



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

October 7, 2002

Mr. John T. Hanson  
Assistant Counsel for Negotiations  
National Treasury Employees Union  
901 E Street, N.W., Suite 600  
Washington, DC 20004

RE: Mandatory Use of the Government Contractor-Issued Travel Charge Card and Prompt Payment of Travel Vouchers

Dear Mr. Hanson:

The Travel and Transportation Reform Act of 1998 (P.L. 105-264) and implementing General Service Administration regulations, require frequent federal travelers to obtain and use the government contractor-issued travel charge card for all travel (currently the Citibank card), except where specifically exempted. In addition, the Act and the implementing regulations require agencies to promptly pay travel and certain relocation vouchers. The IRS is implementing these requirements on October 1, 2002 in accordance with the attached procedures and this Letter of Understanding (LOU).

1. Management will brief all employees who currently have a Citibank travel card and all employees identified as frequent travelers who will be required to obtain a card in formal meetings regarding the implementation of the new procedures and the new requirement for mandatory use of the Citibank travel card. The briefings will address the new policies, including when the card must be used and will review the existing policies on travel card use, including the appropriate and inappropriate uses of the card. Current cardholders can review the on-line tutorial as a refresher to travel card responsibilities and all new requesters will have take the tutorial/sign the certification before they will be issued a card. The briefings will also review the requirements for timely submission of travel vouchers and will address the new requirement that the Service reimburse employees for travel expenses within 30 calendar days of receipt of a proper travel voucher by the designated approving office, or pay a late fee. Each employee at the briefing will receive a copy of this LOU, with its enclosure, and information on how to access the relevant portions of the IRS Travel Handbook and the Employee Resource Center (ERC) website at <http://erc.web.irs.gov/>. In accordance with Article 8, Section 1F of the National Agreement, the chapter representative at the meeting will be allowed up to 30 minutes at the end of the briefing to meet with the employees without management present. Employees who attend the meeting will be on administrative time and the chapter representative will be on official time.

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2. Local management will determine which employees meet the definition of frequent traveler (Interim Travel Handbook, Section 3.07 B) and will provide the local NTEU chapter with their names and with advance copies of any materials that will be distributed at the briefing described in paragraph 1, except this LOU and its attachment which the local chapter already has. The employees' names and additional briefing materials, if used, will be provided to the local chapter at least five workdays prior to the briefing.

3. Any employee who is designated as a frequent traveler may request reconsideration of that designation and will be allowed to submit information that he or she wishes to be considered by management in making its decision. Management will make a determination on the request for reconsideration within 30 calendar days of receipt. Employees will not be required to obtain or use the Citibank travel card while a request for reconsideration is pending. If the employee's designation as a frequent traveler is not reversed, management will provide a written reply to the employee, explaining the reasons for the designation.

4. Management will consider exempting additional classes of employees from the mandatory use of the travel charge card. Employees who meet the definition of frequent traveler and who do not currently have a Citibank travel charge card, but who believe they would incur a hardship if required to obtain and use the Citibank travel charge card may apply for an exemption from the policy by submitting a request to their manager who will forward the request to the Chief Financial Officer (CFO) or designee. Hardship examples include employees who have a history of personal or work-related credit card problems, and employees whose religious tenets object to the use of credit cards in general. Management will inform the employee of its determination within 30 calendar days of receipt of the request. If the request is denied, management will provide the employee with the reasons for the denial in writing. If management approves the exemption, all employees within the class will be exempt.

5. Employees will be exempt from mandatory use of the travel charge card for reimbursable personal telephone calls. However, employees who have the government phone card (currently Sprint) will use the Sprint card, in accordance with IRS policy, for official business telephone calls.

6. Employees will not be required to use the travel charge card as an ATM card to obtain cash advances. Cash advances will be made in accordance with Article 29, Section 2A of the National Agreement.

7. The ERC is the designated point of contact for employees and managers who have questions or who need information regarding use of the travel card. It can be accessed at the website listed in paragraph 1, above.

