SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 9, CHAPTER 3
"DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CHARGE CARD"

Substantive revisions are denoted by a ★ preceding the section or paragraph with the substantive change or revision.

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
030104	Adds a section on compliance identifying personal and organizational responsibilities for the travel card program and identifying that disciplinary action can be taken for misuse.	Amendment
030207	Updates the Component Program Managers' responsibilities to include centrally billed accounts.	Amendment
030301.B.5	Adds subparagraph indicating that the type of travel card to be used to purchase an airline ticket will be reflected on the travel order in accordance with the Joint Federal Travel Regulation and the Joint Travel Regulation.	Amendment
030302.A.2.f	Adds subparagraph indicating individuals are not required to use their travel card if the purpose of their TDY is only to get to a departure point for deployment and an interim voucher cannot be filed prior to departure.	Amendment
030303.C.3	Updates the mailing address for the Defense Finance and Accounting Service.	Amendment
030502.B	Amends subparagraph to indicate that foreign nationals may not be issued a travel card; however, travel expenses for foreign nationals employed by the United States may be made on a centrally billed account.	Amendment
030503	Changes the explanation of credit limits on standard and restricted cards to overall credit lines refreshed upon payment consistent with the DoD Task Order.	Amendment
030601	Requires initial and refresher training for cardholders.	Amendment
030605	Explains the implementation of the creditworthiness requirements placed in law to include denial of charge cards based on credit score and self certification using the DD Form 2883 ("Creditworthiness Evaluation").	Amendment
030607	Establishes disciplinary guidelines for misuse of the DoD travel card.	Amendment
030608	Provides current policy on use of split disbursement.	Amendment
030609	Establishes requirements for program audits or reviews.	Amendment

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PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
030701.B	Establishes appointment considerations and the requirement to optimize the use of civilians as Agency Program Coordinators (APCs), when appropriate.	Amendment
030702	Establishes the requirement that travelers attending schools enroute to their next assignment will remain in the hierarchy of the losing organization until completing the school.	Amendment
030705	Requires APCs to close accounts not used in a 12-month period.	Amendment
030706	Establishes that the losing APC is responsible for intransit personnel.	Amendment
030707	Establishes the requirement for APC training.	Amendment
030801.C	Amends subparagraph to indicate that travelers may be reimbursed for late fees imposed by the bank.	Amendment
030801.E	Requires late fees to be calculated and paid at the time the voucher is processed.	Amendment
030805	Describes traveler responsibilities for using split disbursement in the completion of their travel voucher.	Amendment
030901.A	Establishes that the mission critical statement must be reflected on the travel order in order for the traveler to be reimbursed for any late charges incurred while in subject status.	Amendment
0311	Establishes that any labor relations obligation under Title 5, United States Code, Chapter 71 shall be fulfilled prior to implementation of the policies addressed in sections 0306 and 0308, with respect to employees represented by unions.	Amendment

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CHAPTER 3

DEPARTMENT OF DEFENSE GOVERNMENT TRAVEL CHARGE CARD

0301 POLICY AND PURPOSE

030101. General. "The Travel and Transportation Reform Act of 1998" (TTRA) (Public Law 105-264) stipulates that the government-sponsored, contractor-issued travel card (hereafter referred to as the "travel card") shall be used by all U.S. Government personnel (civilian and military) to pay for costs incident to official business travel. Provisions governing this mandatory use requirement within the Department of Defense (DoD) are set forth in section 0303 of this chapter.

030102. Purpose. This chapter sets forth the policy and procedures with respect to mandatory use of the travel card under the TTRA. It also establishes procedures for travel card issuance and use. Within the Department, the travel card program is intended to facilitate and standardize the use by DoD travelers of a safe, effective, convenient, commercially available method to pay for expenses incident to official travel, including local travel. The travel card is used to improve DoD cash management, reduce DoD and traveler administrative workloads, and facilitate better service to DoD travelers. The program results in cost savings for the Department. In addition to individual travel cards (also known as individually billed accounts or IBAs), there are travel card variations that include restricted cards, unit cards, debit cards/stored value cards, and centrally billed accounts (CBAs). The DoD Components use these variations to meet specific needs.

030103. Applicability And Scope. These policies are applicable to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Inspector General of the DoD, the Defense Agencies, the DoD Field Activities, the Uniformed Services University of the Health Sciences and all DoD nonappropriated fund instrumentalities (hereafter referred to collectively as the "DoD Components").

★ 030104. Compliance. This regulation establishes command, supervisory, and personal responsibility for use of the government travel card and operation of the DoD travel card program. It is the responsibility of commanders and supervisors at all levels to ensure compliance with this regulation. Military personnel who violate the specific prohibitions contained in paragraph 030607, below, can be prosecuted under Article 92 of the Uniform Code of Military Justice (UCMJ) for failure to obey a lawful order or regulations, as well as any other applicable article of the UCMJ based on the nature of the misconduct involved. Civilian personnel who misuse or abuse the government travel card may be subject to appropriate administrative or disciplinary action up to, and including, removal from federal service. Additionally, willful misuse of the government travel card by either military personnel or civilian employees may constitute a crime punishable under federal or state law.

0302 RESPONSIBILITIES

030201. General Services Administration. The General Services Administration (GSA) awards and administers a master contract for the government travel card program, which is part of the "GSA SmartPay Program." The GSA also is responsible for issuing government-wide policies and procedures for implementation of the TTRA.

030202. Under Secretary of Defense (Comptroller) (USD(C)). The USD(C) is responsible for establishing DoD-wide policies for the DoD travel card program. Included within this responsibility is the requirement to develop DoD-wide policy for the implementation of the requirements of the TTRA and monitoring implementation of the TTRA by the DoD Components.

030203. DoD Component Heads. The head of each DoD Component is responsible for developing TTRA implementation strategy for use in that Component. The Component Head, along with the Project Manager-Defense Travel System, shall ensure that the appropriate systems modules are developed that enable DoD travel systems to operate consistent with the requirements of the TTRA and this chapter. Component head responsibilities include, but are not limited to, submitting regulations developed to implement the TTRA for USD(C) approval; granting exemptions in accordance with subparagraphs 030303.A and 030303.B of this chapter, and notifying the Administrator of General Services Administration regarding exemptions granted as indicated in subparagraph 030303.C, below.

