

DON Fleet Card Certification Course

Lesson 2

General Policies and Procedures



March 1, 2012

Lesson 1 provided an overview of the entire Fleet Card program. You were introduced to the major aspect of the program and given general guidance on the use of the Fleet Card.

Lesson 2, *General Policies and Procedures*, provides detailed information for the operation, management and oversight of the Fleet Card Program. These policies and procedures are documented in DoD and DON regulations and instructions. In this lesson, you will learn what these source documents are and the major program guidance they contain.

Please click the forward arrow to review this lesson's objectives.

Lesson 2 Major Topics

- Identify the major DoD and DON policies and procedures governing the Fleet Card program
- Identify the two types of Fleet Cards
- List purchases appropriate for Fleet Card usage
- List four major categories of Unauthorized Fleet Card uses
- Explain pecuniary responsibilities for non-official use of the Fleet Card

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This lesson introduces the policies and procedures that govern the Fleet Card Program

In addition to identifying the specific DoD and DON regulations that govern this program, this lesson discusses authorized and unauthorized uses of the Fleet Card. Potential consequences of Fleet Card misuse, abuse or fraudulent use are also presented.

Click the forward arrow to continue.

Major DoD and DON Policies

- DoD Directive 4140.25-M, Volume II, Chapter 16
DoD Management of Bulk Petroleum Products, Natural Gas, and Coal Acquisition and Technology
<http://www.desc.dla.mil>
- DON Fleet Card Instruction and Desk Guides
<https://www.navsup.navy.mil/ccpmd>
- Local Internal Operating Procedures (IOP)

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There are three levels of policies and procedures within the Fleet Card Program – DoD, DON and the local activity. Each level provides further clarification of the regulations as they apply to the local program.

A DoD directive established the overall program guidance for the Department of Defense Fleet Card Program. It is Directive 4140.25-M, Volume II, Chapter 16, which is subtitled, DoD Management of Bulk Petroleum Products, Natural Gas, and Coal Acquisition and Technology. A copy of this directive is available on the DLA Energy website listed here.

The DLA Energy program manager establishes policy for the Department of Defense program. Each Military Service then establishes its departmental procedures. These procedures are within the framework of the overall DoD policy and cover details such as establishment of credit limits and necessary authorizations for repairs and services.

The DON CCPMD provides oversight for the Dept of Navy Fleet Card Program. The DON Fleet Card Instruction and the DON Fleet Card Desk Guides set forth Dept of Navy policy for the issuance, use, and management of the Fleet Card. A copy of this instruction is available on the DON CCPMD web site listed here. Select Fleet Card Program and the Policy tab to see this instruction.

DON CCPMD policy documents are supplemented by local Internal Operating Procedures, or IOP, which provide further clarification on the operation of the local program. The IOP tailors higher authority guidance to meet the daily operational needs of each activity.

These governing policies provide for the use of two different types of Fleet Cards. Click on the forward arrow to learn more about these two types of cards.

Types of Fleet Cards

- Organizational Cards
 - Keep Centrally
 - Used for Multiple Vehicles or Equipment
- Vehicle Cards
 - Assigned to a Specific Vehicle

Note: Organizational & Vehicle Cards can be established as either fuel-only or fuel and other

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When an activity implements a Fleet Card Program, it may choose to establish vehicle cards, organizational cards, or both. Organizational cards, as the name implies, are set up and associated with an organization. This organization may have several authorized drivers having access to several different vehicles. Organizational cards are kept centrally and issued to authorized drivers within the organization as needed. Charges from different drivers using different vehicles are all invoiced to the organization.

Vehicle cards are assigned to specific vehicles.

An activity can establish both types of cards depending on its needs. These options provide an ability to track Fleet Card charges by vehicles, by driver, or by both. Note that cards can be established as fuel only or fuel and other cards.

The DoD and DON policies include very specific guidance on what is appropriate and inappropriate use of the Fleet Card. Click the forward arrow to see the first four appropriate categories of charges.

Appropriate Purchases

- Fuels:
 - Gasoline, gasohol, regular unleaded, diesel, diesel marine fuel, etc.
- Fluids:
 - Lubricating services and lubricants
- Filters & Batteries:
 - Air and oil filters; batteries & charging
- Tires:
 - Mounting & dismounting snow tires and chains

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DoD and DON policies are very specific regarding the appropriate uses of the Fleet Card. First and foremost, the program is used for obtaining fuel and services from commercial service stations for DoD owned or leased vehicles. The intent of the program is to facilitate easy access to necessary fuels under appropriate circumstances. Intentional use of the Fleet Card for other than authorized purchases may be considered an attempt to commit fraud against the U.S. Government.

