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100. Travel Card Program Overview

The Travel Card is a travel tool that may replace the traditional purchasing method of purchasing airline tickets, booking hotel rooms, paying for vehicle rental services and more. The efficiencies and flexibility of the Travel Card allows entities to more easily focus on the value-added aspects of their jobs. The savings from reduced paperwork and online processing can provide a direct benefit to an Entity.

The ghost account (also called the cardless account) as well as plastic card gives the cardholder the ability to deal directly with the vendor in order to expedite payment for travel related services. The card also provides a method of payment with widespread acceptance by merchants. The card may be used for purchases in person, over the phone, via fax, on the Internet, or by mail.

This Manual will provide the user with policies and procedures necessary to remain in compliance with the Travel Card Program rules and regulations as set forth by the Office of Purchasing, Travel and Fleet Management, as well as applicable state laws.

101. Authority for Additional Guidelines

While entities may establish stricter guidelines, the policies and procedures set forth in this Manual shall be the adhered to. Travel arrangements and purchases made using the Travel Card account program should be in accordance with the policies and procedures established by the Office of Purchasing, Travel and Fleet Management.

Entities are required to:

1. Designate personnel to manage the program (recommend one Program Coordinator and one alternate as a backup)
2. Comply with applicable State Travel Policies and Guidelines, and;
3. Adopt limits and requirements in accordance with the information found throughout these guidelines.

102. Types of Travel Card Accounts

The Travel Card Program has carded and cardless options available. Entities may choose the card that best suits their needs.

Cardless Travel Account

The cardless travel account allows travel related expenses to be delegated to one person, the Program Coordinator, the designated person responsible for making official business travel arrangements for others. Any travel related services, such as travel agency fees, airfare, railway, vehicle rental, lodging, lodging deposits, travel related conference registration, etc., which are normally direct billed can now be billed to this account. Registration and conference fees may be paid with the travel card via the telephone or Internet if the hosting organization accepts payment in this manner. See Section 109. Authorized Expenses for further examples of what may be charged to the cardless account.

This type of account is also called a “Ghost Account,” which essentially means a plastic card is not issued. Instead of an actual card, the Program Coordinator will receive an account number, expiration date and CVV code.

The cardless account, at the discretion of the entity, may be used for both entity and non-entity employees. Proper documentation, including a breakdown of expenses, should be used for auditing purposes, and proper accounting/object codes should be used by the employee reconciling and paying the statement. Please note: ***If you are a school district or governing authority, specific laws may apply. Please refer to your legal department before charges are made.***

All authorized vendors except the intended merchant types will be blocked to add additional internal controls to the account.

Individual Travel Card Account

This type of card allows for approved travel related expenses to be made by the individual who has signed a cardholder agreement for that card. This card is kept by the cardholder and is only used for travel on official entity business. Cardholders should be instructed not to carry the travel card on personal vacations, weekends and/or holidays. The cardholder should keep the travel card separate from personal credit cards. Authorized charges are addressed in Section 109. Authorized Expenses. Charges incurred by the individual cardholder are the only expenses allowed on this card. Non-entity employees are not allowed to have an individual travel card and their expenses shall not be placed on an individual card.

Department Card Travel Card Account

This type of card allows for approved travel related expenses to be made by one or more individuals who have signed a cardholder agreement for that card. This card is kept locked in a central location where the Program Coordinator may check the card out and in as needed. Authorized charges are addressed in Section 109. Authorized Expenses. Charges incurred by the cardholder who has signed the card out are the only expenses allowed on this card. Non-entity employee expenses are not authorized on the department card.

A Sign-In/Sign-Out form should be used when you have a Department card in your office that is checked out periodically by more than one user. Each entity with this type of card should develop procedures for handling of such card to keep a proper accounting of this card. A suggested form is available on the OPTFM Travel Information website at: <http://www.dfa.state.ms.us/Purchasing/Travel/Travel.html>. This form can be customized for each entity's use by the Program Coordinator.

103. Program Coordinator Designation and Responsibilities

The entity will designate a Program Coordinator and at least one alternate Program Coordinator to direct the operation of the program and the Office of Purchasing, Travel & Fleet Management and Issuer may rely on instructions from these individuals as properly authorized by the entity. A current list of authorized Program Coordinators will be provided to the Office of Purchasing, Travel and Fleet Management as required by using the Program Coordinator Designation Request Form.

