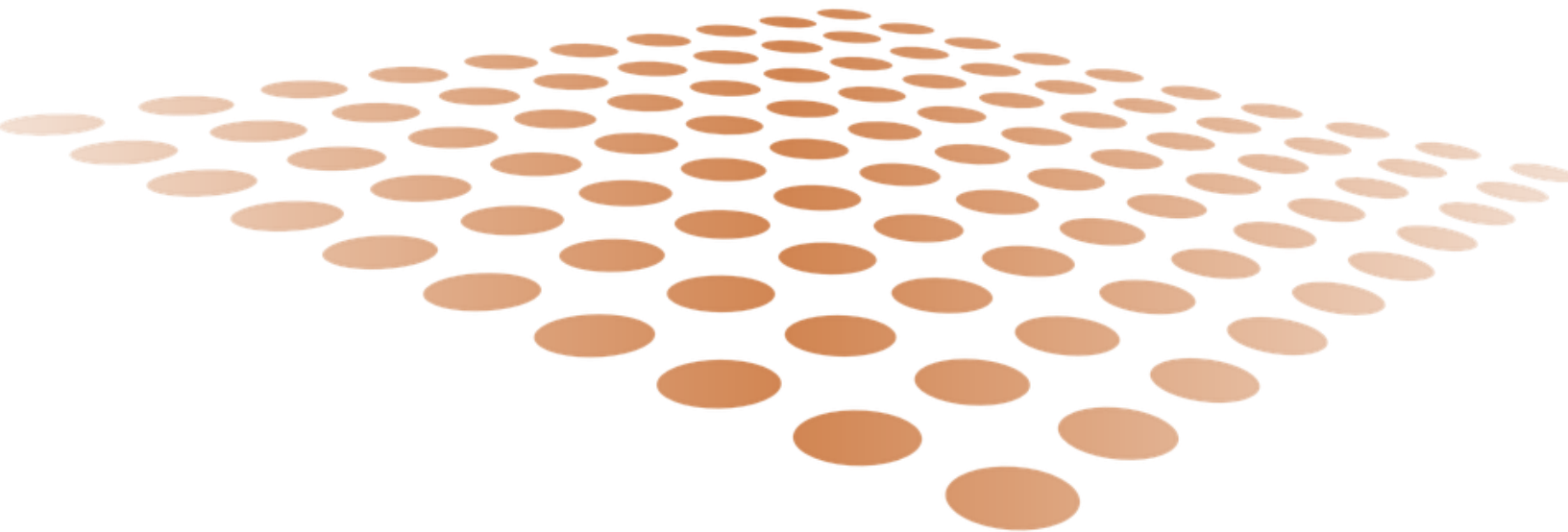


ADOA – General Accounting Office

QUICK REFERENCE GUIDE: EMPLOYEE TRAVEL CARD (ETC) REVIEW





EMPLOYEE TRAVEL CARD (ETC) REVIEW

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EMPLOYEE TRAVEL CARD (ETC) REVIEW

Introduction

This guide provides crucial review steps to assist agencies in meeting the requirements, responsibilities and expectations that come with the Agency Travel Card Program Administrator role as they pertain to State of Arizona Employee Travel Cards (ETC). This guide includes review activities that agencies should establish as regular practice to adequately mitigate risks associated with the ETC. The guide provides a high-level overview of the Agency Travel Card Program Administrator role, monthly and annual review activities, and agency specific procedures.

Overview

SAAM 5051 requires each agency head designate one or more employees to assume the title, duties and responsibilities of Agency Travel Card Program Administrator. This is achieved by completing a GAO-3C Form, which is to be kept on file with the GAO. The Agency Travel Card Administrator is responsible for ensuring that all employees who apply for an ETC have signed an official Form GAO-ETC-101 prior to applying for a card. These forms must be scanned and emailed to the GAO at afis.operations@azdoa.gov *not later than three (3) business days from the date of entry into US Bank*. Agencies are responsible for retaining all originally signed forms and maintaining records for employees, who have applied for, received or been denied an ETC.

