

**ADMINISTRATIVE PROCEDURES**

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| **30.07 Fuel Cards** | **Revised: July 21, 2023** |

1. GOVERNING REGULATIONS

The procedure is governed by the following policies and regulations:

1.1 System Policy [33.04](http://policies.tamus.edu/33-04.pdf) Use of System Resources

1.2 System Regulation [21.01.08](http://policies.tamus.edu/21-01-08.pdf) Vehicle Fleet Management

1.3 Administrative Procedure [01.04](http://tfsfinance.tamu.edu/modules/finance/admin/admin_procedures/0104%20Fraud%20Prevention%20Program.docx) Fraud Prevention Program

1.4 Administrative Procedure [30.02](http://tfsfinance.tamu.edu/modules/finance/admin/admin_procedures/3002%20Equipment%20Management.docx) Equipment Management

1.5 Administrative Procedure [30.03](http://tfsfinance.tamu.edu/modules/finance/admin/admin_procedures/3003%20Vehicle%20Fleet%20Management.docx) Vehicle Fleet Management

2. FUEL CARD PROGRAM

2.1 The Council on Competitive Government (CCG) has mandated that all state agencies implement a fuel card program. Each agency vehicle and certain fuel-powered equipment are assigned a fuel card to be used exclusively for that vehicle or equipment. Additional fuel cards are issued for purchase of fuel for vehicles rented by the agency and for purchase of fuel for non-vehicle related equipment use (for example, lawnmowers, chainsaws and back torches.)

2.2 The CCG approved provider provides fuel card management, invoice and gross/net reporting (re-pricing). The provider’s customer service center supports the fuel card program and is available during normal business hours to assist the fuel card users. Contact information for the customer service center appears on the back of the card and on the Payroll and Support Services Department web page.

2.3 The [Monthly Vehicle Use Report / Fuel Card Transaction Log](http://tfsfinance.tamu.edu/modules/finance/admin/procedures/Monthly%20Vehicle%20Use%20Rpt%20-%20Fuel%20Card%20Trans%20Log.xlsx) (Vehicle/Fuel Card Log) is the central documentation element in the fuel card program. It includes the following parts for convenience for the user.

a. Instructions are on the first tab of the spreadsheet.

b. An instruction sample is on the second tab of the spreadsheet.

c. Vehicle/Fuel Card Log pages are provided on the third tab of the spreadsheet.

2.4 The fuel card program provides significant fuel cost savings to the agency. The actual price paid is discounted from the pump price. This discount is lost, taxes are paid, and the agency incurs greater fuel cost when fuel is purchased with cash or with another credit card.

3. DUTIES AND RESPONSIBILITIES

3.1 Credit Card Coordinator

The Credit Card Coordinator is responsible for overall administration of the fuel card program. This responsibility includes:

a. processing fuel card requests (new card, cancellation, limit changes, location changes)

b. answering questions

c. controlling access to the fuel card websites for Location Coordinators, as appropriate

d. processing the master bill for the fuel card program

e. providing training to Location Coordinators and fuel card users

f. assisting with disputed charges

g. reviewing fuel card activity

h. addressing other issues relating to fuel cards.

3.2 Department Heads

Department heads (or their designees) are responsible for ensuring that their departments comply with agency requirements. This responsibility includes:

1. assigning at least two voucher preparers (primary and backup) for fuel card payment processing.
2. approving monthly vouchers after reviewing all transactions to ensure that they are for valid agency business purposes and comply with applicable laws, policies, rules and procedures.
3. attending periodic training sessions and ensuring that their staff receives appropriate training related to agency credit card usage.

3.3 Location Coordinators

Location Coordinators oversee the fuel cards. Each Location Coordinator serves as the primary voucher preparer and is responsible for reconciling and vouchering fuel card activity for fuel cards assigned to one or more offices.

The Location Coordinator maintains a log of fuel cards assigned to the location, the expiration date and the location of each card. The Location Coordinator controls and tracks spare and miscellaneous equipment cards and ensures that a Vehicle/Fuel Card Log is completed for each spare card used during a billing period.

The Location Coordinator reviews fuel card transactions to ensure (1) the transactions are valid agency expenses, (2) the transactions have the proper supporting documents and (3) the transactions are charged to appropriate accounts. The Location Coordinator has 20 days from receipt of a billing statement to prepare a [Fuel Card Expense Distribution Voucher](http://tfsfinance.tamu.edu/modules/finance/admin/procedures/Fuel%20Card%20Expense%20Distribution%20Voucher.xlsx), forward it to the department head for review and approval, and submit the completed voucher to the Budgets and Accounting Department.

