

	Montana Operations Manual Policy	Category	Procurement/ Surplus Property
		Effective Date	10/01/2012
		Last Revised	09/18/2012
Issuing Authority	Department of Administration General Services Division		
Bulk Fuel Policy			

I. Purpose

This policy establishes the requirements for managing and using bulk fuel tanks for State business.

II. Scope

The policy applies to Executive Branch agencies operating bulk fuel tanks.

III. Policy Procedures / Requirements / Responsibilities

A. Agencies must:

1. Use bulk fuel contracts in accordance with 18-4-304 and 18-4-305, MCA.
2. Establish procedures to manage bulk tanks by assigning the following responsibilities:
 - a. Maintain a monthly transaction log for each bulk tank. The transaction log must identify the bulk tank user and date and amount of the transaction. If the bulk tank has a fuel card device, the monthly transaction statement may be used in place of a transaction log;
 - b. Compare the fuel gauge of the bulk tank against the monthly transaction log; and
 - c. Supervisory review and approval of all bulk tank transaction logs on a monthly basis and provide the approved log to appropriate agency staff.
3. Apply physical controls over bulk fuel tanks. Physical controls may include:
 - a. Installing gates or fencing to limit access;
 - b. Turning off bulk tank circuit breakers during nonworking hours and, if possible, between tank transactions;
 - c. Adding and regularly rotating padlocks to tank nozzles;
 - d. Installing a dispensing meter on bulk tanks; and

- e. Reconciling vehicle logbooks against bulk tank transaction logs.

IV. Requests for Exceptions

The agency's designated procurement representative may submit a request for an exception to any part of this policy to the Department of Administration's (DOA) State Procurement Bureau. The State Procurement Bureau will determine whether to grant an exception based on the following criteria:

- The policy has created an undue hardship on the agency;
- The circumstances are non-traditional and require unique accommodation; or
- The exception will not compromise internal controls.

V. Violations

Each agency is responsible for policy enforcement and will investigate all alleged violations and complaints. Agencies will take appropriate disciplinary action including but not limited to, cancellation of the employee's bulk tank use privileges, termination, and possible criminal charges.

VI. Definitions

- A. Dispensing Meter:** A device to measure total volume of fuel dispensed.
- B. Fuel Card Device:** An electronic device allowing the fuel card to unlock a bulk fuel tank and track fuel transactions.
- C. Physical Controls:** Specific measures to control the access to bulk tanks.
- D. Procurement Representative:** Agency representative listed designated in the delegation agreement with the State Procurement Bureau.
- E. Transaction Log:** A log to manually document bulk tank transactions.
- F. Transaction Statement:** A record of fuel card transactions.

VII. References

The following laws contain provisions relevant to fuel purchasing cards. This list is not exhaustive; other policies may apply.

- 18-4-304, MCA: Competitive Sealed Bids
- 18-4-305, MCA: Small Purchases and Limited Solicitations
- 2-17-414, MCA: State vehicles use of ethanol-blended gasoline – definition
- 2-17-425, MCA: Limit on use of state vehicle to commute to worksite – definitions
- Title 18, Chapter 4, MCA: Montana Procurement Act

VIII. Closing

For questions about this policy, contact the State Procurement Bureau at:

Department of Administration
State Procurement Bureau
P.O. Box 200135
125 N. Roberts Street, Mitchell Building, Room 165
Helena, MT 59620-0135

Rick Dorvall, Program Manager
(406) 444-3366
rickdorvall@mt.gov