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DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
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WASHINGTON, D.C. 20350-1000

JAN 29 2002

MEMORANDUM FOR COMMANDER, NAVAL PERSONNEL COMMAND (PERS-3)  
COMMANDER IN CHIEF, U.S. ATLANTIC FLEET (N1, N4)  
COMMANDER IN CHIEF, U.S. PACIFIC FLEET (N1, N4)

Subj: TRAVEL CARD PROGRAM SPLIT DISBURSEMENT OPTION

Ref: (a) DoD FMR, Volume 9, Chapter 8  
(b) USD(C) memo of 14 Jun 01

As provided in reference (a), split disbursement is available as a payment option for travel reimbursement. Split disbursement permits direct payment of a travel settlement via electronic funds transfer to the travel card contractor for charges incurred on the travel card and to the cardholder for any residual amount. By reference (b), the Under Secretary of Defense (Comptroller) (USD(C)) announced changes to the Department of Defense (DoD) travel card program agreed to between DoD and the Bank of America. One of these changes was for DoD to implement "default" split disbursement.

Under current procedures, the traveler may specifically designate an amount to be sent to the travel card contractor with the balance going to the traveler. Under default split disbursement, if the split disbursement line is left blank, the amount of lodging, transportation and rental car will automatically be paid directly to the travel card contractor; the traveler will be paid the remainder of the entitlement. DoD expects to implement default split disbursement by the end of the calendar year 2002 and further guidance will be forthcoming.

As the result of increased visibility and publicity, the use of the split disbursement option is growing. However, anecdotal evidence suggests that claims using the split pay option are not being properly processed on a consistent basis. For example, we are aware of situations where the cardholder elected split disbursement, but the entire settlement was sent to the employee or member and not split disbursed. This may cause confusion for the traveler, having believed that the travel card bill would be paid promptly, and subsequently, an unintended account delinquency occurs. Individual government

OPTIONAL FORM 99 (7-99)

FAX TRANSMITTAL

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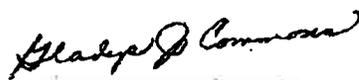
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travel card delinquencies are still a problem within DoD, including the Navy, and a serious problem for employees and members who are delinquent.

As described in reference (b), we have a responsibility to process travel vouchers promptly to ensure timely payment to employees and members. Please remind the staff and examiners processing travel vouchers to pay careful attention to the split disbursement line on the travel claim form and ensure that split disbursement requests are being processed correctly. The split disbursement option can be an effective option in combating travel card delinquencies and I want to instill the highest confidence level possible in the Navy travel process in all employees and members. Your attention to the issue is most appreciated.

My point of contact for this matter is Mr. Dave McDermott, who may be contacted at (202) 685-6719, DSN 325-6719 or mcdermott.david@fmo.navy.mil.



GLADYS J. COMMONS  
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