

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Public Health Service
Indian Health Service

Refer to DFM

ALBUQUERQUE AREA INDIAN HEALTH SERVICE CIRCULAR NO. 93-01

**POLICY FOR USE OF THE
CITICORP DINERS CLUB CREDIT CARD**

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1. **PURPOSE**

The purpose of this circular is to establish Albuquerque Area Indian Health Service (AAIHS) policy for use of the Citicorp Diners Club Credit Card (henceforth referred to as the "Diners Club Card"). This policy sets forth guidelines to acquire the Diners Club Card and allow participating AAIHS employees to withdraw authorized travel advances at Automatic Teller Machines (ATMs) nationwide while on official travel.

2. **POLICY**

AAIHS employees who travel at least once a year on official business are required to have a Diners Club Card to purchase airline, train, bus transportation and lodging or miscellaneous expenses. Furthermore, all card holders are expected to obtain and use a Personal Identification Number (PIN) for official travel advance purposes. The table in Exhibit I outlines the criteria and amounts permissible for issuance of travel advances. These limits apply to advances from imprest funds as well as ATM's.

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3. **CREDIT CARD APPLICATION**

To apply for a Diners Club Card, employees may request an application from the AAIHS Diners Club Coordinator, Division of Financial Management (DFM), using the appropriate application form (Exhibit 2) and acknowledgment form (Exhibit 3).

After completion, the forms are to be returned to the Diners Club Coordinator for review before submission to the designated AAIHS Approving Official and then forwarded to Citicorp Diners Club.

Citicorp Diners Club will complete the final process of the application. In approximately 3 - 4 weeks the card will be mailed to the home address stated on the application.

4. **RESPONSIBILITIES**

A. EMPLOYEE. Employees who participate in the Diners Club Card program shall be furnished with a copy of this policy to ensure they are in compliance with the procedures and fully understand their responsibilities when they utilize the Diners Club Card. Additionally, the employee shall:

- (1) ONLY use the Diners Club Card for expenses related to official travel. Abuse of this responsibility will be brought to the attention of the employee's supervisor for appropriate action.
- (2) Clarify all expenses questioned by the Diners Club Coordinator.
- (3) Return the charge card directly to the Diners Club Coordinator if they no longer wish to participate in the program; become ineligible to participate; transfer or separate from their current position.
- (4) Pay charge card bills by the due date in order not to jeopardize charging privileges.
- (5) Submit a Travel Voucher, Standard Form 1012 (SF-1012) within five work days after completion of travel; allowing time for the voucher to be processed for reimbursement in DFM, enabling the employee to remit payment to Citicorp Diners Club in a timely manner. Failure to do so could result in the employee paying the billing statement with personal funds.
- (6) Notify Citicorp Diners Club of all name and/or address changes.

When making lodging reservations, the traveler should inquire whether the hotel accepts the Diners Club Card, if not, prior arrangements can be made to request a cash advance to cover lodging and miscellaneous expenses.

5. **BILLING STATEMENTS**

Citicorp Diners Club establishes separate accounts for each cardholder. When an employee uses their Diners Club Card, the billing statement requesting remittance is mailed directly to the participant's home address. Payment in full is expected within 25 days and employees are liable for all charges they incur. A new billing cycle occurs each month.

6. **MAINTENANCE OF ACCOUNTS**

The DFM, will receive a summarized billing statement from Citicorp Diners Club each month for all AAIHS employees utilizing their Diners Club Card. The summary will be reviewed by the Diners Club Coordinator; the Director, DFM; and, when necessary, the Executive Officer, AAIHS, for the following purposes:

- A. **Delinquent Account Notices** - Citicorp Diners Club will provide a complete report of transactions to monitor AAIHS usage and will indicate any potential abuses of the program to the Director, DFM.
- B. **Renewal of Accounts** - The Diners Club Card, valid for two years, is renewed automatically by Citicorp Diners Club before the expiration date of the card. When an employee transfers within IHS, they should contact the Diners Club Coordinator to request an account transfer, therefore precluding reapplication procedures.
- C. **Relinquishment of the Card** - When an employee leaves the AAIHS, they are required to relinquish their card to the Diners Club Coordinator, who will notify Citicorp Diners Club for cancellation purposes.
- D. **Past due accounts** - Coordinators are provided a monthly listing of all delinquent accounts. Diners Club will take the following action on past due accounts:
 - 60 days delinquent - suspension of charging privileges,
 - 90 days delinquent - cancellation of card.

Coordinators may send a written request to Diners Club asking that the account remain active if extenuating circumstances exist warranting such action.

Payment of the account is the employee's responsibility. Failure to pay the Diners Club account will be the basis for possible disciplinary action, as set forth in the Department of Health and Human Services (DHHS) Standard of Conduct. Diners club will not contact the employee's supervisor unless all attempts to obtain payment have failed.

- E. **Effect of refusal to accept card** - Any traveler who refuses to use the Government contractor-issued charge card will not be issued a cash advance through the imprest fund.
- F. **Travel Advance Policy for Employees who has been revoked or suspended for delinquent payments** - Any traveler whose card is suspended or revoked for delinquent payments will not be issued a cash advance through the imprest fund.

7. **USE OF THE CARD IN ATMs**

AAIHS employees are eligible to enroll in the ATM Cash Advance Program if the following conditions are met:

- A. The employee is required to travel on official business two or more times a year.
- B. The employee is eligible to receive a Diners Club Card.
- C. The employee has a Diners Club Card and is in good standing.
- D. Participation of eligible employees in the ATM program is subject to the approval of the Executive Officer, AAIHS. When approved for the ATM program, employees are required to:
 - (1) Obtain the application and complete the Personal Identification Number (PIN) form (Exhibit 4).
 - (2) Read the attached Cardholder Agreement and retain for information purposes (Exhibit 5).
 - (3) Ensure that the name and the Diners Club Card account number are legible, the form endorsed and forward the application to the Diners Club Coordinator for further approval procedures. The signature on the application indicates that the employee understands and agrees to the terms and conditions of the ATM program.