The Program Coordinator and/or alternate Program Coordinator will be responsible for:

1. Selecting card/account type. Please see Section 102 for this information.
2. The entity will establish reasonable and appropriate travel limits and controls for the Travel Card Program accounts.
3. Maintaining cardholder agreement forms on file.
4. Collecting and signing all cardholder agreement forms.
5. Approving and submitting completed applications to the Office of Purchasing, Travel and Fleet Management.
6. Distributing pertinent information to cardholders. The Bank will send all cards to the Program Coordinator, who will be responsible for distribution.
7. Creating stricter internal travel card policies if necessary.
8. Copying all documents (authorizations, receipts, etc.) for the files.
9. Ensuring cardholders have receipts/invoices for purchases made.
10. Developing a filing system that accommodates monthly statements, supporting documentation, copies of cardholder agreements and applications, etc.
11. Ensuring proper accounting/object codes are used when reconciling and paying the statement.
12. Training card users on proper policy and procedures set by the Office of Purchasing, Travel and Fleet Management as well as the entity. It is recommended that the Program Coordinator conduct a training session wherein the individual employees are provided with information concerning the Travel Card Program as well as the State Travel Policies and Procedures and one-on-one training when new cardholders come on board.
13. If cards are blocked at point of sale, the Program Coordinator should contact the Travel Office using the information at the end of this document.

104. Cardholder Responsibilities

1. Sign and abide by the Travel Cardholder Agreement.
2. Ensure that cardholders are in compliance with authorized and non-authorized expenses.
3. Ensure that the Travel Card Guidelines are read and understood before using the account.
4. Ensure that travelers have proper Authorization to travel before the Travel Card accounts are used.

105. Obtaining Travel Card/Accounts

To obtain cards and set up cardless accounts, the Program Coordinator should fill out the required forms on the Office of Purchasing, Travel and Fleet Management's website at: <http://www.dfa.state.ms.us/Purchasing/Travel/Travel.html>.

106. Card Violations

The Office of Purchasing, Travel and Fleet Management requires individual cardholders and users to strictly adhere to the policies and procedures governing use of the Travel Card Program which may be established and modified from time to time as necessary. Failure to do so may result in disciplinary action up to and including termination of employment. Additionally such failure could result in prosecution to the fullest extent of the law, including financial restitution and criminal prosecution. This policy will be administered in accordance with other State procurement and travel policies and the laws of the State of Mississippi.

Violations of policies governing use of the Travel Card accounts may be classified as minor or major. The action taken is dependent upon the type of violation and the number of previous cardholder violations. An entity head or authorized designee, or the Office of Purchasing, Travel and Fleet Management's Travel Manager is authorized to suspend a cardholder's privileges as deemed necessary without prior notice however, the entity will be notified of any such action. All other actions are determined at the appropriate entity level. Any alleged violation or questionable transaction could result in an immediate temporary suspension of card privileges pending a review to determine what, if any, action is appropriate.

Minor Violations

Minor violations are instances that are "accidental" and without willful intent, or a delinquent reconciliation process.

Major Violations

Major violations are instances that show "willful intent" to disregard established policy.

Any major violation will result in immediate temporary suspension of the cardholder's privileges and notification to the entity's Head. If deemed appropriate the bank, police, and the appropriate entity head will also be notified. Other measures of discipline are listed in the Travel Card Agreement and Application Form which may be found on the OPTFM Travel Information Website at: <http://www.dfa.state.ms.us/Purchasing/Travel/Travel.html>.

107. Failure to Comply with Laws, Policies and Procedures

Cardholders or supervisors/approving officials will use cards in accordance with all policies and procedures as referenced in this document which may be amended as necessary. Cardholders or supervisors/approving officials who knowingly, or through willful neglect, fail to comply with applicable requirements of the State Travel Manual and/or internal policies and procedures governing the Travel Card Program may be subject to suspension or termination of card privileges or other disciplinary action; and criminal prosecution to the fullest extent of the law.

