

DON GTCC CO/SUPVR Certification Course
Module 4 – Program Establishment & Management



Module 4

Department of the Navy
Government Travel Charge Card (GTCC)

**Commanding Officer/Supervisor
Certification Course**

Program Establishment & Management

DON Consolidated Card Program Management Division
(DON CCPMD)
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This is Module 4 of the Commanding Officers and Supervisors certification course.

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Module 4 – Program Establishment & Management

Module Objectives

- Public Law 105-264
- Agency Hierarchy Structure
- Agency Program Coordinator
- Credit line increases
- Credit lines
- Merchant Category Codes (MCC)

This module covers Program Establishment & Management.

We will cover:

- Public Law 105-264
- Agency Hierarchy Structure
- Agency Program Coordinator
- ATM/credit line increases
- Credit lines
- Merchant Category Codes (MCC)

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Module Objectives

- Travel and delinquency timelines
- Salary Offset and deactivation criteria
- Program management and monitoring
- EAS Reports
- Program awareness and oversight
- Command support

Continuing with our module 4 objectives:

- Travel and delinquency timelines
- Salary Offset and deactivation criteria
- Program management and monitoring
- EAS Reports
- Program Awareness and oversight
- Command Support

Public Law 105-264

- Travel & Transportation Reform Act of 1998
- Mandates Travel Card Usage
- Regulated by DOD Financial Management Regulation (FMR)
- Creates a Standard Payment Method
- Improves DON Cash Management
- Enhances Mission Readiness

Public Law 105-264, also known as the Travel and Transportation Reform Act of 1998, established the Travel Card program, within the Department of the Navy. This law mandates the use of a government sponsored Travel Card for costs associated with official government travel.

DOD Financial Management Regulation established the program for the Department of Defense and the Department of the Navy instruction defining specific requirements for Navy personnel.

The Travel Card program creates a standard payment method for these government travel expenses, improves Department of the Navy cash management, and enhances the mission readiness.

As a Commanding Officer or Supervisor, you are responsible for making Cardholders aware of this law and other regulations affecting the use of the Travel Card.

The Travel Card program uses a hierarchy structure that creates a chain of command within the bank's system. Let's take a look at this structure.

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Hierarchy Structure

Maintain Your Major Command Hierarchy Structure

➤ Eight Hierarchy Level (HL) Structure

- ❑ HL 1 - DTMO
- ❑ HL 2 - DON CCPMD
- ❑ HL 3 - Major Commands
- ❑ HL 4, 5, 6, & 7 Subordinate Commands and Units
- ❑ Unique 5 digit number assigned to each command or unit



The Hierarchy Structure is an organizational structure within the Travel Card program consisting of a 7-tiered chain of command.

Level 1 is the DoD Travel Card Program Management Office or DTMO.

The DON Consolidated Card Program Management Division or CCPMD occupies Level 2 and the major commands occupy Level 3.