Objectives

Identify agency responsibilities and expectations over the following areas:

- Monthly Review Activities
- Annual Review Activities
- Agency-specific Procedures

Monthly Review Activities

SAAM 5051 requires Agency Travel Card Program Administrators to review the ETC charges and payments of all agency cardholders *not later than the twenty-fifth (25th) calendar day of each month*. The following steps are provided to assist with this required review:

Charges and Payments

Using the Travel Card Program Website, run a report that identifies all charges incurred by and all payments made by agency cardholders. Open the US Bank Website at <https://access.usbank.com>.

Note: This is a secure site. For login issues, contact the GAO AFIS Operations team at afis.operations@azdoa.gov.

Using the US Bank website, complete the following steps:

1. Select the **Reporting** link from the menu on the left.



2. Select the **Financial Management** link from the **Reporting** menu.
3. Select the **Transaction Detail** link from the **Financial Management** menu.
4. The **Financial Management Transactional Detail** screen will appear. Select the **Posting Date Range**, with the **Starting Date** being the first day of the previous month and the **End Date** being the last day of the previous month. Then complete the following steps:
 - **Transactions Included:**
 - i. **Reviewed Status** dropdown, select **ALL**.
 - ii. **Approval Status**, leave unselected.
 - iii. **Disputed Status** dropdown, select **ALL**.
 - iv. **Transaction Amount** dropdown, select < or = with dollar amount left blank.
 - v. **Posting Type** dropdown, select **ALL**.
 - vi. **Payments**, select **Include**.
 - vii. **Fees**, select **Include**.
 - viii. **Additional Details**, leave with default value with no boxes checked.

If additional detail is wanted regarding the item(s) purchased, select the checkbox **Display Merchant Data (Excel Only)**.

- **Merchants**
 - i. Select only **Merchant Category Code Group**.
 - ii. **Merchant Category Code Group** dropdown, select **ALL**.
- **Select By**, only select **Account Code**.
- **Sort Report By**, leave with default value.
- **Report Output**
 - i. **Output Type** dropdown, select **Excel**.
 - ii. **Output Parameter Page Placement** dropdown, select **End**.

Selection defines the location of the parameter page details on the report output.

5. **Group Report By** – should only have **Processing Hierarchy Position** marked with the following:
 - **Bank** field, enter 3046.
 - **Agent** field, enter your agency's Agent code.
 - **Company** field, enter your agency's Company code.
6. Click **Run Report**. This will run a report for the specified date range identifying all travel transactions for your agency on both the ETC and Central Travel Account.

Key fields to review using this report include:

- Merchant Category Code (MCC)
- Merchant Category Code Description
- Merchant Name
- Transaction Date
- Merchant State/Province
- Source Currency

Merchant Category Code (MCC) and Description (fields)

The MCC Description field can be an initial indicator of potential card misuse. The table below includes some commonly abused/misused MCCs that *may* indicate inappropriate ETC use. *It is strongly recommended that each agency review MCCs and incorporate this information into its monthly review activity process.* This should be done in conjunction with agency-specific functions and policy requirements. For example, if your agency does not allow cash advances, or airfare purchases on the ETC, these MCCs can be automatically flagged or even blocked altogether to prevent these types of transactions from occurring. See the MCC List for Travel Card on the GAO webpage for a complete list.

MCC	Description
4814	Telecom SVC/Cred Card Call
5311	Department Stores
5399	MISC. General Merchandise
5411	Grocery Stores, Supermarket
5813	Drinking Places (Alcohol)
5921	Package Stores/Beer/Liquor
5942	Book Stores
5968	Continuity Subscriptions
5977	Cosmetic Stores
5993	Cigar Stores & Stands
5999	Misc. & Special
6010	Financial Institutions/Manual Cash (Money/Cash Advance)
6011	Financial Institutions/Auto Cash (Money/Cash Advance)
7230	Beauty & Barber Shops
7298	Health & Beauty Spas
7299	MISC Personal Svcs
7538	Automotive Repair Shops
7542	Car Washes
7922	Theatrical Producers
7996	Amusement Parks, Circuses
8011	Doctors & Physicians
8351	Child Care Services

Merchant Name (field)

Use this field to identify the following:



- Late Payment Charges – Late payment charges can be identified using this field and *may* indicate potential abuse/misuse.
- NSF Processing Fee – Non-sufficient fund processing fees can be identified using this field and *may* indicate potential abuse/misuse.
- Merchant names for transactions previously flagged based on questionable MCCs (judgmental).
- Merchant names that may not be related to State authorized travel (judgmental).