The Office of Purchasing, Travel and Fleet Management, entity head, or his/her designee reserves the right to withdraw any authority or delegated approval due to non-compliance with

applicable laws, rules, regulations, policies, and procedures, or the terms of any conditional approval.

108. Cancellation of Travel Arrangements

The cardholder or Program Coordinator is responsible for canceling airline/rail tickets and other travel arrangements. These arrangements should be made directly with the travel agency or the vendor.

109. Authorized Expenses

The following types of expenses are allowable:

The cardless account, at the discretion of the entity, may be used for the authorized expenses of both entity and non-entity employees. Please reference Section 102, Types of Travel Card Accounts, Cardless Travel Account.

1. Airfare
2. Baggage Fees
3. Registration Fees
4. Lodging (room only, no incidental expenses allowed)
5. Rental Vehicles
6. Taxi's
7. Shuttles
8. Fuel for rental vehicles Note: Fuel purchases are an authorized expense only when the fuel is purchased for rental vehicles. Dates of fuel shall match the time period in which a vehicle was rented for payment of this expense. Fuel is considered an unauthorized expense when purchased for personal vehicles, fleet vehicles, etc.).
9. Tolls
10. Parking
11. Business Related Internet Service

110. Unauthorized Expenses

The following types of expenses are **not** allowable:

1. Travel expenses for non-entity employees on the individual or department card.
2. Business Related Airfare Combined with Personal Airfare

3. Fuel for any other type vehicle than a rental, such as personal vehicles, fleet vehicles, etc.) as outlined in Section 110. Authorized Expenses. Note: Fuel purchases are only considered an authorized expense when the fuel is purchased for rental vehicles. Dates of fuel shall match the time period in which a vehicle was rented for payment of this expense. The cost of rental vehicles for personal business such as dining, sightseeing, or other personal use while on official state travel will not be reimbursed.
4. Cash Advances
5. First Class and Business Class Travel

Note: Preferred seating, business, first-class service may be authorized if at least one of the flight segments exceeds 6 hours. A flight segment is defined as time in the air between stopovers, changing aircraft, or change of airline. Preferred seating, business or first-class travel is not reimbursable unless approved in advance. A waiver signed by the entity head (or his designee) must be submitted and approved by OPT **prior** to the trip.
6. Travel expenses for traveling companions or spouses
7. Food and beverages
8. Personal Items
9. Laundry
10. Personal Calls
11. Any purchase for which the entity does not receive direct benefit
12. Unauthorized Hotel Incidentals
13. Movies
14. Meals
15. Alcohol
16. Room Service
17. Any non-lodging expense

111. Vendor Services

Travel contracts are available online for use of in-state lodging, vehicle rental (in-state and out-of-state,) and travel agency services. Each of these contracts is listed on the OPTFM Travel Information website at: <http://www.dfa.state.ms.us/Purchasing/Travel/Travel.html>.

Entities may utilize other travel resources to coordinate and procure their travel arrangements as long as it provides a cost savings for the entity and is in accordance with the State Travel Manual and/or Procurement Manual.

112. Credit Card Authorization Form

When using the travel card for lodging, the Program Coordinator must contact the hotel to inquire if the hotel has a Credit Card Authorization Form that can be completed in advance. The card does not have to be presented upon arrival if this form is completed and submitted to the hotel prior to travel. The hotel may require that a faxed copy of the travel card be sent. The Program Coordinator will be responsible for resolving these details with the hotel. No personal expenses can be charged to any account in this travel account program.

113. Taxes

Per Section 27-65-105(a) of the Mississippi Code of 1972, Annotated, state agencies are exempt from state sales tax. This section provides that sales of tangible personal property or services made to the United State Government, the State of Mississippi and its departments, institutions, counties and municipalities or departments or school districts of said counties and municipalities are exempt from sales taxes. As a prerequisite to exemption, the sale of property or charge for services must be sold directly to, billed directly to and paid for directly by the exempt entity. **Invoices and/or receipts should be reviewed to ensure that the vendor did not charge sales tax.**

This exemption does not apply to sales of airfare, tangible personal property or services to contractors purchased in the performance of contracts with the exempt entity, nor the employees of the exempt entity, although the contractor or employee may be reimbursed for the expense by the exempt entity. The exemption also does not apply to Production Taxes nor Contractors Taxes levied by Sections 27-65-15 and 27-65-21, Mississippi Code of 1972.

