



# State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES  
OFFICE OF THE COMMISSIONER  
25 Capitol Street – Room 120  
Concord, New Hampshire 03301

LINDA M. HODGDON  
Commissioner  
(603) 271-3201

JOSEPH B. BOUCHARD  
Assistant Commissioner  
(603) 271-3204

June 7, 2013

Her Excellency, Governor Margaret Wood Hassan  
And the Honorable Executive Council  
State House  
Concord, NH 03301

### REQUESTED ACTION

Pursuant to RSA 21-I:14, I; RSA 541-A:1, XV and RSA 4:15, the Department of Administrative Services requests approval of a new chapter of the Department of Administrative Services Manual of Procedures ("DAS MOP"), Chapter DAS MOP 1626 ("Fuel Cards"), effective upon Governor and Council approval. The text of the proposed chapter is found in Attachment A to this request.

### EXPLANATION

RSA 21-I: 14, I provides that the Commissioner of Administrative Services is to adopt a comprehensive uniform system of state financial management described in RSA 21-I: 13, XV and XVI in the form of a manual, to be updated and revised as the Commissioner deems necessary, to explain procedures applicable to all executive branch state agencies, officers and employees. Topics addressed in the Manual of Procedures include, but are not limited to, those items listed in RSA 21-I: 14, I (b) (1) through (12), as well as topic areas relating to agency annual or biennial reports as described in RSA 21-I: 14, IX. Pursuant to RSA 21-I: 14, I (a) and RSA 541-A: 1, XV, the Manual's provisions are not administrative "rules" that must be adopted by way of the formal rulemaking procedures of RSA 541-A, but executive branch agencies must nonetheless abide by requirements of the MOP.

Pursuant to RSA 21-I: 11, I (f) and RSA 21-I: 11, II, the Department of Administrative Services (DAS) Division of Plant and Property Management is responsible for procuring services for general agency use, including contracts for credit card services. RSA 21-I: 17-c provides that (unless granted a waiver

by the Commissioner of DAS), agencies shall make use of contracts which have been entered into by the Division when procuring services that are available under such contracts.

The State has a contract in place which allows approved State agencies to utilize certain credit cards for the purchase of fuel under very limited circumstances. Generally, the State requires that vehicles and equipment it owns, rents, or leases be fueled at State-owned fueling stations managed by the Department of Transportation. However, in limited circumstances when a State-owned fueling station is not available, or when a vehicle is used out of state, it benefits the State to make purchases by way of Fuel Cards. For example, the State receives benefits for prompt payment of Fuel Card invoices, which results in fuel cost savings in those limited circumstances where a State-owned station is not available for use.

Under the chapter of the Manual of Procedures proposed here, agencies seeking to utilize Fuel Cards must agree to comply with procedures to ensure that cards are only used when a State-owned fueling station is not available. Agencies must also agree to maintain the security of Fuel Cards. As further explained in proposed DAS MOP 1626 (attached hereto as Attachment A), DAS will at times issue guidance and instruction to agencies to assist them in better understanding their obligations regarding the use of Fuel Cards, and will also provide instruction on the use of these cards. Procedures for Fuel Cards include controls for handling and restricting Fuel Card usage, reporting and payment requirements, and requirements for reporting lost or stolen Fuel Cards.

DAS MOP Chapter 1626 provides agencies with a general introduction to the use and management of DAS-issued Fuel Cards. In order to assist agencies in dealing with matters pertaining to Fuel Cards, the Department has also created, and will make available, a "Fuel Card Users Manual" and will require that agencies utilize specific forms to request and manage Fuel Cards. Pursuant to MOP 2, I, I, upon approval of Chapter MOP 1626, this Fuel Card Manual and its related forms, explaining the administrative details of Fuel Card use and management, will be incorporated into the Manual of Procedures by reference. DAS would be authorized to supplement and adjust those incorporated documents in the future in order to address evolving circumstances and needs.

By approving this requested action, the Governor and Executive Council will authorize the inclusion of DAS MOP 1626 (Attachment A) in the DAS Manual of Procedures. Approval of DAS MOP 1626 would in turn make it clear that agencies are also required to abide by the Fuel Card Users Manual

issued by DAS, as well as its incorporated documents, as they may from time to time be amended.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Linda M. Hodgdon". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Linda M. Hodgdon  
Commissioner

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**EXPENDITURE CONTROLS****MOP 1626 Fuel Cards****I. Introduction**

- A. This chapter of the Department of Administrative Services (DAS) Manual of Procedures (MOP) describes the requirements applicable to State agencies when utilizing Fuel Cards authorized by the DAS Division of Plant and Property Management (DPPM). Sources other than this chapter of the Manual of Procedures, such as statutes applicable to particular agencies or particular types of purchases, as well as Executive Branch ethics laws and policies, may also apply. In addition to the documents described in this chapter, State employees utilizing State-authorized Fuel Cards must also comply with all internal agency policies related to their use.
- B. Generally, State policy requires that vehicles and equipment owned, rented, or leased by the State, including automobiles, trucks, special purpose vehicles, boats, aircraft and motorcycles, be fueled at State-owned stations managed by the New Hampshire Department of Transportation (NHDOT). Information on State-owned fueling stations, including billing and locations, is available on the NHDOT web page.

