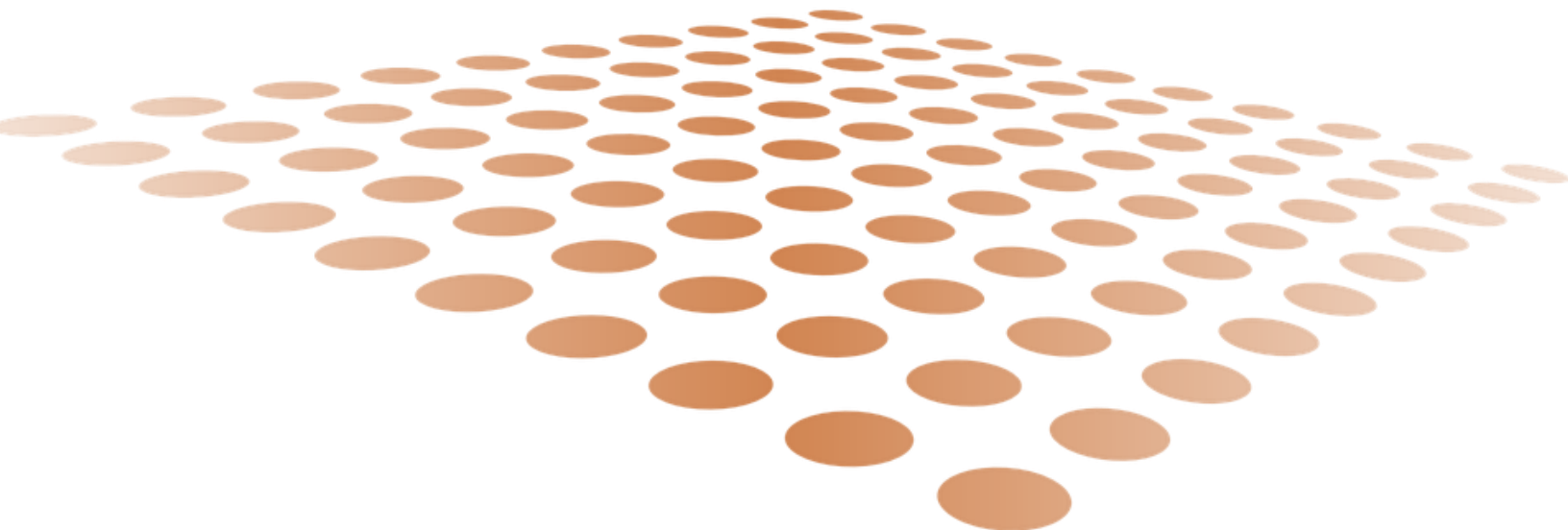


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ADOA – General Accounting Office

QUICK REFERENCE GUIDE: EMPLOYEE TRAVEL CARD REVIEW (ETC)





EMPLOYEE TRAVEL CARD REVIEW (ETC)

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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.

Background

SAAM 5051 requires each agency head designate an employee 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. 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 of Review Process

Identify agency responsibilities and expectations over the following areas:

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

Objective 1 - Monthly Review

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:

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 (*This is a secure site. For login issues, contact the GAO AFIS Operations team at afis.operations@azdoa.gov*): <https://access.usbank.com>

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

Using the **Financial Management Transactional Detail** screen update the following information:

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.



- **Transaction Status**
 - Reviewed Status selected with ALL in the dropdown
 - Approval Status – unselected
 - Dispute Status dropdown = ALL
 - Transaction Amount should be < or = with dollar amount blank
 - Posting Type dropdown = ALL
 - Payments – Include should be selected
 - Fees – Include should be selected
- **Additional Details** – Should be defaulted with no changes
- **Merchants** – Merchant Category Code Group should be only one selected with All in the dropdown box
- **Selected By** - should have only Account Code selected
- **Sort Report By** – Should remain as defaulted

Report Output should be the following:

- **Output Type:** Select **Excel** in the dropdown
- Selection defines the location of the parameter page details on the report output, select **End** from the dropdown.

Group Report By – Should have only Processing Hierarchy Position marked with the following:

- **Bank** field = **3046**
- **Agent** field = Your agency **Agent code**
- **Company** field = Your agency **Company code**

Select **Run Report**. This will run a report for the specified date range identifying all travel transactions for your agency on both the Employee Travel Card 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 commonly abused/misused MCCs that may indicate inappropriate ETC use. It is strongly recommended that each agency review commonly abused/misused MCCs and incorporate this information into its monthly review 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.

MCC	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 (Money/Cash Advance)
6011	Financial Institutions (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:

- **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 travel (judgmental)



Transaction Date (Field): Use this field to identify:

- 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, select the following:

Open **US Bank** website and select the **Reporting** from the menu of the left. Select **Report Scheduler**.

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

- Select **Report Type** – mark **Standard Reports**
- **Report** dropdown – select **Past Due**
- **Output Filename** – leave blank
- **Recipient Name** - leave blank
- **Recipient User ID** – leave blank
- **Date** - leave Start Date and End Date blank
- **Create New Scheduled Report** dropdown – select Past Due
- Click **Go**

Past Due Screen will appear. Please complete the following items:

- **Account Information** – Account Status dropdown should be all and Number of Days Past Due dropdown should be 30 or more. Charge-off should have included selected.
- Current Default **Accounting Code** – Should be left blank
- **Sort Report By** – should be left at default (no changes)



- **Report Output** – Output Type dropdown should have Excel selected. Output Parameter Page Placement dropdown should be left at End.
- **Group Report By** – Processing Hierarchy Position Bank should have selected with Bank being 3046 with Agent, Company, Division and Department left blank.
- **Account Number(s)** should be unselected with field left blank
- **Break/Subtotal Level** dropdown – No Break/Subtotal should be selected.
- Click **Run Report**

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 frames (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

GAO-ETC-101 – 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, select the following links:

- Reporting
- Program Management
- Account List
- Under Account Information, Account Status, select **Open** from the dropdown
- Under Report Output, Output type, select **Excel** from the dropdown
- Under Group Report By, Processing Hierarchy Positions, enter **3046** under the **Bank field**
- 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. Select:

- Program Management
- Under **Administration**, select **Account List**
- Under **Additional Detail**, check **Authorization Limits**
- Under **Report Output**, **Output Type**, select **Excel**
- Under **Group Report By**, Processing Hierarchy Transaction, Input **3046** under the *Bank* field
- Click **Run Report**

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 QRG, 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 employees new job function to determine if there are any changes needed for the ETC or the timely cancellation of the ETC if it is determined that the card is no longer needed for State travel purposes.

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



Quick Reference Guide

- If irregularities are identified during the monthly or annual reviews, how and to who 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 of Arizona (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 took place
- The results of the monthly and annual review activities, including identified irregularities, issues, and any related disciplinary actions
- 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 Cards

SAAM 5057 – Agency-level Travel Responsibilities

GAO-ETC-101 Form – Employee Travel Card Application

GAO-3C Form – Purchase Card & Travel Card Agency Program Administrator Authorization Form

US Bank Online Training - <https://wbt.access.usbank.com>

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