3.4 Vehicle Drivers, Equipment Operators and Custodians

Training on fuel card procedures is included as part of the overall credit card training. Additional individual training is provided upon request.

Drivers and equipment operators are responsible for following the fuel card procedures for making fuel purchases, maintaining a detailed Vehicle/Fuel Card Log, keeping the fuel card secure and submitting all required documents to the Location Coordinator in a timely manner.

Each driver of an agency vehicle completes the Vehicle/Fuel Card Log each day that the vehicle is driven. Fuel purchases are recorded (see section 5.6), and all fuel receipts must be retained.

Repair and maintenance to a vehicle also is recorded on the Vehicle/Fuel Card Log in the appropriate space at the bottom. Receipts for repair and maintenance are required as supporting documentation for the payment of the repair(s), therefore, the original receipt (or a copy) must be retained and submitted with the proper payment documentation to the Location Coordinator.

Within five days following the end of each month, the custodian of the vehicle provides to the Location Coordinator the original Vehicle/Fuel Card Log (completed and signed), original fuel receipts and the repair and maintenance receipts received during the month. If a fuel or repair receipt is lost, a missing receipt form, properly completed and approved by the supervisor, must be provided. Excessive or recurring lost receipts by an employee may result in loss of fuel card and/or other credit card privileges and employee disciplinary action.

4. Obtaining a Fuel Card

4.1 To obtain a new card or a replacement card, the Location Coordinator submits a request by email to the Credit Card Coordinator. For new vehicles, the Capacity Building Department staff in Hudson submits the request. The request includes the following information:

1. Location of vehicle or equipment if applicable
2. Vehicle license number or equipment identifying number if applicable
3. Reason for a new or replacement card

4.2 The Credit Card Coordinator orders the requested fuel card, and it is mailed to the applicable billing or vehicle location.

5. USE OF FUEL CARDS

5.1 Business Use Only

A fuel card is to be used solely for the purchase of fuel for the agency owned or leased vehicle or equipment to which the card is assigned.

A fuel card may not be used to purchase fuel for personal use.

5.2 Fuel Card and Vehicle/Equipment Relationship

A fuel card is assigned to each vehicle and certain fuel-powered equipment to be used exclusively for fuel purchased for that vehicle or equipment. The license number of the vehicle or equipment identifying number of the equipment is embossed on the card to make it easy to identify the appropriate card.

A fuel card may NOT be utilized to purchase anything other than fuel, car wash, or diesel exhaust fluid (def) at the pump for the vehicle or equipment to which it is assigned.

Any usage exceptions must be documented in the Vehicle/Fuel Card Log and are subject to review by the Credit Card Coordinator.

5.3 PIN Required

The fuel card requires a personal identification number (PIN) at the time of purchase. Each person authorized to purchase fuel for a vehicle or fuel-powered equipment is provided a unique individual PIN. An individual PIN may not be shared with others. Group PINs are assigned on a limited basis. All PINs are valid on all fuel cards.

1. To obtain a PIN, the Location Coordinator submits an email request to the Credit Card Coordinator. The request includes the employee’s name and UIN and the PIN requested.
2. To cancel a PIN, the Location Coordinator submits an email request to the Credit Card Coordinator. The request identifies the employee.
3. The Credit Card Coordinator processes the PIN request and responds to the Location Coordinator.

5.4 Fuel Card Limits

The agency limits fuel card usage based on number of transactions per day and amount of charges per month. Standard limits are established for fuel cards.

a. Transport truck fuel cards are allowed six transactions per day and $3,000 per month.

b. Other vehicle fuel cards are allowed six transactions per day and $2,500 per month.

c. Miscellaneous equipment fuel cards are allowed six transactions per day and $2,500 per month.

d. Spare fuel cards are allowed six transactions per day and $2,500 per month.

e. Light gas and light diesel fuel cards are allowed $500 per transaction and $800 per day.

f. Heavy vehicles and equipment fuel cards are allowed $700 per transaction and $1,200 per day.

The Location Coordinator may submit a request and justification for a permanent change to the fuel card limits to the Credit Card Coordinator who then obtains approval from the Associate Director for Finance and Administration.

Temporary limit increases can be obtained by the Location Coordinator, Emergency Response Coordinator, Assistant Emergency Response Coordinator or other personnel assigned to the Texas Interagency Coordination Center who submits a request to the Credit Card Coordinator. Temporary increases remain in place through month-end and are then reset to normal levels.