030204. Director, Defense Finance and Accounting Service (DFAS). The Director, DFAS has been designated by the USD(C) as the program manager for the travel card. The DFAS also shall facilitate traveler determination of any late payment fees or charges that may be payable to a traveler under the TTRA as indicated in subparagraph 030801.C, below.

030205. Travel Card Program Management Office (TCPMO). The Travel Card Program Management Office, within the DFAS Military and Civilian Pay Services Business Line manages the Department's Travel Card Program. The TCPMO has issued a "DoD Tailored Task Order for the Travel Card Program" to the card contractor and manages that task order on behalf of the Department. The TCPMO works closely with the GSA, DoD Components, and the card contractor to manage the day-to-day operations of the DoD travel card program. The TCPMO will also review or initiate Component reviews.

030206. Assistant Secretaries of the Military Departments (Financial Management and Comptroller) and Defense Agency Comptrollers. The Military Department Assistant Secretaries (Financial Management and Comptroller) and Defense Agency Comptrollers, or equivalents, shall ensure program management responsibilities are accomplished within their respective Component, and shall designate a Program Manager for their DoD Component. The Component Program Manager (CPM) shall be designated in writing and identified both to DFAS-ADF and the travel card contractor.

★ 030207. DoD Component Program Managers (CPMs). The CPMs are responsible for establishing and managing the DoD travel card program in compliance with this volume. Each CPM also is responsible for establishing and maintaining the Component's organization structure ("hierarchy") and notifying DFAS-AR/DFP and the card contractor of any changes in organization structure that affect the travel card program. The CPMs shall also ensure that centrally billed accounts and unit cards are properly approved; reasonable credit limits are established and maintained; and annual reviews are performed to monitor credit limits and card utilization.

030208. Agency Program Coordinators (APCs). The APCs are responsible to their respective DoD Component CPM for program execution and management. The APCs are responsible for the day-to-day operations of the DoD travel card program. Each APC, in conjunction with the card contractor, shall maintain an up-to-date list of all current cardholders and accounts to include information such as account names, account numbers, addresses, and telephone numbers.

030209. Centrally Billed Account (CBA) APCs. The CBA APCs are those personnel designated by their activity commander or director as responsible for the management of CBAs used for the purchase of transportation services.

030210. Unit Travel Cardholders. Activity commanders or directors designate holders of unit travel cards and make them responsible for management of the CBA unit card.

030211. Travel Cardholders. Cardholders for IBAs are personnel to whom travel cards have been issued for use while performing official government travel. These personnel shall adhere to the procedures set forth in this Regulation and applicable DoD Component guidance. Individual cardholders are responsible for payment in full of the undisputed amounts due in the monthly billing statement from the card contractor.

0303 MANDATORY USE OF THE TRAVEL CARD

030301. Policy

A. Use by DoD Personnel. Unless otherwise exempted in accordance with the provisions for exemptions below, all DoD personnel are required to use the government-sponsored, contractor-issued travel charge card for all expenses arising from official government travel. Although a traveler may be required to use the government travel charge card, failure to use the government travel charge card shall not be a basis for refusing to reimburse the traveler for otherwise appropriate charges. Such failure, however, may subject the traveler to appropriate administrative or disciplinary action.

B. Travel Orders. All travel orders shall:

1. Include the following statement notifying travelers of the requirements of the TTRA. "The TTRA stipulates that the government-sponsored, contractor-

issued travel card shall be used by all U.S. Government personnel (civilian and military) to pay for costs incident to official business travel unless specifically exempted by authority of the Administrator of General Services or the head of the agency."

2. Indicate whether the traveler is (or is not) a government travel charge cardholder.

3. If the traveler is a government travel charge cardholder, indicate whether the traveler is exempt from the mandatory use provision of the TTRA. This statement also authorizes alternative payment methods.

4. Indicate that government travel charge cardholders shall obtain cash, as authorized, through automated teller machines (ATMs), rather than obtaining cash advances from a DoD disbursing officer.

★ 5. Reflect whether a CBA or an IBA is to be used to purchase airline tickets in accordance with paragraph U2015 of the Joint Federal Travel Regulation and paragraph C1100-B of the Joint Travel Regulation.

030302. Government-Wide and DoD-Wide Exemptions

A. Classes of Personnel Exempted

1. The GSA has exempted the following classes of personnel from mandatory use of the travel charge card:

a. Employees who have an application pending for the travel charge card.

b. Individuals traveling on invitational travel orders.

c. New appointees.

DOD

d. Infrequent Travelers – Less than 5 times per year – DoD further restricts to no more than 2 times per year.

DAD

2. In addition to the government-wide GSA exemptions, the Department has exempted the following classes of personnel from mandatory use of the card throughout the Department:

a. Members of the Reserve Officers Training Corps and military personnel undergoing initial entry or initial skill training prior to reporting to their first permanent duty station.

b. Military members and DoD civilian personnel who are denied travel charge cards or whose travel charge cards have been canceled or suspended by the

card contractor or by the cardholder's agency/organization for financial irresponsibility or for other specific reasons. This exemption does not apply to military members and DoD civilian personnel who are denied travel charge cards because they do not accept the terms and conditions of the cardholder agreement, such as, refusing to: (1) sign the account application form, (2) permit a credit check, or (3) certify to their creditworthiness. The exemption also does not apply when military members and DoD civilian personnel cancel their own cards, for whatever reason, to include disagreement with existing or revised terms and conditions of the cardholder agreement.

c. Hospital patients.

d. Prisoners.

e. Such military members or DoD civilian personnel as approved by the Head of a DoD Component during: (1) a period of war, (2) a national emergency declared by the President or the Congress, or (3) mobilization, deployment, or contingency operations.

★ f. Those who use the card only for enroute travel to a point of departure for deployment and cannot file a voucher prior to their departure.

g. Such military members or DoD civilian personnel traveling to or in a foreign country where the political, financial, or communications infrastructure does not support the use of a travel charge card.

h. Such military members or DoD civilian personnel whose use of the travel charge card, due to operational, security, or other requirements of a mission, would pose a threat to national security, endanger the life or physical safety of themselves or others, or would compromise a law enforcement activity.

i. Individuals employed or appointed on a temporary or intermittent basis upon a determination by the individual's supervisor or other appropriate official that the duration of the employment or appointment or other circumstances pertaining to such employment or appointment does not justify issuance of a travel charge card to such individual.

j. Such military members or DoD civilian personnel as are determined to be infrequent travelers. An infrequent traveler is one who travels no more than 2 times a year.

