

DATE: June 7, 2005

SUBJECT: New Fleet Card Policy

TO: District Executives

FROM: Gary L. Hoffman, P.E. /s/ *M G Patel*
Deputy Secretary for Highway Administration

This letter is to inform you of a change with the Voyager Fleet Card and to establish a new Department policy regarding fuel cards.

Voyager Fleet Systems, Inc. is now able to deduct all taxes from all retail fuel transactions for which we use their card, including the Federal tax on diesel fuel.

Currently the total taxes that should be deducted are as follows:

State Tax on Gas = \$0.300/gal
Fed Tax on Gas = \$0.184/gal
TOTAL EXEMPT = \$0.484/gal
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State Tax on Dsl = \$0.364/gal
Fed Tax on Dsl = \$0.244/gal
TOTAL EXEMPT = \$0.608/gal

Monthly Voyager statements should always be checked to ensure that all taxes are being deducted.

During recent audits of the fuel card program, auditors expressed concern that we were using several different fuel card companies for our retail fuel operation. They felt that control of the program was reduced, and fueling data accuracy was compromised by using multiple cards. This practice was pursued as a cost savings initiative due to the ability of some retail card companies to deduct all taxes, including the Federal Tax on diesel fuel.

The Voyager card is currently used to access fuel at all of the Department's 55 automated fuel facilities and is also issued to all drivers to purchase retail gasoline. The Voyager card is accepted at nearly all retail fuel stations in Pennsylvania and the rest of the country. The other card companies we currently use to save tax money are accepted in certain regions of the state but do not have the advantage of statewide acceptance as the Voyager card does. Voyager is able to provide the Department all of its fueling data electronically for easy, accurate, and prompt input to the computer based fleet maintenance system. Not all of the other card companies have that capability. This requires counties using other card companies to manually input their retail fuel transactions.

We have been working for some time to unify our retail program by using just one fleet card. Due to the reasons noted in the previous paragraph, the Voyager card clearly was the logical choice. The only problem had been the tax issue. That issue has now been resolved.

Therefore, effective immediately, the Voyager fleet card is now the official PennDOT fleet card. The Voyager card shall be the only card used to fuel Department equipment at both DOT and retail fuel facilities.

All Districts and Counties shall be given 90 days to eliminate all other fuel card company cards and order replacement Voyager cards as needed.

Please contact Mark Reigle from the Equipment Division at 717-783-6108 if you have any questions regarding this matter.

4610/MPR/dmw 7-9690

cc: Rina Cutler, Deputy Secretary for Administration
M.G. Patel, P.E., Chief Engineer, Highway Administration
Anthony McCloskey, P.E., Special Assistant to Chief Engineer
Bureau Directors, Highway Administration
Eric Madden, Director, Policy Office
Timothy Guss, Comptroller, Comptroller's Office
Assistant District Executives-Maintenance, All Engineering Districts
District Equipment Managers, All Engineering Districts
County Equipment Managers, All Maintenance Districts
Raymond Rugh, Chief, Equipment Division
Section Managers, Equipment Division
Mark Reigle, Roadway Programs Manager, Equipment Division
Patricia Gambone, Roadway Programs Technician 2, Equipment Division