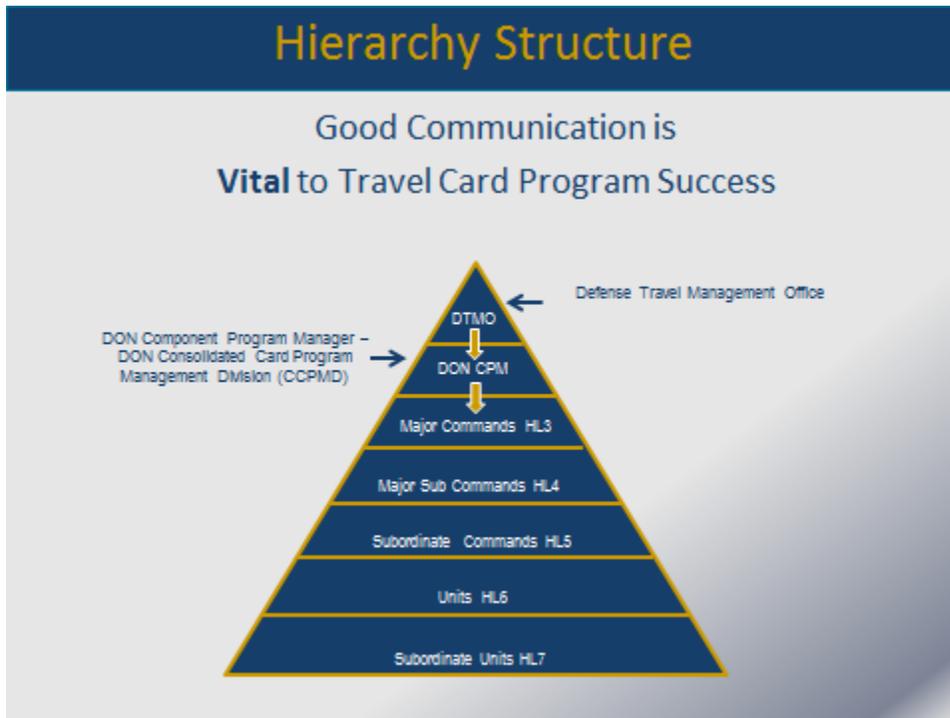
Levels 4, 5, 6 and 7 are occupied by subordinate commands and units.

A unique 5-digit number identifies each command or unit and its hierarchy level.

The first digit of this five digit number represents hierarchy level.

For further information visit the CCPMD website.

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Good Communication flow is vital to the Travel Card program success.

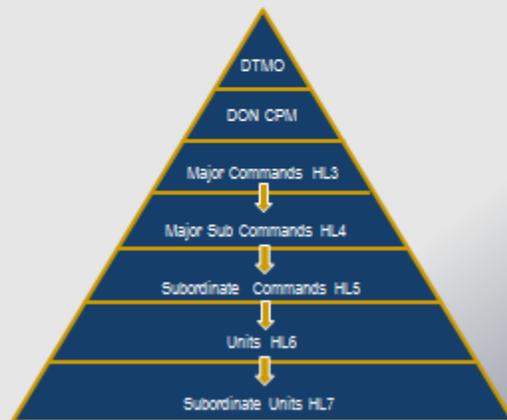
Information from Levels 1 and 2 is sent out to the commands in Level 3.

Now let's look at the importance of the program position called the Agency Program Coordinator or simply, APC.

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Hierarchy Structure

Good Communication is
Vital to Travel Card Program Success



The information is then distributed by the Level 3 APC to the other levels of the command.

As an APC, it is your responsibility to ensure this information is distributed to all your subordinate units.

Now let's look at the importance of the program position called the Agency Program Coordinator or simply, APC.

Agency Program Coordinator

- Assist in program management and maintenance
- Retain Travel Card program records and reports
- Monitor Cardholder accounts and maintain online training
- Check-In/Out processing

As the Commanding Officer or Supervisor, it is your responsibility to assign an APC to the Travel Card program.

The APC can help you manage and maintain your Travel Card program and its records and reports.

An APC will also monitor Cardholder accounts and maintain online training.

APCs should also be included in the check-in and check-out processing in order to keep account records up to date.

Agency Program Coordinator

- Appoint an APC in writing
- Appoint an alternate APC
- Rank of E-6/GS-7 or above
- Assignment from within administrative organization
- Minimum one year assignment

Here are five major criteria to consider when assigning an APC.

You should appoint, in writing, an APC who is responsible for the overall daily operations of the Travel Card Program.

An alternate APC should also be appointed to cover program duties in the event the primary APC is unable to do so.

The candidate must be an E-6, GS-7 or above.

The assignment must be from within the administrative organization.

In the case of reserve forces, assign the APC from within the training department.

And finally, keep in mind that the APC assignment is for a minimum of 1 year.