Transaction Date (field)

Use this field to identify the following:

- Holiday transactions (was employee in travel status during this time?).
- Weekend transactions (was employee in travel status during this time?).
- Compare transaction dates against dates that employee was in travel status (was the card being used outside of authorized travel dates?).

Merchant State/Province (field)

This field can be used to identify in which state each transaction took place. If your agency does not allow out-of-state travel or if this employee was not traveling out-of-state on the date of the transaction, this *may* be an indicator of abuse/misuse.

Source Currency (field)

By using this field, you can identify out-of-country transactions (**USD** denotes U.S. currency) which, if not authorized or approved, *may* be an indicator of abuse/misuse.

Current and Past Due Balances

Agencies must review current and past due balances to ensure that account balances are being timely and consistently paid. Information to consider with this review step include identifying past due amounts, their duration and number of past due occurrences. The following steps are being provided to assist with this review.

Using the US Bank reporting option, complete the following steps:

1. Select the **Reporting** link from the menu on the left.
2. Select **Report Scheduler**.

When the Scheduled Report List screen appears, complete the following steps:

1. Select **Report Type**, select **Standard Reports**.
2. **Report** dropdown, select **Past Due**.
3. **Output Filename**, leave blank or type in desired filename.
4. **Recipient Name**, leave blank or use the fields to search for a particular user.
5. **Recipient User ID**, leave blank or enter the email (user ID) of an authorized user.
6. **Start Date** and **End Date**, enter appropriate dates.



7. **Create New Scheduled Report** dropdown, select **Past Due**.
8. Click **Go**.

Past Due Screen will appear, complete the following steps:

1. **Account Information**
 - **Account Status** dropdown, select **All**.
 - **Number of Days Past Due** dropdown, select **30 or more**.
 - **Charge-off** select, **Include**.
2. **Current Default Accounting Code**, leave blank.
3. **Sort Report By**, leave with default value.
4. **Report Output**
 - **Output Type** dropdown, select **Excel**.
 - **Output Parameter Page Placement** dropdown, select **End**.
5. **Group Report By** – should only have **Processing Hierarchy Position** marked with the following:
 - **Bank** field, enter **3046**.
 - **Agent** field, enter your agency's Agent code.
 - **Company** field, enter your agency's Company code.
6. **Account Number(s)**, leave blank.
7. **Break/Subtotal Level** dropdown, select **No Break/Subtotal**.
8. Click **Run Report**. This will generate a Past Due report for ETC cardholders.

Key fields to review using this report include:

- Current Balance
- Total Past Due (Amount)
- XX (30, 60, 90, etc.) Days - Identifies the number of days the balance is past due.
- Times Past Due - Identifies the number of times a balance has been past due and the associated time periods (1-30, 31-60, 61-90, days, etc.).

Annual Review Activities

Agencies must conduct the following review activities at least annually:

GAO-ETC-101: SAAM 5051

SAAM 5051 requires agencies to keep an original signed GAO-ETC-101 form on file for all agency cardholders. Agencies must conduct an annual review to ensure that all cardholders have a signed form on file. This can be accomplished by running a report using the Travel Card Program website to identify all employees with an active (“Open”) ETC.



Using the US Bank website, complete the following steps:

1. Select the **Reporting** link from the menu on the left.
2. Select the **Program Management** link from the **Reporting** menu.
3. Select the **Account List** link.
4. Under **Account Information**, **Account Status** dropdown, select **Open**.
5. Under **Report Output**, **Output type** dropdown, select **Excel**.
6. **Group Report By** – should only have **Processing Hierarchy Position** marked with the following:
 - **Bank** field, enter 3046.
 - **Agent** field, enter your agency's Agent code.
 - **Company** field, enter your agency's Company code.
7. Click **Run Report**. This will identify all current employees with Open ETC accounts at the agency level. Use this report to verify that the agency has a signed GAO-ETC-101 form for all employees with open/active ETC accounts.