B. Classes of Expenses Exempted

1. The GSA has exempted the following classes of expenses from the mandatory use of the travel charge card:

a. Those incurred at a vendor that does not accept the government-sponsored, contractor-issued travel charge card.

b. Laundry/dry cleaning.

c. Parking.

d. Local transportation system fares.

e. Taxi fares.

f. Tips.

g. Meal charges when the use of the card is impractical (e.g., group meals).

h. Telephone calls (when a government calling card is available for use in accordance with agency policy).

i. Relocation allowances for DoD civilian personnel are prescribed in Chapter 302 of the Federal Travel Regulation, except en route travel and househunting trip expenses.

2. In addition to the GSA government-wide exemptions, the following classes of expenses are exempt from the mandatory use of the travel charge card throughout the Department:

a. All expenses covered by the "meals and incidentals" portion of the per diem allowance.

b. All local and long distance telephone calls.

c. All expenses incurred during permanent duty travel and all expenses while on a househunting trip.

030303. Exemptions Made by the Heads of DoD Components

A. Class Exemptions. The heads of DoD Components (or their designee) may exempt additional types or classes of expenses or types or classes of personnel from the mandatory use requirements of the TTRA. An exemption covering a type or class of expenses or type or class of personnel shall be approved by the USD(C) prior to implementation.

B. Individual and Specific Expense Exemptions. The heads of DoD Components (or their designee) may exempt any individual person or specific expense (i.e., a

specific occurrence of an expense relating to a particular traveler or a single episode of travel) from the mandatory use requirements of the TTRA. These exemptions do not require approval by the USD(C).

C. Notifications of Exemptions. The head of a DoD Component (or designee) who grants an exemption from the requirements of the TTRA shall, in accordance with statutory requirements and regulations promulgated by the Administrator for General Services, prepare and submit the following notifications:

1. Not later than 30 days after granting an exemption for a type or class of individual or a type or class of expense covered by subparagraph 030303.A, above, notify the Administrator of General Services in writing of the granting of such exemption.

2. Not later than 30 days after granting an exemption to any individual person or specific expense covered by subparagraph 030303.B, above, notify the Administrator of General Services in writing of the granting of such an exemption.

★ 3. Notifications under subparagraphs 30303.C.1 and 30303.C.2, above, shall state the reason for the exemption and be submitted directly to the Administrator of the General Services Administration, Attention: MTT, 1800 F Street, NW, Washington, D.C. 20405. A copy of each notification shall be provided to the DFAS, Attention: DFAS-ARL/DFP, 1851 South Bell Street, Arlington, VA 22240-5291.

030304. Payment Methods Authorized When Exempted. When an exemption is granted from the mandatory use of the travel charge card, one or a combination of the following may be authorized for payment of travel expenses. City pair contractors (airlines that provide heavily discounted air fares to the government for official travelers), however, are not required to accept payments under subparagraphs 030304.A, B, or C below. Charge cards issued under the GSA Smartpay contract contain a unique numeric prefix that identifies the account as an official government travel card. This prefix identifies the account as eligible for government travel rates, including city pair rates, and tax exemption when permitted under state law.

A. Personal funds, including cash or a personal charge card.

B. Travel advances, or government transportation requests.

C. Debit or stored value cards not obtained through the Smartpay Program.

0304 NONMANDATORY USE OF THE TRAVEL CARD

030401. Voluntary Card Use. An individual granted an exemption from mandatory use of the travel card may continue to use the travel card on a voluntary basis. Maximum use of the travel card is encouraged with appropriate management and oversight. The Department's policy on split disbursement of travel reimbursement applies to any voluntary use of the travel card.

030402. Local Travel. The travel card can be used for local travel expenses (i.e., parking and tolls), but such use is not required under the TTRA.

0305 PROGRAM STRUCTURE AND GENERAL TRAVEL CARD INFORMATION

030501. General Information

A. Card Design. In accordance with the GSA master contract, government travel cards may be issued either in the regular card design (i.e., the U.S. Capitol dome with an airplane and the words: "For Official Government Travel Only"), the quasi-generic card, or generic card. The quasi-generic and generic cards do not have the special art work or statement identifying them as "government" cards. When security is an issue, a generic or quasi-generic travel card may be issued upon written request from the APC, through the CPM, to the card contractor.

B. The Program. The DoD travel card program consists of IBAs, CBAs, travelers checks, and debit/stored value cards.

C. Internet Based Electronic Travel Card Management System. The GSA master contract stipulates that the card contractors will offer an Internet based electronic travel card management system. These systems allow access via personal computers in order to process and maintain DoD travel card accounts, display transaction and account data, and provide designated reporting information. The DoD Components shall determine whether individual cardholders will have system access for their accounts and will notify the TCPMO and contractor of that decision. DoD Component activities shall use the contractor's Internet-based electronic travel card management system to the maximum extent possible. The CPMs shall inform the card contractor of any organizations (e.g., major commands, major subordinate commands, bases or installations) that lack connectivity to on-line services. The card contractor shall issue electronic program management reports as required. Paper reports are rendered on an exception basis and require CPM/TCPMO approval.

D. Automated Teller Machine (ATM) Access. Travelers may use the travel card at a specified network of ATMs to obtain cash needed to pay for "out-of-pocket" travel-related expenses. The card contractor will assign a personal identification number (PIN) to each cardholder, together with card issuance to permit ATM access. ATM advances shall not be obtained earlier than 3 working days before scheduled travel. The card contractor will charge the cardholder a transaction fee for ATM use. This charge, which appears on the cardholder's billing statement, is a reimbursable expense. In addition, some banks charge a service fee for ATM access. That fee also is reimbursable. Government travel advances will not be authorized for personnel who have been or are eligible to be issued individual travel cards. Individuals who decline a credit check and refuse to certify to their own creditworthiness may be denied a travel advance. Commanders and supervisors may authorize an advance in situations where performance of the mission could be put at risk.