Credit Lines

Two Types of Travel Cards

- Standard Card
 - ❑ Credit Score 660 or **above**
- Restricted Card
 - ❑ Credit Score **below** 660
 - ❑ Doesn't meet minimum Bank requirements
 - ❑ Commanding Officer or Supervisor can authorize exceptions or request a Restricted Card



There are two types of Travel Cards - Standard and Restricted.

The Bank performs a credit check on all potential Cardholders. To be approved for a Standard card a Cardholder needs to have a credit score 660 or above. If the Cardholder's credit score is lower than 660, they are issued a Restricted card.

If the member receives a Restricted card and later has a need for a Standard card; the member can apply for an upgraded account. If there is any doubt about whether a Standard account can be obtained apply for a Restricted account.

If the Cardholder applies for a Standard account and is declined because of a credit check the application will need to be sent to hierarchy level 2 for an exception request. The Commanding Officer or Supervisor may also specifically request a Restricted card.

Credit checks are soft checks, meaning the credit check will not show up on the member's credit history.

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Credit Lines

- Standard accounts can have increases for one year (Best Practice is six months max.)
- Cards are not required to be deactivated when not in a travel status
- Restricted accounts can have increases for six months
- Cards must be deactivated when not in a travel status

Standard Card		Restricted Card	
Credit Line	\$7,500	Credit Line	\$4,000
Monthly ATM	\$665	Monthly ATM	\$365
Monthly Retail	\$250	Monthly Retail	\$100

There are three components that make up the total Travel Card credit line; they are Total Travel Credit Line, Monthly ATM also referred to as cash, and Monthly Retail.

For example, in the Standard card, the total credit line is \$7,500.

The monthly ATM limit is \$665 and the Monthly Retail limit is \$250

So if a Cardholder makes a \$500 cash withdrawal, that leaves only \$7,000 available for travel.

The Restricted card has a lower total Credit Line amount of \$4,000.

In addition the Monthly ATM and Retail limits are also lower than the Standard Card

The spend limits shown here are the default values for the Standard and Restricted Travel Card.

Credit Line Increase

The Commanding Officer or Supervisor should designate, in writing, personnel authorized to increase ATM and credit lines

- Ensure Cardholders have sufficient funds for travel in high cost areas
- Allow Commanding Officer and Supervisor to concentrate on other program aspects
- Best practice to limit all increases to six months although the system will allow a standard account an increase up to a year

As part of your Travel Card program, you need to designate, in writing, personnel who are authorized to increase credit lines and ATM limits.

This streamlines your Travel Card program by:

Ensuring that Cardholders traveling in high cost areas have access to sufficient funds while on assignment.

This also frees you from this potentially time consuming process and allows you to concentrate on other aspects of the program.

It's a best practice to limit all increases to 6 months although the system will allow a standard account an increase up to a year.

Merchant Category Codes

- 4-Digit Code describes Merchant Type
- Designates business type and type of goods or services sold
- ATM cash advances are coded 6011
- DOD has “**Closed Codes**” which will be declined



Merchant Category Codes, or MCCs, are 4-digit codes that describe the merchant type the traveler is using.

These codes designate the type of business the merchant conducts and the types of goods and services they provide.

For example, ATM cash advances are coded 6011.