5.5 Vehicle Transfers

a. When a vehicle is transferred from one location to another, the fuel card must remain with the vehicle. The Location Coordinator notifies the Credit Card Coordinator of the transfer.

b. The Accountable Property Officers of the two locations process a [Property Transfer Record](http://tfsfinance.tamu.edu/modules/finance/admin/procedures/Property%20Transfer%20Record.docx) and send it to the Property Manager.

c. The Credit Card Coordinator moves the fuel card billing to the new location. The billing for fuel purchased on the card continues to go to the original location until the fuel card billing has been properly transferred.

d. The fuel card can be switched between billing statements in mid-month, therefore transactions on a fuel card may be split between two location’s billing statements. The Location Coordinator for the sending location must keep a copy of the current Vehicle/Fuel Card Log and receipts for use in vouchering the fuel purchases made while the vehicle was in that location. Notes should be included on the Vehicle/Fuel Card Log to indicate when the vehicle is transferred. Fuel card purchases are the responsibility of the receiving location after completion of the fuel card transfer process.

e. The Property Manager notifies the Credit Card Coordinator when the vehicle transfer has been properly documented.

5.6 Recording Fuel Purchases in the Vehicle/Fuel Card Log

a. Every fuel purchase must be entered on the Vehicle/Fuel Card Log using the correct method of payment code.

b. The fuel card assigned to the vehicle is always to be used to purchase fuel for that vehicle. If the fuel card does not work, fuel can be purchased with cash or the Departmental Travel Card. If the driver does not have a Department Travel Card, a Procurement Card may be used. The method of payment column is provided to record this information. An explanation for not using the fuel card must be provided.

c. If fuel is purchased for a vehicle with a Department Travel Card or a Procurement Card, the purchase transaction must be recorded on BOTH the Vehicle/Fuel Card Log and the Credit Card Transaction Log.

d. A card user must obtain a receipt for each fuel purchase. The card user must enter required information and retain the receipt in the Vehicle/Fuel Card Log. The custodian must start a new Vehicle/Fuel Card Log page for each month’s purchases. The completed Vehicle/Fuel Card Log and the original receipts are required for the monthly fuel card voucher.

5.7 Fuel Card Billing and Payment

a. The Credit Card Coordinator receives a master bill each month. The billing cycle covers a calendar month. The Credit Card Coordinator prepares a voucher to pay the master bill in full and submits the voucher to the Budgets and Accounting Department.

b. The Credit Card Coordinator separates the bill detail by location and emails the appropriate fuel invoice and transactions to each Location Coordinator.

c. Each Location Coordinator receives the billing data each month showing total fuel purchases for the assigned fuel cards. Upon receipt of this data the Location Coordinator:

1. Prepares the Invoice Billing Detail Transaction Listing from the fuel card download data using the [Fuel Card Billing Detail](http://tfsfinance.tamu.edu/modules/finance/admin/procedures/Fuel%20Card%20Billing%20Detail%20-%20US%20Bank.xlsx) file.
2. Compares the Retail Transactions list to the Vehicle/Fuel Card Log and receipts received from the custodian (three-way match) to verify that all charges are accurate and receipts are present for all charges. Discrepancies must be addressed prior to preparation of the voucher.

Fuel purchases not paid with the fuel card are not included on the fuel card reports. However, all fuel purchases for a vehicle must be entered on the Vehicle/Fuel Card Log. The receipt for each purchase is used as supporting documentation for its respective voucher. For example, a receipt for a fuel purchase using a procurement card must accompany the procurement credit card voucher along with an explanation for not using the fuel card.

1. Prepares a Fuel Card Expense Distribution Voucher to charge the fuel purchased to the appropriate accounts. The total amount of the voucher must equal the amount of the billing statement. The following documentation must be attached to the voucher:

* fuel card billing statement
* Invoice Billing Detail Transaction Listing and Summary
* Original Vehicle/Fuel Card Log
* Original receipts for each fuel card charge
* Missing Receipts forms, if needed

(4) Obtains approval for the voucher and forwards the voucher to the Budgets and Accounting Department.

(5) Retains a copy of the completed voucher and supporting documentation.

(6) Files a copy of each Vehicle/Fuel Card Log in the appropriate vehicle or equipment file with copies of receipts for repairs and maintenance. Copies of fuel receipts are not required in the vehicle file.

d. The Budgets and Accounting Department audits the Fuel Card Expense Distribution Voucher before it is entered into FAMIS.