E. Travelers' Checks

1. Cardholder Placed Order Via the Internet. If otherwise permitted, travelers' checks may be ordered by the cardholder in predetermined amounts via the contractor's Internet based electronic travel card management system. The contractor shall charge a user fee for travelers' check purchases and these charges will appear on the cardholder's billing statement. These fees are reimbursable expenses provided the cardholder requests reimbursement on the travel voucher. The issuance of travelers' checks does not preclude the use of the ATM privilege, but does reduce the total amount available to the cardholder during that billing cycle.

2. Use in Lieu of Cash Advance. The issuance of travelers' checks by a DoD Component is optional. Where used, travelers' checks issued by an agency shall be treated as a cash advance. The APC, acting as an agent for the Department, shall follow the instructions found in Volume 5, Chapter 3, of this Regulation.

F. Merchant Category Codes (MCCs). MCCs are established by the card network to describe merchant type. The Department blocks some MCCs to hinder inappropriate card use. MCC Blocks can be modified for unit cards at the time of the initial setup of the account. Issues regarding blocked MCCs should be addressed to the TCPMO through the CPM.

G. Rebates. Based on net charge volume, the GSA contract stipulates that the card contractor shall offer rebates to using government agencies. The formula used to compute these rebates varies between IBAs and CBAs, and includes a factor for the promptness of payments on CBAs. Rebates are adjusted for amounts written off due to delinquency and delinquencies above a threshold. The GSA deducts an industrial funding fee from the rebates, with the balance sent by the contractor to the applicable DoD Component. The rebates are computed and distributed each quarter. Receiving organizations shall ensure that the rebates are properly recorded. The heads of DoD Components shall determine the distribution of rebates within their organizations.

030502. Eligibility

A. DoD Personnel. Unless otherwise exempted, all DoD personnel (military and civilian) who travel in the performance of their duties shall obtain and use the DoD travel card. DoD personnel shall be issued only one travel card. If a DoD employee also holds Reserve Component membership, the travel card shall be issued through the organization of his or her civilian employment. When requested, DoD civilian employees who also are active members of a Reserve Component are required to provide their full-time federal employer a copy of their inactive duty training schedule and active duty for training or annual training military orders to support their use of the travel card for military duty. When an individual is not a DoD employee, but is a member of a Reserve Component, a DoD issued charge card is authorized.

★ B. Foreign Nationals. Foreign nationals are not authorized to be issued government travel cards. Travel expenses for foreign nationals may be placed on a centrally billed account or a prepaid card in support of official DoD sponsored programs or activities.

C. Nonappropriated Fund Instrumentality (NAFI) Employees. The NAFI employees of the Department are authorized to use travel cards.

D. Recruiting Personnel. Military personnel assigned to recruiting duties are authorized to use travel cards for official reimbursable expenses in their local areas.

E. DoD Contractors. DoD contractors are not authorized to use government travel cards.

★ 030503. Individually Billed Accounts (IBAs). An IBA is an account where a travel card is issued to an individual Service member or DoD employee. The cardholder receives the billing statement directly from the contractor at the address provided on the card application. It is his or her responsibility to notify the APC and the card contractor of changes in contact information such as a new address. Cardholders are responsible for payment in full of the amount stated on the monthly billing statement.

A. Standard Travel Card. These are issued to individuals with a favorable credit score. The standard credit limit on these cards is no lower than $5,000. The APC, CPM, or TCPMO has the authority to increase the overall credit limit on the card on a temporary basis to accommodate mission requirements. Commanders and supervisors must validate the requirement to increase the limit.

1. The ATM limit is no lower than $515 in accordance with the DoD Task Order for the travel card contract. The APC, CPM and TCPMO may raise the limit to meet mission requirements on a temporary basis. Approval levels within the Department are communicated to the card issuing bank through the TCPMO. Commanders and supervisors must validate the requirement to increase the limit.

2. The retail limit (purchases for other than lodging, airfare, passenger rail, or bus fare, car rental and meals) is no lower than $250. Retail limits may be temporarily raised by the APC, CPM, or TCPMO to meet mission requirements. Commanders and supervisors must validate the requirement to increase the limit.

3. Increases to ATM and retail limits do not automatically change and cannot exceed the total credit limit on the card.

B. Restricted Travel Card. These cards are issued to cardholders by the card contractor, when requested by the applicant, as directed by the commander or supervisor, to those who have low credit scores or no score at all. Individuals who refuse a credit check but sign a self-certification statement as to their creditworthiness will only be issued a restricted card. Restricted travel cards are the same in appearance as standard cards; however, they are

inactive at issuance. At the request of the cardholder, the APC may activate the restricted card for a specific travel event. The total credit limit on a restricted card is no lower than $2,000. This credit limit includes an ATM limit no lower than $265 and a $100 retail limit. In the same manner as standard cards, APCs, CPMs and the TCPMO are authorized to raise these limits temporarily in order to meet mission requirements. Commanders and supervisors will validate the requirement to increase the limit.

030504. Centrally Billed Accounts (CBAs)

A. Centrally Billed Accounts are issued to DoD activities to make travel arrangements. Payments are subject to the "Prompt Payment Act of 1982," as amended. These accounts contain a unique prefix that identifies the account as a CBA for official federal government travel. This prefix also identifies the account as eligible for government travel rates, including city pair rates, and tax exemption. The APC must forward any request to establish a CBA to the cognizant CPM. Centrally billed accounts are issued for the following purposes.

1. Transportation Accounts. Transportation travel card accounts are issued to government transportation offices for use in purchasing transportation, including airline tickets, bus tickets, and rail tickets. These purchases are made through a commercial travel office (CTO). The CTO acts as an agent for the government transportation office. The government transportation office receives a monthly invoice from the travel card contractor. The CTO is responsible for reconciling the transportation purchases appearing on the invoice and forwarding the invoice to the government transportation office. The transportation office shall forward certified invoices to the designated disbursing office in a timely manner so that payments on the travel charge card account are made promptly within prescribed deadlines to avoid "Prompt Payment Act" interest penalties. Under the Defense Travel System, the transportation officer is responsible to reconcile the transportation charges appearing on the invoice and to certify the invoices for payment.