After application approval, the PIN will be issued by mail from Citicorp Diners Club directly to the home address stated

on the

application. Note: Do not write your PIN on the charge card. If your card is lost or stolen, the account can be easily accessed. If the card is lost or stolen, the Citicorp Diners Club should be notified immediately at 1-800-525-9341.

If you do not have a Diners Club Card, you may contact the Diners Club Coordinator at (505) 766-2124 to request an application to apply for both the charge card and the identification number.

8. **ATM CASH WITHDRAWALS**

The ATM cash advance system offers travelers an immediate source of cash for travel advances that cannot be covered by the Diners Club Card.

The Travel Order, HHS-1, must include the statement that an ATM advance is authorized and specify the maximum amount to be obtained. A separate request for an Advance of Funds Application and Account, Standard Form 1038, (SF-1038) is not required. (See Exhibit 6)

The ATM advance can be obtained when the HHS-1 has been approved (but no earlier than 3 days before departure and no later than the last day of travel). Withdrawals can be made at any point convenient to the traveler, i.e., permanent duty station, temporary duty point or any point enroute.

The networks available to ATM card holders are: Plus, Armed Forces Financial Network (AFFN), Minibank, Impact, Presto, Metroteller, Honor, Shopper Automatic Money (\$AM), Star, Instant Cash, Pulse, Avail, Shazam, Tyme, The Exchange, and Citicorp/Citibank.

The toll free telephone number to locate the nearest ATM is 1-800-CITI-ATM or 1-800-THE-PLUS.

Withdrawal amounts are limited to: (1) Not more than three transactions daily; (2) Not more than \$500 per day; (3) Not more than \$1,000 in any seven-day period.

9. **ATM RECONCILIATION TRANSACTIONS**

The receipt indicating the date, location and amount(s) of cash withdrawal must be submitted with the SF-1012 at the end of the trip.

The procedures for reimbursement of ATM transaction fees are as follows:

- A. Describe as "ATM ADVANCE/DINERS CLUB" on the SF-1012, section (c) and the amount of the transaction fee in section (n) "Other".

Note: The transaction fee is currently a straight 4% of each amount withdrawn (amount withdrawn X .04). Example, a withdrawal of \$160 would have a transaction fee of \$6.40 ($\$160 \times .04 = \6.40).

- B. Do not claim the ADVANCE as a line item expense, instead, claim only the authorized expenses as they were incurred. The only ATM expense that should be referenced on the voucher should be the 4% transaction fee.
- C. In emergency situations when an ATM advance was needed without prior approval during the official travel period, the SF-1012 should contain a signature authorizing the advance and a justification statement of the transaction.
- D. If an ATM advance is obtained and the trip is subsequently cancelled, a check or money order should be forwarded to the Citicorp Diners Club for the amount of the advance upon receipt of your billing statement.
- E. For reimbursement of ATM transaction fees, submit a voucher to the DFM, AAIHS, stating the amount claimed and an explanation of the cancellation. (Fees for ATM withdrawals made after the last day of travel are not reimbursable).

ATM cash advances will appear on your monthly Citicorp Diners Club statement with other travel and expense transactions. The total card balance, including the cash advance, is due within 25 days from the date on the billing statement. The traveler is solely liable for the payment of both the withdrawal and the reimbursable transaction fee. The traveler should immediately notify Citicorp Diners Club, in writing, of any discrepancies in the billing statement.

A delinquency notice will appear on the statement when it is 30 days past due. Citicorp Diners Club will notify, DFM, AAIHS, of all outstanding ATM travel advance withdrawals at 30 days past due. At 45 days past due, DFM will issue a delinquency notice to the employee and forward a copy of the notice to the approving official.

In accordance with the GSA contract, cash withdrawal privileges will be automatically suspended when the card balance is 60 days past due with recommendation to Citicorp Diners Club to forward the account to a collection agency.

10. **UNAUTHORIZED ATM USAGE**

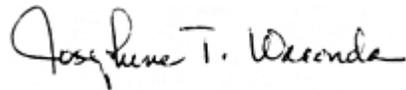
The following transactions are prohibited:

- A. The withdrawal of cash for any purpose other than a travel advance.
- B. Emergency withdrawal of cash without properly notifying the approving official, to support an "after the fact" withdrawal.
- C. Withdrawals of cash in excess of authorized amounts, except in instances where ATM "denomination rounding" (withdrawing an increased dollar amount to accommodate specific ATM machines).
- D. Withdrawals of cash earlier than 3 days prior to departure.
- E. Withdrawals of cash after the last day of travel.

11. **PENALTIES FOR UNAUTHORIZED USE**

Any misuse of the Diners Club Card, including unauthorized and/or excessive ATM withdrawals, is considered misconduct and will subject the cardholder to disciplinary action which could include: receiving a written reprimand; cancellation of credit card privileges; and, dismissal from duty. Diners Club will provide reports that monitor usage and indicate any potential abuses, to the Diner's Club Coordinator.

HHS Standards of Conduct, Subpart D, Financial Obligations, 73.735-401(a) maintains that employee indebtedness is a personal concern. However, employees shall not, by failure to meet financial obligations, reflect adversely on the Government as their employer.



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