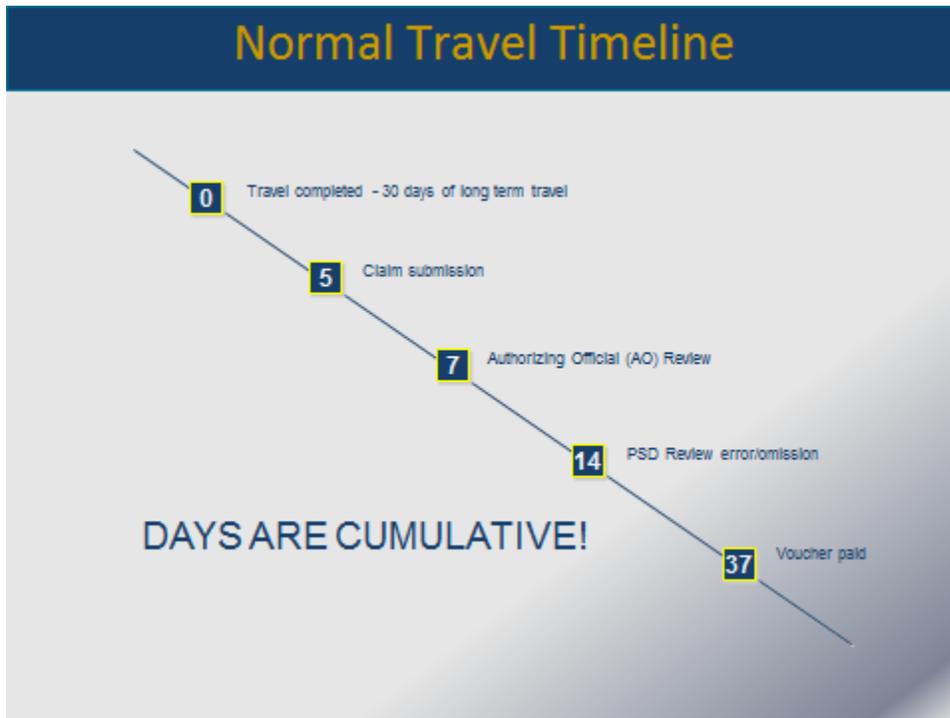
The Department of Defense has several non-travel related codes closed.

If a Cardholder attempts to use the travel Card at a merchant with a closed code, the transaction will be declined.

The purpose is to help prevent Travel Card misuse, which normally leads to delinquency.

If an account falls into delinquency, the Bank may implement Salary Offset to collect the account balance.

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If cardholders understand the normal timeframe in which accounts are processed and you encourage prompt filing and payment, it can help prevent delinquencies.

This timeline illustrates how a travel voucher is processed.

Make sure Cardholders are aware that travel vouchers must be submitted within 5 days of travel completion.

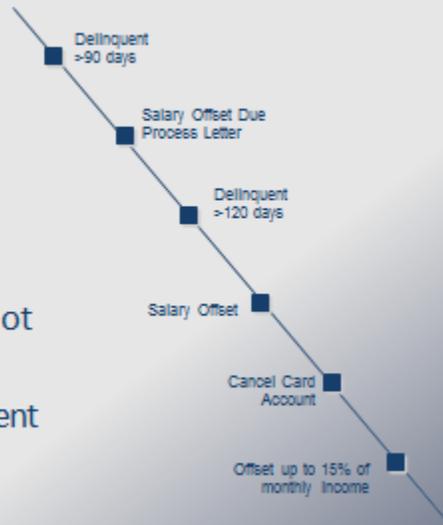
One exception to this rule is if the cardholder is on long term travel.

Remind Cardholders that prompt filing means prompt reimbursement and less chance of their account becoming delinquent.

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Salary Offset Timeline

- > Allows the Bank to collect delinquent account payments
- > Uses up to 15% of Cardholders monthly disposable income
- > Travel Card cancelled and not reinstated
- > Encourage Split Disbursement Option use to avoid Salary Offset



Salary Offset is an option that allows the Bank to automatically collect payment on accounts delinquent for more than 120 days.

Salary Offset may use up to 15% of the Cardholder's monthly disposable income to pay the delinquent account.

When Salary Offset is initiated, the Travel Card is cancelled and will not be reinstated.

You should make every effort to ensure that the Bank does not have to institute the Salary Offset option with one of your Cardholder accounts.

Remember, once this option is in place the card is cancelled and you will need to apply for reinstatement incurring a non reimbursable fee of \$29.

This can cause an additional administrative load on the command and could affect unit readiness.

To avoid account delinquency and Salary Offset, ensure your Cardholders use the mandatory, Split Disbursement Option.