2. Unit Travel Cards. DoD Components may use unit travel cards for group travel requirements only when it is cost effective and in the best interest of the mission. Categories of travelers whose travel expenses may be charged to unit travel cards include, but are not limited to, new recruits and employees who do not yet have travel cards, prisoners, and DoD group travelers, foreign nationals participating in support of official DoD sponsored programs or activities. Components should limit the issuance of unit travel cards wherever possible and maximize the use of individual travel cards. The travel card contractor must receive written approval of the cognizant CPM before it will issue a unit travel card. Upon receipt of each invoice, the designated unit cardholder is responsible for reconciling the travel card charges and promptly providing a validated copy of the statement to the unit account coordinator. The unit account coordinator is responsible for reconciling the charges appearing on the summary account monthly statement which is a composite (rollup) of all charges from all cards assigned to that organization. The unit account coordinator also is responsible for filing any disputes with the travel card contractor. Once the billing statement is validated, the unit account coordinator

shall obtain fund certification from the cognizant resource management office before forwarding certified billing statements, with any required supporting documentation, to the designated disbursing office. Should the costs exceed published travel and per diem rates, the authorizing official shall approve that higher amount using an authorization memorandum.

B. Any disputed charge and any discrepancy between a receipt and other supporting documentation and the travel charge card statement of account, identified in the reconciliation performed as required in subparagraph 030504.A.1 above, shall be resolved in the manner prescribed in the GSA government-wide travel charge card contract.

C. Retain records of each travel charge card transaction (including records on associated contracts, reports, accounts, and invoices) in accordance with the requirements contained in Volume 5, Chapter 21, of this Regulation.

0306 MANAGEMENT CONTROLS

★ 030601. Training

A. The TCPMO and CPMs shall ensure that travel card program training materials are distributed throughout the Department. Training materials include specific manuals, videos, and contractor products tailored for the Department. The DoD Components shall advise new cardholders on proper use of the card and ensure that APCs and current travel cardholders are informed of policy and procedure changes to the travel card program. Training materials may be provided in hard copy and/or electronic media. Initial cardholder training is a mandatory requirement.

B. The DoD standard training material should be used for initial training by the Components. Certificates of completion for cardholders, APCs, commanders, and supervisors will be retained either centrally or by the APCs. Biennial refresher training may come from some other source such as GSA, VISA, or the travel card contractor provider. Refresher training will be documented and retained by the APC.

030602. Travel Card Applications. Application forms are available via the card contractor's Internet based electronic travel card management system or from the APC. Travel card applications contain the following data: (1) applicant's name, (2) social security number (SSN), (3) current address, (4) work and home phone numbers, (5) applicant's authorization for a contractor performed credit check, (6) applicant's signature, and (7) approval by the supervisor or commander. At the time that an applicant receives a travel card application, the APC also shall give the applicant appropriate program information and obtain the applicants signature on a "DoD Statement of Understanding for Travel Cardholders." (See Annex 1.) No card will be issued without both the application and the Statement of Understanding. The DoD Components may modify the Statement of Understanding to reflect specific requirements.

030603. Processing Routine Applications. The APC shall notify the card contractor to establish a new individually billed account upon receipt of a properly completed application. The applicant, the applicant's supervisor, and the APC shall sign the application. The APC shall complete the billing hierarchy string on the application before submitting that application to the card contractor. Within 3 days of receipt, the APC shall fax the completed application to the card contractor.

030604. Processing Emergency Applications. Emergency applications are defined as applications for personnel who are scheduled to travel within 5 working days. The APC may call the contractor's government card service unit (GCSU) to request an emergency travel card. The APC shall fax the application to the card contractor as soon as possible. The APC shall annotate "Emergency Application" prominently on the application and verify with the GCSU that the application has been received. The contractor shall process and forward emergency cards within 24 hours to the individual cardholder's stated address, the temporary duty location, or otherwise as directed by the APC. The card contractor will include a fee on the cardholder's billing statement for expedited delivery if he or she is not currently in a travel status. When claimed on the DD Form 1351-2, the Department will reimburse this charge to the traveler. If, for any reason the scheduled travel does not occur, cardholders may claim reimbursement on an SF Form 1164, ("Claim for Reimbursement for Expenditures on Official Business"). The fee shall not apply to expedited delivery of emergency replacements of cards lost, stolen, or otherwise unusable by travelers who are in a travel status.

★ 030605. Credit Checks

A. Requirement for Credit Checks. Title 10 U.S.C. 2764a requires the evaluation of creditworthiness before issuing a government travel charge card to an individual. The card contractor will perform a credit check on each new card applicant. Applicants will receive a standard card, a restricted card, or may not be eligible for a card depending on their credit score. If the applicant agrees to a credit check, the fact that a credit check has been performed will appear on the credit bureau's record for the applicant and will be evident to subsequent credit grantors who request a credit check. The issuance of a travel card and the credit limit on the card are not reported to credit bureaus. This process is similar to instances when the applicant personally applies for credit, except that the only information evident to subsequent credit grantors is that an inquiry was made, and has little impact on a credit score. In no case shall the card contractor provide credit history results to the APC. Applicants who refuse to permit a credit check may be asked to self certify to their creditworthiness in order to obtain a restricted travel card. The DD Form 2883 ("Creditworthiness Evaluation") will be used to document self certification of creditworthiness.

B. Unfavorable and/or Declined Credit Checks. Personnel who are denied a government travel card due to their credit score, or inability to meet self-certification requirements, will be exempt from mandatory use of the card as provided in paragraph 030302.A.2.b. Paragraph 030304 contains payment methods for exempt personnel. However, personnel who refuse a credit check or to self certify, or who cancel their own cards, for whatever reason, to include disagreement with existing or revised terms and conditions of the

cardholder agreement, and are therefore unable to perform official travel, may not be eligible for a travel advance. Commanders and supervisors may authorize an advance in situations where performance of the mission could be put at risk.

030606. Issuance of Cards by Contractor. Upon receipt of a properly completed application, the card contractor shall issue the travel card and cardholder agreement within 3 business days. The contractor shall mail the card to the individual cardholder's stated address, temporary duty location, or otherwise as directed by the APC. The card contractor shall send PIN numbers associated with the ATM option separately from the card within 3 business days after receipt of the completed application. The card contractor shall allow the cardholder the option to personalize his or her personal identification number (PIN).