Spending and Single Purchase Limits

Agencies must review individual cardholder spending and single purchase limits and ensure they are appropriate for the needs of the individual traveler without creating undue risk. Agencies should consider things such as frequency and location of travel, individual and/or positional purchase needs, and prior year(s) spending patterns when determining individual/positional spending and single purchase limits. SAAM 5051 identify requirements over established spending limits. To identify individual cardholder spending and single purchase limits, run a report using the US Bank Reporting functions as indicated below.

Using the US Bank website, complete the following steps:

1. Select the **Reporting** link from the menu on the left.
2. Select the **Program Management** link from the **Reporting** menu.
3. Under **Administration**, select **Account List**.
4. Under **Additional Detail**, check **Authorization Limits**.
5. Under **Report Output**, **Output Type** dropdown, select **Excel**.
6. **Group Report By** – should only have **Processing Hierarchy Position** marked with the following:
 - **Bank** field, enter 3046.
 - **Agent** field, enter your agency's Agent code.
 - **Company** field, enter your agency's Company code.
7. Click **Run Report**. This will generate a Purchase Limit report for ETC cardholders.



Agency Specific Procedures

SAAM 5051 states, “Agencies should maintain written policies and procedures dealing with the use of the ETC. Such policies and procedures must be consistent with statewide policy and comply with other pertinent State and Federal laws, regulations, policies and procedures.” Agency-specific procedures should identify *how* the agency meets established laws, regulations and policies, and should include detailed process steps that address the following areas:

Monthly and Annual Review Activities

Agencies should create agency-specific procedures over these crucial review areas. If your agency follows the procedures within this quick reference guide, agency-specific procedures should reflect this.

Terminated and Transferring Employees

SAAM 5051 requires that agencies have written procedures in place to ensure the timely cancellation of ETCs when an employee is terminated or transfers to another agency. It is the responsibility of each agency to ensure compliance through the implementation of agency-specific procedures.

Employees Changing Positions (Inter-Agency)

Agencies should have written procedures in place to ensure that individual ETC needs are re-evaluated prior to officially changing positions. This includes reviewing the employee’s new job function to determine if any changes are needed for the ETC or the timely cancellation of the ETC if the card is no longer needed for State travel purposes.

Escalation Procedures

Agencies should have escalation procedures in place to address irregularities and any other issues identified through both the monthly and annual review activities. This includes, but is not limited to, the following areas:

- If irregularities are identified during the monthly or annual reviews, how and to whom will these transactions be escalated?
- How and what disciplinary actions will be taken?
- Agency-specific roles and responsibilities.

Documentation Procedures

Agencies should identify through agency-specific procedures what documentation must be maintained. These must be consistent with appropriate State Library, Archives and Public Records (LAPR) and agency specific retention requirements. Agencies should include, at a minimum, documentation of the following:

- Originally signed GAO-ETC-101 Forms.
- Records for all employees who have applied for, received or been denied an ETC.
- Monthly and annual review activities.
- The results of the monthly and annual review activities, including identified irregularities, issues, and any related disciplinary actions.



Quick Reference Guide

- How long the documentation must be maintained (consistent with LAPR and agency retention requirements).
- Agency-specific roles and responsibilities.

Further Reference

- **SAAM 5051** – Employee Travel Card (ETC) Agency Responsibilities and General Policies.
- **SAAM 5054** – Employee Travel Card (ETC) Employee Responsibilities.
- **GAO-ETC-101 Form** – Employee Travel Card (ETC) Application.
- **GAO-3C Form** – Purchasing Card and Travel Card Agency Program Administrator Authorization Form.
- **US Bank Online Training** - log into the US Bank site (for those who have been granted access) and select Training from the menu.