Card Deactivation

- Review card usage quarterly
- Deactivate cards for infrequent travelers
- Bank closes Travel Card not used during prior 12 month period
- Deactivated during Reduced Payment Plan (RPP)



One way to help prevent delinquency is to ensure that cards are deactivated for infrequent travelers.

It is also a good idea to have your APC deactivate all cards for individuals not on travel.

A card that is not used in a 12 month period is automatically closed by the Bank.

Accounts are also deactivated during the Reduced Payment Plan.

They remain deactivated until the payment is completed; at that point, the account can be reinstated with Bank approval.

Delinquencies can be reduced if Cardholders understand both the travel and delinquency timelines.

Program Management & Monitoring

- Account Delinquency
 - ❑ Account is delinquent account if not paid in full within 30 days of the statement closing date
 - ❑ Common delinquency trends – Late payments, Declined charges, insufficient credit
 - ❑ Commands must keep delinquency rates below 2%
- Monitor Travel Card activity through reports
- Minimize improper usage through administrative action or targeted training

The main reasons for monitoring the Travel Card program are to control Cardholder account delinquency, monitor Travel Card activity, and minimize improper usage. In order to control delinquency, you must first understand what delinquency is. A Travel Card account is considered delinquent when the outstanding balance is not paid in full, 30 days from the statement closing date.

All commands are required to keep their delinquency rate below 2%. Common delinquency trends among accounts that may signify the need for some program modifications.

The Bank provides reports available from your APC that can help you spot these trends.

Your command reports may indicate that the delinquency rate is high for an extended period of time.

As a result, you may find it necessary to increase your Cardholder awareness through some targeted training, or that your policy for administrative action for delinquent accounts requires a review.

Program Management & Monitoring

Cardholder's role in controlling delinquency:

- File travel vouchers within five days of completing travel or every 30 days for long term travel
- Pay Travel Card balance in full before the due date
- Use the Split Disbursement option
- Remain aware of policies through refresher training

As you can see, controlling delinquency in your Travel Card program is an important part of program oversight. Here are a few other ways you can further control delinquency.

If cardholders understanding the normal timeframe in which accounts are processed and you encourage prompt filing and payment, it can help prevent delinquencies.

Make sure Cardholders are aware that travel vouchers must be submitted within 5 days of travel completion.

One exception to this rule is if the cardholder is on long term travel.

Remind Cardholders that prompt filing means prompt reimbursement and less chance of their account becoming delinquent.

Ensure cardholders use the mandatory Split Disbursement Option to pay off the entire balance.

Keep cardholders aware of the delinquency timeline and consequences of delinquency through refresher training.

Program Management & Monitoring

- Review Card Usage Quarterly
- Deactivate and Close Unused Cards
- Review Program Semi-annually
- Focus on Improper Use
- Verify Accounts Are Valid and Properly Assigned
- Meet With APC at least quarterly, preferably monthly

Review Card Usage Quarterly and Deactivate and Close Unused Cards

Review Program Semi-annually

A semi-annual command evaluation and management control review is another Travel Card program monitoring tool.

Focus on suspected improper Travel Card usage and verify that all Cardholder accounts are valid and properly assigned to your command.

Meet with your APC at least quarterly, monthly if possible, to review the travel Card program.

In the meeting, review reports that your APC can run to monitor Travel Card usage.

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EAS Reports

- Account Listing
- Declined Authorizations
- ATM/Cash Report
- Pre-Suspension Detail
- Suspension Summary
- Delinquency – Hierarchy
- Returned Check Report
- Salary Offset Summary
- Account Renewal



Standard EAS reports available to help monitor account activity include but are not limited to:

- Account Listing
- Declined Authorizations
- ATM/Cash Report
- Pre-Suspension Detail
- Suspension Summary
- Delinquency – Hierarchy
- Returned Check Report
- Salary Offset Summary
- Account Renewal

Program Awareness

Ensure Cardholders and APCs are aware of and understand:

- Public Law 105-264
- Department of the Navy Policy
- Program Updates -

www.navsup.navy.mil/ccpmd

Your role in creating program awareness is ensuring that all Cardholders and the APC understand Public Law 105-264, which mandates Travel Card use for official government travel.