★ 030607. Misuse. Commanders or supervisors shall not tolerate misuse of the DoD travel card. Government travel cards are issued only for official travel related expenses. Examples of misuse include, but are not limited to: (1) expenses related to personal, (2) family or household purposes, (3) cash withdrawals from ATMs or Banks when not related to official travel requirements, and (4) intentional failure to pay undisputed charges in a timely manner. Cardholders who misuse their DoD travel cards shall be subject to administrative or disciplinary action, as appropriate. Commanders and supervisors will ensure that Component guidelines are followed in administering disciplinary actions, when appropriate. While these cards shall generally be used only for reimbursable expenses associated with official travel, the following (while not reimbursable) are considered to be related to official travel. Therefore, the travel card may be used for the following purposes.

A. Incidental Expenses. The cardholder, while in a travel status, may use the card for nonreimbursable incidental travel expenses such as rental movies, personal telephone calls, exercise fees, and beverages, when these charges are part of a room billing or meal and are reasonable. Additional expenses incurred for spousal occupancy (hotel room) and meals may be included if inherent to the traveler's billing statement even if the additional expense is not reimbursable. Separate charges for airfare, hotel rooms, rental cars or meals for spouses or family members are not authorized.

B. Expenses Incurred During Leave in Conjunction with TDY. The travel card also may be used for personal lodging or car rental charges, incurred in conjunction with otherwise authorized official travel expenses, when such charges are an integral part of the billing for the period spent at the temporary duty location while on official travel (e.g., when a traveler spends a weekend or is authorized leave at a temporary duty location before or after TDY, and a room or car rental is continued into TDY, a weekend, or a period of authorized leave).

C. Payments. The traveler shall pay for incidental nonreimbursable personal expenses covered by subparagraphs 030607.A and B, above, as part of the normal billing process. Department policies on split disbursement also apply to nonreimbursable charges made on a government travel card.

★ 030608. Split Disbursement. To assist the traveler in fulfilling his or her payment responsibility, Block 1 of the DD Form 1351-2 ("Travel Voucher or Subvoucher") has been modified to permit reimbursement for travel card charges to the travel charge card contractor with the remainder of any entitlement to be sent to the traveler. This process is referred to as split disbursement. All military personnel and any civilian personnel not represented by a local bargaining unit or where bargaining has been completed with the local bargaining unit are required to split disburse the total outstanding charges against the travel charge card. For civilian personnel in organizations or activities where bargaining has not been completed on mandatory split disbursement, if no selection is made in Block 1 on the DD Form 1351-2 (method of payment), the total of the transportation and lodging charges claimed on the travel voucher will be split disbursed by default.

NOTE: Travelers are responsible for ensuring the total of their outstanding charges is annotated in Block 1 of the DD Form 1351-2 for split disbursement. Approving officials are responsible for ensuring that split disbursement is properly designated for the outstanding charges and shall return any vouchers that do not comply to the traveler for correction. Commanders and supervisors should match their delinquent accounts against prior travel vouchers claimed and take appropriate action to address split disbursement utilization or misuse.

★ 030609. Program Audits. Commanders and agency heads will ensure that periodic internal control reviews are conducted on their travel card programs. Reviews should include: (1) processing of travel claims as it directly relates to delinquency issues associated with the travel card, (2) ensuring credit limits on CBAs and unit cards are limited to mission requirements, and (3) ensuring unused accounts are closed. Findings of significant weaknesses should be reported to the CPM in addition to the command or agency head.

0307 APC RESPONSIBILITIES

030701. Program Management Information

A. General. As the local manager of the travel card program, the APC shall maintain all pertinent records for cardholders while they are in that APC's hierarchy. When the cardholder transfers, the gaining APC shall establish needed records. For individual applicants, these records shall include: (1) a copy of the application, (2) a copy of the signed DoD Statement of Understanding (see Annex 1), and (3) all other relevant correspondence pertaining to the cardholder (e.g., delinquency notification, creditworthiness certifications, training certificates and requests for changes in spending limits). Due to the sensitivity of the data contained in these files, such data shall be maintained in a secure container or area that precludes unauthorized access.

★ B. Appointment Considerations. Commanders and supervisors should consider the volume of workload associated with the APC responsibilities in determining how many personnel may be needed to fulfill the associated workload. The frequency of travel and the historic delinquency rate of the organization should be taken into account. Individuals appointed as APCs should have the analytic and computer skills and access necessary to utilize

the reports provided on the card provider's electronic system. The APCs must be able to have access to and the ability to relate sensitive information to the chain of command for determination of appropriate action. Commanders and supervisors should consider assignment of APC duties to civilian personnel where practical in order to avoid the loss of knowledge of program responsibilities in high turnover military positions.

C. Organizational Hierarchy Structure. The APC is responsible for maintaining their organizational hierarchy structure. This hierarchy is the link that identifies cardholder accounts to correct organizations within a parent Component. The APC is responsible for tracking arriving and departing cardholders to maintain the validity of the organization hierarchy and the contractor reporting information.

★ 030702. Account Transfers. The APC shall follow the procedures published in the card contractor's training guides for using the electronic system to transfer cardholders with open accounts including those accounts that are in a suspended status. Travelers attending schools enroute to their next assignment will remain in the hierarchy of the losing organization until completion of the school.

030703. Termination. The APC shall terminate a travel card upon a cardholder's dismissal, retirement, or separation from the Department. Also, if applicable, the APC shall terminate the cardholder's use of the card contractor's Internet-based electronic travel card management system.

030704. Delinquencies. The APC shall monitor delinquencies and take appropriate actions as defined in section 0309, below.

★ 030705. Identification of Infrequent Travelers. On a periodic basis, the APC shall review any lists provided or made available by the card contractor to identify cards for potential closure at the supervisor's discretion. Infrequent travelers are defined in subparagraph 030302.A.2.k, above. Accounts not used in a 12-month period shall be closed with an option to reopen the accounts without a new application if the need for travel arises within a limited timeframe. APCs will also review lists of accounts which indicate individuals have separated, retired, or are deceased to ensure those accounts are closed.

★ 030706. Inprocessing and Outprocessing. The CPMs shall ensure that the written DoD Component's personnel transfer and separation procedures require personnel to inprocess and outprocess through their unit level APCs and specify that the losing APCs are responsible for intransit personnel. The APCs will ensure that individual access to the card provider's electronic access system are terminated upon the separation or retirement of the individual or modified as appropriate upon the transfer of the individual.

