

## AIR Card Certification Course

DON AIR Card Certification Course  
**Lesson 1, Part II**

**Introduction  
&  
General Policy**



**ACO Course**  
(Encompasses Approving Official and Certifying Officer)

1 March 2006



This is Lesson 1, Part II, a continuation of the general introduction to the program, its policies and regulations. Click the forward arrow to continue your training.

DON AIR Card Certification Course

## Lesson 1, Part II Learning Objectives

You should now be able to:

- Explain how to establish an AIR Card account.
- Identify the Department of the Navy AIR Card Program Management Office.
- Identify authorized AIR Card users
- Explain the procedure for transferring aircraft and their associated AIR Cards.
- List the Order of Preference for refueling resources.
- Identify AIR Card Authorized & Unauthorized Purchases

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The last three objectives listed here will be covered in this part of lesson 1. Take a minute to read these objectives and then click the forward arrow to continue.

## Purchase Types

- **Centrally Paid by DESC**
  - Aviation Fuel
  - Flowage Fees
  - Fuel Additives (FSII, SDA, CI)
- **Billed to Unit Payment Office**
  - Authorized Ground & Ramp Services
  - Callout Fees
  - Overtime Charges
  - Rapid/Hot Refueling Fees
  - Landing Fees
  - De-icing Services
  - Other Aviation Related Fluids
  - Ground & Ramp Services/Fees



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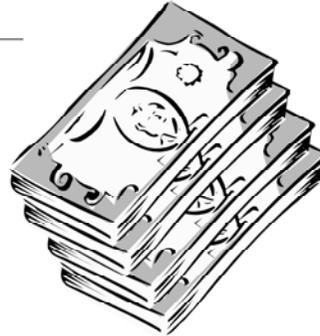
This is a list of the types of products and services which can be purchased with the AIR Card. The list is divided into purchases which are paid centrally by DESC and those which are billed back to the unit's payment office. The AIR card is authorized for these purchases but not to exceed the simplified acquisition threshold of \$100,000.

Not all installations accept the AIR Card however those that do not will accept the Standard Form 44, the Purchase Order-Invoice-Voucher. This method of payment is limited to the micro purchase threshold of \$2,500.

Click the forward arrow to continue.

## Payment Guidance

- DESC Initially Pays
- Split Billing
  - DESC San Antonio
  - DFAS Columbus 
- Interfund Billing - MILSBILLS
- Prompt Payment Certification
  - FAR Subpart 32.9 and 5 CFR 1315
  - DoD FMR 7000.14R, Volume 5, Chapter 33



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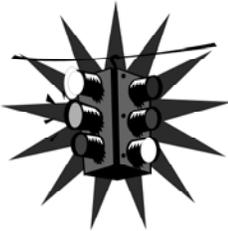


DESC initially pays for all fuel related products through a process called split billing. Split billing is the means of centrally billing the “fuel” portion of your invoice. For the fuel portion, DESC San Antonio acts as the certifying office and DFAS Columbus is the paying office. The individual unit is then billed through Interfund billing, referred to as MILSBILLS. This process reimburses DFAS at the negotiated standard price for fuel purchases. This includes fuel, flowage fees, and fuel additives.

The other portion of the split billing for authorized ground and ramp services are considered non-fuel purchases and will be billed directly from the card contractor to each incurring unit. The Units own certifying office processes the invoice for payment by the appropriate DFAS office.

A prompt payment certification must accompany each non-fuel invoice billed by the card contractor and sent to DFAS. This must be in accordance with regulations listed here.

Click the forward arrow to continue.



## Order of Preference

	<b>Permissible Sources</b>	<b>Methods of Payment</b>	<b>Cost to Aircrew/Unit</b>
<b>1.</b>	Military Installations	Identaplate/ AIR Card	Standard Price
<b>2.</b>	DESC Into-Plane Contracts	AIR Card Into-Plane Contract	Standard Price
<b>3.</b>	Non-Contracted FBO	AIR Card Non-Contract	Local Purchase Standard Price

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This chart shows the “Order of Preference” for refueling resources.

Military aviation fueling resources and related services are the first choice. Identaplate and AIR Card are acceptable methods of payment at these installations.

The second choice is DESC Into-Plane contracts if military resources are unavailable. Aircrews shall restrict fuel and service purchases to DESC Into-Plane contractors at commercial airports when this option is available. AIR Cards are the acceptable method of payment.

The third option is Non-contracted providers. Aircrews are authorized to purchase fuel and services from any available source when no DESC Into-Plane contract is available. The aircrew is authorized to use the U.S. Government Purchase Order - Invoice – Voucher, SF44, in accordance with local purchasing procedures when fueling must occur at a non-DESC contracted locations and an AIR card-accepting merchant is not available.

Please note: the Government Commercial Purchase Card is not an authorized method of payment for aircraft fuel, fueling related services or ground services for DON owned aircraft. AIR cards can be used at both DESC Into-Plane contract locations as well as non-contract airports where the card is accepted.

Click the forward arrow to continue.

## Authorized Purchases

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- Aviation Fuel
- Callout Fees 
- Flowage Fees
- Overtime Charges
- Rapid/Hot Refueling Fees



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This is a list of fuel and fuel related services which are authorized for purchase with the AIR Card. Overtime charges are only allowable in conjunction with refueling. If a squadron fails to show up for a scheduled refueling stop and overtime fees are charged, the unit/wing/squadron will be liable for those overtime charges.

Click the forward arrow now to review authorized non-refueling related charges.