The law also covers the regulations affecting use of the Travel Card.

You should also be sure that they are aware of current Department of the Navy and Bank policies as they relate to the Travel Card program.

Keep them updated on any policy changes.

All program updates are posted on the DON Consolidated Card Program Management Division's website at the address shown here.

Program Oversight

Establish policies for initial and refresher training to include:

- Legal and responsible Travel Card usage
- Travel Card payment responsibilities
- APC notification of account status changes
- DON CCPMD Travel Card Training –

https://www.navsup.navy.mil/ccpmd/travel_card/training

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Program Oversight

- Establish Administrative Actions Policies for cardholders who are consistently delinquent
 - ❑ Additional awareness training
 - ❑ Counseling and solutions to correct delinquency
 - ❑ Travel Card cancellation
- Proactive approach keeps delinquencies to a minimum

You should establish and publish administrative action policies for delinquent Cardholders.

These policies can provide for at least three actions to help delinquent cardholders regain control of their accounts.

The administrative action policies should provide for additional awareness training, if necessary.

The policies can provide counseling for Cardholders who are consistently delinquent and offer solutions to help them correct the delinquency.

You may need to cancel delinquent cardholder's Travel Cards if there are financial problems.

Remember, a proactive approach ensures that delinquencies within your program are kept at a minimum.

Command Support for APC

Support the APC to ensure effective program management and execution by:

- Encouraging monthly program review meetings
- Deactivating unused cards to prevent misuse



The APC is vital to the program's success and, of course, you need to actively support your APC's program execution and management activities.

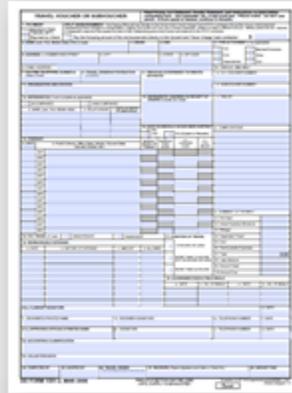
You are required to meet with your APC quarterly to review the program, but it's recommended that you meet monthly.

Focus on delinquencies and delinquency trends to figure out if any policies need to be modified to improve program efficiency.

Also, review account activity and deactivate unused cards and infrequent traveler's card to prevent opportunities for misuse.

Command Support for Cardholder

- Provide access to travel vouchers
- Enforce Split Disbursement
- Provide information on:
 - ❑ Mission Critical Status
 - ❑ Reduced Payment Plan
 - ❑ Salary Offset

A screenshot of the SF 1012 Travel Voucher form. The form is a complex grid with multiple columns and rows, containing various fields for data entry. It includes sections for voucher information, amounts, and dates. The form is titled "SF 1012 Travel Voucher" at the bottom.

SF 1012 Travel Voucher

Support your Cardholders as well as your APC.

Provide all personnel with access to travel vouchers and strongly enforce the use of the mandatory Split Disbursement Option.

Be sure Cardholders are aware of how Mission Critical status affects the Travel Card account.

Even though they may be unable to make prompt payments, their account will still be considered delinquent and late fees will accrue.

However, their card will not be suspended or canceled while in this status as long as it is settled within the 180 day timeframe.

And, finally, provide information on the Reduced Payment Plan and Salary Offset procedures for past due accounts.

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Module 4 Review

- Public Law 105-264
- Agency Hierarchy Structure
- Agency Program Coordinator
- ATM/credit line increases
- Credit lines
- Merchant Category Codes (MCC)

In this module we covered –

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section of the Main Menu
for directions to Register & Print your Certificate



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To register your course completion and print your certificate

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