

St. Cloud Technical & Community College Policies and Procedures Chapter S7 – General Finance Provisions

S7.2 Standard Fleet Fuel Card

Update Revision Responsibility: VP for Administration

SCTCC follows MnSCU policy 7.3 Financial Administration; Procedure 7.3.3 Purchasing Cards; Part 7 - Responsibility and Accountability; Subpart A – Cardholders and Fleet Card Users
<http://www.mnscu.edu/board/procedure/703p3.html>

I. Purpose

The purpose of this policy is to ensure that state employees and other users authorized by the agency to conduct state business (hereinafter together referred to as, authorized users) use the Fleet Card appropriately to ensure that the state's fleet assets are operated and managed efficiently and cost effectively.

II. Background

The Fleet Card program offers state agencies a widely accepted Fleet Card for the purchase of fuel. A private vendor provides the Fleet Card program to the state through a contract managed by the Department of Administration's Materials Management Division.

The Fleet Card program also includes a reporting function that helps the state track vehicle usage and costs. The state Fleet Management Information System collects and utilizes this information in order to ensure the effective, efficient utilization of state vehicles.

III. Fleet Card Policy

a. Scope of Use

Fleet Cards Assigned to Vehicles

A Fleet Card will be issued to each on-highway vehicle in the agency fleet.

The Fleet Cards are to be used for retail purchases of fuel used in state vehicles.

Each authorized user will be assigned a PIN number, which must be used to authorize purchases with the Fleet Card. Each PIN number is unique and needs to be kept confidential.

Fleet Cards Assigned to Locations

Fleet Cards may be issued to locations. "Location-assigned" cards may be used for fuel for miscellaneous equipment such as mowers, chainsaws, tractors and other off-highway work equipment. "Location-assigned" cards may also be used for fuel for on-highway usage such as short-term rental vehicles.

Each person authorized to purchase fuel will be assigned a PIN number, which must be used to authorize purchases on the Fleet Card. Each PIN number is unique and must be kept confidential.

b. Acceptable Card Uses

- Acceptable purchases using a fuel card are **FUEL ONLY**.
- Fleet Cards have four types of controls: transaction dollar limit, daily dollar limit, driver id number attempts at the pump and daily number of transactions limit. *See h. Card Spending Limits.*

c. Fuel Purchases

- Fuel purchases are restricted to self-service fuel of the type and grade specified by the vehicle manufacturer
- E85 (85% ethanol, 15% gasoline) for flex-fuel vehicles when available
- Blended-for-the-season diesel fuel in diesel powered vehicles

d. Unacceptable Card Uses. The Fleet Card shall not be used for any non-state business purpose.

i. Prohibited purchases. Examples of prohibited purchases include:

- Food or other personal items
- Pre-paid services such as coupon books for car washes or other vehicle services
- Bulk fuel of any kind
- aviation fuel

ii. Prohibited practices. Examples of prohibited practices include:

- Splitting a purchase into more than one transaction to avoid exceeding an established purchasing limit. However, fuel may be purchased for other than the vehicle to which the card is assigned (e.g., small engines, snowmobiles, all-terrain vehicles, lawnmowers) as long as the purchaser makes a separate transaction or it is clearly marked on the receipt with the fuel's intended use.
- Using the Fleet Card to circumvent the use of state contracts, purchasing laws, rules, policies or procedures

e. Consequences of Improper Use

If a card is used in violation of this policy, the authorized card user shall report the matter to the agency Fleet Card program administrator no later than the next business day at 320-308-5479. In the case of a prohibited purchase or use, the card user shall immediately reimburse the agency for the prohibited purchase.

In the event the vehicle breaks down, call the SCTCC maintenance office (320-308-3382) during business hours. For nights and weekends, call the Maintenance Supervisor at (320-249-0276). They will give you instructions on what to do with the vehicle.

f. Encumbrance of funds

Follow normal encumbrance procedures. The vendor number that is to be used is 200752810-00.

g. Card Spending Limits

Cards are limited to a reasonable number of transactions daily with a preset dollar limit per transaction. These limits are set based on typical needs for normal vehicle operation. Limits will be reviewed on a regular basis and adjusted accordingly if needs and economic conditions dictate. The limits for St. Cloud Technical & Community College are:

\$300.00 per billing cycle
Four (4) transactions per day
Three (3) attempts for correct driver ID number

If your transaction is declined for any reason please call 320-308-5479 immediately for assistance. If there is no answer, call 320-308-6158.

h. Retention of Receipts

Original Receipts Required. All Fleet Card users must obtain receipts for Fleet Card transactions. Receipts must be:

- a. Kept and maintained pursuant to the agency's records retention schedule for these records
- b. Readily available during the payment process to assist in verifying correct payment
- c. Original receipts are required; if the card user cannot obtain one from the merchant at the time of sale because of mechanical or technical difficulties, the card user must complete, sign and have notarized an "Affidavit in Lieu of Receipts," which is available from the Business Office.

1.52 Contrary Use. If a card is used in violation of this policy, the authorized card user shall report the matter to the agency Fleet Card program administrator no later than the next business day. In the case of a prohibited purchase, the card user shall immediately reimburse the agency for the prohibited purchase. There may be situations where such reimbursement may not be warranted, in which case the agency will assess and resolve such matters on a case-by-case basis.