★ 030707. Training. The APCs will receive and document completion of DoD standard training for their responsibilities. The APCs are also encouraged to attend training provided by the charge card provider on the use of the electronic system available for account management.

0308 TRAVELER REIMBURSEMENT AND PAYMENT RESPONSIBILITIES

030801. Timely Reimbursement of Travel Expenses

A. Reimbursement Within 30 Days. Agencies shall reimburse DoD personnel for authorized travel expenses no later than 30 days after submission of a proper travel claim to the office where the claim is to be approved. Therefore, a satisfactory recordkeeping system shall be maintained by the approving official to track submission and receipt of travel claims. For example, travel claims submitted by mail could be annotated with the date of receipt in the office where the claim is to be approved. Travel claims submitted electronically to the approving official could be considered to have been received on the submission date indicated on the e-mail, or on the next business day if submitted after normal working hours. For fully automated travel applications, such as the Defense Travel System, consider the travel claim to be received when the traveler releases the claim to the travel system.

B. Travel Claim Errors. A travel claim with an omission or an error shall be returned to the traveler within a 7-day period. The notification shall include the reason(s) why the travel claim is not proper. Once a corrected travel claim is received, the 30-day period commences under which the government must make payment or pay a late fee.

C. Late Payment Fees and Charges. Should payment of the travel settlement take longer than 30 days following receipt by the office where the claim is to be approved, that office may be required to pay a late payment fee. This fee is payable, using the Prompt Payment Act interest rate, beginning on the 31st day after the submission of a proper travel claim and ending on the date that the payment is disbursed by the government. The only exception to the requirement for this payment is that no payments are required for amounts less than $1.00. Interest payment funding instructions can be found in Volume 10, Chapter 7, of this Regulation. In addition, the traveler shall be paid an amount equal to any late payment charge that the card contractor would have been able to charge had the traveler not paid the bill. The Internal Revenue Service has determined that the late payment fee is reportable as interest and that the payment equal to the late payment charge is to be reported as additional wages. In addition, travelers may be reimbursed for late fees imposed by the Bank if the non-payment that incurred the late fee was a result of the government's untimely processing of the travel voucher. Late fees do not incur until 75 days following the billing statement.

D. Systems Modifications. As necessary, DoD Component travel systems shall be modified to capture the date of submission of a proper travel claim and compute entitlement for late payment fees due as a result of untimely settlement.

E. Claims for Late Payment Fees. Payment of late fees should be calculated and paid at the time the voucher is processed. Travelers who believe that late payment fees were not included in the calculation of their travel voucher may submit supplemental travel claims for late payment fees. Each such supplemental travel claim shall be submitted through the office where the claim is to be approved. That office shall annotate the claim with the date that the original travel claim was received.

030802. Responsibilities of Travelers for Payments

A. Monthly Statements. Cardholders are responsible for payment in full of the amount stated on the monthly billing statement by the due date on the statement. Accounts are considered delinquent if unpaid 60 days after the billing date.

B. Disputed Charges. In the event that the billed amount contains charges that are disputed by the traveler, he or she shall obtain a dispute form from the APC or use the dispute form included with monthly account statements sent to each cardholder. The cardholder shall complete and send the form to the travel card contractor using instructions provided by the APC.

030803. Fees Chargeable by the Contractor. The card contractor may charge a fee when a check submitted in payment of a bill is dishonored. In addition, a late fee per billing cycle may be assessed for individually billed accounts that are 75 days past the closing date of the account statement on which the charges first appeared. The return check fee for dishonored checks is not reimbursable to the traveler. Fees associated with salary offset are contained in Volume 8, paragraph 080602, of this Regulation. If the card contractor refers an account for collection, the card contractor may charge the cardholder collection costs, court costs, and allocated costs for attorneys, not to exceed 25 percent of the account balance. The card contractor also may initiate garnishment proceedings through the judicial system against travel cardholders for accounts over 120 days delinquent that are not subject to salary offset procedures and also may notify credit bureaus of those delinquencies.

030804. Salary Offset. Under regulations promulgated in Volumes 7A and 8 of this Regulation, and upon written request of the card contractor, the Department will, on behalf of the government travel charge card contractor, collect by deduction from the amount of pay owed to the cardholder any funds the cardholder owes to the government travel charge card contractor as a result of delinquencies not disputed by the cardholder on the government travel charge card. Specifics on the procedures are contained in Volume 7A of this Regulation for military members and Volume 8 of this Regulation for civilian employees and retirees.

★ 030805. Split Disbursement. Mandatory use of split disbursement is required for all military personnel and civilian personnel not covered by a bargaining unit or where the bargaining unit has completed bargaining. The traveler is responsible for ensuring that the total outstanding charges on the travel card are designated for split disbursement in block one of the DD Form 1351-2. The approving official for the DD Form 1351-2 is responsible for ensuring that travelers are properly designating their total outstanding charges for split disbursement. Travel vouchers submitted by cardholders that do not properly reflect split disbursement should be returned to the individual for correction. For civilian personnel covered by a local bargaining unit that has not completed bargaining on mandatory split disbursement, travel vouchers that do not reflect a method of payment in block one will result in transportation and lodging payments being split disbursed by default.

0309 DELINQUENCY MANAGEMENT

030901. The GSA master contract specifies time frames when the card contractor must notify the APC of impending suspension or cancellation of delinquent cardholder card accounts.

★ A. Mission-Critical Travel. When mission-critical travel precludes filing of travel vouchers, including interim vouchers, and thereby precludes prompt payment of travel charge card bills, the APC is authorized, with the approval of the cardholder's supervisor, to so advise the card contractor and ensure that the cardholder's account is designated by the card contractor as being in a mission critical status. Mission-critical travel is defined as travel performed by DoD personnel under competent orders and performing duties that, through no fault of their own, prevents the traveler from filing travel vouchers and paying the travel card bills. Mission critical status must be reflected on the travel orders in order for the traveler to be reimbursed for any late charges incurred while in this status. An individual charge card account must have been placed in mission critical status before the account was suspended. Should there be outstanding bills, the bills shall be settled within 45 days of removal from this status. The APCs should work with traveler and supervisor to ensure interim vouchers can be processed. Expenses incurred prior to a deployment should be processed for payment through split disbursement before the individual departs for their assignment.

