Fleet Card

DoN APC Conference
Government Commercial Purchase Card
Atlanta, GA
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Agenda

- Purpose, Advantages & Types of Cards
- Command Relationships and Key Roles
- IT Systems
- Process Flow
- Audit Update
- Card Program Comparisons
- Credit Limits
- Issues / Concerns
- Initiatives
- Points of Contact
Purpose, Advantages and Types of Cards

- **Purpose**
  - Method to pay for fuel and maintenance of DOD owned / leased vehicles (excluding GSA)

- **Advantages**
  - DESC tax recoup (avg. 2.3M per year for DOD)
  - Minimal rebates (avg. 50k per year for DOD)
  - Capture of maintenance details/provides Fuel Asset Visibility

- **Types of Cards (Activity decides)**
  - Fuel Only Card
  - Fuel + Maintenance/Service Card
  - Cards are Assigned to:
    - **Vehicle** – approximately 29,388
    - **Organization** – approximately 3,551
      - Organizations may assign a particular card to a driver
      - **Usually** assigned to more than one driver or vehicle
Command Relationships and Key Roles

- US Bank – since 30 Nov 98
  - Voyager and Visa are card providers
  - VISA 1% for Overseas; US Bank
  - Manual processing for VISA; No Split Billing
  - Both are under GSA contract GS-23F-98002, Task Order UA01

- DoD Program Manager - Defense Energy Support Center (DESC)
  - Award and administer the DoD Fleet Credit Card Task Order
  - Provide DoD and others with comprehensive energy solutions
  - Negotiate fuel discounts
  - Coordinate Fleet Commander Enrollment/Sign-up
  - Provide over arching guidance to include split billing

- Naval Operational Logistics Support Center (NOLSC)
  - Interfaces w/DESC regarding system/technical issues regarding the Navy fuel and accounting systems (FAS/Stars)
  - Formerly NAVPET

- NAVFAC was CPM for Navy until 1 Oct 03
IT Systems

- **Voyager Fleet Commander**
  - Management tool that provides:
    - Transaction data, reports, and ad hoc query tool
    - Screening for abuse/misuse
  - Web-based Target Date is Dec 04

- **Account Commander On-Line (Web Based / Real Time)**
  - On-line account management tool
  - Account, card, POC maintenance
  - Data/Report Cdr – Dec 04 Target Date

- **DESC Fuels Automated System (FAS) Enterprise System**
  - Web based
  - Weekly transactional data
  - Billing information
  - Used to bill end-user directly via DFAS Columbus
Card user presents Fleet Card for **fuel** and **non-fuel** maintenance and services

Voyager splits out **fuel** purchases from **non-fuel** charges. Voyager sends monthly statement to customer (show both **fuel** and **non-fuel** purchases)

Activities verifies all (**fuel** and **non-fuel**) purchases manually

Voyager pays service station: Bills/Invoices DESC for **fuel** purchases (weekly) and customer for **non-fuel** purchases (monthly)

DESC reimburses the bank for **fuel** (pump price) and interfund the activities, at a standard price, through the MILSBILS process (monthly)

Activities pull FES obligation file and load into STARSFL

Customers certifies **non-fuel** items and forwards to their local OPLOC for payment
Audit Update

- NAVAUD Recommended Action  
  - Develop & issue Navy Instruction  
    - NAVFAC & EBUSOPSOFF  
    - 30 MAR 04  
  - Develop APC Training  
    - NAVFAC & EBUSOPSOFF  
    - 30 SEP 04  
  - Develop Card User Training  
    - NAVFAC & EBUSOPSOFF  
    - 30 SEP 04  
  - Issue interim guidance to re-emphasize the NAVFAC P-300 requirement regarding the purchase of regular-octane grade gasoline.  
    - NAVFAC  
    - 31 DEC 03  

ECD
Card Program Comparisons

- Second highest number of card users/holders (Travel Card has most)
  - Least number of accounts and APCs
  - Least number of charge volume
  - Least number of transactions
  - Most amount of credit exposure ($22.4B)
Credit Limits

- Most gas pumps are set for gallon limits (50 gal)
- If unit/activity sets no limit, Voyager imposes spend limits *(22,399 cards)*
- 3 transactions in 24 hour period
- Or $1,000 per month ... whichever comes first
- US Bank/Voyager will then activate:
  - Soft Decline
  - Hard Decline

*Unless customer specified “unlimited” (312 accounts)*
Issues / Concerns

- Unstructured Hierarchy
  - Lack of structure/oversight
- Voyager Fleet Commander Access
  - NMCI issues
  - Field implementation
- Voyager APC / User Data Incomplete & Out of Date
- Credit Exposure (22.4B)
  - Some cards with out limits
  - Limits not based on historical spend data
- Inactive / Infrequently Used Cards
  - No control / No monitoring
Initiatives

- Proposed hierarchy structured being developed
  - Input to date from DESC / CNI / NAVFAC
  - Identify and meet with other big players
  - Finalize hierarchy and provide to bank
- Voyager POC data
  - Verification & update completed
  - DESC request (email field)
- Credit Exposure: $22.4B
  - Tie to actual spend patterns
  - Assign credit limits where there are none
  - Only after activity has been notified if no adverse affect on critical mission accomplishment
- Infrequently Used Cards: FY03 – 2,451
  - Identify / review and close cards of non-deployable activities
Initiatives [cont’d]

▪ Develop Instruction / Internal Controls
  ▪ Review **spend limits** and identify appropriate actions
  ▪ Review **delinquencies**.
  ▪ Cards are shut off after 90 days except at time of war or national disaster.
  ▪ Review **span of control** and identify appropriate actions
  ▪ Review **infrequently used cards** and identify appropriate actions
  ▪ Identify who should assume Level 4 APC roles

▪ Develop Role-based Training (APC, Card User, Certifying Official)

▪ Partner with DESC on eFleet

▪ Improved Communications
  ▪ Quarterly PMR with US Bank/Voyager/DESC
  ▪ APC Conference Fleet Card breakout sessions
  ▪ Fed Fleet Conference Navy breakout sessions
  ▪ GSA Smartpay Conference Navy breakout sessions
  ▪ Financial Supply Chain Conference
Proposed Hierarchy Structure

Hierarchy String

Xxxxx xxxxx xxxxx 00076 xxxxx xxxxx xxxxx xxxxx

Current Hierarchy Structure
Level 1 = All Federal
Level 2 = DOD
Level 3 = Navy/Army/Air Force/Marines
Level 4, 5, 6, 7 = No relevant organization hierarchy structure

Federal xxxxx Level 1
DOD xxxxx Level 2
DON xxxxx Level 3
Major Claimant 00076 Level 4
Region xxxxx Level 5
Certifying Official xxxxx Level 6
Activity APC xxxxx Level 7