**II. Statewide Contract for Fuel Cards**

- A. DAS at times enters into statewide contracts to provide goods or services to executive branch agencies, and has done so to provide Fuel Cards for use by authorized State personnel under limited circumstances. This contract enables participating agencies to utilize a merchant payment card to purchase fuel under certain circumstances. Agency heads should carefully consider whether they wish to participate in this contract and request one or more Fuel Cards from the DAS DPPM. This chapter of the DAS MOP relates to how agencies obtain and manage Fuel Cards. Participating agencies must also comply with the State of New Hampshire (DAS) Fuel Card Users Manual, as discussed below.
- B. RSA 21-I: 17-c generally requires executive branch agencies to make use of statewide contracts entered into by the DPPM for more than one agency, unless a waiver is granted by the Commissioner of DAS. Accordingly, because DAS has entered into a multi-agency Fuel Card services contract, agencies may not enter into separate, individual agreements for merchant payment cards for the purchase of fuel unless the agency has obtained a waiver from the Commissioner of DAS allowing them to do so. In this regard, see section VI, D below. Agencies are not authorized to independently negotiate, or amend the terms of the DAS contract with the contractor or payment brand(s), and are not authorized to enter into separate agreements relating to Fuel Card acceptance without obtaining a waiver under RSA 21-I: 17-c. As a general matter, DAS

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Fuel Cards shall be the only cards authorized for the purchase of fuel. If an agency desires to make adjustments impacting on the DPPM agreement regarding these cards, it must contact the DAS Fuel Card Manager.

### III. DAS Fuel Card Users Manual and Related Documents

- A. For the protection of the State, it is important that agencies understand and adhere to the requirements associated with the use of Fuel Cards set forth in the State of New Hampshire (DAS) Fuel Card Users Manual and its various attachments. These materials are intended to assist in fostering an understanding of agency obligations at all levels when utilizing Fuel Cards, and to provide an accessible source of information regarding processes associated with the acceptance of Fuel Cards. As a general matter, the topics that one may find in this document include, but are not limited to, general requirements and information on Fuel Cards; general policy statements and policies relating to processing payments; and guidelines on monitoring the use and security of Fuel Cards. Agencies are encouraged to review these items in detail and to submit any questions to the DAS Fuel Card Manager at [fuelcards@nh.gov](mailto:fuelcards@nh.gov).
- B. The most recent version of the State of New Hampshire (DAS) Fuel Card Users Manual, including the most recent version of all forms and other attachments thereto, is incorporated into this Manual of Procedures by reference. The Fuel Card Users Manual and attachments may be found in the directory at:

<http://sunspot.nh.gov/DASManualProcedures/Incorporated.aspx>

Because the DAS Fuel Card Users Manual and its attachments may be updated or revised by DAS as circumstances require, agencies shall make certain that they utilize the most recent version of the Users Manual.

### IV. State Vehicle Fuel Use Policy

- A. It is the policy of the State of New Hampshire to utilize merchant Fuel Cards only in limited circumstances. The general policy is that vehicles owned, rented or leased by the State, including automobiles, trucks, special purpose vehicles, boats, aircraft and motorcycles, shall be fueled at State-owned stations throughout New Hampshire. The use of State-issued Fuel Cards is a limited exception to this policy.
- B. Fuel Cards may be used by an authorized State employee only when he or she is traveling on State business in a State owned or rented vehicle and:

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1. The employee is prevented from obtaining fuel at a State-owned fueling site due to an emergency or other unforeseeable or exceptional circumstance; or
  2. Commercial fuel for purchase at retail is the only fuel available for the use of the particular type of vehicle, or is the only fuel available for the vehicle or equipment when engaged in its normal functions (for example, when fuels for aircraft and for watercraft engaged in State operations are only available from a commercial fuel station); or
  3. The agency has obtained a waiver in order to use Fuel Cards under other special circumstances.
- C. Agency authority for purchases utilizing Fuel Cards is generally limited to \$500 per expenditure. In addition, agencies are prohibited from making sequential purchases of the same materials or items as a means to avoid the \$500 cap on field purchase orders (FPOs) and procurement cards set forth in RSA 21-I: 17-a, I. Agencies may, however, seek a variance from the limitation on sequential \$500 Fuel Card purchases when necessary. Waiver requests must be submitted by the agency head seeking the waiver to the Director of DPPM prior to any such sequential purchase. Waivers must be approved by the Director and the Commissioner of DAS.