5.8 Disputed Charges

1. When a discrepancy is found on a billing statement, the Location Coordinator contacts the card user and the vendor and attempts to resolve the problem directly. The Location Coordinator contacts the Credit Card Coordinator for assistance if the disputed item cannot be resolved directly with the vendor.
2. If fraud is suspected, the Location Coordinator must notify the Credit Card Coordinator immediately. In this case the PIN used for the purchase will be changed. The Credit Card Coordinator reports the suspected fraudulent activity to the Associate Director for Finance and Administration for further action.

6. SECURITY OF THE FUEL CARD

A fuel card is assigned to a vehicle and must be retained with the vehicle at all times. All who drive or use an agency vehicle must make a reasonable effort to secure all contents, including the fuel card.

The Location Coordinator should appropriately secure all miscellaneous equipment and spare fuel cards. These cards are checked in and out as needed. The Location Coordinator is responsible for knowing the assigned location of all fuel cards.

If a fuel card is lost or stolen, the card user or Location Coordinator should immediately notify the Credit Card Coordinator. The card is cancelled and a replacement card is requested from the fuel card company.

7. AUDIT OF VEHICLE/FUEL CARD LOGS

The Budgets and Accounting Department audits fuel card expense distribution vouchers and supporting documentation, including Vehicle/Fuel Card Log and fuel receipts.

8. COMPLIANCE MONITORING

* 1. Compliance monitoring is the responsibility of all persons involved in the use, processing, and payment of fuel card activity. This includes the driver, equipment user, Location Coordinator, department head, Budgets and Accounting Department staff and Credit Card Coordinator.
  2. The following chart indicates the appropriate positions responsible for checking for each of the listed potential fraud indicators. Due to the decentralized nature of the agency and its fuel card users, both the voucher preparer and approver must be vigilant in watching for irregularities. If any irregularities are observed, the voucher preparer and/or approver should immediately report the activity to the Credit Card Coordinator for further investigation.

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| **Potential Fraud Indicator** | **Responsible Review Level** | | | |
| **Voucher Preparer** | **Voucher Approver** | **Accounts Payable** | **Credit Card Coordinator** |
| Unusual vendor name | Yes | Yes |  | Yes |
| Unusual activity | Yes | Yes |  | Yes |
| Unusual purchasing patterns | Yes | Yes |  | Yes |
| Repeated misuse by a user | Yes | Yes |  | Yes |
| Missing receipts or altered documentation for a transaction | Yes | Yes | Yes |  |
| Transaction on the fuel card Retail Transactions list, but not on the Vehicle/Fuel Card Log | Yes | Yes | Yes |  |
| Duplicate charges | Yes |  | Yes | Yes |
| Purchases made outside regular work hours | Yes | Yes |  | Yes |
| Activity by terminated employee | Yes | Yes |  | Yes |
| Purchases other than fuel | Yes | Yes | Yes | Yes |
| Receive a request to change payment instructions (e.g., deposit payment to a different bank) | Yes |  | Yes | Yes |

* 1. The Credit Card Coordinator is responsible for ongoing review of the fuel card program. Documentation of reviews is retained for audit purposes.

a. The Credit Card Coordinator, on a monthly basis, reviews detail transaction information for various activities such as non-fuel purchases, wrong-fuel purchases, excess number of transactions in a month, unusually large quantity and dollar amounts (at the receipt and monthly level) and other activity as appropriate.

b. The Credit Card Coordinator reviews selected vouchers upon request by others involved in the fuel card process.

c. The Credit Card Coordinator reviews fuel purchases not paid with the fuel card assigned to that vehicle or equipment.

d. The Credit Card Coordinator, on a quarterly basis, reviews activity patterns and will request information from card users pertaining to selected transactions.

9. CARD TERMINATION

* 1. Fuel cards are not normally cancelled unless the vehicle or piece of equipment is sold, wrecked or otherwise removed from service. When one of these events occurs, the Location Coordinator notifies the Credit Card Coordinator so the fuel card can be cancelled.
  2. Fuel cards not assigned to a vehicle (that is, spare cards and miscellaneous equipment cards) are cancelled by the Credit Card Coordinator upon request from the person responsible for the card or the Location Coordinator.
  3. To cancel a card, the Location Coordinator submits a request by email to the Credit Card Coordinator. The request identifies the card number and the license number of the assigned vehicle or equipment identifying number if applicable.
  4. Upon receipt of the request, the Credit Card Coordinator cancels the card.
  5. The Location Coordinator ensures that the cancelled fuel card is destroyed and discarded.

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