1.53 Fraud. Pursuant to Minn. Stat. §609.456 subd. 2, all suspected fraud with the state's fleet card must be reported via a memo to the Office of the Legislative Auditor (OLA). This requirement includes those instances when the state-owned fleet card account number has been compromised and unauthorized use of the account is discovered either by the servicing

contract vendor or a state employee.

Fleet Card receipts must be retained according to the agency's records retention schedule for these records. Each billing cycle all receipts must be sent to the Business Office along with an approved copy of the invoice to expedite payment.

The authorized storage location for the Fleet Card receipts is attached to the original Purchase Order that has paid the charges on the receipt. The Fleet Card program administrator is responsible for the proper retention of Fleet Card receipts, including producing these records for audits.

IV. Agency Fleet Card Program Administrator

Participating agencies: Participating agencies must designate Fleet Card program administrators for each Fleet Card account. Agencies must report the names of their Fleet Card program administrators, along with contact information (address, phone, fax, e-mail) to the Fleet Card program manager at the Department of Administration's Fleet and Surplus Services office. The agency Fleet Card program administrator is responsible for overall administration of the program consistent with the statewide plan and the agency's approved plan. An agency may delegate the Fleet Card program administrator duties to multiple persons based on the agencies structure and business practices, but the delegation must be outlined and authorized in the agency's policy. St. Cloud Technical & Community College's Fleet Card program administrator can be reached at 320-308-5479.

Fleet Card Program Administrator duties: The duties of the Fleet Card Program Administrator include:

- Creating account(s) and account access so that card requests and changes may be managed and monitored
- Administering card policy and train card users so that cards are properly used
- Monitoring card usage, including reviewing and reconciling invoices per agency reconciliation practices so that Fleet Card bills are paid in a timely manner and the agency receives available rebate incentives
- Encumbering adequate funds for anticipated Fleet Card purchases to ensure that the agency's use of the Fleet Card complies with the MAPS Point of Entry (POE) document
- and the *Department of Finance and Department of Administration Operating Policy and Procedure 3016.00, Credit Agreements – Purchasing Card and Fleet Card. This will be done by the Administrative Assistant for each department.*
- Ensuring the proper retention and storage of receipts and the ability to retrieve receipts for business needs, including audits.

VI. Fleet Card Reconciliation Process

The agency will reconcile Fleet Card invoices with purchase receipts. This reconciliation may be conducted on a spot basis, with all or an appropriate sample percentage of transactions reconciled each month, based on the volume of transactions. If a sampling is used, the appropriate sample

**St. Cloud Technical & Community College
Policies and Procedures
Chapter S 7 – General Finance Provisions**

S7.2.1 Standard Fleet Fuel Card Procedure

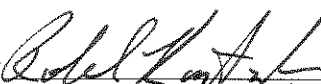
Reconciliation Process

Each month, a statistically appropriate sampling of the agency fleet (or card) transactions will be selected randomly for reconciliation.

Transactions shall be reviewed and reconciled with paper receipts, to verify that all transactions are legitimate, appropriate, and should be paid by the agency. Agencies are required to document that reconciliation has occurred. This reconciliation shall be completed within a reasonable amount of time.

In the event that an issue or problem is discovered during the reconciliation process, agency Fleet Card program administrators will attempt to resolve the issue, working with others as necessary to help resolve the issue, including the vendor, human resources, the purchaser and the Department of Administration's Fleet and Surplus Services.

Faculty Shared Governance Council President or AASC Chair Review:

 Date: 11/21/13

College President: 

Date: 4/21/13

Date of Adoption: _____

Date of Implementation: _____

Date repealed or replaced: _____

**REQUEST FOR FLEET CARD POLICY EXCEPTION AND
SUBMISSION OF AGENCY FLEET CARD POLICY FOR
APPROVAL**

This form must be used when an agency requests approval of its proposed policy to exceed the standard limits or restrictions in the State Fleet Card Use Policy. Requests for Fleet Card Policy exceptions shall be on a fiscal-year basis. The agency head or agency head's delegate must sign the request. The Commissioner of Administration or the Commissioner's delegate must approve Fleet Card Policy exceptions.

Submit the completed form and proposed policy (attached) to: Fleet Services Director, Department of Administration, Fleet and Surplus Services, 5420 Old Highway 8, Arden Hills, MN 55112. The signed form must be retained with the Agency Fleet Card Policy. For questions, contact Tim Morse, Department of Administration, Fleet and Surplus Services at 651/296-2163 or e-mail tim.morse@state.mn.us.

DEPARTMENT NAME:	FISCAL YEAR (FY):
DIVISION NAME:	ESTIMATED FY EXPENDITURE: \$ _____

AN EXCEPTION IS REQUESTED BECAUSE: Explain why the exception is needed; attach agency policy.

EXCEPTION APPROVAL

Admin Materials Management Review:

Signature

Date

Admin Fleet and Surplus Services Review:

Signature

Date

Approved:

Signature (Commissioner of Administration or delegate) Date

Not Approved: