

POLICY: **FLEET FUELING**
EFFECTIVE DATE: **08/03/21**
SUPERSEDES: **NA**
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POLICY

It is the policy of the District to utilize a fleet fueling program for the purchase of fuel for apparatus, vehicles, and equipment such as generators, lawn mowers, chainsaws, etc.

PURPOSE

The purpose of this Policy and a fleet fueling program is to streamline, simplify, and control the purchasing and payment process for purchasing fuel and other apparatus-related purchases, including the exemption from paying federal fuel excise taxes.

SCOPE

This Policy is not intended to replace, but rather supplement existing purchasing, travel, reimbursement, and other District policies and the Fleet Fuel Program shall not be used to circumvent existing policies.

Only allowed fleet fuel purchases are covered by this Policy.

DEFINITIONS

Allowed Fleet Fuel Purchases—Purchases shall be for goods and/or services necessary for official District business, examples include:

- Apparatus-related services, repairs, and maintenance;
- Apparatus-related supplies, equipment, and parts; and
- Gasoline, oil, and diesel fuel for apparatus or fuel-powered equipment, e.g., generators, lawn mowers, chainsaws, etc.

Prohibited Fleet Fuel Purchases—Purchases shall not be for:

- Fuel and oil for personally owned, personally leased, or personally rented vehicles;
- Personal expenditures, including food and non-apparatus-related supplies used for District purposes (seek reimbursement instead);
- Cash refunds or advances;
- Sales tax; or
- Purchase of alcohol or tobacco products.

Issuing Company —The company selected by the District to provide the Fleet Fuel Program—typically the same company selected by the State of Missouri.

Fleet Fuel Card—A commercial credit card for allowed fleet fuel purchases necessary for official District business.

Fleet Fuel Program Users —Individuals designated by the District Manager and Fire Chief to be authorized to make allowed Fleet Fuel Program purchases under this Policy.

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RESPONSIBILITIES

It shall be the responsibility of the **District Manager** and **Fire Chief** to provide the names of Fleet Fuel Program Users to the Treasurer.

It shall be the responsibility of the **Treasurer** to:

- Serve as the primary contact with the Issuing Company for Fleet Fuel Cards, especially after report of a “declined” transaction or lost or stolen Fleet Fuel Card;
- Add, change, cancel, or suspend Fleet Fuel Cards as necessary, e.g., unit name changes, new or disposed apparatus, compromised Fleet Fuel Card, etc.;
- Add, change, cancel, or suspend Fleet Fuel Program Users as necessary, e.g., name changes, new or terminated employees, compromised Fleet Fuel user personal identification numbers, etc.;
- Ensure each Fleet Fuel Program user reads and signs a ***Fleet Fuel Program User Agreement Form 886-1*** prior to being added as a Fleet Fuel Program User;
- Provide the Issuing Company evidence of state sales tax and federal excise tax exemptions;
- Review purchase substantiation for compliance with this Policy;
- Reconcile Fleet Fuel Program statements and submit reconciliations to the District President for verification;
- Record and account for Fleet Fuel Program transactions within the District’s Accounting System; and
- Report to the Board all suspected violations of this Policy.

It shall be the responsibility of the **District President** to:

- Verify Fleet Fuel Program statement reconciliations by the Treasurer; and
- Temporarily assume the responsibilities of the Treasurer in the event of a Treasurer vacancy.

It shall be the responsibility of each **Fleet Fuel Program User** to:

- Keep the Fleet Fuel Program Card secure;

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- Ensure purchases are made in compliance with this Policy (purchases not in compliance with this Policy could be considered misappropriation of District funds, e.g., purchase of prohibited items) and any Standard Operating Procedure or Guideline regarding logging, turning in receipts, etc.;
- Provide merchants with evidence of sales and use tax exemption;
- Assume personal responsibility for any purchases made through the Fleet Fuel Program that are not in compliance with this Policy, e.g., sales tax, missing receipts, purchase of prohibited items, etc.;
- Substantiate purchases made through the Fleet Fuel Program with adequate source documentation and if substantiation is lost, obtain a copy on their own time and expense from the merchant or Issuing Company;
- Immediately notify the Treasurer if a merchant receives a “decline” response from the Issuing Company after attempting to initiate a Fleet Fuel Program transaction; providing the Treasurer with following information:
 - Merchant where decline occurred;
 - Total transaction amount of the decline; and
 - Date the decline occurred;
- Immediately report a lost or stolen Fleet Fuel Program Card;
- Make every reasonable effort to resolve merchant disputes;
- Immediately report all unresolved merchant disputes to the Treasurer; and
- Return any Fleet Fuel Program Cards to the Treasurer upon cancellation or revocation, loss of office, transfer, resignation, or termination of employment

PRACTICES

Adding and Updating Fleet Fuel Program Users

To add new users to the Fleet Fuel Program, the District Manager or the Fire Chief shall complete the **Add Fleet Fuel Program User Form #886-2** and provide the Form to the Treasurer.

The **Treasurer** is authorized to sign **Fleet Fuel Program User Agreement Form 886-1** on behalf of the District for each authorized Fleet Fuel Program User.

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To update existing users or to remove existing users from the Fleet Fuel Program, the District Manager or the Fire Chief shall complete the ***Update Fleet Fuel Program User Form #886-3*** and provide the completed Form to the Treasurer.

The Treasurer shall access the online Fleet Fueling Program application to add new, update existing, or remove existing users from the Fleet Fuel Program using ***Add Fleet Fuel Program User Form #886-2*** or ***Update Fleet Fuel Program User Form #886-3*** provided to the Treasurer by the District Manager or Fire Chief.

Fleet Fueling Program users shall keep their user information up to date by notifying the District Manager or Fire Chief of changes, e.g., name change.

Documentation

To meet the spirit of Generally Accepted Accounting Principles (GAAP), all Fleet Fuel Program purchases must be substantiated with adequate source documentation such as receipts and this substantiation must include information relating to:

- The amount of the purchase;
- The time and place of the purchase;
- Itemized description of the purchase;
- If necessary, the business purpose of the purchase; and
- The name and address of the merchant.

Substantiation of credit is needed from the merchant when merchandise purchased through the Fleet Fuel Program is later returned to the merchant for any reason.

Fleet Fuel Program purchase substantiation should not be marked or highlighted unless the marking or highlighting is critical to legitimize the substantiation, e.g., adding a tip or adding the name of the business if its not printed; or clarifies details.

Fleet Fuel Program Users will assume personal responsibility for any purchases made through the Fleet Fuel Program that does not have sufficient substantiation. Fleet Fuel Program Users may complete ***Missing Receipt Affidavit Form 886-5*** for purchases without substantiation; however, habitual use of this affidavit instead of submitting actual receipts may result in suspension or termination of Fleet Fuel Program Card privileges.

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Security

Fleet Fuel Program Users should treat a Fleet Fuel Program Card with the same level of care as Fleet Fuel Program Users would use with their own personal credit or debit cards.

Lost or stolen Fleet Fuel Program Cards should be immediately reported via telephone to the Issuing Company and the Treasurer and in writing to the Treasurer via the ***Lost/Stolen Card Report Form #886-4***.

A Fleet Fuel Program User may be responsible for all charges made against the Fleet Fuel Program Card from the time it is lost or stolen until the time the Issuing Company is notified, especially if the Fleet Fuel Program User fails to immediately notify the Issuing Company upon discovering the loss or fails to discover the loss within a reasonable amount of time.

“Declined” Fleet Fuel Program Card transactions should be treated as a potential indication of fraudulent use of one or more Fleet Fuel Program Cards, i.e., one or more Fleet Fuel Program Cards may have been used to “run up” the account with fraudulent charges or the Issuing Company has detected purchase patterns that could indicate fraudulent charges.

Returned Merchandise

When merchandise purchased with a Fleet Fuel Program Card is later returned to the merchant, the merchant should credit the same Fleet Fuel Program Card that was used to originally purchase the merchandise; however, if a merchant insists on providing the credit in some other form, e.g., cash, store credit, gift card, exchange, etc., the Fleet Fuel Program User should immediately notify the Treasurer to ensure the credit is acceptable and properly handled and documented.

Reconciliation

The Treasurer shall cause a monthly Fleet Fuel Program statement for each Fleet Fuel Program Card to be made available or mailed to the District address every month.

The Treasurer shall immediately open mailed Fleet Fuel Program statements and begin reconciliation without delay.

The Treasurer shall reconcile each Fleet Fuel Program statement by the tenth (10th) day of each month (the accounting software automatically includes the reconciliation date on the reports).

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Items that appear on a Fleet Fuel Program statement, e.g. service charge, late payment fee, finance charge, etc., but have not been entered, must be entered before reconciliation (additional substantiation is unnecessary for these items beyond the Fleet Fuel Program statement).

During reconciliation, the Treasurer will analyze Fleet Fuel Reports and transactions for information, patterns, or trends that suggest theft, fraud, or forgery.

After reconciliation, the Treasurer shall distribute via the District's internet website, each Fleet Fuel Program statement and summary and detailed reconciliation report; however, before distribution and posting of each Fleet Fuel Program statement, the Treasurer shall redact the following information:

- Fleet Fuel Program account numbers;
- Merchant account numbers; and
- Any other information that could be used to perpetrate theft, fraud, or forgery.

The Treasurer shall file each original Fleet Fuel Program statement and summary and detailed reconciliation report for audit.

The District President verifies Fleet Fuel Program statement reconciliations by reviewing Fleet Fuel Program statements for the following:

- The presence of only allowable purchases;
- The presence of Fleet Fuel Program statements and the accounting software summary and detailed reconciliation reports and the absence of fraudulent alterations to the statements and reports; and
- The "cleared balance" or equivalent on the accounting software summary and detailed reconciliation reports matches the "Current Balance as of Statement Date" or equivalent on the Fleet Fuel Program statement.

If a discrepancy is found during verification, the District President shall immediately bring the discrepancy to the attention of the Treasurer for an explanation and if the Treasurer cannot satisfactorily explain the discrepancy, the District President shall seek the advice of the District's Auditor and if necessary, the District's Attorney.

To document verification of Fleet Fuel Program statement reconciliation, the District President shall complete an **Account Reconciliation Verification Form #860-1** and file the form for audit.

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Because the District President verifies Fleet Fuel Program statement reconciliations, the District President should limit his or her purchases through the Fleet Fuel Program whenever possible.

Disputed Items

Disputes, if possible, should be immediately resolved between the Fleet Fuel Program User and the merchant because failure to resolve disputed items could result in the Fleet Fuel Program User being responsible for paying the disputed amount, even though the charge is incorrect (federal laws and regulations protect the merchant and Issuing Company from untimely disputes).

If a Fleet Fuel Program User is unable to promptly resolve the dispute, the Fleet Fuel Program User should submit a ***Fleet Fuel Program Dispute Form 884-3*** to the Treasurer so that the Treasurer can follow the Issuing Company's dispute process to resolve the dispute.

Unresolved disputes with the Issuing Company shall be reported by the Treasurer to the Board.

Fleet Fuel Program User Suspension, Revocation, or Cancellation

The Fleet Fuel Program User's use of the Fleet Fuel Program is at the District's discretion and may be suspended or revoked at any time. Loss of office, transfer, resignation, or termination of employment will be grounds for discontinuing use of the Fleet Fuel Program.

Fleet Fuel Program User authorization should be cancelled immediately upon a Fleet Fuel Program User's loss of office, transfer, resignation, or termination of employment; however, the Fleet Fuel Program User is still responsible for any prohibited Fleet Fuel Program purchases incurred between the official's loss of office or employee's termination date and the date the authorization ceases. The Treasurer could be responsible for payment of prohibited Fleet Fuel Program purchases incurred by a former official or employee in the event of an unreasonable delay in removing privileges were the result of the Treasurer's inactions.

RELATED POLICIES

Purchasing 824
Reimbursements 830
Bank Account Reconciliation 860
Purchase Card 884
Travel 890
Financial Reporting 896

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REVISION HISTORY

Revision Date	Author	Revision Details
August 3, 2021	Monte Olsen	Initial version