Many types of fuels qualify for acquisition using the Fleet Card. Some examples are gasoline, gasohol, regular unleaded, diesel or diesel marine fuel, propane, and liquefied petroleum gas. This includes compressed natural gas ethanol and methanol, E85, and bio-diesel fuels.

Premium or special unleaded fuels are authorized only if required by the vehicle manufacturer.

In addition to fuels, other necessary fluids are authorized. For example, antifreeze, lubricating services and lubricants, including differential and transmission fluids, are legitimate purchases under Fleet Card policy.

Maintenance items are also allowed, such as air and oil filter parts and servicing, as well as batteries and battery charging.

Other allowable maintenance parts and services include mounting and dismounting of snow tires and chains.

In summary, the first four major groups of allowed Fleet Card uses include fuels, fluids, filters, batteries, cleaning and tires. Click the forward arrow to see the remaining categories of authorized uses.

Appropriate Purchases

- Cleaning
 - Washing & cleaning of vehicles
- Parts:
 - Spark plugs, fan and generator belts, windshield wiper arms and blades, lamps, etc.
- Repairs:
 - Collision repair and painting up to agency authorized limit;
- Emergency Roadside Service:
 - Towing

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If approved by your command vehicle washing and cleaning is permitted with the Fleet Card program.

The parts category is fairly broad and covers normal “wear and tear” expendable parts. It includes spark plugs, fan and generator belts, windshield wiper arms and blades and lamps.

The Fleet Card can also be used for collision repairs and painting but cannot exceed the agency’s authorized limit. Emergency roadside service, including towing, is also an allowable charge.

We have covered categories of authorized uses of a Fleet Card. There are, of course, many unauthorized uses. Click the forward arrow and we will review several of the most often confused unauthorized uses of the Fleet Card.

Unauthorized Fleet Card Uses

- Use By Individuals Other Than Military or Civilian Personnel is Prohibited
- Premium and Super Unleaded Fuel is Prohibited Unless Specifically Required by Vehicle Manufacturer
- Products Not on the “Authorized Use” List Are Unauthorized!
- Aviation Fuel at Commercial Locations is Unauthorized
- Single Purchase must not Exceed the Micro-Purchase Threshold of - ***\$3,000***.

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There are four major prohibited categories of Fleet Card usage. The first category specifies who can use the cards. The Fleet Card Program is for the sole use of military or civilian government personnel only. DLA Energy Interim Guidance does permit contractor usage but only if specific requirements are met.

Use of the Fleet Card to purchase premium and super unleaded fuel is prohibited unless required by the vehicle manufacturer. Purchasing super or unleaded plus fuel when its not authorized is considered misuse and abuse.

The previous two slides listed categories of Fleet Card authorized uses. Products not specifically included in those lists should be considered unauthorized purchases.

Aviation fuel purchases are not authorized at commercial locations; the AIR Card is available for aviation fuel purchases.

And finally, a single purchase must not exceed the micro-purchase threshold of \$3,000.

Improper use of any government credit card carries financial and legal consequences. Click the forward arrow for a discussion of the pecuniary responsibilities of Fleet Card Program participants.

Pecuniary Responsibilities

- Approving Officials & Certifying Officers Have Pecuniary Responsibility
- A Personal Financial Liability
- Incentive to Guard Against Errors and Theft
- Protects the Government

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We have just reviewed categories of authorized and unauthorized Fleet Card purchases. Card Users and other participants in the Fleet Card program must adhere to these purchasing guidelines. To help ensure strict adherence to these guidelines, Approving Officials and Certifying Officers have pecuniary responsibility for the purchases made within their program.

Pecuniary responsibility is personal financial liability for fiscal irregularities. It is an incentive to guard against errors and theft by program participants and to protect the government against errors and dishonesty by the officials themselves.

This is the last topic of this lesson. Please click the forward arrow to review this lesson's objectives before proceeding to Lesson 3.

Lesson 2: Major Topics Review

- Identify the major DoD and DON policies and procedures governing the Fleet Card program
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This concludes lesson 2. Close this lesson and return to the main menu; then select lesson 3 to continue your training.