114. Reconciling the Travel Account

Each Program Coordinator and cardholder will receive a Travel Card Account Statement from the bank for the billing cycle. The travel expenses incurred during the billing cycle must be reconciled against the cardholder's approved Travel Authorization Form and processed for payment upon receipt. This procedure is very similar, if not exact, to the previous program.

Online access is available to manage each entity's account. The Program Coordinator should request access from the OPTFM Travel Office if a userid and password has not already been issued.

Note: It shall be the responsibility of the cardholder and the Program Coordinator to ensure that anything purchased on the State Travel Card is not claimed for reimbursement on a Travel Voucher.

115. Receipts

Travel related receipts are due within ten (10) working days after the employee returns from the trip. One copy of the receipt shall be filed with the Program Coordinator and a copy shall be filed with the travel reimbursement.

The cardholder shall obtain an itemized receipt for each transaction. If a receipt cannot be obtained, complete a Travel Card Missing Document Affidavit Form. The Missing Document Affidavit Form is available on the OPTFM Travel Information website at: <http://www.dfa.state.ms.us/Purchasing/Travel/Travel.html>.

116. Billing

At the end of each cycle, the contractor will submit a statement to each Program Coordinator, including statements of individual cardholders and also shall submit a consolidated report to the entity's travel office. The Program Coordinator will distribute the individual cardholder statements for review and verification. The Program Coordinator will forward the approved statements to the entity's travel office for payment. There is no purchase order required for these transactions. All records, including a copy of the master statement and original individual statements, logs, etc., related to the program must be maintained at the entity's travel office and be available upon request for audit purposes. This procedure is very similar, if not exact, to the previous program.

A. Interest

If payment for undisputed amounts is not mailed or otherwise delivered within 45 days after receipt of the statement, the entity shall be liable to the contractor in addition to the amount of the undisputed amounts shown on the invoice for interest at a rate of one and one-half percent (1-1/2%) per month or portion thereof until such time as the payment is mailed or otherwise delivered to the contractor.

B. Balances on Accounts

In accordance with Section 10.112.01, Mississippi Procurement Manual, balances on credit cards shall be paid at the receipt of the monthly statement, once statements have been reconciled for accuracy. Balances on credit cards shall not be carried over to the next month except on disputed claims and only for the disputed amounts.

117. Lost or Stolen Cards

Each cardholder will be required to report lost or stolen cards as soon as the loss or theft is discovered. Contact the bank immediately at 1-888-494-5141. The cardholder should contact their Program Coordinator. The contractor will mail replacement cards within 48 hours after receiving the report of a lost or stolen card. The contractor will be required to send written notification to the cardholder's Program Coordinator and/or the Office of Purchasing, Travel and Fleet Management within 48 hours after receiving the report of a lost or stolen card. A written report indicating the individual cardholder's name, entity name and date of loss or lost or stolen card must be sent to the Office of Purchasing, Travel and Fleet Management.

118. Declined Transactions

In the event that your transaction is declined, please access your card statement or on-line statement or contact your Program Coordinator for an explanation of the denial. The most common reasons for the card to be declined include:

- Monthly spending limit exceeded
- Incorrect expiration date
- Incorrect card number
- Restricted Vendor
- Single transaction limit exceeded
- Blocked MCC code

If you are unable to determine the cause of the card being declined, the Program Coordinator will contact the Travel Office using the contact information at the end of this document via email. Information requested to unblock the card will include the last four digits of the cardholder account number, the vendor the charge is being made to, the amount of the transaction and the date the card will return to its normal transaction strategy.

119. Liability

The person who signs the application(s) on behalf of the entity represents he or she is duly authorized by the entity to sign the application and he or she is authorized to bind the entity for repayment as required and to comply with the provisions and terms governing accounts as set forth and as described on the application. The State of Mississippi will not accept any liability or financial responsibility for state employees' charges that have been incorrectly authorized, exceeds any of the limits specified to the contractor by a cardholder's entity, nor will the State accept any liability or financial responsibility for violations of any of the Merchant Category Codes (MCC) restrictions specified to the contractor by a cardholder's agency.