B. Long-term Travel. While in a long-term travel status, the traveler shall file interim vouchers every 30 days, with split disbursement as the preferred means of settlement. Organizations should assist travelers by providing blank DD Forms 1351-2 prior to departure and upon arrival at the temporary duty location.

C. Presuspension Notification for Accounts 45 Days Past Closing Date of Account Statement on Which Charges First Appear. At 45 days past the closing date of the account statement on which the charges first appear, the contractor shall issue presuspension reports to the APC. Upon receipt, the APC shall notify the cardholder and the cardholder's supervisor, by e-mail where possible, that the account will be suspended in 15 days if the contractor does not receive full payment of all undisputed amounts. The APCs shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. The APC shall request that the supervisor notify the APC, within 15 days, of any reason that the account should not be suspended (e.g., mission-critical travel). If the APC is given sufficient information by the cardholder's supervisor to justify keeping the account active, then the APC immediately shall advise the card contractor to keep the account in an active status. The APC shall keep a record of the supervisor's notification and related correspondence.

D. Suspension of Accounts 60 Days Past Closing Date of Account Statement on Which Charges First Appear. At 60 days past the closing date of the account statement on which the charges first appear, the APC shall notify the cardholder, and the cardholder's supervisor, via e-mail when possible, that the cardholder's account has been suspended for nonpayment. The card contractor shall block charge card privileges, which include ATM access

and all charge capability until it receives payment in full. If no action is taken toward this debt, the account shall be cancelled. The APCs shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. The APC shall keep a record of each notification. (See Annex 2.) Commanders and supervisors should assess whether the individual has properly filed a travel voucher and been reimbursed; whether DoD policy on split disbursement was adhered to; and whether further administrative or disciplinary action is required.

E. 90-Day Delinquency Notification to Supervisors. At 90 days past the closing date of the account statement on which the charges first appear, the APC shall notify the cardholder, the cardholder's supervisor, and the second level supervisor, via e-mail (when possible) that the cardholder's account is still delinquent. The APC shall keep a record of each notification. (See Annex 3.) The individual cardholder will receive notice from the card issuing contractor that their account will be cancelled and referred for salary offset within 30 days if the balance is not paid in full.

F. Cancellation of Accounts 120 Days Past Closing Date of Account Statement on Which Charges First Appear. At 120 days past the closing date of the account statement on which the charges first appear, the card contractor shall issue cancellation reports to the APC. The APC shall notify the cardholder, the cardholder's supervisor, and the cardholder's chain of command, by e-mail if possible, that the cardholder's account shall be cancelled at 126 days past the closing date of the account statement on which the charges first appear if the contractor does not receive full payment of the undisputed amounts. The APCs shall notify cardholders whenever their supervisors or anyone in their chain of command are notified that the cardholders are delinquent in the payment of outstanding amounts on their accounts. The APC shall keep a record of each notification. If no action is taken toward this debt, collection action shall be taken by the travel card contractor beginning on the 126th day past the closing date of the account statement on which the charges first appear. Once cancelled, an account may be reinstated only when: (1) the account is paid in full and (2) the commander or director requests the card contractor in writing to reinstate the account. The contractor reserves the right to deny the reinstatement request. (See Annex 4.)

G. Cancellation of Accounts Suspended Two Times. Cancellation of an account also shall occur if the account has been suspended two times during a 12-month period for nonpayment of undisputed principal amounts and again becomes past due. Accounts that have been suspended twice during a 12-month period shall be considered, for cancellation purposes, past due for the third time at 45 days from the closing date on the statement of account in which the charge appeared.

0310 REPORTS PROVIDED BY CARD CONTRACTOR

031001. General. Reports are considered the primary program tools and shall be available via the contractor's Internet-based electronic travel card management system. Due to the sensitive nature of all travel card reports, safeguard all information contained therein. Mandatory reports are outlined in paragraphs 031002 and 031003 below.

031002. Reports Provided by Card Contractor for Each CPM

A. Agency Program Report. This is a summary report, by Component, for all travel-related expenses, transportation charges, ATM usage, and travelers' checks transactions. This report segregates all charges and credits for each IBA or CBA.

B. Statistical Summary Report. This report lists, by Component, on a current and fiscal year basis, the dollar volume, ATM volume, travelers check volume, number of transactions, active cardholders, total accounts, and new accounts.

C. Aging Analysis Report. This report identifies summary-level delinquency information by Component hierarchy.

031003. Reports Provided by Card Contractor for Each APC

A. Cardholder Account Listing Report. This report identifies cardholder names, addresses, telephone numbers, SSNs, and account numbers assigned under the APC's organization.

B. Account Activity Report. This report identifies travel cardholder activity and ATM usage during the recent billing cycle.

C. Delinquency Report. This report identifies delinquent cardholders and ages delinquencies by time frame (i.e., 30, 60, 90, 120, or more days).

D. Presuspension Report. This report lists accounts eligible for suspension and identifies account names, account numbers, status, balances past due, and the number of days that each account is past due.

E. Suspension/Precancellation Report. This report lists accounts that have been suspended and are coming up for cancellation and identifies account names, account numbers, status (suspended or canceled), date of status, balances past due, and the number of days that each account is past due.

F. Account Renewal Report. This report identifies those cardholders whose cards are coming due for renewal. APCs shall review the information on this report monthly and take appropriate action.

G. Exceptions Reports – Returned Check Charges. This report provides a list of all cardholders that incur payment reversal transactions within a specified hierarchy level and time frame.

H. Authorizations/Declines Report. This report lists all transactions attempted against an account and details reasons for decline and type of purchase (mail order, ATM, purchase, or cash).

I. Blocked Merchant Category Codes. This report provides a list of all transactions made on Merchant Category Codes that are supposed to be closed to DoD cardholders. These charges are processed when no authorization is required (typically low dollar values), when online authorization is not available, or when a merchant requests an override for the consumer, such as in the case of a merchant assigned to the wrong merchant code. Reports are not available on the electronic system but are provided through the CPMs.

★0311 EFFECTIVE DATE AND IMPLEMENTATION. The policies addressed in this chapter are effective immediately. However, any labor relations obligation under Title 5, United States Code, Chapter 71 shall be fulfilled prior to implementation of the policies addressed in sections 0306 and 0308, with respect to employees represented by unions.