### **V. Obtaining, Using and Managing Fuel Cards**

- A. Agencies shall follow the processes outlined below in Section VI, as well as the DAS Fuel Card Users Manual, in order to obtain a Fuel Card (or multiple Fuel Cards), and must complete the appropriate forms contained in the Users Manual in order to request Fuel Cards.
- B. State-issued Fuel Cards may only be used to refuel vehicles owned, rented, or leased by the State. Under no circumstances may a Fuel Card be used to refuel a personal vehicle.
- C. Agencies and employees must adhere to all procedures discussed in the Fuel Card Users Manual, including those related to issuance, management, security, recordkeeping and payment of charges incurred with Fuel Cards.

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### VI. Procedures for Agencies Utilizing Fuel Cards

#### A. Agency Fuel Card Administrator

All agencies requesting Fuel Cards must designate an Agency Fuel Card Administrator (FCA), who shall be responsible for managing all aspects of Fuel Cards for their agency, including but not limited to:

- Developing internal policies related to Fuel Card use in consultation with the agency head and the DAS Fuel Card Manager;
- Issuing cards and maintaining records of agency Fuel Card Users;
- Ensuring prompt payment of Fuel Card invoices;
- Monitoring Fuel Card use and reporting any issues that may arise to DAS;
- Reviewing and analyzing fuel use reports to improve efficiencies;
- Resolving disputed charges on Fuel Cards; and
- Any other related duties as prescribed by DAS and/or the specific agency.

#### B. Authorized Agency Fuel Card Users

Fuel Card Users must use the appropriate forms contained in the Users Manual to seek approval for the use of a Fuel Card, and must agree to abide by the provisions of the Fuel Card Users Manual and all other applicable statutes, rules and policies.

#### C. Fuel Card Payment Process

The Agency Fuel Card Administrator must follow the invoice review and payment process of NH First as described in MOP 2700 found at <http://sunspot.nh.gov/DASManualProcedures/index.asp>, and in the appropriate NH First user instructions at <http://sunspot.nh.gov/erp/index.asp>. The payment process will be paperless and invoices must be paid within the period specified in the Fuel Card vendor contract.

#### D. Relinquishing Current Fuel Cards

As discussed in II. B. above, agencies are not authorized to have their own separate fuel card agreements or use any fuel credit cards other than those issued through the DAS DPPM. Absent a waiver under RSA 21-I: 17-c, all State agencies must terminate any existing fuel credit card agreements effective immediately.

### VII. Other Sources and Information

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### A. Statutes:

RSA 21-I: 11, I (f) and II (Division and Plant and Property Management purchasing authority for services)

RSA 21-I: 17 (Additional Purchasing Authority)

RSA 21-I: 17-a (Delegation of Purchasing Authority)

RSA 21-I: 17-c (Contracts for Use by More Than One Agency)

### B. Rules:

1. Adm 600 Plant and Property Management Rules

[http://www.gencourt.state.nh.us/rules/state\\_agencies/adm600.html](http://www.gencourt.state.nh.us/rules/state_agencies/adm600.html)

### C. Website Information:

1. The Department of Administrative Services website:

<http://admin.state.nh.us/>

2. Department of Administrative Services Fleet Management intranet site:

[http://sunspot.nh.gov/fleet\\_management/index.asp](http://sunspot.nh.gov/fleet_management/index.asp)

3. Department of Transportation website:

<http://www.nh.gov/dot/>

4. As an additional resource for State agencies, State contracting materials, training and reference guides, and other resources are located on the State's "Sunspot" intranet website (<http://sunspot.nh.gov/>).

### D. DAS Manual of Procedures Provisions

See Manual index at: <http://sunspot.nh.gov/DASManualProcedures/index.asp>  
and incorporated documents index at:

<http://sunspot.nh.gov/DASManualProcedures/Incorporated.aspx>

1. MOP 1600 – Purchasing Requirements
2. MOP 2100 – Identification of State Vehicles

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### 3. MOP 2700 – NH FIRST Implementation, Utilization and Policies

#### E. Other

1. DAS Fuel Card Services, which can provide hard copies of Fuel Card materials and answer questions relating to the use of such cards may be contacted at:

DAS Fuel Card Services  
Fixed and Mobile Assets  
Department of Administrative Services - State House Annex  
25 Capitol Street  
Concord, NH 03301

Telephone: (603) 271-7411

E-mail: [fuelcards@nh.gov](mailto:fuelcards@nh.gov)

2. NH FIRST User Instructions:

<http://sunspot.nh.gov/erp/CourseMaterials.asp>