The State of Mississippi will not accept any liability or financial responsibility for charges that have not been authorized pursuant to current card association rules and regulations.

120. Audit Policies and Procedures

All State of Mississippi Travel Cards will be audited. These audits will take place by your Travel Card Program Coordinator and randomly by the Office of Purchasing, Travel and Fleet Management, The Office of Fiscal Management, and Office of State Auditor. When it is time for your scheduled audit, you will receive an email from the Office of Purchasing, Travel and Fleet Management indicating the date of audit, the length of time for the audit billing period(s), and a requesting for confirmation that this date is okay.

Transactions may be audited to verify, but not limited to, the following:

- All Travel Card transactions
- The Travel Card is being used for appropriate purchases
- Documentation is complete (itemized receipts and statements are accounted for)
- No sales tax is being charged
- Any cardholder that reconciles statements must have Program Coordinator verification of this process for accuracy and accountability.

To ensure that your audit goes smoothly, please have the following information and proof of information readily available:

- Itemized receipts are behind or attached to the bank statements in the order that they appear on the statement (small receipts should be taped individually to an 8x11 sheet of paper).
- No State of Mississippi sales tax is charged on any receipts. If tax is charged, show proper documentation for credit for the charge.
- Make sure the statements are initialed by the reconciler, as well as, the reviewer.

The Office of Purchasing, Travel and Fleet Management and the Office of Fiscal Management will either perform the audit on-site or will pick up the information and perform the audit at the Office of Purchasing, Travel and Fleet Management offices.

Please make copies of records at the end of each month. This will help ensure things run much more efficiently when it is time for an audit. Please only provide the Office of Purchasing, Travel and Fleet Management with monthly statements, receipts, and supporting documentation. Please do not include any other paperwork unless it is requested. Please do not include interdepartmental emails or other non-financial data unless it directly pertains to a transaction or statements.

The Office of Purchasing, Travel and Fleet Management will audit transactions and issue a preliminary audit report usually within a week. The Office of Purchasing, Travel and Fleet Management will give an agency two weeks to resolve any areas of non-compliance and copies of the correction must be sent to the Office of Purchasing, Travel and Fleet Management. The Office of Purchasing, Travel and Fleet Management will then send a final audit report in which a copy will be provided to the entity's Agency Head.

Depending on the results of the audit, there are several possible actions. If the Office of Purchasing, Travel and Fleet Management feels it necessary, a request may be made to bring employees to the Office of Purchasing, Travel and Fleet Management in for further training. If the violations warrant closing the card, this will be the action taken. Obviously in the case of fraud, the Office of Purchasing, Travel and Fleet Management will forward the information to the Office of the State Auditor.

Areas of special emphasis to Internal Audit are dual signatures on the statement, the storage of a department card or cardless account number in a secure location, and a sign in/sign out sheet for cards used by multiple employees.

121. Travel Card Guidelines Revisions

May 1, 2014

1. Revised: Table of Contents to address additions and deletions as well as page numbering.
2. 102. Individual Travel Card Account – Added statement for security purposes instructing cardholders not to carry the Travel Card with them on personal outings.
3. 103. Program Coordinator Designation and Responsibility:

Added # 2
Added # 7
Added # 10
Added # 13
4. Deleted: 112. Account limits: This section was deleted and became 103 #2.
5. Added: 113. Taxes.
6. Added paragraph to 115. Receipts: regarding Travel Card Missing Document Affidavit.
7. Added 116. Billing: Sections A and B. Interest and Balances on Accounts were added to this section.
8. Added 118. Declined Transactions
9. Added paragraph to 119. Liability: Outlines State of MS liability.
10. Added 120. Audit Policies and Procedures
11. Added 121. Travel Card Guidelines Revisions.

February 15, 2015

1. Changed Revision Date
2. Changed Bureau of Financial Control to the Office of Fiscal Management
3. Updated staff member page to reflect current employees

November, 2016

1. Changed Revision Date
2. Inserted Baggage as an authorized transaction.
3. Removed Baggage as a prohibited transaction.

122. Questions or Assistance

Please feel free to contact the Office of Purchasing, Travel and Fleet Management with any questions, problems, inquiries, etc., regarding your entity's Travel Card either by phone at 601.359.3647 or via travel@dfa.ms.gov.

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