## Authorized Ancillary Non-fuel Goods and Ground Services

- Aircraft Cleaning Services
- Aircraft Landing Fees
- Aviator Breathing Oxygen
- De-icing Service
- Defuel and Refuel Services
- Ground Equipment Services
- Hydraulic Fluids
- Catering - Passengers Only
- Lubrication Oils
- Parking Fees
- Ramp Fees
- Security Services
- Slot Time Fees
- Custom Fees
- Supplies

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The AIR card can be used to purchase many ancillary non-fuel goods and ground services several of which are listed here.

The aircraft housekeeping or cleaning services includes trash collection, vacuuming, lavatory servicing, potable water and similar services. Catering on passenger flights can be charged but only for the passengers. Necessary ground equipment services would include GPU, baggage conveyer belt, electrical grounding hookup, stairs and start carts. Customs fees can be charged to the AIR Card if they were paid by the refueling vendor. And lastly, the supplies category includes maps, navigational aids and other necessary supplies.

In addition, other services can be considered on a case by case basis.

Click the forward arrow to continue.

## Un-authorized Uses

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-  Not Official DON Business
-  Unauthorized Fuel Products and Ground Services
-  Fuel Quantities That Exceed the Aircraft Capacity
-  Meals, Food, Beverage, Tobacco, and Alcohol
-  Taxi or Shuttle Service



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In the interest of clarity, here are five categories of unauthorized Air Card transactions. (1) Transactions not performed as official DON business; (2) Transactions for unauthorized fuel products and ground services; (3) Transactions for fuel quantities that exceed the aircraft capacity; (4) Transactions for meals, food, beverages, tobacco, and alcohol; and, (5) taxi and shuttle services.

In general, if it's not on the list of authorized purchases, it's unauthorized. Now click the forward arrow to review the topic of taxes and the AIR Card.

# Taxes

- DON Military Aircraft Are Exempt From Paying Federal Excise Tax (FET)
- Many States Also Provide a State Excise Tax Exemption



<http://www.desc.dla.mil/DCM/DCMPage.asp?pageid=644>



Since October 1, 2005, DON military aircraft are exempt from paying Federal Excise Tax on aviation fuel at the point of sale. Many states also provide a State Excise Tax exemption for Federal government purchase of aviation or jet fuel. The DESC AIR card contract requires the card contractor to identify all taxes and the appropriate per unit amounts for Federal, State, Local, Territorial and other taxes on all invoices.

State information concerning Excise Tax exemptions may be viewed on the DESC webpage shown here. Please click the forward arrow to continue.

## Gratuities

- Pilots, Flight & Aircraft Commanders, and Crew Chiefs **Shall Not Accept** Gratuities
- Contractor Who Offers Gratuities Shall Have the **Contract Terminated** 
- Standards of Conduct Clearly Identified
  - Executive Order 12731 of 17 October 1990  
*“Principals of Ethical Conduct for Government Officers and Employees,”*

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Pilots, flight and aircraft commanders, and crew chiefs are considered government procurement officials in that they order fuel and other supplies and commit the government to purchase those items. As such, they shall not accept gratuities.

Further, DESC Into-Plane contracts contain a Gratuities clause, which states that a contractor who offers gratuities in order to obtain favorable treatment under a contract shall have the contract terminated and exemplary damages applied.

Executive Order 12731 , dated October 17, 1990, and titled “Principals of Ethical Conduct for Government Officers and Employees,” clearly identifies the standards of conduct expected of flight crew members.

Please click the forward arrow to continue.

# Aircraft Transfers



<b>Transferring Squadron Data</b>	<b>Receiving Squadron Data</b>
1. Squadron Name	8. Squadron Name
2. Squadron DODAAC	9. Squadron DODAAC
3. Squadron AO Name	10. Squadron AO Name
4. Transfer Date	11. Fund Code
5. Tail (BuNo) Number	12. Signal Code
6. MDS (Model Description Series)	13. SUPAAC
7. APC/TEC Code	14. APC/TEC Code

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AIR Cards are associated with the aircraft and, therefore, transferring an aircraft requires special attention to also correctly transfer the AIR Card.

As the first step, the transferring squadron transfers the aircraft via the Aircraft Inventory Reporting System (AIRS). The second step is for the receiving squadron to send specific details about the aircraft transfer to the DON AIR Card Program Management Office at [air\\_card@navy.mil](mailto:air_card@navy.mil). The eMail must include the fourteen items listed here and indicate whether or not a new card is required.

If an aircraft is transferred to a depot or contractor for maintenance, the owning activity must maintain accountability of the AIR card. If fuel or services are purchased with the assigned AIR card while the aircraft is in rework status, the activity having permanent custody will be responsible for the charges. Also, if transferring an aircraft to the Aerospace Maintenance and Regeneration Center for storage, the assigned AIR card must be canceled. Contact the DON AIR Card Program Management Office with the DODAAC and the aircraft bureau number to cancel the card.

Now, click the forward arrow to review this lessons objectives.

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## Review of Objectives

You should now be able to:

- Explain how to establish an AIR Card account.
- Identify the Department of the Navy AIR Card Program Management Office.
- Identify authorized AIR Card users
- Explain the procedure for transferring aircraft and their associated AIR Cards. [\(REVIEW\)](#)
- List the Order of Preference for refueling resources. [\(REVIEW\)](#)
- Identify AIR Card Authorized & Unauthorized Purchases [\(REVIEW\)](#)

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You have now completed Lesson 1; take a minute and re-read the objectives. If necessary, you can click on the word “REVIEW” to return to the relevant area of the training to review that topic. When you are finished reviewing a topic, click the “RETURN” arrow icon in the navigation toolbar to return to this page of the course. The “RETURN” arrow is the second button from the right end of the toolbar.

When you are confident that you understand the material, click the forward arrow to continue.

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Congratulations, you have completed Lesson 1. Click on the “HOME” button icon in the navigation toolbar to close this lesson and return to the main menu. At the Main Menu, click on Lesson 2 to continue your training.